

Interim City Manager
John K. Handeland

Port Director
Joy Baker

Harbormaster
Lucas Stotts



Nome Port Commission
Jim West, Jr., Chairman
Charlie Lean, Vice Chairman
Derek McLarty
Shane Smithhisler
Scot Henderson
Russell Rowe
Gay Sheffield

102 Division St. • P.O. Box 281
Nome, Alaska 99762
(907) 443-6619
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**NOME PORT COMMISSION
REGULAR MEETING AGENDA
THURSDAY, NOVEMBER 15, 2018 @ 6:30 PM
COUNCIL CHAMBERS IN CITY HALL
*REVISED***

REGULAR MEETING – 6:30PM:

- I. ROLL CALL**
- II. APPROVAL OF AGENDA**
- III. APPROVAL OF MINUTES**
 - 18-09-20 Regular Meeting
- IV. CITIZEN’S COMMENTS**
- V. COMMUNICATIONS**
 - 18-10-17 EDA to City on Concrete Ramp Repair Grant Proposal Review
 - 18-10-17 City to EDA Response on Grant Proposal Review
 - 18-10-20 AK Senator calls for system of US Arctic Ports – Arctic Today
 - 18-11-01 Is the Arctic to become a main shipping route – BBC News
 - 18-11-02 Report to Congress on Changes in the Arctic – USNI News
 - 18-11-02 Corps to City re: quarterly study cost-share status
- VI. HARBORMASTER REPORT**
 - Update on Operations, Planning, Repair & Maintenance
- VII. PORT DIRECTOR REPORT/PROJECTS UPDATE**
 - 18-11-12 Port Director/Projects Status Report
 - Federal Highways NSFLTP Notice of Funding Opportunity
 - F19 Port & Harbor Operation Budget (31 Oct 2018)
 - F19 Port & Harbor Capital Budget (31 Oct 2018)
- VIII. OLD BUSINESS**
 - Port & Harbor Project Prioritization Spreadsheet @ 10.15.18
- IX. NEW BUSINESS**
 - Parlow & Associated – Arctic Shipping Consultancy Proposal
- X. CITIZEN’S COMMENTS**
- XI. COMMISSIONER COMMENTS**
- XII. NEXT REGULAR MEETING**
 - December 20, 2018 - 5:30 pm
- XIII. ADJOURNMENT**

**MINUTES
NOME PORT COMMISSION
REGULAR MEETING
September 20th, 2018**

The Regular Meeting of the Nome Port Commission was called to order at 6:39pm by Chairman West in Council Chambers at City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Lean; West; Henderson (telephonically); Rowe; Sheffield, (telephonically); McLarty;

Absent: Smithhisler (excused);

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

In the audience: Sandra Medearis, Arctic News; Emily Hofstaedter, KNOM; Julie Liew, Finance Director; David Arzt, Alaska Marine Pilots; Randy Harper, port user; Nora Burns, Mayor of Kaktovik (telephonically);

APPROVAL OF AGENDA

Chairman West asked for a motion to approve the agenda:

Motion was made by Lean to amend the agenda with the placement of a letter from John Keeley with Phoenix Marine for consideration under New Business, seconded by Rowe.

At the Roll Call:

Ayes: Henderson, Rowe, Sheffield, McLarty, Smithhisler

Nays:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

August 16, 2018 Motion was made by Rowe, seconded by McLarty to approve the minutes:
Regular Meeting

At the Roll Call:

Ayes: Henderson, Rowe, Sheffield, McLarty

Nays:

Abstain: West, Lean

The motion **CARRIED**.

CITIZENS' COMMENTS

David Arzt, with Alaska Marine Pilots spoke about his experience with pilot work at Nome and AMP's support of the port expansion and assisting with the Corps study for proposed navigation simulations.

COMMUNICATIONS

- 18-07-03 Northern Sea Route is Alive & Well – High North News

- 18-08-22 World's Largest Shipping Company Heads into Arctic - NPR
- 18-09-06 Venta Maersk Container Ship AIS Shot (Near Nome)
- 18-09-14 SNC Letter of Support for Nome Port-WRDA 2018 language

Discussion: None

CITY MANAGER'S REPORT (18-09-10 Report)

There was nothing specific to the Port – therefore no comments.

HARBORMASTER'S REPORT (Verbal)

HM Stotts provided a brief update on vessel traffic, with additional information regarding the scheduled installation of the deadman anchor at the barge ramp. Pending traffic and crew availability, this should happen near the end of the month. Data reports are being successfully received by CDIP technicians and a buoy retrieval schedule is being planned for removal in early-mid October.

Discussion:

(Complications with audio prevented any capture of discussion/questions.)

PORT DIRECTOR REPORT (Projects Update) (18-09-17 Report)

PD Baker updated a few items contained in her report; the Corps ship simulation scheduled for mid-Nov has been postponed to Feb/Mar of 2019 and the final survey on the Cape project has been submitted to PND for review. Upon concurrence that the survey shows the design intent has been met, the project will be deemed complete and grant closeout procedures will commence immediately.

Discussion:

West asked if a copy of the survey could be provided – PD Baker indicated it will be at the October meeting.

WRDA 2018 – S. 3021 Excerpt

PD Baker read the section to the group that highlighted Nome's expansion project being listed as one of the Corps' projects that would be expedited into the preconstruction, engineering, design (PED) phase, once the Secretary of the Army determines that the project is justified in a report.

F14-F18 Port Budget Tariff Comparison

PD Baker advised the group that this multi-year report is being delivered as promised, showing "unaudited" F18 figures that are still changing to some degree as all entries have not been made. Once the audit is complete (late Oct), final numbers will be available and brought back to the Commission

Discussion:

Finance Director Liew echoed that it is preliminary as final entries are still being made. West asked if the Port had paid off the City for the 18 acre Thornbush property had been purchased – yes. Julie reiterated that some additional expenses needed to be transferred for the Port's cost-share of project costs, so the surplus showing will ultimately be reduced by another \$141K +/- . Further discussion occurred regarding the debt service (NOAA bonds @ \$300K +/-) and fluctuation in labor costs, which is based on number of staff and how many finance staff hours are attributed to the port each year.

A brief discussion occurred regarding the burial depth of the deadman anchor and whether the connection would be above ground or recessed below the surface. HM Stotts responded that link would be recessed.

OLD BUSINESS - None

NEW BUSINESS

Consideration to establish tariff rate for construction debris

PD Baker explained the purpose for the agenda item was to bring attention to a recent decision by the City Administration to no longer accept construction debris from communities outside of Nome. However, there were complaints that most communities were unaware of this new rule and were only discovering it after shipping debris to Nome by barge. Additionally, other communities were actually successfully getting their debris disposed of in the monofill as they were working with local Nome contractors who were picking up at the dock and delivering to the monofill. PD Baker asked the City Manager to reconsider this decision as it conflicted with Nome's intent to be the regional shipping hub, and perhaps efforts to expand the monofill through a grant funded project is the solution. It was decided to bring this to the Commission for input and consideration on a specific tariff rate for that material.

Discussion:

West stated expansion of the monofill would be the call of the City. Rowe added, that it sounded like it is inevitable that the monofill is going to need to be expanded regardless if we were to accept regional waste or not. If the Port can have influence or not, and we can expand it for accepting the regional debris, then I would be all for it, rather than it going somewhere else as there are local entities that benefit from it. Lean stated he agreed, and although I don't know what the costs are, or if it's conceivable if a large private entity outside City limits could decide to open a monofill, but I'd feel better if a government entity was the monitor of pollution standards. Also, one of the points of our sales job on this port expansion is to keep the Arctic clean, and if we can't even handle our own local issues, then we lack credibility. I suggest the City come up with a higher rate and a location to accept this debris.

Motion:

The following motion was moved by Lean and seconded by McLarty:

Request Common Council give strong consideration to the idea of expansion or further development of a commercial construction debris waste facility for disposal of local and regional materials.

At the Roll Call:

Ayes: Henderson, Rowe, Sheffield, McLarty, Lean, West

Nays:

Abstain:

The motion **CARRIED**.

John Keeley w/Phoenix Marine – request to winter in Jack-up rig inside inner harbor.

Discussion:

Mr. Keeley verbally stated his request to winter his vessel inside the harbor, with the commitment to elevate the platform to a specific height off the ice and distance from the dock that is deemed satisfactory to the Port Commission and Administration. Discussion ensued about the precise location of the barge to be located in the south east corner of the harbor, adjacent to the gravel ramp, with minimal equipment aboard the platform. Power packs will remain to control the hydraulics necessary to jack-up the platform, but the units use the environmentally friendly biodegradable oil.

Motion:

The following motion was moved by McLarty and seconded by Rowe:

Recommend authorization be given to Phoenix Marine to overwinter one jack-up platform barge in the southeast corner of the Small Boat Harbor, with specific height of platform and distance from the dock to be determined by port staff at the time of vessel placement, with required liability coverage in place.

At the Roll Call:

Ayes: Rowe, Sheffield, McLarty, Lean, West, Henderson

Nays:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

Randy Harper expressed his support for Nome to accept regional construction debris from the smaller communities, even though there is clearly a cost to expanding these facilities.

COMMISSIONERS' COMMENTS

C. Sheffield – can we get a copy of the Port Strategic Development Plan electronically, and is the Arctic Consultancy something we wish to consider, should we offer the proposal out to others? Also, she heard from the National Weather Service and we are going into the fall with ocean temps that are warmer than last year's ocean temps.

C. Henderson - None

C. Rowe – appreciate Mr. Harper's comments on the monofill. He thinks the purpose of the Port Commission is to work on Port issues but recommends he provide his thoughts at the Council meetings when this is presented.

C. McLarty – Port looks good this season.

C. Lean – None

C. West - None

SCHEDULE OF NEXT MEETING

The next meeting is SCHEDULED to October 18, 2018

ADJOURNMENT

Motion was made by McLarty and seconded by Rowe for adjournment – 8:24 PM.

APPROVED and **SIGNED** this 18th day of October 2018.

