



**CONNECTICUT PORT AUTHORITY**  
**2020 ANNUAL REPORT**  
(CGS § 15-31a(k))

The Connecticut Port Authority (“CPA”) is a quasi-public agency, pursuant to Section 1-120(1) of the General Statutes of Connecticut (“CGS”), a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut (“State” or “Connecticut”) that is responsible for coordinating the development of the State’s ports and harbors and maritime economy. *See generally* CGS § 15-31b(a). The creation of the CPA represents a major commitment by the State to invest in its port infrastructure to create jobs and attract private investment to the State.

Pursuant to CGS § 15-31a(k)<sup>1</sup>, “[o]n or before December fifteenth of each year, the board shall report, in accordance with the provisions of section 11-4a, 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.”

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<sup>1</sup> *See also* Public Act 15-5 § 1(k) (“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.”)

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## I. **Background**

The maritime industry has deep roots in Connecticut, having long played a central role in the state and national economy. Connecticut's three deepwater ports (Bridgeport, New Haven, and New London), as well as our coastal harbors and rivers, all make important contributions to the State's jobs, economic activity and tax revenue.

The Connecticut Port Authority is reestablishing maritime commerce as an essential cornerstone of our state's economy by making necessary improvements to the infrastructure at our ports and small harbors and strategically investing in high-potential growth areas.

### **About the Connecticut Port Authority**

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

### **Vision Statement**

We envision a future where a thriving maritime economy is driving steady economic growth and creating new jobs across Connecticut.

### **Mission Statement**

It is the mission of the Connecticut Port Authority to grow Connecticut's economy and create jobs by strategically investing in the state's three deep water ports and small harbors to enable each to maximize its own economic potential.

### **Impacts of the Connecticut Maritime Industry**

For over three centuries, Connecticut's maritime industry has been an essential driver of the state's economy. To quantify the maritime industry's impact, the Connecticut Port Authority (CPA) commissioned an economic impact analysis in 2019 from the Connecticut Economic Resource Center Inc (CERC – now known as AdvanceCT) titled *Impacts of the Connecticut Maritime Industry*. The study provides a snapshot in time of the economic impact the maritime industry has across the state, providing a data-driven baseline from which we can measure future economic growth and job creation.

The CERC study found that the maritime industry in Connecticut generates an estimated \$11.2 billion dollars annually and supports an estimated 59,800 jobs across the state.

The full report can be found on the CPA's website at <https://ctportauthority.com/reports/>

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

Pursuant to CGS 15-31b(a), among other duties, the CPA shall:

- Coordinate port development, focusing on private and public investments;
- Pursue State and federal funds for dredging and other infrastructure;
- improvements to increase cargo movement through the ports and maintain navigability of all ports and harbors;
- Market the economic development of such ports and harbors;
- Work with the Department of Economic and Community Development (“DECD”) and State, local, and private entities to maximize the ports’ and harbors’ economic potential;
- Support and enhance the overall development of maritime commerce industries;
- Coordinate the planning and funding of capital projects promoting the development of the ports and harbors;
- Develop strategic entrepreneurial initiatives available to the State; and
- Coordinate the State’s maritime policy activities and serve as the Governor’s principal maritime policy advisor.

### **III. Connecticut Port Authority Board of Directors**

The CPA's governing body is the Board of Directors ("Board") which is composed of fifteen (15) voting members, including State officials, community leaders, port authority professionals, and individuals with knowledge related to trade, marine transportation, economic development and finance.

Pursuant to CGS 15-31a(m), primary responsibilities of the Board include to:

- 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; and
- Conduct studies and present recommendations concerning maritime issues.

