



## Connecticut Port Authority Board of Directors

November 6, 2019 (12:00 PM)

Fort Trumbull Conference Room  
90 Walbach Street, New London, CT

### Meeting Minutes

#### Attendance

- Board Members: Acting Chairperson David Kooris; Dave Pohorylo; Don Frost; John Johnson; Parker Wise; Brian Thompson; Phil Scarrozzo; Grant Westerson; Daniel Krupnick
- CPA Staff: Andrew Lavigne

#### Phone

- Pam Elkow

#### Absent

- Jeff Beckham; Nancy DiNardo

**Quorum:** Yes

#### **1. Call to Order**

The meeting was called to order by Acting Chairperson Kooris at 12:02 p.m.

#### **2. Approval of Board Meeting Minutes**

A motion to adopt the minutes was made by Mr. Johnson and seconded by Mr. Westerson, and was so VOTED unanimously.

#### **3. Public Participation Relating to Agenda Items**

Kevin Blacker requested details on the \$220,000 developer payment to CPA featured in the Auditors of Public Accounts (APA) report. He also stated that the APA report found that CPA did not follow their procurement policy and wanted to know what consequences CPA would face for not following its policy. Mr. Blacker stated that CPA did not have the proper foundation in place to execute past agreements.

Acting Chairperson Kooris thanked Mr. Blacker.

#### **4. Authority Updates and Acting Chairman Remarks**

Mr. Kooris discussed a letter CPA received on Tuesday October 29<sup>th</sup> 2019 from State Comptroller Kevin Lembo. The letter stated that it had recently come to the Comptroller's attention that the file CPA had submitted earlier in the year, including FY2018 checkbook-level payment information for posting on the Office of the State Comptroller's Open Checkbook website, was incomplete. The letter requested that a complete and accurate file be submitted.

Mr. Kooris clarified that the incomplete submission had been discovered during the ongoing independent audit process initiated by the Governor in late-July and was self-reported by CPA to the Comptroller's office in late-September. The discrepancy was also highlighted in the letter Mr. Kooris had sent to the Transportation Committee on October 18<sup>th</sup> 2019. Mr. Kooris added that the issue has since been rectified and staff remain in communication with the Comptroller's office.

Mr. Kooris addressed the recent APA report. He stated that CPA staff has been incredibly responsive during through process. Mr. Kooris stated that there were no findings in the audit that came as a surprise, as the report's findings mirror the issues identified by the ongoing internal audit initiated by the Governor in late-July. He added that CPA is already proactively taking corrective actions in resolving all issues. Mr. Johnson asked how many issues were found in the APA report. Mr. Kooris stated there were 11 and that actions have been taken or initiated to correct each of those.

Mr. Kooris stated the State Treasurer's designee has changed, as prior designee Linda Savitsky has left state service. The Treasurer's new designee is Daniel Krupnick, who is in attendance today.

#### **5. CT Pilot Commission Report/CT Maritime Coalition Report**

Bill Gash thanked the board for submitting the proposed legislative change to Conn. Gen. Stat. ch. 263, sec. 15-13(b), which sets forth certain requirements for an extension-of-route for Connecticut-licensed marine pilots in the western Long Island Sound and Connecticut ports.

Mr. Kooris stated that the recommendation regarding the 6% pilot fee will be taken up at the November Finance Committee meeting.

Mr. Gash said the pilots will be going through physical training November 15<sup>th</sup>.

#### **6. United States Coast Guard Report**

Dawn Kallen discussed their Paddlecraft Safety campaign, Operation PaddleSmart, which has seen increased participation. USCG have distributed 3000 "If Found" stickers for paddlecraft. They have also had 140 visits to local marinas to discuss the use of the stickers. She stated these stickers helped identify that 25 out of 39 reports of abandoned crafts, which saves significant resources.

## **7. Municipal Port Authority Updates**

a. **Bridgeport:** No Update.

b. **New Haven:** Judi Sheiffele provided an updated count for pilot assisted vessels. In October there were 11 tankers and 5 freighters in New Haven. She stated they are waiting on approval for safety cleaning for the rail line. She also stated that the rail line has high flood issues and they are hoping to get this resolved soon.

Ms. Sheiffele asked about the status on the four New Haven properties to be transferred from DOT to CPA. Mr. Kooris stated they are waiting on environmental analysis to occur. He committed to provide an update at the next meeting.

c. **New London:** Mr. Johnson stated they are in the final stages of completing the Harbor Management Plan and it should be completed at the beginning of the year.