Jim West, Chairman

ATTEST:

Joy Baker, Port Director



U. S. DEPARTMENT OF COMMERCE
Economic Development Administration
915 Second Avenue, Room 1890
Seattle, WA 98174
Fax: 206.220.7669
Voice: 206.220.7660

October 17, 2018

In reply refer to:
EDA Control No. 112833

Mr. Thomas Moran
City Manager
City of Nome
102 Division Street
P. O. Box 281
Nome, AK 99762-0281

Dear Mr. Moran:

The U.S. Economic Development Administration's (EDA) Seattle Regional Office has received and conducted an initial review of your proposal for investment assistance to support the "Nome Inner Harbor Launch Ramp Repair" project. Based upon an initial technical review, the Proposal Review Committee (PRC) has determined that your proposal meets the minimum eligibility criteria outlined in the Notice of Funding Opportunity (NOFO) and is worthy of additional consideration for competition and merit.

If you still wish to be considered for the possible award of EDA funding, please must submit a complete application for your proposed project no later than December 14, 2018. The requirements for the content and form of a complete application submission are found in the *FY 2018 Economic Development Assistance Programs Notice of Funding Opportunity* (EDA NOFO), and can also be found on EDA's website at <http://www.eda.gov/funding-opportunities/>.

Please be aware that EDA receives many more applications than it can fund. **This request to submit a complete application in no way guarantees that EDA will select and approve your application or select your project for an award.**

Upon receipt of this letter, please contact Shirley Kelly, Economic Development Representative for Alaska at (907) 271-2272 or skelly2@eda.gov to discuss and assist you in the development of a complete application.

Thank you for your interest in EDA. For more information about our programs and other upcoming funding opportunities, please consult our website at www.eda.gov.

Sincerely,

A handwritten signature in blue ink, reading "Kerstin Millius", with a stylized flourish at the end.

Kerstin Millius
Area Director, Seattle Regional Office

Copy: Shalini Bansal, Project Officer



October 17, 2018

Ms. Kerstin Millius
Area Director, Seattle Regional Office
U.S. DEPARTMENT OF COMMERCE
Economic Development Administration
915 Second Ave., Room 1890
Seattle, WA 98174

VIA E-MAIL

REF: EDA Control No. 112833

Dear Ms. Millius,

Your letter of this date to the City of Nome was a most pleasant arrival. We strongly believe in our project, and were pleased the PRC determined our proposal responsive. Thank you for determining the project can proceed to the formal application submittal phase. This is an opportunity to which we will most definitely avail ourselves.

Please note that Mr. Moran's last day with the City coincides with your letter receipt. For an interim period while recruitment is underway to identify a replacement, I have been appointed by the City Council to serve as Interim City Manager. My e-mail is: jhandeland@nomealaska.org; other contact information is the same as it was for Mr. Moran.

Joy Baker, Port Director, was responsible for developing the proposal and will again coordinate the complete application submission. Ms. Baker has worked with Ms. Kelly in the past and will promptly make contact as you instruct. The offer of assistance in the final development is greatly appreciated.

Thank you again!

Sincerely,

CITY OF NOME



John K. Handeland
City Manager (Interim)

cc: Nome Common Council
Port Commission
Port Director Baker

Alaska senator calls for a system of U.S. Arctic ports

At the Arctic Circle Assembly in Iceland, Alaska Sen. Lisa Murkowski called the lack of U.S. deep-water ports in the Arctic "simply not acceptable"

By **Melody Schreiber** - October 20, 2018



Nome is one of several Alaska ports that could become the United States' Arctic port — or part of a larger network of such ports. (City of Nome)

Alaskans have long argued that the state needs an Arctic port.

But maybe just one isn't enough.

That was the message from Alaska Senator Lisa Murkowski, who was among the international leaders to address the opening day of the Arctic Circle Assembly this week in Reykjavik.

"We don't need just one Arctic port in Alaska," she said. "We need a system of ports."

She pointed out that Alaska has 33,000 miles of coastline. "That's a lot of room for ports," she said.

Dutch Harbor is the U.S. deep-water port nearest the Arctic Ocean — but it lies some 1,000 miles south of the Arctic Circle.

“The fact that north of Dutch Harbor, we really don’t have a port, is simply not acceptable,” Murkowski said.

Although small harbors — such as Nome — do exist farther north, they are not deep enough to accommodate larger vessels.

“These need to be national priorities,” Murkowski said. “These cannot be an Alaska-specific earmark or ask.”

Most Americans, she said, “would be shocked to know that we simply do not have an Arctic port. We don’t have anything above the Arctic Circle.”

“Sometimes it feels like perhaps, just perhaps, the United States as a nation is not being as aggressive as we would like to be with the Arctic,” she said in a plenary address.

Planning for a system with multiple ports before even one deepwater port exists might not be as far-fetched as it sounds.

Last year, even as federal plans on a U.S. Arctic port stalled, several communities around the state — including Nome and Dutch Harbor, but also Port Clarence and St. Paul — [moved forward with efforts to push for infrastructure projects](#).

Murkowski emphasized the importance of educating Americans on the U.S. Arctic presence — why it’s necessary for commerce, [national security](#), search and rescue, and more.

Having [accurate maps](#) is another important part of expanding Arctic maritime activities, Murkowski said. “We have so much work to do when it comes to ensuring that we have accurate mapping and charting”

One challenge to expanding Alaska’s infrastructure is attracting attention from the rest of the country. “For shipping — how do you make that real to the person in Iowa?” Murkowski asked.

But the alternative is to instead receive the attention that comes only in the wake of catastrophe.

"I don't want to have a vessel go on the rocks because we have not adequately charted in a region," Murkowski said. "I want to make sure the eyes of the country are focused on the Arctic — as a plus, and a positive component to what makes us a great nation."

Is the Arctic set to become a main shipping route?

By Jessica Murphy
BBC News, Toronto

1 November 2018



ANNIKA OGILVIE, FEDNAV

Climate change is increasingly opening up the Northwest Passage, an Arctic sea route north of the Canadian mainland.

Could it herald an era of more cargo shipping around the top of the world?

Back in the 19th Century there was a race to map and navigate the Northwest Passage through the Arctic Ocean as a shortcut between the North Atlantic and North Pacific.

Explorers would take ships up Greenland's west coast, then try to weave through Canada's Arctic islands, before going down the Bering Strait between Alaska and Russia.

The problem was that even in the summer the route was mostly blocked by impenetrable ice. On one of the best-known expeditions - that of the UK's Sir John Franklin in 1845 - all 129 crew members perished after their two vessels got stuck.

Today, more than 170 years later, a warming Arctic means that the route is increasingly accessible for a few months each summer.

The Northwest Passage

Global warming could make the sea route commercially viable



And according to some estimates, Arctic ice is retreating to the extent that **the Northwest Passage could become an economically viable shipping route.**

For shipping firms transporting goods from China or Japan to Europe or the east coast of the US, the passage would cut thousands of miles off journeys that currently go via the Panama or Suez canals.

The Canadian government is certainly hopeful that this will be the case.

Late last month the country's trade minister Jim Carr said that the route **"will in a matter of a generation, probably be available year round"**.

At the moment it is still a risky business though, with ice remaining a serious problem.

But in 2014 the Nunavik became **the first cargo ship to traverse the passage unescorted** when it delivered nickel from the Canadian province of Quebec to China.



Tim Keane, manager of Arctic operations for the ship's owner, Canadian maritime transport firm Fednav, was on board the Nunavik for the journey.

He says that the trip was pleasantly "boring" - the ship didn't have to spend days struggling through ice.

Instead it did the journey from Quebec to China in 26 days, more than two weeks less than the 41-day return via the Panama Canal.

"From a distance point of view it makes tremendous sense to use the Northwest Passage when it's available to you," he says.

While Fednav doesn't have immediate plans to use the route again, it remains a possibility depending on the cargo's destination, and the time of year.

A year prior to the Nunavik's journey, another large vessel - the Nordic Orion - **became the first cargo ship to go through the passage**, albeit led by a Canadian coastguard icebreaker.

Owner, Danish company Nordic Bulk Carriers, said afterwards that "we hope and expect to do it" again.



At the moment the number of ships going through the passage is low, but is rising.

In 2017 a total of 32 vessels made the journey, but only one of those was a cargo ship. The others included adventure yachts, dedicated icebreakers, a cruise ship, and a tanker.

This compares with 18 vessels in total in 2016, and 16 in 2015.

Canadian logistics company Fathom Marine expects shipping levels in the passage to keep growing, led by more mining projects across the region.

President Niels Gram says his company is "quite bullish in terms of providing marine support for projects that are in the area, and investing to support that".

He says that as more mineral mining projects go into production, the raw materials will need to be shipped to world markets, and sites will need to be resupplied.



However, some Arctic experts are not convinced that the Northwest Passage will ever be a busy commercial trade route.

Malte Humpert, the founder of The Arctic Institute think-tank, is among them.

He says the passage is a "less clear cut" option for shipping than the Northern Sea Route, which runs along the Russian Arctic coast between Asia and Europe.

He points out that the Northwest Passage has several geographic disadvantages, including the many islands that keep the region more clogged with ice than the Russian route.

Other challenges for the Canadian route is a lack of deep water ports and limited search and rescue capabilities.

There's also the continuing disagreement over access to the passage. Canada claims sovereignty, while the US and others consider the passage to be international.



And when it comes to levels of investment and development, the wider North American Arctic region of Alaska, Canada's northern territories and Greenland is now trailing behind the Russian Arctic.

Russia is trying to boost its northern economy, with plans to invest millions of dollars over the next few years to build nuclear-powered ice-breakers and develop port infrastructure along the Northern Sea Route.

Canada is however planning to redevelop its one deep-water port with access to the Arctic - Churchill on Hudson Bay, in the province of Manitoba.

International Trade Minister Mr Carr says the work will open up "an entirely different world" for Canada's northern regions.

Global Trade

More from the **BBC's series taking an international perspective on trade:**

- **The manufacturers fighting Trump's tariffs**

[Home](#) » [Budget Industry](#) » [Report to Congress on Changes in the Arctic](#)



Report to Congress on Changes in the Arctic

November 2, 2018 10:39 AM

The following is the Oct. 25, 2018 Congressional Research Service report, [Changes in the Arctic: Background and Issues for Congress](#).

The diminishment of Arctic sea ice has led to increased human activities in the Arctic, and has heightened interest in, and concerns about, the region's future. The United States, by virtue of Alaska, is an Arctic country and has substantial interests in the region.

