

## **CONNECTICUT PORT AUTHORITY**

### **2017 ANNUAL REPORT**

The Connecticut Port Authority is a quasi-public agency created through legislation Governor Dannel P. Malloy signed in 2014 that is responsible for marketing and coordinating the development of the state's ports and maritime economy. The creation of the Connecticut Port Authority represents a major commitment by the Governor and the Assembly to invest in the state's port infrastructure to create jobs and attract private investment to the state.

Pursuant to Public Act 15-5, On or before December fifteenth of each year, the board shall report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to transportation, commerce and the environment, summarizing the authority's activities, disclosing operating and financial statements and recommending legislation to promote the authority's purposes.

### **Background**

Connecticut is home to three deepwater ports (Bridgeport, New Haven, and New London) where the bulk of Connecticut's commercial maritime industry operates, as well as small and mid-size coastal and river harbors that also make important contributions to the State's economy. From the terminals in New Haven, New London and Bridgeport to commercially successful ferry operations in Bridgeport and New London to major shipyards such as Electric Boat and the U.S. Navy Sub Base in Groton to numerous marinas to fishing fleets and boat repair facilities, Connecticut's commercial waterfront is an important contributor of jobs, economic activity and tax revenue. In total, 24 municipalities in Connecticut have Harbor Management Commissions, and three municipalities (Bridgeport, New Haven and New London) have existing port authorities. Connecticut's coastal economy is broad and diverse.

Prior to the onset of the Great Recession, Connecticut's maritime industry contributed more than \$5 billion to the state's economy and employed more than 30,000 people, according to a study published in 2010 by the Connecticut Maritime Coalition. In 2007, according to the same study, average wages in the maritime industry were 15 percent higher than the state average. According to recent analysis by DECD found that the industry has rebounded from the impact of the Great Recession, again employing slightly more than 30,000 people.

### **The Responsibilities of the Connecticut Port Authority**

Among other duties, the Connecticut Port Authority shall:

- Coordinate port development, focusing on private and public investments
- Pursue state and federal funds for dredging and other infrastructure improvements and maintain navigability of all ports and harbors
- Work with the Department of Economic and Community Development and state, local, and private entities to maximize the ports' and harbors' economic potential
- Support and enhance the overall development of maritime commerce and industries
- Coordinate the state's maritime policy and serve as the governor's principal maritime policy advisor

## Connecticut Port Authority Board of Directors

The Connecticut Port Authority's governing board is composed of 15 voting members, including state officials, community leaders, port authority professionals, and individuals with knowledge related to trade, marine transportation, and finance.

Primary responsibilities for the Board of Directors include:

- Develop and recommend a state-wide maritime policy for the Governor and the Connecticut General Assembly Transportation Committee
- Advise the Governor and Transportation Committee concerning the state's maritime policies and operations
- Support the development of the state's maritime commerce and industries, including its ports and harbors
- Recommend investments and actions, including dredging, required in order to preserve and enhance maritime commerce and industries
- Conduct studies and present recommendations concerning maritime issues.

### 2017 Board Members & Staff:

**Chairman Scott Bates**, Center for National Policy, appointed by the Senate Majority Leader, Senator Bob Duff.

**Vice Chair Catherine Smith**, Commissioner, Department of Economic and Community Development, ex officio.

**Sarah Sanders**, Assistant Treasurer, Designee of the State Treasurer, ex officio.  
**Resigned:**

**Jim Redeker**, Commissioner, Department of Transportation, ex officio.

**Garret Eucalitto**, Undersecretary for Transportation Policy and Planning, Designee of the Secretary of the Office of Policy and Management, ex officio. **Resigned:**

**C. Zack Hyde** (replacement for Garret Eucalitto) serves at the state of Connecticut's Office of Policy and Management (OPM).

**Robert Kaliszewski**, Deputy Commissioner Connecticut Department of Energy and Environmental Protection, ex officio.

**Nancy J. DiNardo**, appointed by Governor Dannel P. Malloy.

**Pamela K. Elkow**, Carmody, Torrance, Sandak & Hennesey, LLP, by Governor Dannel P. Malloy.

**Donald B. Frost**, D.B. Frost & Associates, appointed by Speaker of the House, Representative Brendan Sharkey.

**Terry Gilbertson**, Town of Woodbridge, appointed by the Senate President Pro Tempore, Senator Martin M. Looney.

**Henry Juan III**, Young America Capital, appointed by Senate Minority Leader, Senator Len Fasano.

**John Johnson**, Thames River Properties, appointed by Governor Dannel P. Malloy.

**Dave Pohorylo** New England Shipping Company, Inc., appointed by House Minority Leader, Representative Themis Klarides.

