

Saint Lawrence Seaway Development Corporation

Advisory Board Meeting Minutes September 24, 2020 Meeting Held via Teleconference

PRESENT

David McMillan (Chairman of Board), William Mielke (Advisory Board Member), Dr. Arthur Sulzer (Advisory Board Member), Craig Middlebrook (Deputy Administrator), Gary Croot (Associate Administrator), Kevin O'Malley (Director of Budget and Economic Development), Nancy Alcalde (Director of Congressional and Public Relations), Nancy Scott (Director of Finance/ CFO), Christopher Guimond (Lock Operations and Marine Services), Carrie Lavigne (Chief Counsel), and Jeffrey Scharf (Director of Maintenance and Engineering)

I. CALL TO ORDER

Craig Middlebrook acting as Board Chairperson prior to David McMillan's arrival, welcomed all participants to the Advisory Board meeting and, noting the presence of quorum, called the meeting to order at 2:02 p.m. Mr. McMillian ultimately joined the meeting.

II. APPROVAL OF THE MINUTES

On motion by Board member William Mielke, the Board approved the minutes without objection, the motion passed, and the June 25, 2020 meeting minutes were approved as drafted.

III. DEPUTY ADMINISTRATOR'S REPORT

Deputy Administrator Craig Middlebrook reported a positive change regarding the process for submitting Federal Register notices for Advisory Board meetings going forward. He noted that the Department has approved the ability to submit an annual approval request to publish in the Federal Register for meeting dates for all four quarters. Mr. Middlebrook stated that he would like to have tentative dates for meeting dates for each quarter of the year if the Advisory Board members were in support. Members indicated their support for trying to agree to the dates ahead of time. He then spoke about the national health emergency and noted that the SLSDC has been able to function at the highest level of performance, despite the many challenges that it has confronted. Mr. Middlebrook reported that a third of the wage-grade workforce was on Weather and Safety leave related to the pandemic in April and May, and now, however, all but three employees are back at work. He noted that we have continued to be able to move ships safely, and that the majority of Massena employees came to work every day during the height of the pandemic and without that commitment, we would not have been able to keep functioning in the D.C. area. There is still a telework schedule in place for the Washington office, but he noted that Massena has been fully functioning throughout the pandemic. Mr. Middlebrook briefly spoke on an important personnel transition that took place on July 5 with Gary Croot coming on board as the new Associate Administrator in Massena. He also reported that Tom Lavigne officially retired on October 1, and that SLSDC Chief of Staff Wayne Williams departed on September 11. Mr. Middlebrook stated that the Corporation is recruiting a new person for the Executive Officer position to replace the Chief of Staff position.



Saint Lawrence Seaway Development Corporation

Advisory Board Meeting Minutes September 24, 2020 Meeting Held via Teleconference

IV. QUARTERLY UPDATES

- Mr. Middlebrook provided a quick overview on the SLSDC's new tug, Seaway Guardian, that arrived in July. He spoke of difficulties with getting contractors onsite to complete the work with quarantine requirements from New York State. He reported that ownership of the tug officially transferred to the SLSDC in late August and that the last bit of contractual work was completed last week. Regarding water levels this year, he noted that it has been a safe navigation season. The intense challenges that the Seaway confronted last year and this year prior to the opening of the 2020 navigation season have not been experienced this year. Mr. Middlebrook reported that the SLSDC's lock availability rate was at 100 percent through August while the U.S. Seaway system reliability rate was at 99.7 percent. Vessel transits were down a bit -13 percent year to date – but cargo is down only about 8.4 percent through August. He stated that the Seaway International Bridge has caused another set of challenges, particularly related to the pandemic with the closure of the Canadian border. Limited passenger or truck traffic is crossing the border, which has been devastating from a revenue standpoint. He spoke briefly about the ongoing negotiations over a new collective bargaining agreement with the SLSDC's union, and the beginning of the transition preparation process within the Department as part of the government-wide effort.
- Associate Administrator Gary Croot introduced himself and briefly talked about his 24 years in the United States Coast Guard and reported on his first 10 weeks at the Seaway. He stated that it has been interesting adapting to the different changes in the state and local policies and how we implement them. He also spoke about the changes in terms of technology differences between the *Robinson Bay* and the *Seaway Guardian*. He said that training is going to be key because they are so different. Mr. Croot reported that the capabilities of the *Seaway Guardian* far exceed the *Robinson Bay*.
- Chris Guimond, Director of Operations and Marine Services, briefly mentioned how the health emergency has affected the Marine Division. He reported that the Division's assistant engineer, a surveyor, and the vessel master were still out, but despite those challenges they have been able to maintain the functioning of the marine division. Mr. Guimond reported on several incidents that happened in U.S. waters and in a Canadian sector: a vessel grounded going at the Port of Ogdensburg (N.Y.), a tour boat that ran aground in Alexandria Bay, and a downbound vessel above Eisenhower Lock lost steering. Mr. Guimond noted that his biggest challenge is getting the crew up-to-date on the *Seaway Guardian* and getting them trained and familiar with tug. He also mentioned that the SLSDC has put out bids for outside companies to come in and conduct a weeklong training.