Record low extents of Arctic sea ice over the past decade have focused scientific and policy attention on links to global climate change and projected ice-free seasons in the Arctic within decades. These changes have potential consequences for weather in the United States, access to mineral and biological resources in the Arctic, the economies and cultures of peoples in the region, and national security.

The five Arctic coastal states—the United States, Canada, Russia, Norway, and Denmark (of which Greenland is a territory)—have made or are in the process of preparing submissions to the Commission on the Limits of the Continental Shelf regarding the outer limits of their extended continental shelves. The Russian submission includes the underwater Lomonosov Ridge, a feature that spans a considerable distance across the center of the Arctic Ocean.

The diminishment of Arctic ice could lead in coming years to increased commercial shipping on two trans-Arctic sea routes—the Northern Sea Route close to Russia, and the Northwest Passage—though the rate of increase in the use of these routes might not be as great as sometimes anticipated in press accounts. International guidelines for ships operating in Arctic waters have been recently updated.

Changes to the Arctic brought about by warming temperatures will likely allow more exploration for oil, gas, and minerals. Warming that causes permafrost to melt could pose challenges to onshore exploration activities. Increased oil and gas exploration and tourism (cruise ships) in the Arctic increase

the risk of pollution in the region. Cleaning up oil spills in ice-covered waters will be more difficult than in other areas, primarily because effective strategies for cleaning up oil spills in ice-covered waters have yet to be developed.

Large commercial fisheries exist in the Arctic. The United States is currently meeting with other countries regarding the management of Arctic fish stocks. Changes in the Arctic could affect threatened and endangered species, and could result in migration of fish stocks to new waters. Under the Endangered Species Act, the polar bear was listed as threatened on May 15, 2008. Arctic climate change is also expected to affect the economies, health, and cultures of Arctic indigenous peoples.

Two of the Coast Guard's three polar icebreakers—Polar Star and Polar Sea—have exceeded their intended 30-year service lives, and Polar Sea is not operational. The Coast Guard has initiated a project to build up to three new heavy polar icebreakers. On May 12, 2011, representatives from the member states of the Arctic Council signed an agreement on cooperation on search and rescue in the Arctic.

Although there is significant international cooperation on Arctic issues, the Arctic is increasingly being viewed by some observers as a potential emerging security issue. Some of the Arctic coastal states, particularly Russia, have announced an intention or taken actions to enhance their military presences in the high north. U.S. military forces, particularly the Navy and Coast Guard, have begun to pay more attention to the region in their planning and operations.

To print the document, click the "Original Document" link to open the original PDF. At this time it is not possible to print the document with annotations.



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
P.O. BOX 6898
JOINT BASE ELMENDORF-RICHARDSON, AK 99506-0898

Port Director
City of Nome
P.O. Box 281
Nome, AK 99762

Dear Ms. Baker:

In accordance with the Port of Nome Modification Feasibility Study Cost Sharing Agreement dated 02 February 2018, Article III, here is the cost share status report through 31 October 2018.

As of 31 October 2018, we have expended a total of \$611,101 on the study. To this point, \$307,977 in City funds has been expended. One work-in-kind package was submitted for \$45,117.18 on 26 October 2018. That amount will be provided in the next letter once it has been approved. Currently there is \$120,253 in Federal funds remaining and \$165,400 in non-Federal funds.

	Total	Federal	Sponsor Cash	Sponsor Work-In-Kind
Agreement	\$3,000,000	\$1,500,000	\$1,500,000	
Funds received	\$ 896,754	\$ 423,377	\$ 473,377	
Funds expended	\$ 611,101	\$ 303,124	\$ 307,977	
Funds remaining	\$ 285,653	\$ 120,253	\$ 165,400	

If you have any questions, please do not hesitate to contact me at (907) 753-2539 or via email at Kimberly.E.Townsend@usace.army.mil

Sincerely,

Jenipher Cate, PhD
Project Manager

Cc:
Mark Viotto



Memo

To: John K. Handeland – Interim City Manager
From: Joy L. Baker – Port Director *JLB*
CC: Mayor Beneville and Nome Common Council; Nome Port Commission
Date: 11/12/2018
Re: Port & Harbor Report/Projects Update – November 2018

The following provides a status update on active issues and projects pertaining to the Port & Harbor.

Administrative:

The F19 Port Operating Budget at 31 October shows 61.9 % revenue – with 23.5% expended. With the exception of a few remaining vessels being stored for winter, all 2018 vessel activity and commodity movements have ceased and been invoiced. Port/Public Works crews are removing the last of the ladders/tire curtains this week - Harbormaster Stotts is completing administrative tasks for 2018 and 2019 planning. He transitions to Public Works on 1 Jan 2019.

Statistical data for the 2018 season is being compiled and incorporated into the comparison spreadsheets and graphs. This information will be available for review and consideration by the Port Commission during the annual evaluation of the port tariff – currently scheduled for the December 2018 meeting.

Causeway:

Arctic Deep Draft Port – Modification Feasibility Study (MFS):

The Corps Project Delivery Team's monthly meeting on 1 Nov 2018 yielded the following informational update;

- Tetra Tech continues the analysis of economics and other social effects – draft due mid Nov 2018
- Economics is still in pursuit of Harbor Sym Modeling – draft due mid Nov 2018
- Engineering has submitted expanded set of alternatives, with quantities to cost for estimates
- Tentatively Selected Plan (TSP) milestone has been postponed to Jan 2019
- Public comment review period of draft report – Mar/Apr 2019
- Ship Simulation has been rescheduled for some time in March 2019 in Vicksburg, MS
- Deepening Inner Harbor to -12.5' MLLW is approved as Section 107 project (see below)

Harbor:

Inner Harbor Deepening to -12.5' MLLW (Section 107 Corps CAP Program):

Corps Headquarters has approved the City's application for the Alaska District to investigate deepening the inner harbor as a stand-alone project from the larger port expansion. Dredging methodology, disposal options and cost estimates are being considered to determine benefits of serving as separate project – more to come as available.

Concrete Launch Ramp Replacement Project:

The City was recently advised that the \$300K grant application for this project was approved by the NSEDC board, with formal documents pending – we are very thankful for NSEDC's generosity. In regards to the City's \$1.6M funding proposal to EDA's, a letter was received on 17 Oct 2018 accepting the City's proposal, and a request to submit a full application by 14 Dec 2018. We are collaborating with PND on the required Environmental Narrative, which will be incorporating into the full package and submitted prior to the grant deadline.

Port Industrial Pad:

West Nome Tank Farm (Property Conveyance):

The USAF Real Estate Branch recently received the 2nd Environmental Baseline Survey from the USACE on 25 Sept 2018. Once the review is completed, the USAF will begin drafting the property transfer documents.

External Facilities:

Cape Nome:

All project documents have been completed and received from the engineers and contractor, with all invoices received and paid in full. Finance Director Liew and I are finalizing the remaining project and funding-related documents required by ADHS/FEMA, and will easily meet the close-out deadline of 30 Nov 2018. It has been a long haul since the storm of November 2011 – but we have finally completed this project.

Additional information is available upon request.

Fixing America's Surface Transportation Act or "FAST Act"

NATIONALLY SIGNIFICANT FEDERAL LANDS AND TRIBAL PROJECTS

Fiscal year	2016	2017	2018	2019	2020
Authorization*	\$100 M	\$100 M	\$100 M	\$100 M	\$100 M

* Subject to appropriation

Program purpose

The FAST Act establishes the Nationally Significant Federal Lands and Tribal Projects (NSFLTP) program to provide funding for the construction, reconstruction, and rehabilitation of nationally-significant projects on Federal or tribal lands.

Statutory citation

FAST Act § 1123

Funding features

All funding is subject to appropriation from the General Fund.

Federal share

Up to 90%. Federal funds, except those provided under Title 23 and 49, may be used for the non-Federal share. [FAST Act § 1123(g)]

Eligible projects and project costs

Project type

The Secretary may provide financial assistance only for a single continuous project that—

- Is on a Federal lands transportation facility, Federal lands access transportation facility or tribal transportation facility, as defined in 23 U.S.C. 101, but the facility is not required to be listed in the national tribal transportation facility inventory [23 U.S.C. 202(b)] or the national Federal lands transportation facility inventory [23 U.S.C. 203(c)];
- Has completed the National Environmental Policy Act (NEPA) process, as demonstrated by a completed record of decision, finding of no significant impact, or categorical exclusion determination; and
- Has an estimated cost of at least \$25 million (with priority consideration for projects with an estimated cost of at least \$50 million). [FAST Act § 1123(c)]

Eligible project costs

Financial assistance received for a project may only be used for construction, reconstruction, and rehabilitation. Costs associated with project design are not eligible. [FAST Act § 1123(d)]

Eligible applicants

Any entity eligible to receive funding under the Tribal Transportation Program, Federal Lands Transportation Program, or Federal Lands Access Program [23 U.S.C. 202-204] is eligible under the NSFLTP program. In addition, a State, county, or local government may apply if sponsored by an eligible Federal land management agency or Indian tribe. [FAST Act § 1123(b)]

Selection criteria

In reviewing applications for the NSFLTP program, the Secretary will consider the extent to which the project—

- Furthers the Department's goals, including state of good repair, economic competitiveness, quality of life, and safety;
- Improves the condition of critical transportation facilities, including multimodal transportation facilities;
- Needs construction, reconstruction, or rehabilitation;
- Has matching funds (projects with a greater percentage of matching funds rank higher than projects with a lesser percentage of matching funds);
- Is included on or eligible for the National Register of Historic Places;
- Uses new technologies and innovations to increase project efficiency;
- Is supported (whether for construction or for operation and maintenance) by funds other than those received under this program;
- Spans two or more States; and
- Serves land owned by multiple Federal agencies or Indian tribes. [FAST Act § 1123(f)]

February 2016

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City of Nome
Revenues with Comparison to Budget
For the 4 Months Ending October 31, 2018

