



## Saint Lawrence Seaway Development Corporation

Advisory Board Meeting Minutes

December 2, 2019

Meeting Held via Teleconference

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**PRESENT** Advisory Board – David McMillan (Advisory Board Chairperson), William Mielke (Advisory Board Member), Dr. Arthur Sulzer (Advisory Board Member)

SLSDC Staff – Craig Middlebrook (Deputy Administrator), Tom Lavigne (Associate Administrator), Nancy Alcalde (Director of Congressional and Public Relations), Chris Guimond (Director of Lock Operations and Marine Services), Mike Howard (Executive Officer), Kevin O'Malley (Director of Budget and Trade Development), Deb Perkins (Director of Human Resources), Jeff Scharf (Director of Engineering and Maintenance), Nancy Scott (Director of Finance/CFO), and Wayne Williams (Chief of Staff),

General public attendees – None

Mr. McMillan chaired the meeting and minutes were recorded through teleconferencing embedded audio feature.

### **I. CALL TO ORDER**

In his capacity as Board Chairperson, David McMillan welcomed all participants to the Advisory Board meeting and, noting the presence of quorum, called the meeting to order at 2:09 p.m.

### **II. APPROVAL OF THE MINUTES**

On a motion by Mr. Mielke, the Board approved the minutes without objection, the motion passed unanimously, and the September 26, 2019 meeting minutes were approved as drafted.

### **III. ADMINISTRATOR'S REPORT**

Deputy Administrator Craig Middlebrook provided an update to the Advisory Board members, including a general overview of SLSDC activities following the previous Advisory Board meeting in September 2019.

A recap of the Seaway's 60<sup>th</sup> anniversary events in Massena was provided and he followed up with discussions on three topics: the 2019 navigation season closing, Seaway Vessel Traffic Flow Management System, and the Seaway's ballast water management program.

Mr. Middlebrook reported that the Seaway is scheduled to close for the 2019 navigation season on December 30 and an announcement would be forthcoming.

Progress on the Seaway's Vessel Traffic Flow Management System was discussed. In conjunction with the Department's Volpe National Transportation Systems Center, a prototype was developed and finalized and presented at the Seaway's anniversary celebration event. The plan moving forward is to engage both Seaway pilots and carriers to introduce them to the prototype system at the upcoming Grunt Club events in Montreal in early December.



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Lastly, Mr. Middlebrook spoke about the U.S. Coast Guard (Ninth District) and its indication that USCG leadership wants to move towards a more risk-based ballast water compliance protocol and away from boarding vessels and performing salinity testing.

- Mr. McMillan congratulated the SLSDC on a successful 60<sup>th</sup> Anniversary event and recognizing the accomplishments of the SLSDC's 60<sup>th</sup> Anniversary work group.
- Mr. Mielke asked whether or not the Seaway outflows will be immediately increased after we the Seaway closes for the year. Mr. Middlebrook responded that the IJC would have to lower the velocity in order to form a smooth ice cover for the power dams. He added that once the ice cover is established, outflows can be increased.

### **IV. QUARTERLY UPDATES**

Chris Guimond, Director of Operations and Marine Services, provided updates to the Board regarding major events from the last quarter. These events included the grounding of the CSL vessel Paul J. Martin, interviews and selection for the SLSDC's tugmaster, and management of a major wind event taking place on Halloween that resulted in multiple navigation aids along the river being moved off-station.

Current challenges facing the Operations Division involve water levels and outflows. Current elevated water levels will most likely result in slower vessel transits, especially with the end-of-season winter conditions and the higher outflows combined. Also, water temperatures are significantly lower than the 10-year average. He noted that the other challenge involves the decommissioning of navigational aids, which will start earlier than in previous years.

Additionally, the impact of the U.S. Coast Guard's position regarding ballast water tank sampling will have a significant impact on SLSDC inspectors. SLSDC ship inspectors are doing ballast water exams, taking them away from their ship inspection duties. He added that SLSDC operations supervisors are also being tasked to do more ballast water exams than in the past.

Over the winter period, Lock Operations will be looking at getting the crew trained and familiarized with the new SLSDC tugboat (Seaway Guardian), to include training on the Z-drives. A training program for traditional linehandling is also in the works.

Kevin O'Malley, Director of Budget and Trade Development, provided an update on budget and performance issues including the SLSDC's most recent clean, unqualified financial statements audit for FY 2019. Related to the FY 2021 President's Budget request, passback from OMB is expected tomorrow, which will begin the final processes to the FY 2021 budget request to Congress in early February. In addition, he noted that a continuing resolution was in effect and that there was a one-month extension until December 21.



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Nancy Scott, Director of Finance/CFO, provided the Board with an update regarding the OIG's FY 2019 financial statements audit report. She mentioned that the OIG had zero recommendations resulting in the SLSDC's 56<sup>th</sup> consecutive clean audit.

Mr. O'Malley provided the Board with an update on trade and economic development initiatives. He highlighted work being performed by Peter Hirthe, SLSDC's new Great Lakes Regional Representative, and Rebecca Yackley, the SLSDC's International Trade Specialist. Visits were made to nearly every U.S. Great Lakes Seaway system port by Mr. Hirthe to become familiar with Great Lakes ports and develop a better understanding of stakeholder needs. He added that the Regional Representative has been working very closely with his Canadian counterpart at the SLSMC on a number of joint projects.