## **8. State Pier Terminal Operator Updates (Gateway New London, LLC)**

Giles Plante gave an update on vessel traffic. In October there was an increase of salt and copper distribution traffic by truck. Gateway has an agreement with Electric Boat to do work in support of the new facility across the river. They received crane parts to put together on the barge for rebar cages and casing pipes. More will be coming in by trucks over the next couple of weeks. This work should last until March 2020. Mr. Plante stated that there is a salt vessel with 45,000 tonnes scheduled for the first week of December.

## **9. State Audit and Internal Audit Update**

Mr. Kooris discussed the other two ongoing audits: the typical annual audit, being done by Blum Shapiro, should be complete by the end of the year; and an additional audit being conducted by Whittlesey which is focused more on operations, policies and procedures. The Whittlesey audit will identify corrective actions to be executed by the board and a draft report should be complete by the end of the month.

## **10. Office of Policy and Management Update**

Bob Dakers stated that QuickBooks has been established and a lot of improvements have been made with the financial system. He mentioned that the most recent quarterly report was run

out of QuickBooks and they are working to use the system to its full potential. Also, they are working on updated policies and procedures, including a procurement policy and an updated employee handbook. Mr. Dakers stated that at the next Finance meeting, they will be looking at an action plan to enact necessary improvements. He said that good progress has been made across the board and will continue.

Mr. Kooris wanted to reiterate that all these are corrective actions that are needing to take place. Some of these will be require notifications and public notices as well. The December and January meetings will have most of the corrective actions.

Mr. Dakers also stated that an ad hoc HR Committee should be convened at some point soon to assist in reviewing and/or implementing the new policies and procedures coming out of the internal audits.

## **11. Discussion of Harbor Development Agreement Status**

Mr. Kooris said they have brought in a collaboration of agencies including Department of Administrative Services and Office of Policy and Management to assist CPA. He will continue to give updates on a timeline as they become available.

## **12. Committee Reports**

- a. **Finance Committee:** Mr. Kooris stated that since Ms. Savitsky has retired from state service, Mr. Krupnick has agreed to join the Committee in her place. Mr. Kooris opened new business to add Mr. Krupnick to the Finance Committee.

Mr. Johnson motioned to take up New Business and Ms. Elkow seconded and was so VOTED unanimously. Mr. Westerson motioned to add Mr. Krupnick to the Finance Committee, Mr. Thompson seconded and was so VOTED unanimously.

## **13. Old Business**

- a. **Discussion of Executive Director Position:** Mr. Kooris raised the question to the board regarding the Executive Director search process. The ad hoc selection committee of Mr. Pohorylo, Mr. Frost, Mr. Johnson, Mr. Wise and Mr. Kooris has solicited proposals from four search firms for consideration. Mr. Kooris asked if anyone had any questions, suggestions, or issues with using a firm. He also asked if there were any objections to any of the four firms' proposals. No questions or concerns were given. Additionally, Mr. Kooris asked if there were any objections to allowing the ad hoc committee to convene and to select one of the four firms to advance the search process. No concerns were raised.

A draft job description prepared by Mr. Frost was circulated to the group for consideration and feedback from the board. Mr. Frost stated that candidates must understand logistics; primarily the effects supply/demand logistics, transportation costs, reliable delivery and cargo security have on shippers and the decisions they make relating to selection of shipping destinations.

Mr. Thompson stated that the draft description was a good framework.

Mr. Pohorylo emphasized the importance of prioritizing candidates with a marketing and commercial/shipping industry background.

Mr. Whitescarver stated that he disagrees with prioritizing candidates with a marketing or commercial background, as the primary focus of the next executive director should be on compliance. More relevant are a candidate's ability to communicate effectively with local, state and federal government officials, a strong understanding of quasi-public agency statutory reporting requirements and relevant policies, and an ability to work closely with the terminal operators and local port authorities. Mr. Whitescarver stated that those are not skills that require a candidate to come from the marketing or shipping industry tribe.

- b. **CT Pilot Commission Recommendations:** This will be discussed further at the next Finance Committee Meeting.
- c. **Discussion of Future Legal Representation Options:** Mr. Kooris explained that some of the legal fees had amped up over the last year because of work on the Concession Agreement, Harbor Development Agreement, FOI responses and HR matters, as well as other ongoing CPA projects. Mr. Dakers stated that most quasias have in-house counsel as well as outside counsel. He has drafted an RFP for an in-house counsel position on a retainer basis for day-to-day issues. In-house counsel would oversee and manage outside counsel. Mr. Dakers stated that CPA would still need an outside counsel on larger matters.