## Connecticut Port Authority Board of Directors, Terms and Appointing Authorities

	Appointing Official/Authority	Board Members	Term Length*	Term Expiration
1	Speaker of the House <sup>1</sup>	Donald B. Frost	4-year term	June 30, 2020*
2	House Majority Leader <sup>2</sup>	Vacant	4-year term	
3	House Minority Leader <sup>3</sup>	David E. Pohorylo	4-year term	June 30, 2021
4	Senate President Pro Tempore <sup>4</sup>	Judi Sheffele	4-year term	June 30, 2023
5	Senate Majority Leader <sup>5</sup>	Gregg Scully	4-year term	June 30, 2021
6	Senate Minority Leader <sup>6</sup>	Grant W. Westerson	4-year term	June 30, 2023
7	Governor Dannel P. Malloy <sup>7</sup>	John Johnson	4-year term	June 30, 2021
8	Governor Ned Lamont <sup>8</sup>	David Kooris	4-year term	June 30, 2021
9	Governor Dannel P. Malloy <sup>9</sup>	Parker S. Wise	4-year term	December 17, 2019*
10	Governor <sup>10</sup>	Vacant	4-year term	
<b>Ex-Officio Members</b>				
11	C.G.S. 15-31a(b)(1) <sup>11</sup>	Alexandra Daum, <b>as Designee</b> for David Lehman, DECD Commissioner	Ex officio	N/A
12	C.G.S. 15-31a(b)(1) <sup>12</sup>	Daniel Krupnick, <b>as Designee</b> for Shawn Wooden, State Treasurer	Ex officio	N/A
13	C.G.S. 15-31a(b)(1) <sup>13</sup>	Jeffrey Beckham, <b>as Designee</b> for Melissa McCaw, Secretary of OPM	Ex officio	N/A
14	C.G.S. 15-31a(b)(1) <sup>14</sup>	Philip T. Scarrozzo, <b>as Designee</b> for Joe Giulietti, DOT Commissioner Or Mark D. Rolfe, <b>as Designee</b> for Joe Giulietti, DOT Commissioner	Ex officio	N/A
15	C.G.S. 15-31a(b)(1) <sup>15</sup>	Brian Thompson, <b>as Designee</b> for Katie Dykes, DEEP Commissioner	Ex officio	N/A

\* Article II, Section 2(c) of the CPA By-Laws provides that all appointed Board members shall be entitled to hold office beyond the expiration of his or her term and until a successor has been appointed and qualified under Section 4-7 of the CGS. Section 4-7 of the CGS provides the process of election by the General Assembly. Section 4-1a of the CGS also allows for the term to continue until a successor is appointed.

Note: Following the expiration of each board member's initial term, each re-appointment of each such board member shall be for a period of 4 years, commencing July 1 in the year of reappointment.

<sup>1</sup> 2016 House Joint Resolution No. 169

<sup>2</sup> 2016 House Joint Resolution No. 29; see also 2018 House Joint Resolution No. 27.

<sup>3</sup> 2016 House Joint Resolution No. 3; see also 2018 House Joint Resolution No. 26.

<sup>4</sup> 2016 Senate Joint Resolution No. 24

<sup>5</sup> 2016 Senate Joint Resolution No. 26; see also 2018 Senate Joint Resolution No. 30.

<sup>6</sup> 2016 Senate Joint Resolution No. 31; see also 2018 Senate Joint Resolution No. 29 & <https://cga.ct.gov/2018/agn/2018AGN00209-RO1-AGN.htm>

<sup>7</sup> 2016 Senate Joint Resolution No. 30; see also 2018 House Joint Resolution No. 2.

<sup>8</sup> 2016 House Joint Resolution No. 23; see also 2018 Senate Joint Resolution No. 5.

<sup>9</sup> 2016 House Joint Resolution No. 24

<sup>10</sup> 2016 House Joint Resolution No. 22

<sup>11</sup> (b)(1)...the Commissioner of Economic and Community Development, or the commissioner's designee...

<sup>12</sup> (b)(1)...The State Treasurer, or the Treasurer's designee ...

<sup>13</sup> (b)(1)...the Secretary of the Office of Policy and Management, or the secretary's designee ...

<sup>14</sup> (b)(1)...the Commissioner of Transportation, or the commissioner's designee ...

<sup>15</sup> (b)(1)...the Commissioner of Energy and Environmental Protection, or the commissioner's designee ...

IV. Schedule of Positions and Total Staffing Levels

(Fiscal Year ending June 30, 2021)

<u>Position</u>	<u>Staffing Level</u>	<u>Signature Authority</u>	<u>Job Description</u>
Executive Director	1	<p>Per Article II Section 15 of the Authority's By-Laws the Executive Director shall have signatory authority for all agreements, financial accounts and cash disbursements of the Authority. Per Article II Section 16, unless otherwise provided by vote of the board, the Chairperson and Executive Director shall have signatory authority for all agreements, financial accounts and cash disbursements of the Authority for any agreement, account or disbursement that requires two signatories for the Authority.</p> <p>The Executive Director shall be the custodian of, and may give certificates under, the official seal of the Authority (if any) and is authorized to certify, when required, the records, proceedings, documents or resolutions of the Authority and affix the seal of the Authority to all contracts, documents and instruments to be executed by the Authority and such other signatory authority, as specifically provided, in any applicable resolution of the Board.</p>	<p>Serve as Chief Administrative Officer of the CPA; direct and supervise the administrative affairs and technical activities, in accordance with the directives of the Board; and perform such other functions described in C.G.S. § 15-31a(d), set forth by the Authority's By-Laws, Operating Procedures, written policies and procedures, or provided by resolution of the Board, including those as further described in the description attached hereto as <u>Exhibit A</u>.</p>
Finance Director	1	<p>Per Section 4 of the Authority's Accounting Policies and Procedures the Finance Director may be approved with signatory authority for financial accounts and cash disbursements of the Authority.</p>	<p>The Finance Director is responsible for creating and monitoring the Authority's budget, preparing operating and capital financial reporting to the Executive</p>

<sup>1</sup> Signature Authority is as authorized by resolution of the Board of Directors which is specifically described in the Accounting Policies and Procedures, approved by the Finance Committee and adopted by the Board, as amended from time to time.