DRAFT

PORT OPERATING FUND

		Budget	Period ACT	YTD ACT	Unearned	Pcnt
<u>CAUSEWAY FACILITY</u>						
80.3111.2001	Causeway Dockage	90,000.00	7,569.94	54,497.89	35,502.11	60.6
80.3111.2002	Causeway Wharfage - Dry	155,000.00	45,706.03	114,029.79	40,970.21	73.6
80.3111.2003	Causeway Wharfage - Fuel	280,000.00	.00	213,273.74	66,726.26	76.2
80.3111.2004	Causeway Wharfage - Gravel	65,000.00	.00	61,693.51	3,306.49	94.9
80.3111.2005	Causeway Storage Rental	10,000.00	84.48	1,981.44	8,018.56	19.8
80.3111.2006	Causeway Utility Sales	30,000.00	1,144.40	12,177.34	17,822.66	40.6
80.3111.2007	Causeway Misc Term Revenue	65,000.00	1,125.00	41,357.50	23,642.50	63.6
	Total CAUSEWAY FACILITY	695,000.00	55,629.85	499,011.21	195,988.79	71.8
<u>HARBOR FACILITY</u>						
80.3211.1001	Harbor Seasonal Dock Permit	120,000.00	3,264.87	74,095.54	45,904.46	61.8
80.3211.2001	Harbor Dockage	85,000.00	9,975.60	39,952.65	45,047.35	47.0
80.3211.2002	Harbor Wharfage - Dry	85,000.00	11,104.23	67,356.84	17,643.16	79.2
80.3211.2003	Harbor Wharfage - Fuel	60,000.00	3,888.64	35,805.93	24,194.07	59.7
80.3211.2004	Harbor Wharfage - Gravel	30,000.00	.00	1,519.80	28,480.20	5.1
80.3211.2005	Harbor Storage Rental	35,000.00	4,204.83	17,696.18	17,303.82	50.6
80.3211.2006	Harbor Utility Sales	8,000.00	1,772.38	3,750.38	4,249.62	46.9
80.3211.2007	Harbor Misc Term Revenue	3,000.00	.00	.00	3,000.00	.0
80.3211.2008	Leases, Rentals, Land, Bldgs	45,000.00	.00	35,311.56	9,688.44	78.5
	Total HARBOR FACILITY	471,000.00	34,210.55	275,488.88	195,511.12	58.5
<u>INDUSTRIAL PARK FACILITY</u>						
80.3411.2005	Industrial Park Storage Rental	245,000.00	75,949.70	195,329.04	49,670.96	79.7
80.3411.2008	Leases, Rentals, Land, Bldgs	150,000.00	.00	114,390.12	35,609.88	76.3
	Total INDUSTRIAL PARK FACILITY	395,000.00	75,949.70	309,719.16	85,280.84	78.4
<u>OTHER MISC REVENUE</u>						
80.3511.0001	Copies, Fax, Pubs, Film Lcns	150.00	.00	902.00	(752.00)	601.3
80.3511.0002	Banking / NSF Check Fee	50.00	.00	.00	50.00	.0
80.3511.0003	Credit Card Service Fees	5.00	.00	.00	5.00	.0
80.3511.0004	Resale-Hats,Charts,Spills,Appl	2,500.00	206.40	763.22	1,736.78	30.5
80.3511.0005	Other Port Revenue	15,000.00	326.96	326.96	14,673.04	2.2
	Total OTHER MISC REVENUE	17,705.00	533.36	1,992.18	15,712.82	11.3

City of Nome
Revenues with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

		Budget	Period ACT	YTD ACT	Unearned	Pcnt
	<u>INTEREST EARNINGS</u>					
80.3611.2001	Interest Earnings Port Op	4,500.00	489.63	1,728.49	2,771.51	38.4
80.3611.2002	Interest Earnings Causeway	2,000.00	202.07	1,239.04	760.96	62.0
80.3611.2003	Investment Earnings	10,000.00	.00	2,695.60	7,304.40	27.0
	Total INTEREST EARNINGS	16,500.00	691.70	5,663.13	10,836.87	34.3
	<u>CONTRIBUTIONS/OTHER</u>					
80.3711.0001	StAK Employer On-Behalf PERS	25,000.00	.00	.00	25,000.00	.0
	Total CONTRIBUTIONS/OTHER	25,000.00	.00	.00	25,000.00	.0
	<u>FUND BALANCE APPROPRIATION</u>					
80.3899.9999	Port of Nome Use Fund Balance	142,764.00	.00	.00	142,764.00	.0
	Total FUND BALANCE APPROPRIATION	142,764.00	.00	.00	142,764.00	.0
	Total Fund Revenue	1,762,969.00	167,015.16	1,091,874.56	671,094.44	61.9

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

	Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
** CAUSEWAY FACILITY **						
80.6111.1101 Salaries - Causeway Maint	3,500.00	.00	83.15	.00	3,416.85	2.4
80.6111.1102 Salaries - Causeway Operations	11,958.00	795.88	10,525.66	.00	1,432.34	88.0
80.6111.1103 Salaries - Causeway Admin	37,296.00	(17.50)	(17.50)	.00	37,313.50	(.1)
80.6111.1411 Accrued Personal Leave - Cswy	5,625.00	.00	.00	.00	5,625.00	.0
80.6111.1421 Health Insurance - Cswy	13,108.00	165.14	3,033.35	.00	10,074.65	23.1
80.6111.1431 Life Insurance - Cswy	198.00	1.35	16.69	.00	181.31	8.4
80.6111.1441 FICA/Medicare - Cswy	4,191.00	72.04	889.54	.00	3,301.46	21.2
80.6111.1451 ESC - Causeway	400.00	.00	.00	.00	400.00	.0
80.6111.1461 PERS - Cswy	11,520.00	207.15	2,534.79	.00	8,985.21	22.0
80.6111.1471 Workers' Comp Ins - Cswy	1,908.00	.00	.00	.00	1,908.00	.0
80.6111.1520 Vehicle/Boat Insurance	499.00	.00	498.50	.00	.50	99.9
80.6111.1530 Property/Building Insurance	29,570.00	.00	28,025.00	.00	1,545.00	94.8
80.6111.1810 Audit/Accounting	15,750.00	.00	.00	.00	15,750.00	.0
80.6111.1820 Engineering/Architectural Svcs	50,000.00	.00	.00	696.50	49,303.50	1.4
80.6111.1830 Legal Services	1,500.00	.00	.00	.00	1,500.00	.0
80.6111.1840 Survey/Appraisal Services	3,000.00	.00	.00	.00	3,000.00	.0
80.6111.1870 Other Professional/Contract Sv	15,000.00	.00	.00	.00	15,000.00	.0
80.6111.2010 Communications	500.00	.00	.00	.00	500.00	.0
80.6111.2012 Computer Network/Hardware/Soft	500.00	.00	.00	.00	500.00	.0
80.6111.2040 Uniform/Clothing	50.00	.00	.00	.00	50.00	.0
80.6111.2071 Operating Supplies	1,500.00	.00	.00	74.55	1,425.45	5.0
80.6111.4010 Gas & Oil Supplies	500.00	.00	.00	.00	500.00	.0
80.6111.4020 Vehicle/Boat/Eq Parts & Supply	500.00	.00	93.42	.00	406.58	18.7
80.6111.4030 Vehicle/Boat/Eq Maintenance	3,000.00	.00	.00	.00	3,000.00	.0
80.6111.4050 Small Tools & Equipment	1,500.00	.00	.00	.00	1,500.00	.0
80.6111.4060 Tools & Eq Repair & Maint	1,000.00	.00	.00	.00	1,000.00	.0
80.6111.4080 Road Maintenance Materials	5,000.00	.00	.00	.00	5,000.00	.0
80.6111.4090 Docks & Foundations	5,000.00	.00	.00	.00	5,000.00	.0
80.6111.4100 Fuel Lines Maintenance	10,000.00	.00	7,951.00	387.73	1,661.27	83.4
80.6111.7010 Bldg Maint Materials & Supply	500.00	145.56	1,018.90	.00	(518.90)	203.8
80.6111.7011 Janitorial Services & Supplies	250.00	.00	.00	.00	250.00	.0
80.6111.7021 Utilities - Electric	3,300.00	279.72	537.80	.00	2,762.20	16.3
80.6111.7023 Utilities - Sewer	1,500.00	.00	250.00	750.00	500.00	66.7
80.6111.7024 Utilities - Garbage	5,500.00	935.40	2,762.04	.00	2,737.96	50.2
80.6111.7026 Utilities - Resale	9,500.00	.00	.00	.00	9,500.00	.0
80.6111.7510 Debt Interest Payment	146,500.00	.00	22,467.27	.00	124,032.73	15.3
80.6111.8030 Machinery & Equipment	5,000.00	.00	.00	.00	5,000.00	.0
Total ** CAUSEWAY FACILITY **	406,123.00	2,584.74	80,669.61	1,908.78	323,544.61	20.3