**First Selectwoman Bonnie Reemsnyder**, Town of Old Lyme, appointed by House Majority Leader, Representative Joe Aresimowicz.

**Parker S. Wise, American Cruise Lines, Inc.**, appointed by Governor Dannel P. Malloy.

**Evan Matthews, Executive Director:** hired September 19, 2016.

## **Operations and Business of Port Authority:**

### Inaugural Meeting – February 29, 2016

At the inaugural meeting, the Board elected Scott Bates as Chair, and indicated that he was honored and humbled and excited to begin thinking about the CPA mission and vision, including the search for an executive director and developing a maritime strategy. In his first year, Chairman Bates promised to go to every port in the state and meet each Director on board in their city. And based on the attached map (Exhibit 1) he made good on that promise. The Board also nominated Catherine Smith as Vice Chair, discussed bonding and finance of the CPA, and initiated an Executive Director Search. The Board reviewed Memoranda of Understanding (MOUs) between the CPA and the DOT, and between the CPA and DECD, as well as draft by-laws, and working website.

### March, April, May, and June 2016

Over the next months, the Board continued to work through the basic administrative framework of the CPA, including the adoption of by-laws, funding and finance, website and working logo development, and the Executive Director Search. The Board also began to learn about the various aspects of Connecticut's maritime industry through presentations by stakeholders and experts. The Board also adopted the Fiscal Year 2017 Budget, which includes \$400,000 in State funding and \$595,000 from Port operations.

### FY 2017 Commences Operations

The CPA commenced on July 1, 2016, and officially received the Admiral Shear State Pier and authority over the Connecticut State Pilots in a signing ceremony on July 7, 2016 in New London.

The CPA conducted a nationwide search and evaluation of many potential candidates. A subcommittee, chaired by Department of Economic and Community Development Commissioner Catherine Smith, was created to interview and assess the candidates over the course of several months.

Connecticut Port Authority (CPA) Board of Directors Chairman Scott Bates today announced the appointment of Evan Matthews as the authority's new executive director on September 1, 2016. Matthews has extensive experience in the maritime trades. Since 2003 he has worked for the Quonset Development Corporation in Rhode Island, most recently serving as Port Director. Under his leadership, the Port of Davisville saw an increase in shipping traffic, growth in revenue and important infrastructure upgrades. Matthews will manage the day-to-day activities of the CPA, including business development, marketing, finance and outreach activities. He will be responsible for developing a strategic plan to grow the volume of cargo activity in the ports, as well as coordinating and strengthening the state's maritime policies. Mr. Matthews began work with the CPA on September 19, 2016.

#### **Government Relations -**

CT DOT: met with Commissioner Redeker during first week to discuss the transition of maritime assets to the CPA. Staff also met with Bureau of Policy and Planning Chief Tom Maziarz and his staff to review CT's Freight Planning process and opportunities to coordinate.

OPM: CPA also met with Steven Kitowicz , Garrett Eucalitto, and Zach Hyde to discuss the bonding process and presenting capital projects for funding by the State Bond Commission. CPA currently has \$34 million and \$17 million in authorized funds, \$5 million of which must be invested in grants in aid to small harbors. CPA will present its proposed program, the Small Harbor Improvement Program (SHIP) to the board for consideration.

DEEP: CPA met with Brian Thompson, Director of the Office of Long Island Sound Programs, to review the deferment of the Housatonic River Dredging project, piping plover monitoring, and other program areas where CPA and DEEP will need to coordinate. CPA is scheduled to meet with Deputy Commissioners Sullivan and Whalen next, and the Bureau of Air Management to explore equipment purchases with the \$51.5 million, the CT share of the VW Emissions Settlement.

DEEP: CPA met with Deputy Commissioners Sullivan and Whalen to discuss ways in which CPA and DEEP could work together on projects, including Pier 7 at Fort Trumbull. Also met with the Bureau of Air Management to explore equipment purchases with the \$51.5 million, the CT share of the VW Emissions Settlement. CPA coordinated DEEP presentation to the Connecticut Maritime Coalition.