Program Manager	1	N/A <sup>1</sup>	As further described in the description attached hereto as Exhibit E. <sup>2</sup>
Intern(s)	≤ 5	None	Assist CPA staff and officers in the development and execution of various aspects of the State's maritime strategy and support the CPA as it may be necessary or desirable to carry out its purposes set forth in C.G.S. § 15-31b. <i>[Based on the functions interns perform, they are to be paid as employees NOT as consultants.]</i>
Temporary Employee(s)	As needed	N/A <sup>1</sup>	Serves in a temporary/interim capacity (1) in the event of an extended absence of any staff member, and/or (2) to fill the temporary employment needs of the Authority. <i>[Based on the functions temporary employees perform, they are to be paid as employees NOT as consultants.]</i>

<sup>1</sup> Signature Authority is as authorized by resolution of the Board of Directors which is specifically described in the Accounting Policies and Procedures, approved by the Finance Committee and adopted by the Board, as amended from time to time.

<sup>2</sup> The Program Manager for the Connecticut Port Authority ("CPA") is employed by the State's Department of Transportation ("DOT"), temporarily assigned to work exclusively for the CPA, and compensated, as a State employee, with benefits that come from DOT's budget. Currently, there are no plans to transfer this employment to the CPA.

## **V. Summary of Activities of the Connecticut Port Authority**

### **January – March 2020**

In January, the Board: voted unanimously to appoint Mr. David Kooris as Chair and Mr. Donald Frost as Vice-Chair; received a recap of the Annual Public Hearing held in December of 2019 pursuant to CGS Section 15-31a(n); considered and approved a resolution authorizing the adoption of a Surplus Funds Policy, Employee Handbook, Travel and Entertainment Policy and Use of Outside Legal Services Guideline; approved a resolution authorizing the Chairperson to negotiate and enter into a Consulting Services Agreement with one of the following firms for temporary administrative staffing needs in an amount not-to-exceed \$50,000: ADECCO, AR Mazzotta, Creative Financial Services, and Ultimate Staffing; approved a resolution authorizing the Chair of the board to enter into a First Amendment to the Memorandum of Understanding (MOU) between the Authority and the Office of Policy and Management (OPM) not-to-exceed \$50,000.

In February, the Board: publicly presented an update and overview on the Harbor Development Agreement (HDA) by and among the Connecticut Port Authority, Gateway New London LLC and North East Offshore, LLC, with respect to the New London State Pier, including aspects of the discussion from OPM and the Department of Administrative Services (DAS) who are engaged with CPA for project management and project delivery expertise; approved various resolutions approving (i) the transfer of ownership of the New London State Pier from the Department of Transportation to the Authority, (ii) the purchase of Title insurance relating to such transfer of ownership of the Site from DOT to the Authority, (iii) the NECR Trackage Agreement, (iv) the Escrow Agreement to be entered into in connection with the transactions contemplated by the Harbor Development Agreement, and (v) a Harbor Development Agreement and authorizing each of the Chairperson, Vice Chairperson and Executive Director to execute various transactions and documents in connection therewith; and approved a resolution authorizing posting to the Connecticut Law Review Journal the policies and procedures relating to revisions to the Authority's Operating Procedures.

In March, the Board: approved a Request for Qualifications (RFQ) for a Construction Administrator for the State Pier Infrastructure Project; approved a Request for Proposals (RFP) for a Grant Writer for a Better Utilizing Investments to Leverage Development (BUILD) grant and a Port Infrastructure Development Program (PIDP) grant – both in support of the State Pier Infrastructure Project.

