### MATANUSKA SUSITNA BOROUGH

350 E Dahlia Ave., Palmer, Alaska 99645

#### CHAIRPERSON

Vacant

VICE CHAIR

Vacant



#### **COMMISSION MEMBERS**

Dane Crowley
Fred Elvsaas
Bryan Scoresby
John Pike

#### **PORT COMMISSION AGENDA**

#### LOWER LEVEL CONFERENCE ROOM, DSJ

#### **REGULAR MEETING**

3:00 P.M.

April 22, 2024

- 1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE
- 2. APPROVAL OF AGENDA
- 3. ELECTIONS
  - A. Chair
  - B. Vice Chair
- 4. APPROVAL OF MINUTES
  - A. Regular Meeting, January 29, 2024
- 5. AGENCY AND STAFF REPORTS
  - A. Mr. Dave Griffin, Port Operations Manager
    - 1) Quarterly Update
    - 2) Business Development
  - B. Joe Metzger, Land and Resource Manager
    - 1) Review Port Lease/Permit Activities

- C. Kenny Kleewein, GIS Manager and Heidi Whipple, GIS Specialist
  - 1) Update on Port Website Picture Gallery
- 6. PERSONS TO BE HEARD
- 7. UNFINISHED BUSINESS
- 8. NEW BUSINESS
  - A. Review Port FY25 Operating Budget
  - B. Define Goals for Port MacKenzie
    - 1) 1 Year Goal
    - 2) 3 Year Goal
    - 3) 5 Year Goal
  - C. MSB Port Commission Resolution Serial No. 24-001, Recommend Staff Initiate a Media Campaign to Promote Port MacKenzie.
- 9. ADMINISTRATION AND COMMISSION MEMBER COMMENTS
- 10. CORRESPONDENCE AND INFORMATION
  - A. Port Commission Work Session Notes 2.26.24
- 11. ADMINISTRATION AND COMMISSION MEMBER COMMENTS
- 12. ADJOURNMENT

#### 1. CALL TO ORDER; ROLL CALL; PLEDGE OF ALLIGENCE

The regular meeting of the Port Commission was held in the DSJ Lower Level Conference Room and called to order at 3:00 p.m. by Chairperson Mr. Ron Tracy.

Commission members present and establishing a quorum were:

Mr. Ron Tracy

Mr. Fred Elvsaas

Mr. Bryan Scoresby

Commission members not present were:

Mr. Rob Brown

Mr. Dane Crowley

Staff in attendance were:

Mr. Dave Griffin, Port Operations Manager

Ms. Sandy Luckett, Port Administrative Specialist

Mr. Joe Metzger, Asset Manager

Mr. Don Jourdian, Port Project Manager

There were no Assembly Members in attendance.

#### 2. APPROVAL OF AGENDA

A. The Port Commission approved the agenda.

#### 3. APPROVAL OF MINUTES

- A. The Port Commission approved the minutes from the following meetings:
  - Regular Meeting, July 17, 2023

#### 4. ELECTIONS

Elections were postponed to the next Regular Meeting due to low attendance at this meeting.

#### 5. AGENCY AND STAFF REPORTS

#### A. Mr. Dave Griffin, Port Operations Manager

- Commented there has been lots of activity at the Port this last quarter.
- Reported the major project we are working on is the Economic Development Administration (EDA) funded Pile Sleeve Project with cathodic protection.
- Stated 1 bid was received for the pipe pile project which came in higher than the
  funding available. Value engineering negotiations are ongoing with the bidder to
  reduce the SOW to 28 of the 41 piles with sacrificial anode protection for both
  docks.
- Reported the Barge Ramp design project kickoff meeting will be held in the next

few weeks.

- Commented 2 utility companies are interested in importing Liquified Natural Gas (LNG) utilizing a floating regasification storage unit and extending the natural gas pipeline 15 miles from the port to Ayrshire Road.
- Commented misinformation from a report that was done several years ago for an AGDC/LNG plant is still circulating around causing many companies he has met with to believe Port MacKenzie is not viable. He has had to provide the correct information to show our capabilities on numerous occasions.
- Stated Meritage company is interest in all of Port MacKenzie and the Point MacKenzie area for future development.
- Commented we need to review MSB Code for conflicts and then update the Port Master Plan.
- Reported he will continue to pursue grant opportunities for equipment and infrastructure improvements necessary for business development.
- Stated an RFP is out for inspection of the docks to guide us on the anticipated wear and life expectancy of the facilities.
- Reported we expected a salt and cement ship this spring as well as several barges.
- Stated the grant application we applied for to turn the Port MacKenzie Rail Extension (PMRE) into a road was rejected, but has ignited new conversations to proceed with the rail extension project.

