



NOTICE OF
SPECIAL MEETING OF THE
CONNECTICUT PORT AUTHORITY
BOARD OF DIRECTORS

**Tuesday, March 22, 2022
12:00 p.m.**

**Please Note: In addition to the minutes below, an audio recording of this meeting can be found on the Authority's website at <https://ctportauthority.com/governance/>*

Board Attendance

Chair David Kooris; Alexandra Daum; Mark Rolfe; Brian Thompson; John Flores; Paul Hinsch; Don Frost; Tom Gill; John Johnson; Tom Patton; Felix Reyes; Judi Sheiffele; Dave Pohorylo; Grant Westerson; Parker Wise

Absent: Mayor Justin Elicker

CPA Staff/Other: John Henshaw; Andrew Lavigne; Marlin Peterson (AECOM)

MINUTES

1. Call to Order

Chair Kooris called the meeting to order at 12:05pm.

2. Public Comment

3. Consideration and approval of a resolution authorizing the Executive Director to negotiate and enter into a Fourth Amendment to that certain Construction Manager-at-Risk Agreement with Kiewit Infrastructure Co.

(Begins at 0:10:00 of the audio recording) Chair Kooris noted that the Authority has stated publicly that it would share new information as it becomes available. He provided an update on the history of the price of the project.

The permitting process for the project took significantly longer than anticipated. There is cost associated with that delay. Negotiation of the price has been a three-step process. The first step in that process has been changes that have happened since construction began. None of those changes have resulted in reduction of scope nor quality; all of which are modifications based on field conditions that were unanticipated or unknown at the time of design. The Fourth Amendment before the board today, exclusively deals with the cumulative result of those change orders. The end result of all of the change orders to-date is a credit to the project of \$669,986. That is what is before the board today.

The second step in that process is negotiating, with Kiewit, the cost of delay. The additional cost of labor associated with them being on-site longer than anticipated to complete the project. We have been negotiating this, we've alluded to that process in past meetings, but we have not

had a number. This issue is not before the board today, because we just arrived at a number late last week. It may come before the board in April. The anticipated dollar amount associated with that delay is \$6.8 million. We are sharing that information now so the board and public are aware. We have communicated that number to the Administration and have asked for those additional funds. There are some places where we can tighten up some soft costs so we may not need that number in its entirety, but there is an ask to the Administration. When we have those funds we can execute a subsequent amendment.

The third piece, which is ongoing and does not have a dollar amount that can be shared at this time, relates to acceleration of construction activities. The current schedule, with delays, will bring us to completion some time in April 2023. We are looking to expedite that and bring it in earlier so we can accommodate the early offshore wind projects and the job creation and revenue to the state and port authority associated with that. We are negotiating that now. We anticipate it somewhere in the comparable order of magnitude as the delay cost that was just described – but we don't have a number for that yet. We will share that as soon as we have it. We have made the Administration aware and we believe there will be a commitment for the funds necessary to complete this project because of its transformational nature.

(Begins at 0:21:34) Questions and discussion regarding timeline for delay cost negotiation process, delays faced by other states, the tradeoffs associated with acceleration versus current timeline, employment at the site, successes from procurement of materials and labor pre-inflation levels, distinction between contributing factors leading to the \$6.8m number, project contingency, modest modification of the Harbor Development Agreement to align timeline and delivery with the construction schedule, and involvement of the terminal operator in the process.

(Begins at 0:34:25) John Henshaw and Marlin Peterson (AECOM) discuss detail of the Fourth Amendment and answer questions.

RESOLVED: That the Executive Director be and hereby is authorized, empowered and directed, for and on behalf of the Connecticut Port Authority (the "Authority"), to negotiate, execute and enter into a Fourth Amendment to that certain Construction Manager-at-Risk Early Work Guaranteed Maximum Price (GMP) Agreement with Kiewit Infrastructure Co., in connection with construction activities at the State Pier, for the services and amounts as substantially described in the Exhibits to Agenda Item #3, and to take such reasonable and necessary actions, that the Executive Director deems to be in the best interests of the Authority, to execute and deliver any and all other reasonable and necessary documents in furtherance thereof.

Motion by Grant Westerson, seconded by John Johnson.

So VOTED.