### **April – June 2020**

In April, the Board: approved a resolution authorizing an increase to the purchase order relating to services provided by Seabury PFRA, LLC and Seabury Securities LLC relating to that certain Consulting Services Agreement dated May 15, 2018, and subsequent First and Second Amendments, by an amount of \$36,586.54 – for a total purchase order amount of \$273,103.29; approved a resolution authorizing the adoption of revisions to the CPA's

Operating Procedures; approved an endorsement of a Small Harbor Improvement Projects Program (SHIPP) Round 2 Project List and is hereby authorized to recommend to the State Bond Commission the SHIPP projects included in Round 2 Project List; and approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to negotiate and enter into a Consulting Services Agreement with one of the following firms for Construction Administrator of the State Pier Infrastructure Project: (a) AECOM Technical Services, Inc.; (b) AI Engineers; (c) Downes Construction Company; or (d) WSP USA Inc.

In May, the Board: approved a resolution ratifying and confirming the designation of Joseph R. Salvatore as an additional Authority Representative pursuant to the Escrow Agreement; approved a revision to the Authority's By-Laws regarding signatory authority and dual signatory authority of the Chairperson and Executive Director; approved the adoption of budget revisions in order to prevent budgetary overdrafts, including:

- Reduce 50100 Salaries to \$239,208
- Reduce 50300 Fringe Benefits to \$179,406
- Increase 51400 Contractual Services to \$254,825
- Increase 51550 Operations & Maintenance to \$23,800
- Increase 51600 Legal Services to \$361,650
- Increase 53000 Depreciation Expense to \$8,833
- Reduce 54000 Development Period Payment to \$41,972

In June, the Board: approved the FY21 annual budget and plan of operations, in accordance with Article I, Section 5 of the Authority's By-Laws; approved a resolution to open and transfer funds into the State Treasurer's Short-Term Investment Fund (STIF); approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to negotiate and enter into a second amendment to that certain Consulting Services Agreement by and between the Authority and AECOM Technical Services, Inc. dated May 15, 2019, as amended by that certain First Amendment to Consulting Services Agreement dated November 18, 2019, for additional services related to permitting and bid support services for State Pier infrastructure improvements in an amount not-to-exceed \$1,917,290.00; authorized amending the Employee Manual, specifically the dates included within the section titled "Short and Long Disability; Sick Leave Accruals and Accumulation" to modify 1) the date the authority shall establish a short- and long-term disability plan and revised sick leave accruals from May 1, 2020 to December 31, 2020; 2) the effective date of such changes from July 1, 2020 to January 1, 2021, and; 3) changing the date grandfathering existing employees hired prior to December 15, 2019 to July 15, 2020; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director, to enter into a Consulting Services Agreement with AECOM Technical Services, Inc., in an amount not-to-exceed \$4,191,572.00, for Construction Administrator services related to the State Pier Infrastructure Project; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to negotiate and enter into a Sales Agency Agreement with Gateway New London LLC and Northeast Offshore LLC with respect to Gateway's sale of bulk salt on

behalf of the Authority and NEO; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to negotiate and enter into a Memorandum of Agreement with Cross Sound Ferry Services, Inc. with respect to the use of vessel mooring space at the New London State Pier; approved a resolution authorizing the Chairperson, Vice Chairperson and Executive Director to execute and deliver a Second Amendment to that certain Memorandum of Understanding by and between the Authority and the Office of Policy and Management executed on 9 September 2019.

### **July – September 2020**

In July, the Board: noted that a decision was reached by the United States District Court upholding the lawful selection of the Eastern Long Island Sound Disposal Site for dredged materials (Connecticut intervened in the case, defending the site selection made by the U.S. Environmental Protection Agency); approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director, to enter into a Settlement Agreement and Mutual Release with Seabury PFRA LLC and Seabury Securities LLC (collectively, “Seabury”) with respect to that certain Consulting Services Agreement dated May 15, 2018 by and between the Authority and Seabury, as amended, in an amount not-to-exceed \$523,000.00; and approved the Connecticut Pilot Commission recommendation to approve an Extension of Route for Western Long Island Sound to Captain Sean Meade, pursuant to Section 15-13 of the General Statutes of Connecticut.

In August, the Board: approved a resolution authorizing each of the Chairperson, Vice Chairperson and the Executive Director to enter into that certain agreement between the Authority and DRVN Enterprises, Inc., effective August 12, 2020, with respect to DRVN’s storage of salt and related equipment and structures at the New London State Pier; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to enter into a First Amendment to that certain Tracklease Agreement between the Connecticut Port Authority and New England Central Railroad, Inc. (NECR); approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to open, maintain and operate a checking account at Webster Bank for the purposes of paying expenses related to the HDA New London State Pier Project; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director, to notify the US Maritime Administration (MARAD) of the Authority’s intent to, as the public sponsor of the project, withdraw from the American Marine Highway project grant request relating to Harbor Harvest, LLC and First Harvest Navigation, Inc. due to a lack of requested supporting documentation; unanimously approved a resolution authorizing each of the Chairperson and Vice Chairperson to execute and deliver an employment offer letter to John H. Henshaw, III for the position of Executive Director; and approved a resolution authorizing the Chairperson, Vice Chairperson and Executive Director, to execute and deliver an amended and restated side letter agreement with Gateway New London LLC.