Mr. O'Malley also spoke of the SLSDC participation in two recent major conferences – Breakbulk Americas and the Annual Highway H<sub>2</sub>O conference that the SLSDC co-hosts with the Canadian SLSMC. He noted that the SLSDC will be actively participating in three upcoming major industry events – Annual Grunt Club in Montreal (December), the Annual Toronto Marine Club (January), and the Great Lakes Waterways Conference (February).

Jeff Scharf, Director of Maintenance and Engineering, briefed the Board on various on-going and recently contracted ARP projects, including preparations for a major dredging project next year in the intermediate pool to accommodate the Seaway Guardian tugboat at the maintenance base, making improvements at the locks, including grouting throughout the lock recesses and galleries, and finishing the new safety guardrails at both locks.

In regard to the ice flushing system, Mr. Scharf mentioned new hydraulic machinery for the ship arrestors. Relayed that as we go further into winter, the goal is to install all equipment and machinery by the start of the new navigation season next year. Working on a feasibility study for relocating Snug Harbor related to the remediation project that's ongoing in the Grasse River.

- Mr. McMillan asked for more information on the status of the Seaway Guardian including updates pertaining to the contract, costs, inspections, and performance concerns with warranty items. Michael Howard, Executive Officer, briefed the Board on the status of the tug noting that construction is approximately 95 percent complete. He added that dock trials are scheduled to begin in the middle of December and sea trials should be scheduled to begin in the middle of January. If everything goes as planned, the vessel is expected to be ready for delivery by the end of February. In responding to Mr. McMillan, Mr. Howard noted that there have been no cost overruns with the project. He also noted that the performance of the shipyard has been good and that he and the SLSDC marine crew have worked well with the shipyard's project manager and foreman. He also added that any concerns that arise with any of the subcontractors are being addressed quickly.



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- Dr. Art Sulzer asked about the third-party inspectors for the tug while at the shipyard. He wanted to know why it was necessary and who was hired as the inspection team. Mr. Howard responded that the SLSDC hired MiNO Marine and the firm has been on board with the project since the keel was laid. They were hired because the SLSDC does not have full-time support at the shipyard and the firm is local to the shipyard.
- Mr. McMillan asked of Kevin and Tom, can you figure out what information can be provided to the Board regarding the tug, and build it into the briefing materials for next time without violating any confidential or legally privileged information?
- Mr. Art Sulzer asked, "I know that we saw e-mail traffic on what I'll call the little tug and where that stands. I don't know what point, is that at the renewal or is that just an afterthought here that we want to hold off till the end to address? Because that was on our list of questions, too. I think an overall summary of where that landed and why, is appropriate without a gross amount of detail?"

Mr. Lavigne, Associate Administrator, briefed the Board on Asset Renewal Program focus areas. He mentioned continued work on a successful test of the prototype piping and valves for the Snell ice flushing system, the anticipation and review of the feasibility study for possibly relocating Snug Harbor as a result of the Glass River Remediation Project, and the continued management of progress of our current projects and the upcoming work session. In addition to progress on the Guardian and smaller projects.

As far as upcoming projects, the list includes installing the new ship or hydraulic machinery for the locks. Development of a master facility plan for Massena, New York operations, and also performing a condition study of our current radio communications systems.

Ms. Alcalde, Director of Congressional and Public Affairs, briefed the Board on the past quarter accomplishments, which included the 60<sup>th</sup> anniversary event, and continuous work on SLSDC social media platforms. Mentioned that the number of followers on social media was growing, and work had begun on refreshing the SLSDC's dot.gov site. The Department is asking for more uniformity across the different modes.

Spoke to the added feature of video to the *Seaway Soundings* and *Seaway Compass* publications.

Over the next 90 days, the Office is planning for the tug christening, as was mentioned, probably in the spring, and a marketing brochure refresh.

- Mr. McMillan inquired about updates on the groundbreaking ceremony for the new Visitor's Center.



Ms. Alcalde responded, that it continues to be a work in progress. There have been efforts to reach out to the Mayor's office and the Chamber of Commerce in Massena. May fit well with the Department's Opportunity Zone initiative, which is intended to provide economic incentives to rural areas.

## **V. OLD AND NEW BUSINESS**

- Mr. McMillan asked for an update on the Associate Administrator position recruitment and selection.

Deb Perkins, Director of Human Resources, joined the conference call to brief the Board. She informed Board members that the process is underway, starting with the initial review that was completed last week. The next steps include a first round of interviews with qualified candidates. Following those initial interviews with an outside board of reviewers, recommendations will be made for a second round of interviews in order to identify the best qualified candidate for the position. Once a tentative selection has been made, that person will need to develop executive core qualifications that will require review and approval by the Department and the Office of Personnel Management. The complete process can take several months.

- Mr. Mielke asked a question regarding the first-level review. He wanted to know if the first-level review was basically a paperwork review to develop a list of candidates.

Ms. Perkins responded that the first-level review is a paperwork review and a first interview is done by a panel of senior executives who work for the U.S. Department of Transportation. A second review group will convene to review the first review group's recommended list of eligible candidates.

## **VI. CLOSING DISCUSSION AND ADJOURNMENT**

- Mr. McMillan noted that the Board wanted to confirm dates for the next meeting.

Deputy Administrator Middlebrook responded Chief of Staff Wayne Williams would coordinate with the members to fine an agreeable date to meet in March 2020.

- No additional questions or comments.

The meeting was adjourned at 4:02 p.m., with a motion to adjourn from Mr. Mielke and seconded by Dr. Sulzer.

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