Mr. Dakers proposed that CPA issue an RFP requesting bids for 20, 40 or 60 hour per month retainer basis. The RFP would be noticed on the state portal/DAS website and the CPA website, as well as through several municipal legal firm associations.

Mr. Kooris stated his intent to make it a standard policy to allow CPA to issue RFPs without action required by the board, as the issuance of an RFP does not commit CPA to enter into a contract or expend resources. Any recommendations for board action resulting from an RFP would be brought to the board. There were no objections.

**14. Consideration and approval of a resolution authorizing the Acting Chairperson to negotiate and enter into a Consulting Services Agreement with one of the following executive search firms: Shey-Harding Associates, Inc; Industrial Search Partners, LLC; Flagship Management LLC; or Core Group Resources.**

**RESOLVED:** That the Acting Chairperson be and hereby is individually authorized, empowered and directed, for and on behalf of the CT Port Authority, to negotiate and enter into a Consulting Services Agreement with [Shey-Harding Associates, Inc; Industrial Search Partners, LLC; Flagship Management LLC; or Core Group Resources] for executive search services, as described in the Exhibit to Agenda item #14, in an amount up to \$75,000 and to negotiate, execute, and deliver any and all other reasonable and necessary documents in furtherance thereof.

Mr. Westerson motioned and Ms. Elkow seconded and was so VOTED unanimously.

**15. Consideration and approval of a resolution authorizing the Acting Chairperson to negotiate and enter into an agreement for additional services with AECOM with respect to the Engineering Review Services for the State Pier Infrastructure Improvements.**

**RESOLVED:** That the Acting Chairperson be and hereby is individually authorized, empowered and directed, for and on behalf of the Connecticut Port Authority, to enter into an agreement/amendment with AECOM Technical Services, Inc. for up to \$79,600.00, for Engineering Review Services with respect to the performance of contacting a design review of the design documents, prepare an independent cost estimate and provide a procurement and construction analysis for the infrastructure improvement project to the State Pier, as further described in the proposal attached hereto as the Exhibit to Agenda Item #15, on such terms and provisions that the Acting Chairperson deems to be in the best interests of the Authority, and to negotiate, execute and deliver such services agreement and any and all other reasonable and necessary documents in furtherance thereof.

A motion by Mr. Johnson and seconded by Mr. Wise and was so VOTED unanimously. Mr. Thompson and Ms. Elkow abstained.

**16. Consideration and approval of a resolution authorizing the Acting Chairperson to negotiate and enter into an agreement/amendment for additional services with AECOM with respect to the Environmental Permitting Activities for the State Pier.**

**RESOLVED:** That the Acting Chairperson be and hereby is authorized, empowered, and directed, for and on behalf of the CT Port Authority, to enter into an agreement with AECOM Technical Services, Inc., for \$250,000.00, for engineering services with respect to the Environmental Permitting Activities for the Infrastructure Improvement Project at the state Pier, as further described in the proposal attached hereto as the Exhibit to Agenda Item #16, on such terms and provisions that the Acting Chairperson deems to be in the best interests of the Authority, and to negotiate, execute and deliver such services agreement and any and all other reasonable and necessary documents in furtherance thereof.

A motion by Mr. Johnson and seconded by Mr. Westerson and was so VOTED unanimously. Mr. Thompson and Ms. Elkow abstained.

**17. Consideration and approval of a resolution authorizing the Acting Chairperson to negotiate and enter into a Consulting Services Agreement with Strategic Rail Finance for rail development advisory services.**

**RESOLVED:** That the Acting Chairperson be and hereby is individually authorized, empowered,

and directed, for and on behalf of the CT Port Authority, to negotiate and enter into a Consulting Services Agreement with Strategic Rail Finance for rail development advisory services, as described in the Exhibit to Agenda Item #17, and to negotiate, execute and deliver any and all other reasonable and necessary documents in furtherance thereof.

A motion by Mr. Westerson and seconded by Mr. Johnson and was so VOTED unanimously.

#### **18. New Business**

No new business.

#### **19. Call to the public**

Kevin Blacker stated that Ms. Sheffele raised importance of freight rail. He said the use of the Port of New London is not going to make full use of the rail like originally thought. Mr. Blacker also stated that the annual public meeting has not been held yet for this year. He asked that the meeting not be treated as a requirement and asked that notice be widely distributed to let everyone attend. Mr. Blacker also said that the 45-day window that was announced at the September 17<sup>th</sup> meeting has now passed.

#### **20. Adjournment**

A motion to adjourn was made by Mr. Kooris and seconded by Mr. Johnson, meeting adjourned at 1:55 PM.