In September, the Board: approved a resolution to adopt a Schedule of Positions for the year ending June 30, 2021, as outlined in Section V of the Authority’s Operating Procedures.

**October – December 2020**

In October, the Board: approved a resolution authorizing the submission of the revised Equal Employment Opportunity and Affirmative Action policy to the Connecticut Law Journal for public comment; approved a resolution authorizing each of the Chairman, Vice Chairman and Executive Director to execute a Memorandum of Agreement between the Authority, Office of Policy Management and Department of Administrative Services for Project Team support for the State Pier Infrastructure Project; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to execute and deliver a Project Funding Agreement by and among the Authority, Renaissance City Development Association, Inc., and the City of New London; approved a resolution authorizing each of the Chairperson, Vice Chairperson and Executive Director to execute and deliver an Access Agreement by and between the Authority and Renaissance City Development Association, Inc.; approved a resolution authorizing each of the Chairman, Vice Chairman and Executive Director to enter into a Third Amendment to that certain Consulting Services Agreement by and between the Authority and AECOM Technical Services, Inc. dated May 15, 2019, as amended by certain First Amendment to Consulting Services Agreement dated November 18, 2019 and that certain Second Amendment to Consulting Service Agreement dated June 12, 2020 (collectively, the “Agreement”), for additional services related to permitting and engineering support services for the State Pier Infrastructure Improvements in an amount not-to-exceed \$2,250,850.00; and adopted Board Member assignments to the Standing Committees outlined in Article IV, Section 2 of the Authority’s By-Laws as follows:

Finance and Operations Committee

Role	Bd Role	Full Name
Board Member	OPM	Melissa McCaw
Designee		Jeffrey R. Beckham
Board Member	Treasurer	Shawn T. Wooden
Designee		Daniel Krupnick
Board Member	Chair	David Kooris
Board Member		John Johnson
Board Member		Parker Wise

Audit, Compliance, and Governance Committee

Role	Bd Role	Full Name
Board Member	DOT	Joseph Giulietti
Designee		Mark Rolfe
Designee		Philip T. Scarozzo
Board Member	OPM	Melissa McCaw
Designee		Jeffrey R. Beckham
Board Member	Treasurer	Shawn T. Wooden
Designee		Daniel Krupnick
Board Member	Chair	David Kooris

Human Resources Committee

Role	Bd Role	Full Name
Board Member	DECD	David Lehman
Designee		Alexandra Daum
Board Member	DEEP	Katie Dykes
Designee		Brian P. Thompson
Board Member	Chair	David Kooris
Board Member	Vice-Chair	Donald B. Frost
Board Member		Gregg Scully
Board Member		Judi Sheiffele
Board Member		David Pohorylo
Board Member		Grant Westerson

In November, the Board: approved a resolution authorizing the submission of the 2020 Annual Financial Report pursuant to C.G.S. § 1-123(a) to the Governor and the State Auditors of Public Accounts; approved a resolution authorizing each of the Chairman, Vice Chairman and Executive Director to execute an engagement letter with Robinson & Cole LLP for legal services; approved a resolution authorizing each of the Chairman, Vice Chairman and Executive Director to execute an engagement letter with CohnResnick for auditing services; and passed a resolution accepting and approving the Executive Director's emergency procurement action for bookkeeping services and further approved each of the

Chairman, Vice Chairman and Executive Director to execute an agreement with Tina Buchanan for bookkeeping services.

In December, the Board is expected to: approve the selection of a Construction Manager at Risk (“CMR”) for the State Pier New London Infrastructure Improvements Project, pursuant to that certain Harbor Development Agreement dated February 11, 2020, by and among the Authority, Gateway New London LLC and North East Offshore LLC, as recommended by the Technical Committee for the selection process of the CMR and to issue a Notice to Proceed to the CMR; a resolution to negotiate, execute and deliver an Amendment to that certain Agreement dated August 12, 2020, by and between the Authority and DRVN Enterprises, Inc.; approve a resolution to negotiate, execute and deliver an amendment to that certain side letter agreement dated March 11, 2020, by and between the Authority, Gateway New London LLC and North East Offshore LLC, as amended; approve a resolution authorizing the adoption of a revised Equal Employment Opportunity and Affirmative Action policy; a resolution authorizing the adoption of revisions to the Authority’s Employee Manual; approve a resolution authorizing the submission of annual reports responsive to CGS Sections 15-31a(k) and 15-31a(o); approve a resolution adopting a By-Laws revision; and to approve a resolution to adopt the 2021 Board Meeting Schedule.