Commissioner Elvsaas commented he would like to see meaningful presentations at our quarterly meetings. He also commented zinc anode is the only cathodic protection to use in our environment.

Discussion followed on increased business, activity brings activity, reaching out to container shippers, other potential users of the port, mass mailings, contact information of potential customers from Commissioners.

#### B. Mr. Joe Metzger, Asset Manager

• Stated we have 3 permits and 1 lease in the Port District bringing in roughly \$17,000/month. Colaska has permits for the 2 warehouses, North Star Supply has a permit for 1 acre of the paved 5-acres pad to store salt and Central Alaska Energy (CAE) has a lease for 5-acres.

Discussion followed on a potential data center in the Port District for Amazon and the need to make contact multiple times with potential customers, attending Resource Development Council (RDC) meetings, Community Council meetings, having a booth at Trade shows and an Economic Summit with the City of Wasilla in the spring focusing on the airport expansion in Wasilla, Hatcher Pass and Port MacKenzie. Mr. Griffin commented he might miss the Governor's Sustainable Energy Conference due to ship traffic.

#### 6. PERSONS TO BE HEARD

There were no persons to be heard.

#### 7. UNFINISHED BUSINESS

There was no unfinished business.

Discussion followed on attendance at the Port Commission quarterly meetings, monthly meetings instead of quarterly so the commission can get more accomplished, lack of action items, Work Session versus Regular Meetings, public may attend meetings if the commission was doing more, put together a list of contacts and appoint commissioners to make contact with potential businesses, yearly open house for industry and the public in the summer or while a ship is in. New Assembly Member Bill Gamble is supportive of the Port.

Mr. Griffin commented he received an inquiry about ferry service from Ms. Julie Morris. Commissioner Elvsaas stated the Alaska Marine Highway system lands at ports all over that state without a ferry landing dock, they use a roll-on roll-off ramp without tug assist. Some ferries have side ramps-we could easily accommodate ferries at our Port and we have a terminal building. Mr. Griffin will get back with Ms. Morris to discuss ferry potential further. He reported that Port MacKenzie is part of the Marine Highway System. The commissioners are excited about the potential of ferry service from Port MacKenzie to Whittier, Homer, Kenai, etc. for transportation of goods purchased in Anchorage or the Valley versus driving the highways.

#### 8. NEW BUSINESS

A. Approve Port Commission Meeting Dates for Calendar Year 2024

Mr. Scoresby commented the April 22<sup>nd</sup> and July 22<sup>nd</sup> meeting dates fell on the fourth Monday of the month instead of the third. The Commissioners agreed to keep those dates for now.

Commissioner Scorseby moved to approve the Port Commission Meeting Dates for Calendar Year 2024, Commissioner Elvsaas, seconded. The motion was approved.

- **B.** Discuss Port Commission
  - 1. Roles and Responsibilities
  - 2. Expectations
  - 3. Objectives
  - 4. Goals

Chairperson Tracy moved to postpone Discuss Port Commission Rules and Responsibilities when there is better attendance. Mr. Griffin will work with Planning to go through MSB Code which can be repetitive and conflicting. The Work Session environment will be a good time to review the roles and responsibilities and to assign tasks to commissioners.

#### 9. ADMINISTRATION AND COMMISSION MEMBER COMMENTS

Commissioner Tracy enquired about leasing equipment for barges, rough terrain fork-lift, container handlers, etc. He said he will talk to a guy that has a bunch and doesn't use them all.

Commissioner Elvsaas commented a brand new heavy duty Kalmar fork-lift will run about \$610,000.

Mr. Griffin commented Western Construction will have a floating crane for the pipe pile

project and may be able to remove the conveyor jet slinger. He further commented the military wants to use the port, but we need equipment for them. There are Department of Defense (DOD) enhancement grants. The military also has surplus equipment and when it goes government to government, it will be free.

Mr. Griffin commented Representative Petola sent out a flyer recently listing her support of Port MacKenzie's MARAD grant as the number 1 bullet item.

Work Session scheduled for Monday, February 26th at noon. Lunch to be provided.