SAMPLE OF THE STATE OF THE STAT

Saint Lawrence Seaway Development Corporation

Advisory Board Meeting Minutes September 24, 2020 Meeting Held via Teleconference

- Kevin O'Malley, Director of Budget and Economic Development, provided an overview on the FY 2022 budget submitted to the Office of Management and Budget. He mentioned border crossing restrictions dealing with the Seaway International Bridge and how it continues to hamper toll revenues at the Bridge. Kevin reported that the Canadian Government came up with emergency funding to support revenue shortfalls through the end of its fiscal year (March 31, 2021). The Department has been working with congressional appropriators for emergency funding for the bridge for the second half of the fiscal year through September 30, 2021. Mr. O'Malley reported on Trade and Economic Development noting that traffic is down 8 percent.
- Jeff Scharf, Director of Maintenance and Engineering, provided updates on SLSDC maintenance and engineering projects. He reported that the condition of the concrete diffusers at the bottom of each lock that help control the outflow of water from the locks are in need of repair or replacement. Mr. Scharf noted undertaking a radio communication study for lock operations and vessel traffic control, shotcrete repairs at Eisenhower and Snell locks, and other improvements. He reported that the SLSDC continues to communicate with the Grasse River Remediation Project contractor to ensure continued access to Snug Harbor in the event of an emergency. Mr. Scharf spoke briefly about the awarding of contracts in preparation for the winter work following the end of the 2020 navigation season.
- Nancy Scott, Director of Finance/CFO, provided an update on the yearly closeout. She
 reported on her office's involvement with the Office of Inspector General (OIG) audit
 team, which is different this year because it is a virtual audit. Ms. Scott noted that
 everything seems to be on target, and the SLSDC is looking forward to completing the
 audit.
- Nancy Alcalde, Director of Congressional and Public Relations, reported that the *Guardian* delivery generated a great deal of interest on behalf of the Secretary who worked with the SLSDC in producing a video message. She noted that the Corporation had a media viewing opportunity for local North County affiliates to come and take pictures, which generated very wide coverage due to the Secretary's genuine interest in a video message that was part of the SLSDC's Summer 2020 *Seaway Compass* newsletter. Nancy mentioned an article about the *Guardian* that is to be published in the British-based international trade magazine, *International Tug & OSV*. Ms. Alcalde reported on five Great Lakes Seaway System ports that received an SLSDC Pacesetter Award for increases in international shipments during 2019 as compared to 2018. She also spoke of the work her office coordinates with the Great Lakes Seaway Partnership to produce monthly statistic releases as well as the production of the SLSDC's quarterly *Seaway Compass* newsletter by her staff. Finally, Ms. Alcalde reported that the SLSDC is posting monthly operational performance data in the form of infographics on its social media platforms and has received positive feedback.



Saint Lawrence Seaway Development Corporation

Advisory Board Meeting Minutes September 24, 2020 Meeting Held via Teleconference

V. OLD AND NEW BUSINESS

- Mr. McMillan asked if there would be a report from a third-party indicating what the ongoing pandemic will ultimately mean for the future of shipping and the Seaway. Mr. Middlebrook responded that he would coordinate with Dr. John Martin of Martin Associates to provide a global trade briefing at the next quarterly meeting.
- Mr. Middlebrook will contact board members with suggested dates for scheduling the next four meetings.

VI. CLOSING DISCUSSION AND ADJOURNMENT

The meeting was adjourned at 3:30 p.m., with a motion to adjourn from Mr. Middlebrook and seconded by Mr. McMillan.

#####