DECD: CPA met with Tim Sullivan on a variety of issues related to the creation of the CPA and MOU with DECD. CPA has also met with personnel in Communications, Government Relations, IT, Legal, Marketing, Finance, and Administration to coordinate the day to day operations.

City of Hartford: CPA met with Mayor Bronin and staff to discuss potential projects in Hartford, including intermodal terminals and distribution centers along the Griffin Line and riverfront projects.

City of New London: CPA met with Mayor Passero and Tammy Daugherty regarding projects along the New London waterfront including working with DEEP on Pier 7 and fishing fleet infrastructure at the State Pier.

CT Office of Military Affairs: CPA toured several facilities along the Thames River with Bob Ross, including Submarine Base New London, Electric Boat, and Fort Trumbull.

CT Airport Authority: CPA met with Kevin Dillon at Bradley International Airport to review lessons learned on developing quasi-public agencies and ideas for operation procedures.

Representative Courtney: CPA was hosted by Rep. Joe Courtney and his D.C. and District staff at his Norwich office. We discussed ways in which CPA can work with his office on federal policies and projects that impact eastern Connecticut.

EPA: CPA staff participated in a conference call by Curt Spalding, EPA Regional Administrator to discuss the publication of the final rule establishing the Eastern Long Island Sound Disposal Site (ELDS) on November 4, 2016.

#### **Small Harbor Outreach -**

CPA has met with representatives from the Village Creek Association in Norwalk, the Five Mile River Commission in Darien and Rowayton, the Borough of Stonington and Stonington Harbor Management Commission.

CT Marine Trades: CPA with Kathleen Burns to discuss outreach and coordination with small harbors and marinas, and gave an overview of the proposed SHIP, which was well received.

Stonington Harbor: CPA attended the Stonington Harbor Management Commission meeting on November 14 and discussed the proposed SHIP initiative.

West Haven: CPA met with representatives from the City of West Haven on November 15 to discuss potential waterfront projects in their city.

#### **Business Development -**

In the first month, CPA has been to the Breakbulk Americas trade show in Houston, New York Harbor Supply event in New York City, the American Association of Port Authorities in New Orleans. While at the AAPA, CPA joined the Cruise Committee and North Atlantic Port Caucus, as well as providing comment to the US Legislative Policy Committee on CT's concerns about language in the WRDA 2016 House Bill regarding dredging and state water quality permits. CPA also met with DECD on strategies for branding and leveraging State investments in the Still Revolutionary campaign.

Branding: Met with Adams & Knight pursuant to Board guidance on developing a brand based on the current Connecticut: still revolutionary campaign. A&K will provide proposals for developing port logo and for aeriels of ports.

Project Cargo: CPA met with AECOM to explore staging project cargo at Connecticut ports in support of offshore wind energy projects.

Chamber of Commerce of Eastern CT: attended a business after hours event in New London.

Shipyards: CPA met with Cooley Marine Management of Stratford on their plans for growth and facilities that may accommodate their growth in CT.

CONNECT: CPA attended the Northeast Cargo Symposium in Providence, RI on November 10, which was sponsored by the Coalition of New England Companies for Trade (CONNECT). CONNECT is the largest trade organization of shippers in the Northeast.

#### **CT Pilot Commission -**

CPA attended its first CPC meeting as well as individual meetings with NY State Pilot Board of Commissioners and Northeast Marine Pilots, the Rotation Administrator for the CT Pilots Association. CPA has solicited applications for 2 new apprentice pilots at the request of CPC, and met with CT State Pilots to hear the concerns of CT pilots.

CPA attended the November meeting of the Connecticut Pilot Commission (CPC) in New Haven. CPA has received 5 applications for the CT Apprentice Pilot program, and will work with the Pilot Commission to evaluate these applications. At the request of the CPC, CPA staff anticipates bringing proposed changes to the CPA regulations on Pilotage that were transferred to the CPA from DOT.

#### **Deepwater Ports -**

New London: CPA has had several meetings with Logistec in New London, Hartford, and Houston on cargo development, infrastructure needs, and terminal handling equipment. CPA has also met with the Renaissance City Development Authority to explore ways to work together.

New London: CPA convened the monthly meeting of the New London Maritime Workgroup at Fort Trumbull, which included representatives from the City of New London, RCDA, Logistec, DEEP, Office of Military Affairs, and the Thames River Heritage Park to discuss a variety of projects along the New London waterfront and the Port of New London.