10. ADJOURNMENT The meeting adjourned at 4:20 p.m.		
Sandy Luckett, Port Admin Specialist	, Chairperson	
Minutes Approved		

# MATANUSKA-SUSITNA BOROUGH Port MacKenzie 350 East Dahlia Avenue • Palmer, AK 99645 Phone (907) 861-7799•david.griffin@matsugov.us

April 1, 2024

The following information is provided to keep the Assembly apprised of ongoing operations, maintenance and business development at the Port during the 3rd Quarter of FY24 (January - March).

# **FY24 Operating Costs and Revenues:**

3rd Qtr Operating Costs:	\$96,840.97	
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3rd Qtr Revenues:	\$48,997.44		
Dockage	Wharfage	Storage	Leases/Permits
\$0.00	\$0.00	\$0	\$48,997.44

## 3rd Quarter FY24 Vessel Traffic:

January through March saw no vessel traffic.

# **Upcoming Vessel Traffic (4th Quarter FY24):**

We will expect salt and cement ships in April or May of 2024 as well as several barges including a military Proof of Principle test shipment loaded with containers.

# **Maintenance:**

#### Bathymetric/Hydrographic Survey

 A Hydrographic survey of the barge and deep-draft docks to the north and south was recently completed by eTrac. This survey is done at regular intervals so we are able to compare the data from previous years bathymetry and monitor the seafloor near our facility for any changes. We still do not require any dredging at Port MacKenzie.

#### Conveyor

- Northern Gravel and Trucking will remove the temporary conveyor from the trestle in April to allow the upcoming cement ship full access to the deep-draft dock.
- We continue to explore options to remove the A-frame from the trestle to allow for more diversified shipments at the deep-draft dock.

#### Pile Sleeves/ \$10.5M - Funded EDA \$8.6M and MSB \$1.9M

 The construction of the Pile Sleeve project was awarded to Western Construction on March 4<sup>th</sup> to install pile sleeves on 32 piles of the deep-draft dock and place annodes on the deep-draft dock and barge dock bulk head to provide cathodic protection.

#### **RO-RO Ramp**

 A change order was issued to Moffat & Nichol in January to continue work on the design of the Barge Ramp a.k.a. the RO-RO Ramp.

## Items of Interest:

#### Hydrogen Fuel

 Applications received from five different companies seeking land use authorizations to perform due diligence activities for the purpose of hydrogenbased fuel production and fuel storage – DG Fuels, Knik Energy LLC, Pacific H2, HIF Global, and BAC Global.

#### **US Department of Defense**

 The Department of Defense continues to visit Port MacKenzie to assess whether the port could be used for training and off-loading ammunition and explosive ordinances. We received military visits twice in the month of March.

#### **FEMA**

 Port MacKenzie is being evaluated for its geographically strategic role in emergency planning and supply chain redundancy in the event that the Port of Alaska or Glen Highway bridges suffer a catastrophic disaster.

#### MARAD

 Port MacKenzie was awarded a \$1M grant from the US Marine Highway Program for the purchase of a 75-ton rough terrain crane that will be used to improve freight and cargo handling activities at the port. The funds have not been released to the Borough yet from the granting agency.

#### Website Updated

 The Port MacKenzie website has been updated including the domain name. The new address is: <a href="https://portmackenzie.matsugov.us">https://portmackenzie.matsugov.us</a>. Our GIS Division is working to add pictures to the website soon.

# **Uplands Leases and Permits:**

#### Colaska Inc. Permits

 Storing super sacks of cement in the old NPI blue metal building and the old Alutiiq Manufacturing Company (AMC) white metal building for construction and maintenance projects.

#### **North Star Supply Permit**

Permit for 1 acre of the old NPI paved 5-acres pad for salt storage.

#### Central Alaska Energy (CAE) Lease

 Negotiations for a revised land lease with CAE have been stymied by volatile fuel prices. In the meantime, CAE will continue under the existing lease.