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

	Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
<u>** HARBOR FACILITY **</u>						
80.6211.1101 Salaries - Harbor	9,566.00	1,041.78	1,138.98	.00	8,427.02	11.9
80.6211.1411 Accrued Personal Lv - Harbor	988.00	.00	.00	.00	988.00	.0
80.6211.1421 Health Insurance - Harbor	3,023.00	316.82	1,359.58	.00	1,663.42	45.0
80.6211.1431 Life Insurance - Harbor	23.00	4.98	19.29	.00	3.71	83.9
80.6211.1441 FICA/Medicare - Harbor	983.00	133.75	405.56	.00	577.44	41.3
80.6211.1451 ESC - Harbor	300.00	.00	.00	.00	300.00	.0
80.6211.1461 PERS - Harbor	2,562.00	384.65	1,166.36	.00	1,395.64	45.5
80.6211.1471 Workers' Comp Ins - Harbor	1,128.00	.00	.00	.00	1,128.00	.0
80.6211.1520 Vehicle/Boat Insurance	498.00	.00	498.50	.00	(.50)	100.1
80.6211.1530 Property/Building Insurance	21,200.00	.00	20,060.00	.00	1,140.00	94.6
80.6211.1820 Engineering/Architectural Svcs	15,000.00	461.25	461.25	.00	14,538.75	3.1
80.6211.1870 Other Professional/Contract Sv	10,000.00	285.00	685.00	.00	9,315.00	6.9
80.6211.2010 Communications	500.00	.00	.00	.00	500.00	.0
80.6211.2040 Uniform/Clothing	150.00	.00	.00	.00	150.00	.0
80.6211.2071 Operating Supplies	5,000.00	.00	597.51	74.55	4,327.94	13.4
80.6211.4010 Gas & Oil Supplies	500.00	.00	.00	.00	500.00	.0
80.6211.4020 Vehicle/Boat/Eq Parts & Supply	500.00	.00	12.08	.00	487.92	2.4
80.6211.4030 Vehicle/Boat/Eq Maintenance	2,500.00	.00	.00	.00	2,500.00	.0
80.6211.4050 Small Tools & Equipment	2,000.00	.00	3,000.00	.00	(1,000.00)	150.0
80.6211.4080 Road Maintenance Materials	5,000.00	.00	.00	.00	5,000.00	.0
80.6211.4090 Docks & Foundations	5,000.00	.00	.00	.00	5,000.00	.0
80.6211.4100 Fuel Lines Maintenance	1,000.00	.00	.00	.00	1,000.00	.0
80.6211.7010 Bldg Maint Materials & Supply	1,500.00	706.87	4,162.58	20.58	(2,683.16)	278.9
80.6211.7011 Janitorial Services & Supplies	500.00	.00	.00	.00	500.00	.0
80.6211.7021 Utilities - Electric	6,500.00	392.50	932.35	.00	5,567.65	14.3
80.6211.7022 Utilities - Water Meter	3,850.00	385.64	1,206.52	.00	2,643.48	31.3
80.6211.7023 Utilities - Sewer	4,200.00	74.42	1,578.26	1,645.00	976.74	76.7
80.6211.7024 Utilities - Garbage	16,500.00	935.40	2,762.04	.00	13,737.96	16.7
80.6211.7025 Utilities - Heat	3,800.00	.00	194.19	.00	3,605.81	5.1
80.6211.7560 Payment in Lieu of Tax	14,137.00	.00	.00	.00	14,137.00	.0
80.6211.8010 Land/Buildings	5,000.00	.00	.00	.00	5,000.00	.0
80.6211.8030 Machinery & Equipment	5,000.00	.00	4,000.00	.00	1,000.00	80.0
Total ** HARBOR FACILITY **	148,408.00	5,123.06	44,240.05	1,740.13	102,427.82	31.0

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

		Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
	<u>** CAPE NOME FACILITY **</u>						
80.6311.1820	Engineering/Architectural Svcs	5,000.00	.00	.00	.00	5,000.00	.0
80.6311.1830	Legal Services	1,500.00	.00	.00	.00	1,500.00	.0
80.6311.1870	Othe Professional/Contract Sv	2,500.00	.00	.00	.00	2,500.00	.0
	<u>Total ** CAPE NOME FACILITY **</u>	<u>9,000.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>9,000.00</u>	<u>.0</u>

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

	Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
<u>** INDUST PARK FACILITY **</u>						
80.6411.1101 Salaries - Industrial Park	2,392.00	292.80	801.76	.00	1,590.24	33.5
80.6411.1411 Accrued Personal Leave - IP	247.00	.00	.00	.00	247.00	.0
80.6411.1421 Health Insurance - IP	756.00	.00	.00	.00	756.00	.0
80.6411.1431 Life Insurance - IP	6.00	.00	.00	.00	6.00	.0
80.6411.1441 FICA/Medicare - IP	246.00	22.40	61.32	.00	184.68	24.9
80.6411.1451 ESC - Industrial Park	100.00	.00	.00	.00	100.00	.0
80.6411.1461 PERS - IP	641.00	64.39	176.36	.00	464.64	27.5
80.6411.1471 Workers' Comp Ins - IP	282.00	.00	.00	.00	282.00	.0
80.6411.1530 Property/Building Insurance	630.00	.00	665.00	.00	(35.00)	105.6
80.6411.1820 Engineering/Architectural Svcs	15,000.00	.00	1,979.75	3,575.50	9,444.75	37.0
80.6411.1870 Other Professional/Contract Sv	10,000.00	.00	.00	.00	10,000.00	.0
80.6411.1940 Advertising	500.00	.00	.00	.00	500.00	.0
80.6411.2071 Operating Supplies	500.00	.00	519.45	.00	(19.45)	103.9
80.6411.4050 Small Tools & Equipment	500.00	.00	.00	.00	500.00	.0
80.6411.4080 Road Maintenance Materials	5,000.00	.00	.00	.00	5,000.00	.0
80.6411.4100 Fuel Lines Maintenance	10,000.00	.00	7,951.00	387.73	1,661.27	83.4
80.6411.7011 Janitorial Services & Supplies	500.00	.00	.00	.00	500.00	.0
80.6411.7021 Utilities - Electric	4,500.00	282.90	762.92	.00	3,737.08	17.0
80.6411.7023 Utilities - Sewer	1,500.00	.00	250.00	750.00	500.00	66.7
80.6411.7560 Payment in Lieu of Taxes	41,488.00	.00	.00	.00	41,488.00	.0
Total ** INDUST PARK FACILITY **	94,788.00	662.49	13,167.56	4,713.23	76,907.21	18.9

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

	Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
** PORT ADMIN OFFICE **						
80.6711.1101 Salaries - Port Admin	96,566.00	5,830.00	28,686.25	.00	67,879.75	29.7
80.6711.1102 Salaries - Port Staff	246,720.00	17,838.22	75,776.59	.00	170,943.41	30.7
80.6711.1201 Salaries - Overtime	9,500.00	662.22	4,083.63	.00	5,416.37	43.0
80.6711.1301 Stipends - Port Commission	2,480.00	.00	840.00	.00	1,640.00	33.9
80.6711.1411 Accrued Personal Lv - Port Adm	14,232.00	.00	451.20	.00	13,780.80	3.2
80.6711.1421 Health Insurance - Port Adm	51,541.00	4,813.97	24,252.97	.00	27,288.03	47.1
80.6711.1431 Life Insurance - Port Adm	519.00	41.19	199.64	.00	319.36	38.5
80.6711.1441 FICA/Medicare - Port Adm	26,545.00	1,862.59	8,339.64	.00	18,205.36	31.4
80.6711.1461 PERS - Port Adm	64,433.00	4,806.24	20,451.87	.00	43,981.13	31.7
80.6711.1471 Workers' Comp Ins - Port Adm	11,210.00	.00	9,124.11	.00	2,085.89	81.4
80.6711.1520 Vehicle/Boat Insurance	3,007.00	.00	3,007.00	.00	.00	100.0
80.6711.1530 Property/Building Insurance	197.00	.00	197.00	.00	.00	100.0
80.6711.1810 Audit/Accounting	15,800.00	.00	.00	.00	15,800.00	.0
80.6711.1820 Engineering/Architectural Svcs	15,000.00	.00	.00	.00	15,000.00	.0
80.6711.1830 Legal Services	2,000.00	.00	.00	.00	2,000.00	.0
80.6711.1850 Lobbying	123,000.00	.00	13,624.24	36,060.98	73,314.78	40.4
80.6711.1870 Other Professional/Contract Sv	15,000.00	760.22	3,690.88	4,550.00	6,759.12	54.9
80.6711.1940 Advertising	3,000.00	.00	.00	120.00	2,880.00	4.0
80.6711.1950 Buildings/Land Rental	7,200.00	(110.00)	2,017.79	1,800.00	3,382.21	53.0
80.6711.2010 Communications	4,100.00	21.08	1,216.67	1,836.00	1,047.33	74.5
80.6711.2012 Computer Network/Hardware/Soft	4,000.00	.00	369.00	.00	3,631.00	9.2
80.6711.2020 Dues & Memberships	250.00	.00	231.24	.00	18.76	92.5
80.6711.2030 Travel, Training & Related Cost	15,000.00	.00	3,445.47	505.00	11,049.53	26.3
80.6711.2070 Office Supplies	2,000.00	151.54	179.52	.00	1,820.48	9.0
80.6711.2071 Operating Supplies	2,000.00	92.13	1,056.70	1,645.67	(702.37)	135.1
80.6711.2073 Resale Supplies	5,000.00	.00	.00	.00	5,000.00	.0
80.6711.3010 Sponsorship/Donation/Contrib	1,000.00	.00	.00	.00	1,000.00	.0
80.6711.4010 Gas & Oil Supplies	3,500.00	736.90	2,146.53	244.45	1,109.02	68.3
80.6711.4020 Vehicle/Boat/Eq Parts & Supply	.00	881.76	928.13	2,886.91	(3,815.04)	.0
80.6711.4030 Vehicle/Boat/Eq Maintenance	.00	2,092.70	2,092.70	2,880.32	(4,973.02)	.0
80.6711.4040 Vehicle/Boat Regis & Permits	50.00	.00	10.00	.00	40.00	20.0
80.6711.7010 Bldg Maint Materials & Supply	6,500.00	.00	7,137.98	995.22	(1,633.20)	125.1
80.6711.7011 Janitorial Services & Supplies	250.00	.00	58.72	.00	191.28	23.5
80.6711.7540 Banking/Credit Card Fees	50.00	5.00	5.00	.00	45.00	10.0
80.6711.7550 Bad Debt	3,000.00	.00	.00	.00	3,000.00	.0
Total ** PORT ADMIN OFFICE **	754,650.00	40,485.76	213,620.47	53,524.55	487,504.98	35.4

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT OPERATING FUND

		Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
	<u>** TRANSFERS - INTERFUNDS **</u>						
80.6888.8820	Transfers Out - Other Funds	350,000.00	.00	.00	.00	350,000.00	.0
	Total ** TRANSFERS - INTERFUNDS *	350,000.00	.00	.00	.00	350,000.00	.0
	Total Fund Expenditures	1,762,969.00	48,856.05	351,697.69	61,886.69	1,349,384.62	23.5
	Net Revenue Over Expenditures	.00	118,159.11	740,176.87	(61,886.69)	(678,290.18)	.0

City of Nome
Revenues with Comparison to Budget
For the 4 Months Ending October 31, 2018