New Haven: The Executive Director toured the Port of New Haven during the first week with New Haven Port Authority Director Judi Sheiffele aboard the Fire Department's Marine One.

New Haven: CPA participated in a conference call for the New Haven Harbor Navigation Study to discuss information they need to conduct the economic analysis phase of the study.

Bridgeport: CPA has had several meetings with stakeholders in Bridgeport regarding port projects and is scheduled to meet with the City on Nov 3.

Bridgeport: CPA met with Thomas Gill, Director of the Office of Planning and Economic Department for the City of Bridgeport on Nov 3. We discussed ways in which the CPA could work with the City to promote maritime commerce. We also met with representatives from the Bridgeport Port Jefferson Ferry on ways to promote cargo at the former Turbana Facility.

CT Maritime Coalition: CPA met with representatives of the CT Maritime Coalition at their monthly meeting at New Haven Terminal. We discussed CPA's mission and vision for working with deep water ports and terminals that promote economic development throughout CT's working waterfronts.

North Atlantic Ports Association: CPA attended the Traffic Board meeting of the North Atlantic Ports Association host by the New Haven Port Authority. We discussed regional and national policies that

impact Ports, including the designation of Eastern Long Island Sound disposal site by EPA and WRDA 2016 language that was of concern to CT state agencies and the Navy. CPA plans to join NAPA and attend its semi-annual meeting in Alexandria, VA on December 1-2. Staff is working with Representative Courtney's office to schedule briefings with the CT Congressional Delegation in Washington, DC

US Coast Guard: CPA was invited by the Captain of the Port of Sector Long Island Sound to tour the Sector Command Center in New Haven along with the New Haven Port Authority and Bridgeport Port Authority. CPA discussed a wide range of topics with CAPT Andrew Tucci and his command staff, including port security, emergency management, marine investigations, dredging, and waterway management.

Ship Traffic: Connecticut ports received 14 international ship calls in September.

Connecticut ports received 14 foreign-flagged ship calls in October.

#### **Administration –**

Legal Services: CPA conducted a Request for Proposals for Legal Services and received 8 submissions. A Review Panel is in the process of screening the submissions, and will begin interviews next week. The Committee is working to provide a recommendation to the Board of Directors at the November meeting.

Public Hearing: As mandated by our enabling legislation, the CPA is required to hold a public hearing each year to solicit comment from the public on its work program and projects for the coming year. The 2016 CPA Public Hearing is scheduled for Wednesday, November 16<sup>th</sup> at 3:30PM immediately following the November Board meeting in Middletown. Staff is working with Middletown to determine a location for both meetings.

Budget: Revenues from operations since July 1 through the 3<sup>rd</sup> Quarter have been \$174,378.14. Accrued expenses YTD are \$99,863.70, which is exclusive of personnel costs paid by DOT and State appropriations.

Connecticut Innovations: CPA met with CI staff to review operating procedures and best practices for quasi-public agencies operating in CT.

Legal Services: CPA conducted a Request for Proposals for Legal Services and received 8 submissions. A Review Panel screened the submissions, and interviews were conducted last week. The Committee will provide a recommendation to the Board of Directors at the November meeting.

Public Hearing: As mandated by our enabling legislation, the CPA is required to hold a public hearing each year to solicit comment from the public on its work program and projects for the coming year. The 2016 CPA Public Hearing is scheduled for Wednesday, November 16<sup>th</sup> at 3:30PM immediately following the November Board meeting in Middletown. Staff is working with Middletown to determine a location for both meetings.

## 2017 Annual Workplan and List of Projects

Pursuant to Public Act No. 15-5, Section 1(o):

On or before January 1, 2017, and annually thereafter, the board of directors shall submit, in writing, to the Governor (1) a list of projects which, if undertaken by the state, would support the state's maritime policies and encourage maritime commerce and industry; (2) recommendations for improvements to existing maritime policies, programs and facilities; and (3) such other recommendations as the board considers appropriate. Copies of such report shall be submitted to the joint standing committee of the General Assembly having cognizance of matters relating to transportation, in accordance with the provisions of section 11-4a of the general statutes.

### Projects for 2017:

---

1. Housatonic River Dredging Project	\$10,300,000
2. North Cove Dredging Project	\$7,500,000
3. Mianus River Dredging Project	\$3,000,000
4. New Haven Deepening Feasibility Study	\$1,500,000
5. Small Harbor Improvement Program (SHIP) grants	\$7,500,000