Dave Griffin Port Operations Manager Port MacKenzie



Department of Defense arriving by Chinook March 4th



Department of Defense returning to Chinook March 4th

# PORT MACKENZIE OPERATING BUDGET SUMMARY January 2024

				FY25 Finance	
ACCOUNT NUMBER/DESCRIPTION	FY24	FY25 Proposed	INCREASE/DECREASE	Proposed	NOTES
341.841 - DOCKAGE FEES	\$26,944.59	\$53,400.00		\$20,000.00	
341.841 - WHARFAGE FEES	\$55,343.11	\$159,000.00		\$100,000.00	
341.844 - LEASE/PERMIT FEES	\$12,000.00	\$45,000.00		\$20,000.00	
			,		These fees will move to the
					Port Enterprise Fund if
					Legislation is approved by
UPLAND LEASE/PERMIT FEES*	\$187,674.64	\$195,989.76	\$8,315.12	\$0.00	the Assembly.
TOTAL REVENUE	\$281,962.34	\$453,389.76	\$171,427.42	\$140,000.00	
			(4		
411 - SALARIES AND WAGES	\$202,453.00	\$196,420.00	(\$6,033.00)		1 Full time and two 1000/hr
412 - BENEFITS	\$76,144.00	\$85,237.00	\$9,093.00	\$85,237.00	
413 - EXPENSES WITHIN BOROUGH	\$1,200.00	\$300.00	(\$900.00)	\$1,300.00	
414 - EXPENSES OUTSIDE OF BOROUGH	\$4,700.00	\$5,000.00	\$300.00	\$7,200.00	Training for Port Director
421 - COMMUNICATIONS	\$13,550.00	\$16,500.00	\$2,950.00	\$16,550.00	
422 - ADVERTISING	\$500.00	\$500.00	\$0.00	\$500.00	
423 - PRINTING	\$500.00	\$500.00	\$0.00	\$500.00	
					Electricy reduced due to malfunctioning cathodic
424 - UTILITIES	\$110,500.00	\$100,000.00	(\$10,500.00)	\$81,263.00	sleds
425 - RENTAL/LEASE	\$1,800.00	\$2,000.00	\$200.00	\$2,000.00	
426.200 - LEGAL	\$0.00	\$0.00	\$0.00	\$0.00	No longer necessary
426.300 - DUES & FEES	\$2,000.00	\$2,000.00	\$0.00	\$2,000.00	
426.900 - OTHER PROFESSIONAL	\$50,000.00	\$50,000.00	\$0.00	\$50,000.00	
427.100 - PROPERTY INSURANCE	\$84,396.12	\$113,935.00	\$29,538.88	\$113,935.00	
427.500 - LIABILITY INSURANCE	\$47,394.18	\$63,983.00	\$16,588.82	\$63,983.00	
427.900 - INSURANCE DEDUCTIBLE	\$131.40	\$100.00	(\$31.40)	\$0.00	No longer necessary
428 - MAINTENANCE SERVICES	\$26,500.00	\$25,000.00	(\$1,500.00)	\$26,500.00	Includes labor for O&M Staff
429.200 - TRAINING REIMB/CONF FEES	\$2,500.00	\$3,000.00	\$500.00	\$3,000.00	
429.210 - TRAINING/INSTRUCTOR FEES	\$3,000.00	\$3,000.00	\$0.00	\$3,000.00	
<b>429.710</b> - TESTING				\$250.00	
429.900 - OTHER CONTRACTUAL	\$159,849.00	\$160,000.00	\$151.00	\$160,000.00	
430 - OFFICE SUPPLIES	\$651.00	\$500.00	(\$151.00)	\$500.00	],
431 - MAINTENANCE SUPPLIES	\$8,000.00	\$8,000.00	\$0.00	\$8,000.00	
432 - FUEL/OIL-VEHICLE USE	\$2,100.00	\$2,100.00	\$0.00	\$2,142.00	
433 - MISCELLANEOUS SUPPLIES	\$15,997.00	\$15,000.00	(\$997.00)	\$5,600.00	
434.000 - IT EQUIPMENT UNDER \$25,000	\$1,800.00	\$3,000.00	\$1,200.00	\$3,000.00	
434.100 - OTHER EQUIPMENT UNDER \$25,000	\$0.00	\$0.00	\$0.00	\$0.00	
<b>434.300</b> - FURNITURE UNDER \$25,000	\$2,000.00	\$0.00	(\$2,000.00)	\$2,000.00	
TOTAL EXPENSE		\$856,075.00	\$38,409.30	\$834,880.00	

<sup>\*</sup>Upland Lease/Permits Fees in the Port District are collected by Land Management

# MATANUSKA-SUSITNA BOROUGH PORT COMMISSION RESOLUTION SERIAL NO. 24-001

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH PORT COMMISSION RECOMMENDING STAFF INITIATE A MEDIA CAMPAIGN TO PROMOTE PORT MACKENZIE.