4. Consideration and approval of a resolution to accept and adopt a Procurement Manual as developed in consultation with the State Contracting Standards Board (SCSB)

(Begins at 0:47:20) John Henshaw explained that about 45 days ago the SCSB shared a generic procurement manual for state agencies. We discussed changes necessary to reflect the Authority's board structure. We confirmed that the procedures are meant to compliment the Authority's existing procurement policies and procedures, not to replace them. We brought the manual to the Audit, Compliance and Governance Committee and they have recommended that the board accept and adopt the policy.

RESOLVED: That the Board of Directors hereby accepts and adopts a Procurement Manual as developed in consultation with the State Contracting Standards Board and reviewed and recommended for approval by the Audit, Compliance and Governance Committee at its March 15, 2022 meeting, as described in the form attached hereto as the Exhibit to Agenda Item #4.

Motion by Tom Patton, seconded by Parker Wise.

So VOTED.

Chair Kooris thanked the board and the committee and noted that within about 45 days from having received a recommendation from SCSB, we have adopted it, which is a testament to our commitment to take recommendations from others to incorporate into our policies to improve our operations.

5. Consideration and approval of a resolution authorizing the Executive Director to enter into an amendment to that certain Memorandum of Understanding (MOU) between the Authority and the Office of Policy and Management to extend the end date of the MOU to June 30, 2022.

Chair Kooris noted that the only amendment here is for time. We previously discussed extending the MOU while the Authority searched for a finance director. Now with the executive director leaving, we want to make sure we have support and capacity from OPM going forward. We can further extend as needed.

RESOLVED: That the Executive Director is authorized, empowered and directed, for and on behalf of the Authority, to execute and deliver an Amendment to that certain Memorandum of Understanding, with an effective date of September 6, 2019, by and between the Authority and the Office of Policy and Management, as amended, to further extend the end date of the MOU to June 30, 2022, as described in the form attached hereto as the Exhibit to Agenda Item #5 and to take such reasonable and necessary actions as are reasonably required in furtherance thereof.

Motion by John Johnson, seconded by Grant Westerson.

So VOTED.

6. Discussion of the hiring and employment status of employees

Chair Kooris noted that the purpose for this discussion is John Henshaw's recent announcement that he will be resigning from the Authority as of April 21st. This was discussed at length last week at the Human Resources Committee and we are now discussing with the full board. The focus is on process going forward. While the committee discussion occurred in executive session, the intent of the committee was to move expeditiously and to avoid hiring a search firm. It will likely take months, so we will also be looking for an interim solution. We are accepting recommendations of potential candidates for vetting by an ad hoc working group of the board. He noted that he has asked the Administration for thoughts on candidates.

John Johnson asked whether the interim director could be a candidate for the full-time position. Chair Kooris said the interim director would be an employee of the Authority and would be a decision of the board to determine.

Judi Sheiffele asked whether the interim director would be vetted by the board. Chair Kooris confirmed that the person could not start or be compensated unless voted on by the board.

Dave Pohorylo said that the interim person would have to meet all of the qualifications that we expected of our executive director when we last hired for the position fourteen months ago. He also suggested that the Authority look back at the other top candidates from the prior search process. He had already reached out to one and there was interest. Judi Sheiffele expressed her support.

John Flores suggested establishing a cutoff period for the internal search, so that efforts can shift to a search firm option if needed. Chair Kooris agreed that search firms could be vetted in advance, in the event that one may be needed.

Dave Pohorylo noted that Massachusetts is currently looking for an executive director, which may make our search harder.

John Johnson said he's received interest from an individual interested in the position. Now that we know what we need in the position, we're positioned to find someone quickly.

Chair Kooris reiterated that if board members have candidates that you know or have approached you, for interim or long-term, get those to us as soon as possible. If you have an interest in participating in the working group, please let me know. We should anticipate a special meeting between now and the next regular meeting on April 19th. If we want overlap with John before he leaves, we will need to move quickly.

Don Frost noted that searches like this can drag on as you narrow down. Hopefully we can move as quickly as we think we can.

7. Adjournment

Before adjournment, Chair Kooris noted that the Authority is working on launching another round of Small Harbor Improvements Projects Program grants and we hope to do that at our next meeting, whether it's a special meeting or the regular meeting in April.

Motion to adjourn made by John Johnson, seconded by Parker Wise. Meeting adjourned at 1:13pm.