## VI. Small Harbor Improvement Projects Program (SHIPP)

The mission of the CPA is to coordinate the development of Connecticut's ports and harbors, while working with other State and local entities to maximize the economic potential of the State's maritime commerce and industries. In the pursuit of the mission, the CPA has created the Small Harbor Improvement Projects Program (SHIPP) as a central part of its strategy to support economic development throughout Connecticut's waterfront.

Under the SHIPP grant program, Connecticut municipalities and other properties, in or adjacent to waters of the state, may apply for matching funds to conduct a project that improves the infrastructure or management of their local waterway. Funding for the grant program is authorized under Public Act 15-1, Section 13(h)(1).

On November 29, 2017, the State Bond Commission approved funding for the first round of CPA's SHIPP program - approving 18 projects totaling over \$4 million. These projects covered a range of improvements including: marina repair, dredging, boat ramp facilities improvement, harbor management plans and feasibility studies.

On April 24, 2019 the CPA issued a Request for Applications (RFA) for its Round 2 of SHIPP project funding. In April of 2020 the Board voted to endorse the Round 2 Project List and to recommend to the State Bond Commission that it authorize the funds necessary to support the qualified projects. The 10 qualified projects are distributed state-wide across 9 municipalities and total nearly \$4.2m

### List of approved Round 2 SHIPP Projects\*

Chester	Dredging-Chester Creek/CT River	\$100,000.00
Clinton	Harbor Management Plan Update	\$40,000.00
Fairfield	Dredging-South Benson/Ash Creek	\$1,182,388.64
Groton-City	Access Study-Municipal Docks	\$75,000.00
Groton-City	Thames Street Docks	\$649,332.80
Norwich	Municipal Marina Docks	\$544,020.00
Middletown	Transient Dock-CT River Design	\$50,100.00
Stamford	Dredging-Westcott Cove	\$1,200,000.00
Stamford	West Beach Ramp & Docks	\$163,846.40
West Haven	Feasibility Study-Boat Ramp	\$184,000.00

\*Referred to the Office of Policy and Management and State Bond Commission in April 2020

## VII. Connecticut Pilot Commission (CPC)

The Connecticut Pilot Commission (the “CPC” or “Commission”) is tasked to advise the CT PORT AUTHORITY on issues on matters relating to the licensure of pilots, the safe conduct of vessels and the protection of the ports and waters of the state, including the waters of Connecticut, including the waters of Long Island Sound. The commission consists of nine members, representing a broad spectrum of business, maritime, and environmental interests, including appointees of the Governor and various legislative leaders, the CPA’s Executive Director, and a pilot representative. (*See generally* CGS § 15-13c). The Commission includes members who have experience as Merchant Marine, Navy, and U.S. Coast Guard officers and currently includes members with expertise in admiralty and environmental law, shipping, stevedoring and port operations. Further information regarding the Commission, including a monthly meeting schedule, agenda and minutes of its meetings, are available at <http://ctportauthority.com/>.

### Background

Long Island Sound ports (consisting of deep water terminals at New London, New Haven and Bridgeport as well as petroleum terminals on Long Island’s north shore) are vital to the regional economy. In addition to petroleum products, Connecticut’s deep draft ports handle lumber, rolled steel, scrap metal, salt and chemical cargoes.

Foreign flag and U.S. merchant vessels under register, arriving at Long Island Sound ports, are required by law to take aboard a local State-licensed pilot, who has up-to-date knowledge about hazards to navigation, tides and current, communications and vessel traffic. (*See* CGS § 15-15). As advisors to the ship’s master, state-licensed pilots direct the vessel’s movement in restricted waters, including docking and undocking.

Pursuant to the Federal Boundary Waters Act, 46 U.S.C. § 8501(b) and CGS § 15-15d, Connecticut and New York share authority to regulate pilotage on Long Island Sound. The Federal Boundary Waters Act entitles New York-licensed pilots to pilot ships to all Connecticut ports and Connecticut-licensed pilots to pilot ships on the New York waters of Long Island Sound. The two states are party to a 1999 Memorandum of Agreement (“NY/CT MOA”), implemented by regulation, under which Connecticut-licensed pilots and New York-licensed pilots participate in a joint rotation to provide pilotage service for all ports on the Long Island Sound (*See* CPA Navigable Waters—Marine Pilots Procedures, formerly §15-15a-17 of the Regulations of Connecticut State Agencies). The rotation is administered by a Joint Rotation Administrator (“JRA”), designated by mutual agreement between Connecticut and New York. The JRA establishes work rules, dispatches pilots to assignments, collects pilotage fees, pays expenses and distributes earnings. During calendar year 2016, the JRA dispatched pilots to 482 assignments, which has decreased from 506 assignments in 2015.