WHEREAS, while Port MacKenzie is just over 20 years old, it is still a relatively new port in Alaska; and

WHEREAS, there are many misconceptions about what Port MacKenzie is capable of with some businesses and residents unaware the port even exists; and

WHEREAS, the Port Operations Manager has been meeting frequently with various company leaders throughout the State to promote operations at Port MacKenzie; and

WHEREAS, the Port Operations Manager attends regular conferences and seminars including the Alaska Association of Harbormasters and Administrators, Alaska Partnership for Infrastructure Protection (APIP), Resource Development Council (RDC), the Alaska Alliance Support Industry, Meet Alaska, Cook Inlet Harbor Safety Committee, among others; and

WHEREAS, the Port MacKenzie website was recently enhanced in an effort to educate the public and businesses on what we have to offer and are capable of; and

WHEREAS, a Facebook page devoted to Port MacKenzie was created in 2023 to further promote the port; and

WHEREAS, a professional media campaign to promote Port MacKenzie could reach the potential customers that our current systems are unable to; and

WHEREAS, the Matanuska-Susitna Borough Port Commission fully supports a media campaign to target specific audiences and promote Port MacKenzie.

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Port Commission recommends staff initiate a media campaign to promote Port MacKenzie.

ADOPTED by the Matanuska-Susitna Borough Port Commission this - day of -, 2024.

,	Chair

ATTEST:

Valerie Hendrickson, Administrative Specialist

#### 1. CALL TO ORDER; ROLL CALL; PLEDGE OF ALLIGENCE

The Work Session of the Port Commission was held in the DSJ Lower Level Conference Room. The Work Session began at noon.

Commission members present were:

Mr. John Pike

Mr. Bryan Scoresby

Mr. Fred Elvsaas

Commission members not present were:

Mr. Dane Crowley

Staff in attendance were:

Mr. Dave Griffin, Port Operations Manager

Mr. Joe Metzger, Land & Resource Manager

Ms. Erin Dooling, Assistant Borough Attorney

Mr. Don Jourdian, Project Manager

Ms. Sandy Luckett, Port Administrative Specialist

Mr. Ron Tracy

Assembly Members in attendance were:

Assembly Member Bill Gamble

#### 2. DISCUSS PORT COMMISSION:

Introductions of participants

Mr. Dave Griffin, Port Operations Manager, commented the Commissioners wanted to have a Work Session to discuss topics, including MSB Code that applies to the Port, in a non-formal environment. Ms. Dooling will assist him with reviewing Code to update it as needed. He stated we recently changed code to reduce the number of commissioners from 7 to 5 and removed the requirement to have an Assemblymember appointed as a commissioner.

Assembly member Gamble commented he would like to revisit that code change and have an Assembly member from District 5 appointed on the Commission. He stated he is a big advocate of Port MacKenzie.

Discussion followed on scheduling of the Regular Port Commission meetings to get more public involvement, having more Work Sessions, change the meetings to monthly, attendance of Port Commissioners, natural gas line at Port MacKenzie to promote manufacturing companies (we have a preliminary design from the mainline to Ayrshire), food security, lack of communication between Port of Anchorage Alaska (POA) and Port MacKenzie, a new bill in the House for a regional Port Authority, Port MacKenzie trying to build a working relationship

Port Commission Work Session

February 26, 2024

with POA, our sponsorship of the U.S. Marine Highway Program, applying for more grants with MARAD and Port MacKenzie dock inspection.

Mr. Griffin stated we will have distinguished visitors from the military at the Port looking at us for a potential strategic port for munitions transport, training and resiliency for the State. They will be on site for approximately 1 hour on March 4th. Several of our State representatives will also be present including our Mayor and Borough Manager.

Mr. Griffin commented he received a call from Ms. Julie Anderson from McCabe's office regarding the possibility of landing a State ferry at our facility. Mr. Elvsaas stated we do not need additional infrastructure to support the State ferries, they land at ports all over the state with less infrastructure than we have.

Further discussion followed on extending the natural gas line, a gas service line to the prison, a Titan feeder line to distribute gas to the Port, Nikiski and Port MacKenzie are being evaluated by Chugach and Enstar for a floating regasification unit, importance of natural gas for a successful port, pipeline versus trucking of natural gas, storage of natural gas underground, modification of ag covenants in Point MacKenzie, solar farms on agricultural land, lack of soil depth in Point MacKenzie for major root crops, bringing cruise ships to Port MacKenzie, our port could create economic growth and a new community, and communicating what we have to offer to the public and end users of the port.