DRAFT

PORT CAPITAL PROJECTS FUND

		Budget	Period ACT	YTD ACT	Unearned	Pcnt
	<u>PORT GRANTS & AWARDS</u>					
85.3811.0010	DR-4050-AK PW17 Cape Nome	2,600,000.00	.00	.00	2,600,000.00	.0
85.3811.0020	17-DC-005 Arctic DDP Design	1,330,000.00	319,680.47	319,680.47	1,010,319.53	24.0
	Total PORT GRANTS & AWARDS	3,930,000.00	319,680.47	319,680.47	3,610,319.53	8.1
	<u>TRANSFERS - INTERFUNDS</u>					
85.3888.8820	Transfers In - Other Funds	350,000.00	.00	.00	350,000.00	.0
	Total TRANSFERS - INTERFUNDS	350,000.00	.00	.00	350,000.00	.0
	Total Fund Revenue	4,280,000.00	319,680.47	319,680.47	3,960,319.53	7.5

City of Nome
Expenditures with Comparison to Budget
For the 4 Months Ending October 31, 2018

PORT CAPITAL PROJECTS FUND

		Budget	Period ACT	YTD ACT	YTD ENC	Unexpended	Pcnt
<u>PORT GRANTS & AWARDS</u>							
85.6811.1100	DR-4050-AK PW17 Cape Nome	2,600,000.00	630,608.54	1,389,293.87	.00	1,210,706.13	53.4
85.6811.1421	Health Insurance - Port Grants	.00	218.85	731.13	.00	(731.13)	.0
85.6811.1431	Life Insurance - Port Grants	.00	3.44	11.48	.00	(11.48)	.0
85.6811.1441	FICA/Medicare - Port Grants	.00	202.73	577.70	.00	(577.70)	.0
85.6811.1461	PERS - Port Grants	.00	583.00	1,661.35	.00	(1,661.35)	.0
85.6811.2200	17-DC-005 Arctic DDP Design	1,330,000.00	4,815.00	323,161.50	31,469.66	975,368.84	26.7
85.6811.5000	14-DC-108 Port Improvements	.00	.00	344.50	.00	(344.50)	.0
85.6811.8002	Barge Ramp Lighting Improvmts	.00	.00	19,905.16	.00	(19,905.16)	.0
85.6811.8003	Garco Bldg Lighting Improvmts	.00	.00	6,690.57	.00	(6,690.57)	.0
85.6811.8004	Bridge Fuel Line Replacements	50,000.00	.00	.00	33,000.00	17,000.00	66.0
85.6811.8005	Concrete Barge Ramp Repairs	300,000.00	.00	16,997.25	16,430.50	266,572.25	11.1
Total PORT GRANTS & AWARDS		4,280,000.00	636,431.56	1,759,374.51	80,900.16	2,439,725.33	43.0
Total Fund Expenditures		4,280,000.00	636,431.56	1,759,374.51	80,900.16	2,439,725.33	43.0
Net Revenue Over Expenditures		.00	(316,751.09)	(1,439,694.04)	(80,900.16)	1,520,594.20	.0

PORT/HARBOR PROJECTS STATUS

PROJECTS				ESTIMATED	FUNDING	
PRIORITY	NAME	SCOPE	STATUS	SCHEDULE	SOURCE	AMOUNT
CONSTRUCTION COMPLETED						
	SECURITY CAMERA SYSTEM	Install 24 camera security system in Port/Harbor w/desktop stations, server, software and fiber connections	Final punch list completed April 2018 - project deemed complete	COMPLETED MAR 2018	FEMA CITY	\$202K \$115K
	CAPE NOME JETTY REPAIR	Repair Jetty from Nov 2011 storm - replace missing core rock and key in armor stone surface layers-remove scattered rock	Field work complete - final topo/bath surveys accepted by engineer. Closeout paperwork underway.	CONSTRUCTION COMPLETED AUG 2018	FEMA ADHS	\$4.05M
	THORNBUSH SITE DEVELOP.	Development of portion of 9 of 18 acre parcel for needed uplands space.	Inspection completed July 2018	COMPLETED JUNE 2018	SOA GO & DC-108 GRANTS	\$1.375
	SNAKE RIVER DEVELOPMENT ADDT'L DREDGING	Additional dredging to -8' MLLW along west bank of Snake River to accommodate light draft anchorage	60% of material captured Spring 2017 40% balance captured Spring 2018	COMPLETED APRIL 2018		
	VESSEL SCRAP	Hazmat Cleanup/Demo Cabin/Disposal of 65' tugboat	Tug hauled to monofil by contractor for disposal by City crew	COMPLETED OCT 2017	PORT FUNDS	\$15.5K
	BARGE/LAUNCH RAMPS LIGHTING	Purchase/Install poles and buried service for overhead lighting at barge ramp pad, for safety, security and operational needs	Final work completed in Sept 2018	COMPLETED SEPT 2018	PORT FUNDS	\$38K
	HAUL OUT - DEAD MAN	Design/procure/ship/fabricate/install dead man mechanism to serve as anchoring point for equipment in vessel haul-outs	City crews installed in Sept 2018	COMPLETED SEPT 2018	PORT FUNDS	\$20K + labor

CONSTRUCTION UNDERWAY

1	CSWY BRIDGE FUEL LINE HANGAR & ROLLER REPLACEMENT	Replace corroded hangars/rollers on underside of bridge to allow free-floating movement of fuel line casing when bridge moves	Contracted w/Seakers to order/ship required materials/parts (long lead time)	Order placed Sept 2018	PORT FUNDS	\$33K
			Pending contract w/Seakers to install	Winter 2018/Spring 2019	PORT FUNDS	\$22K
	ADDITIONAL HARBOR LADDERS	User request for additional ladders to avoid wasting dock space and allow crew to reach top of dock (planning for 5)	Procured and shipped Aug 2018	Install June 2019	PORT FUNDS	\$30,533

PORT/HARBOR PROJECTS STATUS

PROJECTS				ESTIMATED	FUNDING	
PRIORITY	NAME	SCOPE	STATUS	SCHEDULE	SOURCE	AMOUNT
SEEKING FUNDS						
	SNAKE RIVER MOORAGE AND VESSEL HAULOUT FACILITY	Procure, ship and install floating docks/gangways/anchors/piling - shore protection and uplands development, and -8' dredged basin	Submitted USDOT BUILD grant application - awaiting notification	Bid/construct 2019/20 - if funded	USDOT City	\$12M \$1M
2	LAUNCH RAMP REPAIR	Remove and replace existing concrete launch ramp in harbor	Submitted EDA/NSEDC grant applications - awaiting notifications	Bid/construct 2019 - if funded	EDA NSEDC City	\$1.6M \$300K \$100K
	PWRF INCINERATOR - ENGINEERING PHASE	95% design, ROM cost estimate and permitting to develop incinerator and building to be located at City landfill (regulated waste disposal)	seeking design funds	2019 - if funded	Unknown	\$120,040
	INNER HARBOR DREDGING TO -12.5' MLLW	Deepening inner harbor to minimize number of draft conflicts due to frequency of tide set downs and accommodate assist tug	investigating w/Corps on achieving under federal O&M contract versus Corps accepting future O&M if City covers initial dredging project	Unknown	Unknown	\$800K
4	Garco Building Rehab Project	Demo existing walls/roof, Install new roof/panels, prep interior for insulation install - concrete curb around perimeter	Seeking suitable funding opportunity	Unknown	Unknown	\$900K

MAINTENANCE						
	HYDROTESTS & CP INSPECT - PORT FUEL LINES	Annual maintenance tests/inspection/maintenance on port fuel lines system to meet compliance/ensure integrity	Hydrotesting Complete CP Work Scheduled	PERFORMED ANNUALLY	Port Funds	\$22K
	CSWY & INNER HARBOR SURVEY/DREDGING	There is a periodic need to survey/dredge the SBH and Snake River ramp approaches to ensure control depth maintained	Evaluate pre & post COE 2018 surveys - determine if shoaling	As needed	Port Funds	\$35K

ASSET REPAIR/REPLACEMENT						
3	Replace Harbor Skiff & Trailer	Replace old boston whaler that was refurbished from an abandoned vessel - along with failing trailer	Awaiting funds	Potential 2019	Unknown	Unknown
	Purchase New Vehicle	Replace oldest of Port & Harbor vehicle fleet	Awaiting budgetary funds	Unknown	Port Funds	\$35K

PORT/HARBOR PROJECTS STATUS

PROJECTS				ESTIMATED	FUNDING	
PRIORITY	NAME	SCOPE	STATUS	SCHEDULE	SOURCE	AMOUNT
IN PLANNING						
	ARCTIC DEEP DRAFT PORT - MODIFICATION FEASIBILITY STUDY	50/50 Cost-share study w/Corps to move forward with results of the 2015 ADDP Regional Study, under existing and new WRDA authorization supporting regional economic viability justification.	Project Development Team (PDT) doing analysis of economics and other social effects, design costs & benefits	Feasibility Report Due to Congress March 2018	SOA 17-DC-005 Grant	\$1.6M
	ARCTIC DEEP DRAFT PORT - MODIFICATION DESIGN	Design phase resulting from project layout justified in feasibility study report conclusion and authorized by Congress.	On hold until study is complete	2020-2021	SOA 19-DC-008 Grant	\$1.6M
	PORT WASTE RECEPTION FACILITY (PWRF)	Concepts/ROM Costs for buried/surface infrastructure to receive ship's waste materials-assess NJUS WWT capacity & City handling capabilities for accommodating additional marine volumes	Feasibility report by Bristol with input from NJUS, CE2, & Port Commission	Completed June 2018	Unknown	\$39,215
	PORT RD IMPROVEMENTS	Cost-share project w/ADOT to widen, resurface Port Rd w/drainage and safety improvements (sidewalks)	PDC Engineers working feasibility/environmental/ROW access	Construction 2021	SOA City	pending
	PORT RD OH LINE BURY	Bury overhead lines crossing Port Rd & WNTF entrances to allow for unobstructed vessel/equipment movement	Obtained estimate from EPS	Unknown	Unknown	\$670K
		Permitting - engineering - design	Estimate from EPS	Identifying Funds	Port Funds	\$56K
	OUTER HARBOR DOLPHINS	Design/procure/install large diameter dolphins inside east breakwater in outer harbor for vessel standby.	Evaluating priority before expending design funds	Unknown	Unknown	Unknown
	CRUISE TENDER FLOATS	Evaluate/conceptualize establishing disembarking floats at ramp in SE corner of harbor for cruise ship tenders to minimize congestion	Evaluating options for in-house float use before new construction	Unknown	Unknown	\$265K
	SHOWER/LAUNDRY FACILITIES	Design/install shower facilities by SBH floats, extend existing water/sewer from Office & coin-op or credit card mechanism	Awaiting private sector project options recently expressed by resident	Unknown	PRIVATE INDUSTRY	\$800K
	ELECTRICAL SHORE POWER	Design/install electrical outlets near base of street lights, develop suitable mechanism to charge users to access	Evaluating priority and ROM costs - specifically charging mechanism	Unknown	Unknown	\$35K
	SHORE-SIDE FUELING	Work w/terminal fuel operators to develop fueling station in SBH, identify most suitable site and preferential access agrmt	ROM/Concept Design Underway with In-house City Engineer	Unknown	PRIVATE INDUSTRY	Unknown
	WASTE OIL/BILGE PUMPOUT	Pursue as adjacent operation to terminal operator fueling station for potential cost-share (also option as part of Waste Reception Facility)	ROM/Concept Design Underway with In-house City Engineer	Unknown	Unknown	Unknown
	IP/TBS PAD LIGHTING	Install overhead lighting at new TBS pad for safety, security and operational needs	NJUS has provided estimates for budgeting purposes	Anticipated 2019	Port Funds	\$15K