Under a Memorandum of [Understanding] with DOT, in accordance with P.A. 15-5, CPA retains authority to regulate the licensing, conduct, and duties of Connecticut-licensed pilots as necessary to ensure public safety and protection of the environment (*See* CGS § 15-15a). The CPC and CPA worked closely with the Board of Commissioners of Pilots of the State of New York (“NY Board”) to coordinate the regulation of pilotage on Long Island Sound. The CPC and CPA also maintained an active working relationship with the U.S. Coast Guard, which regulates many aspects of merchant vessel operations.

Certain U.S. flag vessels in domestic trades (enrolled vessels) and naval or government-operated vessels (public vessels) are exempt from compulsory state pilotage. Pilotage of these vessels is regulated by the U.S. Coast Guard, which issues federal pilotage endorsements. Connecticut-licensed pilots may pilot enrolled or public vessels on the authority of their federal pilotage endorsements outside of the joint rotation.

### **Pilotage Rates**

Pursuant to CGS § 15-14, the CPA is obligated to set pilotage rates. The CPC is charged with advising CPA on “the establishment of fair and reasonable rates of pilotage . . . including establishment of a hearing process for the setting of fair and reasonable rates of pilotage.” (*See* CGS § 15-13c (f)(1)). In analyzing pilotage rates, the CPC seeks to balance a desire to keep Connecticut ports competitive with a rate structure that should: fairly compensate pilots, justify the substantial capital investment required to acquire, maintain and operate pilot boats and provide for the costs of training and safety equipment. The NY/CT MOA entitles Connecticut and New York to separately set pilotage rates for those pilots operating under their respective authority, but recognizes that it is highly desirable for the two states to maintain identical rate structures. Thus, the CPC and the NY Board, which is required to seek legislative approval of certain components of pilotage rates, have sought to coordinate any change in rates. Following the passage of P.A. 15-5, the approval of rate changes is now under the authority of the CPA’s Board of Directors.

### **Joint Rotation Operation**

Pursuant to the NY/CT MOA and implementing regulation, participation in the joint rotation is mandatory for both Connecticut-licensed pilots and New York-licensed pilots. As above-mentioned, the JRA dispatches pilots, collects fees, pays expenses (including pilot boat costs) and distributes revenues among the pilots. The joint rotation is administered by Sound Pilots, Inc. (d/b/a Block Island Pilots), selected by agreement between CT and NY. The operation of the joint rotation and the JRA is overseen by a Rotation System Executive Board (“RSEB”), consisting of three pilots from the Connecticut side and three pilots from the New York side of the rotation. Pilots participating in the joint rotation are not compelled to belong to a single business entity. Initially, there had been five separate pilot organizations (the Northeast Marine Pilots; Sandy Hook Pilots of New York and New Jersey; Interport; Long Island Sound State Pilots; and Connecticut State Marine Pilots) and non-affiliated individual pilots operating within the joint rotation. In November 2008, the CPC was notified that the

Connecticut-licensed pilots, working on the Connecticut side of the joint rotation, had agreed in principle to work together as the Connecticut State Pilots (“CSP”) through a registered entity d/b/a as Interport Pilots Agency, Inc. Three organizations currently provide pilot boat services; Interport, Long Island Sound State Pilots and Northeast Marine Pilots.

As of January 2019, Connecticut licensed 7 marine pilots. As a condition of maintaining their Connecticut licenses, these pilots must also possess federal licenses endorsed for first-class pilotage. The pilots licensed by Connecticut, who participated on the Connecticut side of the joint rotation, were to be allocated 70% of vessel movements subject to the joint rotation pursuant to the terms of the NY/CT MOA. Pilots licensed by New York participated on the New York side of the joint rotation and were to be allocated 30% of vessel movements.

### **Recommended Legislation**

Recommendation for Legislative Revisions (2021 Session) to CGS Chapter 263, Section 15-13. Pilots; qualifications, extension of route. Permits Connecticut-licensed Pilots to utilize experience obtained while piloting under the authority of a federal pilotage endorsement to qualify for an extension-of-route. Current law requires pilots to serve as an observing pilot under the supervision of a Connecticut-licensed pilot to obtain an extension-of-route, even though this experience is not required for initial licensure.