Mr. Pike stated that Enstar had a design and permitting for a natural gas line from Prudoe to the Mat-Su which ran along the existing roads but did not plan for public access. The lack of public access killed the project. Trucks barely keep up now from Titan to Fairbanks due to cost. A truck from Anchorage to Prudoe is about \$9K right now one way.

Mr. Elvsaas stated barging companies do not know what we have. We need to get information about us out there. We need to have action items before we create more frequent Port Commission meetings. We need to set goals for the short term.

Discussion followed on priority items:

- Correct the misinformation being disseminated about the Port;
- New website with much needed pictures showing what the port can do and has done;
- Facebook marketing to target specific business interests;
- Booths at community events to promote the Port;
- News/Radio/TV;
- Community meetings;
- Incentify with discount use of the Port over 5-10 years;
- Promote the Port with the capabilities we have to companies that will use it via a media campaign;
- Increase the advertising budget from \$500 to \$30-\$40K; and
- Create Three (3) Goals for Year 1, Year 3, and Year 5 of where we want to be.

Further discussions followed on the existing Tariff, user rates, maintenance/improvements of the facility, Bryce Marine's suggestion of a hard bottom barge ramp to extend the window for ro/ro

Port Commission Work Session

February 26, 2024

operations, commissioners bringing business contacts to the port for a tour, review and improve MSB Code, update the Port Masterplan with realistic 3-5 year goals and objectives, bringing in new business each year, getting Port MacKenzie known should be #1 priority, media campaign to targeted businesses, social media with video blast out to get shares, advertising in magazines, bulleted handout with our capabilities, RFP to professional Marketing Companies to target industries we want and correct the negative and misinformation out there.

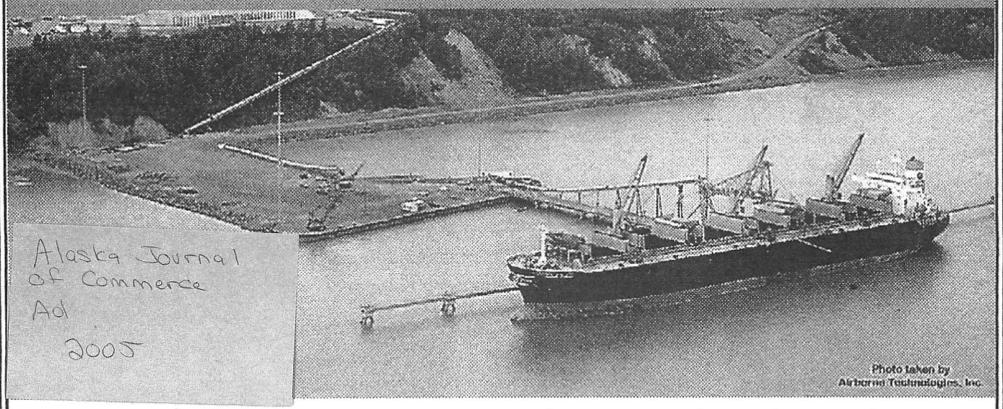
Mr. Griffin stated we will co-host an Economic Summit with the Wasilla Chamber of Commerce and the City of Wasilla on April 24<sup>th</sup> at Evangelos with speakers on business potential, growth, transportation, energy, tourism, etc. and on April 25<sup>th</sup> a bus will provide transport for a tour from the Wasilla Train Depot to the Wasilla Airport to Port MacKenzie and back to the Wasilla Train Depot.

Mr. Pike commented we need private dollars to accomplish what we need. More discussion followed on how to bring new businesses to our Port. Mr. Elvsaas suggested we focus on advertising for 3-6 months and see what happens.

Assemblymember Gamble suggested using social media such as Facebook with bulleted items of our capabilities, target our audience and drive them to our Port website. He suggested use of videos to promote the Port utilizing bio impressions. There are several audiences to target, we could use ad manager. A professional company may provide a better result than we can do in-house. We can filter out negative comments automatically through Facebook.

The work session ended at 2:00pm.

# MATANUSKA-SUSITNA BOROUGH PORT MACKENZIE OPEN FOR BUSINESS



- 500' Barge Dock at -20' MLLW 1,200' Deep-Draft Dock at -60' MLLW
- · 14 square miles of uplands for commercial/industrial development
- · Conveyor system available on site

Contact: Marc Van Dongen, Port Director at (907) 746-7414 • mvandongen@matsugov.us or visit our website: www.portmackenzie.com