Completed Projects Project priority numbers in left column assigned by Port Commission



CONCEPT

PREPARED FOR:

PRESENTED BY:



CITY OF NOME, JOY BAKER, PORT DIRECTOR

**A.L. Parlow & Associates,
LLC ©, 2018**

**LOCAL CONTENT
AND
GLOBAL CONTEXT**

www.sustain-the-globe.com

FOR: Joy Baker, Port Director, City of Nome

FROM: A.L. PARLOW & ASSOCIATES, LLC ©, 2018

DATE: 12 September 2018

PROPOSED CONSULTANCY

“HOW DO WE GET ON THE ROAD OF UPPING OUR GAME IN THE ARCTIC?”

With the accelerated sea-ice retreat in the high North, projections of increased shipping across the Northwest Passage and the Northern Sea Route before transiting the Bering Strait, a network of Arctic ports with interlinked capabilities are becoming part of the Arctic maritime shipping order.

The projected increased shipping underscores the need for port and infrastructure development on the Alaska coastline. This is indeed vital to Nome as both the city and the port authority consider its deepwater port ambitions with the growth in shipping traffic likely to serve both commercial and national security interests.

As the Port and City of Nome, along with the Army Corps of Engineers, takes a “new look” at developing the nations’ only high North deep draft port – the dynamics in the Arctic region are fast changing as the sea–ice retreats, temperatures warm faster than any other part of the planet and a trove of shipping and other commercial interests have an eye on the Arctic.

Several observers have noted that unless Nome moves forward as shipping traffic increases in the Bering along with Arctic development, the city and its port will fall behind. As Congress reflects upon Arctic national security implications and offshore oil and gas is released from some regulatory considerations, commerce is likely to increase.

Indeed, if Nome, Alaska and the U.S. do not actively engaged in the process of developing marine infrastructure, it is likely that the city of Nome, Alaska and the United States in general will have missed economic opportunities for refuel, resupply, shipping waste discharge along with a strong voice in protecting the marine ecology.

1.0 “WHAT IS THE GENERAL STATUS OF THE PORT OF NOME AND WHERE DO WE NEED TO GO?”

Projected scenarios for future Arctic shipping, and related economic drivers, indicate that a combination of commercial voyages, cruise ships, increased military security activities, spill response, search and rescue, safe haven capabilities, along with maritime activity

related to natural resource development will increase. The increased Arctic shipping across Canada's Northwest Passage, Russia's Northern Sea Route and north-south transit from China and other locations through the Bering Strait suggest traffic growth, growth potential and a need for the Port of Nome to be a part of the emerging equation – or, be bypassed by future Arctic shipping activity.

Whether the future is defined by slow, medium or fast growth in Arctic waters, all analysts agree that Arctic shipping will increase. Further, the combination of recent increased interest by the U.S. Navy in the Arctic region, the recent announcement that a new ice-class container ship, a 4,200 ton vessel, the Maersk, capable of carrying 3,600 containers with an ability to operate in ice waters at minus 77 degree Fahrenheit provides a glimpse of the future. The Maersk is set to sail as the first container ship across the Northern Sea Route and through the Bering Strait. More, the recent cruise ship voyage of the Crystal Serenity that stopped at Nome in its maiden voyage – transiting from Anchorage to New York through the Canadian Northwest Passage – suggests the scope of future Arctic shipping. As another indicator of traffic yet to come, plans for a series of ice-breaking LNG carriers to cross the Northern Sea Route through the Bering Strait is in the works, with an intention to operate year round.

The Port of Nome must soon decide how it will expand with increased vessel traffic beyond the current resupply and refueling point in this evolving Arctic shipping environment as the sea ice retreats and commerce accelerates.

1.1 OVERVIEW OF CURRENT PORT CAPABILITIES

For more than a century, the Port of Nome has served as a transshipment hub for Alaska and the U.S. The Port has grown considerably over time – from 32 vessels in 1990s to more than 600 in 2015. The Port handles an average of 53,000 tons of rock, sand and gravel, some 34 tons of freight and more than 13 million gallons of refined products annually. It supports seafood harvesters and processors. As activity has increased, so has the Port staff capable of handling large ships, fuel transfer and port services.

The physical infrastructure has been expanded and enhanced several times, with a 2006 project completed by the U.S. Army Corps of engineers. The most recent plans would expand even further, eliminating the breakwater at the end of the causeway, extend the causeway by some 2,150 feet, construct a large vessel dock and a dredged basin from the ports current 22.5 foot capability – and, thus be the U.S. only deep-water Arctic port.

The plans would allow the Port of Nome to accommodate the commercial ships, large container ships, national security cutters in planning and foreign flagged vessels – most of which require a deeper port – such as container ships, oil tankers, offshore supply platforms, barges and enormous ice-capable container ships on the drawing boards for future use.

The development of an Arctic deep-draft port is vital as the Arctic traffic increases – if only to accommodate the need for major disaster response capabilities such as oil spill

response, search and rescue and large-scale science and cruise ships and the national security vessels that require an Arctic-deep-draft port.

However, the plans have not yet taken into consideration a ground level – or, sea level – view of what the Arctic ports are planning for the future, what the newly developing ports are preparing themselves for, what accommodations the shippers want, and what is needed to meet, for example, the spill response and grey water requirements of the Polar Code and how that might serve as a stimulus for development and increased income.

What follows is a series of descriptive elements that generally describe the challenges faced by the Port of Nome as the Board considers how it will both engage and offer services to the evolving Arctic shipping and interlinked Arctic port communities moving forward.

1.2 BUILDING BLOCKS: TO EXPAND UPON NOME’S EXISTING SHIPPING HUB CAPABILITIES TO MEET ARCTIC-WIDE REGIONAL INTERESTS AS PERCEIVED BY OTHER ARCTIC PORTS AND SHIPPERS

This consultancy will build upon the 2016 Port of Nome Strategic Development Plan by completing a series of interlinked and phased tasks that will provide both specificity and a roadmap to allow the Port of Nome to become a part of the Arctic-wide port system that is increasingly interlinked and indeed changing and expanding to meet the increased commercial and security activity as the sea-ice retreats and Arctic shipping activity expands.

Without doubt, unless the Port of Nome growth with the rest of the Arctic region, it is in danger of being eclipsed as an economic player. As one observer noted, “adapt or be bypassed.”

2.0 SETTING THE STAGE AND BUILDING THE FOUNDATION TO ADAPT TO AND BE PART OF THE EVOLVING ARCTIC-WIDE PORT SYSTEM

2.1 Project Scope: Readiness

The challenges and opportunities for Nome, given the growing international interest for Arctic shipping in conjunction with record low sea-ice levels, would help create jobs both in Nome and, as a regional hub to 53 communities in surrounding areas and, boost the local economies. An expanded port would also help diversify the states’ economy as the only coastal public port north of Dutch Harbor. It would also improve America’s national security. As the only coastal port North of Dutch Harbor, the development of the port will offer a significant benefit to the state and to local communities as a strong hub with improved capabilities.

As the budget, scope and schedule of the joint Nome–Corps of Engineers’ study and other assessments move forward, the United States appears to be on the cusp of more fully embracing its role as an Arctic nation. The recent Coast Guard announcement to

expand into the Arctic along with a series of vital port-related vital issues discussed with Port Director, Joy Baker, must be addressed so that both the City and Port of Nome are prepared to maximize the economic opportunities and anticipate the trends of interested stakeholders: local, regional and international.

This consultancy will take a phased approach both before, during and after the finalization of the Corps' – and other - studies so that the Port Commissioners have both enhanced tactical and strategic understanding of core issues: to identify potentials for partnering with shippers to assess their requirements and interests, establish long-term relationships, particularly those that might cost share as tenant companies. The assessment will also engage Nordic ice-breaker companies that anticipate traversing both the high North Arctic waters as commerce increases.

3.0 STRATEGIC APPROACH

- The tasks described below in Appendix A and B offers a step-by-step, phased-in approach to identify, evaluate and engage the broader Arctic picture, the trends in Arctic port development, the identifications and prioritization of Arctic shippers. The approach links together the Arctic-wide component with local concerns.
- This approach will also provide for an improved understand of what Arctic shippers and Ports want or include in their capabilities, and identify any gaps in concept, understanding of Arctic shipper and port priorities, or relevant trends in harmonizing regional, state, federal or international regulatory dynamics.
- This task will assist with initiatives designed to stimulate conversation with local communities so that their interests and concerns are included in port decisions.

4.0 WHAT WILL THE PORT GAIN FROM THIS PHASED STRATEGIC APPROACH?

- This consultancy will improve upon the Port of Nome's approach toward its expansion, including questions of whether and how to expand. As the Corps' study and Congressional discussion unfold, the questions of how to attract and draw cost-share and establish long-term relationships with tenant cargo companies, shippers, ice-breakers are in the forefront.
- This information-gathering process of communication with people and interests in the Arctic region, along with how the unfolding events intersect with local interests, how local interests and communities become players, and how the ongoing and developing processes in the Port of Nome both fits into, and will help shape, the unfolding events over the next 10, 20 and 30 years, central to this strategic approach.
- This consultancy will provide a ground's eye view to augment ongoing and

projected assessments of what it means to be a regional hub for the west coast of Alaska, and indeed, for resupply on the American side of the Bering as Congress considers the funding question. This phased-in project will be designed to support next steps toward a larger readiness as events driven by Arctic shipping increases.