### **Amended the Rates of Pilotage**

No Request for 2020

### **Licensing Updates**

The Connecticut-license Pilots consists of seven for the year ending 2020. The following are licensed pilots:

- Captain Charles Jonas
- Captain William R. Mulligan
- Captain Michael A. Peszke
- Captain Theodore S. Sanford
- Captain Adam M. Richardson
- Captain Sean M. Meade – Endorsement Amended July 31, 2020 Granted Extension of Route, Western Long Island Sound.
- Captain Donald J. Toby

### **CPC Commissioners**

As noted above, the CPC consists of nine members. During 2020, the following were CPC commissioners:

- **Christopher P. Clark**; appointed, November 26, 2016, by Speaker of the House Sharkey for a term ending on June 30, 2020, to represent non-recreational maritime industry interests.

- **K. Wynne Bohannon**; appointed, on July 3, 2013, by Governor Malloy for a term ending June 30, 2021, as a representative of a maritime-related industry.
- **Michael Eisele**, reappointed on September 26, 2016, by House Minority Leader Klarides for a term ending June 30, 2020, as a member with expertise in admiralty law.
- **William C. Gash, Jr.**; appointed as Chairman by Governor Malloy on August 27, 2012, and reappointed, on September 20, 2016, by Senate President Pro Tempore, Looney for a term ending on June 30, 2020, as a member with an interest in the environment who does not have an economic interest in the subject matters of the commission.
- **Ralph Gogliettino**; appointed, on August 9, 2013, by Senate Majority Leader Looney for a term ending June 30, 2021, to represent public environmental interests.
- **David E. Pohorylo**; reappointed, on June 28, 2019, by Matthew Ritter, House Majority Leader for a term ending on June 30, 2023, as a member with expertise in/or to represent a maritime-related industry from a shipping agent perspective.
- **Vacant: Captain Charles C. Beck, USCG (Ret.)**; appointed, on June 1, 2015, by Senate Minority Leader Fasano for a term ending on June 30, 2022, as a retired ship's Captain, resigned December 1, 2020.
- **Captain Michael Peszke**; an active pilot elected by a majority of the Connecticut-licensed pilots, effective January 1, 2016, for an indefinite term.
- **John H. Henshaw III**; Executive Director of the Connecticut Port Authority, effective July 1, 2016, for an indefinite term, in accordance with P.A. 15-5.
  - **Joseph Salvatore**; Program Manager for the Connecticut Port Authority, serves as Staff and the Executive Director's designee to the Commission.

## VIII. Future Port Infrastructure-Dredging Projects

### State Bond Commission Authorizations to the Authority – FY21:

Public Act No. 1-20, Section 13(j)

April 16, 2020 Item No. 5

Grants-In-Aid for Improvements to Deep Water Ports, including

Dredging. An allocation and Bond Authorization (to Agency) \$30,000,000.00

The funds were requested to provide supplemental financing for redevelopment and upgrades to the State Pier New London in accordance with the Harbor Development Agreement.

The public-private partnership between the Port Authority, North East Offshore, LLC and Gateway New London, LLC will create a modern, heavy loft port, and along with other upgrades, will meet offshore wind industry requirements.

### **Recommendations for Improvements**

With respect to recommendations for improvements to existing maritime policies, programs and facilities, at this time CPA recommends increased dredging. Dredging creates less likelihood for shoreline erosion and protects against the effects of sedimentation, which is important for infrastructure projects (creating space to construct dams or bridges), enables ships to pass through waterways, and is an environmentally important practice by reducing pollutants in our waters. As such, in the 2021 calendar year, CPA recommends dredging in the following waterways:

1. New Haven Harbor Deepening
2. Bridgeport Harbor & Black Rock Harbors
3. Westport Saugatuck River
4. Branford Stony Creek
5. Greenwich Harbor
6. Southport Harbor
7. Stamford Harbor
8. Thames River
9. CT River (lower)

**IX. Operating and Financial Statements**

See Separate File Attachment – Appendix A

**X. Recommended Legislation**

As noted in Section VIII above, the CPA recommends legislative revisions (2021 Session) to CGS Chapter 263, Section 15-13 (Attached as Appendix C). This same recommendation was made in 2020, but was not taken up, due to the short 2020 Session. The Authority plans to resubmit the recommendation for the 2021 Session:

*“Pilots; qualifications, extension of route. Permits Connecticut-licensed Pilots to utilize experience obtained while piloting under the authority of a federal pilotage endorsement to qualify for an extension-of-route. Current law requires pilots to serve as an observing pilot under the supervision of a Connecticut-licensed pilot to obtain an extension-of-route, even though this experience is not required for initial licensure.”*