5.0 DELIVERABLES

- TBD – Draft reports will be delivered within 60 days of contract for comment, and revised within the next 30 days. Reports will be developed interactively with full communication with the Port Manager.
- Final report(s) will be functional, goal based and relying upon a combination of direction from the Port Director combined with the procedures, law, soft law, stakeholder interviews and port policies already in use in the Arctic region.
- The various data sources will be consolidated and presented in clear, simple formats and visual representations. Feedback and input will be sought from the Port Director to inform both the next phase and an exit memo.

Port Development oped:

<https://www.adn.com/commentary/article/rethinking-alaska-economic-diversity-port-clarence-and-port-nome/2016/04/16/>

Shell Offshore oped:

<https://www.adn.com/commentary/article/shell-and-beyond-toward-arctic-standard-new-north/2012/07/30/>

<https://www.wilsoncenter.org/event/imo-polar-code-roundtable>

6.0 APPENDICES A, B AND C: PHASED TASKS:

Please find below a series of tasks that would, in their cumulative effect, provide a road map, blue print and introductions to other relevant Arctic ports, shippers, security, science, and commercial interests. The purpose is to better understand what the shippers, other commercial and security interests require to utilize the Port of Nome.

APPENDIX A:

What follows are a series of tasks that individually and together offer an Arctic-wide ground's eye information base that will provide a road map for the Port of Nome as it understands and becomes more of a part of the Arctic port and shipping world.

“Who are the players, what are their priorities and what do we need to know to effectively be part of the game?”

- To improve understanding of the options that the Port of Nome might take in its expansion activities that reflect the realities of Arctic shippers and ports, with specific knowledge of priorities and capabilities in the Arctic region. What role will the port of Nome play to ensure it not be defined by others – or, even, marginalized.
- The following tasks are designed to serve as a road map to navigate the most important logistics, interests, priorities and capabilities in the Arctic region. The purpose of this consultancy is to ensure the greatest degree of effectiveness as the Port of Nome participates in the Arctic shipping conversation: who are the players, what are their priorities and main interests that would help the Port of Nome in its expansion activities?
- It is recommended that the first task, A, serve as Phase I of a road map to identify and navigate through the Arctic shipping and port world in terms of relevant priorities and interests as it unfolds during the next decades and what it might mean for the Port expansion. This, as will all tasks, be developed collaboratively with the Port Manager. The point is to enhance the Port's effectiveness as it engages the Arctic shipping world.

A. TASK 1: Task 1 will reflect upon what the Arctic shipping world anticipates for the next decade for the Bering – both to and from the Northern Sea Route and the Northwest Passage – and what this might mean to the port at Nome.

1.0 In that respect, this project will identify and document capabilities of the major ports across the Arctic region – including, ports in development, expanding or fully operational – to broaden the Commission's ongoing process of information gathering and activity. For example, what port capabilities are evolving and growing in the Arctic region? What relationship might an expanded port at Nome play on both sides of the Bering? What evolving system of port linkages, national security and commercial interests are growing in the Arctic region? This task will also identify the major Arctic shippers and what are their priorities and needs as they would transit through the Bering. Fundamentally, this task will offer a ground's eye view of expected growth and priorities as Arctic shipping traffic increases and, thus, creates an economic opportunity for the port.

- 1.2 Identify and document capabilities of the major ports in the Arctic region (operational or in development)
 - Specific to cargo, tonnages, vessel traffic, available port services
- 1.3 Identify any linkages between existing ports for movement of passengers or cargo
 - Specific to commercial interests and national security
- 1.4 Identify potential opportunities or gaps in linkages between Arctic Ports

- Include specifics to how Nome could play a role in fulfilling these gaps
- 1.5 Identify major Arctic shippers, their priorities and needs in transiting the Bering Strait
 - Include specifics to how Nome could play a role in meeting these priorities and needs
- 1.6 Identify biggest hurdles for Arctic shippers in meeting Polar Code requirements
 - Include specifics to how Nome can address these hurdles
- 1.7 Finally, How can Nome become a superior and marketable international Arctic Port?

TIME AND COST:

Time estimate: 16 weeks @ \$9,000 monthly = \$36,000 (plus cost for trip to Nome from D.C.)

The tasks that follow are not yet assigned a time frame – as each task builds upon the others and may require less time – but this dynamic is part of the process as it would unfold. Thank you.

- B. TASK 2** will reflect upon a possible layover stop with cargo going through and/or a destination hub for cargo to go through and redistribute to other direction.

The task will also identify public and private potential financial partners for building critical infrastructure along with the opportunities as a growth engine for both human labor and hard infrastructure. The project will also identify links between new and emerging standards, for example regarding disposal of grey water, the development of wind or geothermal generated electricity or other opportunities for investment and income generation – some of which the Port at Nome is already considering.

This task will describe, analyze, and evaluate the broader points of the Arctic conversation regarding shipping and ports and Arctic commercial developments from the perspective of the interests of the Port at Nome including:

- a. Preferential berthing for shippers
- b. How much to charge
- c. What are shipper requirements
- d. How to attract anchor tenants
- e. To what extent might the Port of Nome become base of operations, and for whom?
- f. Perhaps most importantly, what has worked and what has not – drawing from Arctic port experience.

- C. TASK 3** in its risk, due diligence and predictive dimensions, will be designed to

convey the legal obligations, prepare for trends in evolving standards, and flag emerging stakeholder concerns. It will build, in part, on the *2016 Port of Nome Strategic Development Plan* to identify risks from community, NGO, Alaska Native and environmental perspectives. Drawing from local, state, federal and international law as well as corporate codes of conduct, this component will provide a template appropriate for auditing, enforcement and review. This segment will give particular attention to changing standards, harmonizing standards across national boundaries and opportunities catalyzed by the IMO Polar Code.

- D. TASK 4 will identify long-term trends regarding Arctic port development, including any opposition to port development on environment or other grounds to get ahead of the proverbial curve that could, in the future, unnecessarily impede its development.

APPENDIX B

CASE EXAMPLES

The purpose of the following task is designed to:

- Identify opportunities and challenges in each context that might be applicable to the port at Nome;
- Develop business strategies with the help of specific insights about decisions taken by the various ports and for what reasons;
- Draw from and compare the key issues of interest to the Port at Nome in each of the following Arctic contexts;
- Be ahead of the competition by keeping abreast of all the latest policy changes on an ongoing basis.

Any field assessments will assist the Port of Nome in its strategic position as a transshipment hub as ice-free seasons are likely to increase. This report will, in part, draw from the *2016 Port of Nome* study to deepen an understanding of the most effective processes, the regulatory systems in place and, most importantly, how the step-by-step processes unfolded in each port situation with some degree of attention to what works and what didn't:

- Baltic Sea ports
- Russian deep water port at Providenya across the Bering Strait in the Chukotka peninsula

- The Port of Nome
- Bremenport
- Projected Port Development in Iceland

APPENDIX C

Wrap up task: As a Mediator to D.C. Superior Court, the development or enhancement of existing dispute resolution and negotiation mechanisms for the port development process so that issues of concern that might emerge can be identified and discussed through an agreed upon framework developed by the City or Port.

1.0 EXPERIENCE

This report will draw upon the consultant's extensive experience with legal and political assessments both domestically internationally, including projects such as the Deepwater Horizon spill in the Gulf of Mexico, the TransCanada Keystone, XL proposed pipeline, offshore petroleum development in Namibia, the Harvard-MIT Arctic Fisheries Project, Team Lead for the Woodrow Wilson International Center for Scholar's Polar Program on the Polar Code in the Bering: Russia, US and Canada, advisor to the Denali Commission and the University of Alaska Fairbanks.

2.0 BIO-IN-BRIEF

Anita L. Parlow, Esq., a recent Fulbright Scholar in Iceland regarding offshore issues between Iceland and Norway, was Team Lead to the Polar Program at the Woodrow Wilson International Center regarding the application of the Polar Code on Bering Strait, Northern Sea Route, Northwest Passage issues. Parlow recently served as Advisor to the Denali Commission and, advisor to the Harvard-MIT Arctic Fisheries Project. She also advised a variety of oil, gas and mining companies, including BP-Witt Associates following the Deepwater Horizon explosion and spill, TransCanada Keystone XL in its pipeline initiative in the U.S., and conducted due diligence, risk management and Corporate Social Responsibility and crisis management projects in offshore sub-Saharan Africa, Brazil, Central America and Central Asia. She has worked on Port projects in Canada, Iceland and the U.S. Gulf. Parlow has also served as advisor to the Denali Commission on Village Relocation and the University of Alaska on agriculture and leadership amongst youth in Native Villages.

Parlow has authored numerous articles for publications, including the Washington Post, the Alaska Dispatch News, North Dakota Law Review and, co-authored with the Wilson Center, the National Interest. She is also author and co-author with the Polar Center director for monthly think pieces on Arctic topics of interest published by the Alaska Dispatch News. Parlow's most recent publication is for the University of Maine Oceans Law Review:

<https://digitalcommons.maine.gov/lawmaine/cgi/viewcontent.cgi?article=1362&context=oclj>

She has spoken at a number of conferences and symposiums on Arctic shipping and related issues: including COP 21, Paris UK-based Ethical Corporation, Aarhus University, Norwegian Oil and Gas seminar, Oxford University, The Montreal-based Shipping Summit and forthcoming: The European-Russian Atlantic in Oslo. Also, The Hart Energy Oil and Gas Symposium, the U.S. Gulf Coast Recovery Group, Bakken–Indigenous Interests Oil and Gas for Fort Berthold Tribe, Port Churchill at Hudson Bay, Canada and the World Bank. Parlow, who conducts pro-bono mediations for the District of Columbia Superior Court, earned an advanced degree in law from Oxford University, and is a member of the Bar of the Supreme Court of the United States.

Website: www.sustain-the-globe.com