



# Saint Lawrence Seaway Development Corporation

## Advisory Board Meeting Minutes

Tuesday, June 14, 2016 (10:00 a.m.)

Massena, N.Y.; Washington, D.C.

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The Advisory Board of the Saint Lawrence Seaway Development Corporation (SLSDC) convened on Tuesday, June 14, 2016 at 10:00 a.m. via teleconference. Representatives from both the SLSDC's Washington, D.C. and Massena, N.Y. offices also participated.

The following individuals were in attendance during the meeting on behalf of the SLSDC:

- Betty Sutton, SLSDC Administrator
- David McMillan, SLSDC Advisory Board Chairperson
- William Mielke, SLSDC Advisory Board Member
- Wenona Singel, SLSDC Advisory Board Member
- Arthur Sulzer, SLSDC Advisory Board Member
- Nancy Alcalde, SLSDC Director of Congressional and Public Relations
- Chris Guimond, Director of Lock Operations and Marine Services
- Craig Middlebrook, SLSDC Deputy Administrator
- Kevin O'Malley, SLSDC Director of Budget and Economic Development
- Jeff Scharf, SLSDC Director of Engineering and Maintenance
- Adam Schlicht, SLSDC Great Lakes Regional Representative
- Charles Wipperfurth, SLSDC Deputy Chief of Staff

### **I. Call to Order**

In his capacity as Board Chairperson, David McMillan welcomed all participants to the Advisory Board meeting and, noting the presence of quorum, called the meeting to order at 10:02 a.m.

### **II. Approval of the Minutes**

Approval of the minutes from the February 2016 meeting was motioned by SLSDC Advisory Board Member William Mielke and was seconded by Advisory Board Member Arthur Sulzer. Without objection, the motion passed unanimously, and the February 2016 meeting minutes of the SLSDC Advisory Board were approved.

### **III. Quarterly Updates**

SLSDC Administrator Betty Sutton provided a quarterly update to the Advisory Board membership, including a general overview of SLSDC activities following the previous Advisory Board meeting. The Administrator noted that the 2016 St. Lawrence Seaway shipping season began successfully and without incident with the opening of the Welland Canal section on March 21 and the Montreal-Lake Ontario section on March 23. Both the U.S. and Canadian Seaway organizations are forecasting approximately 36 million tons transiting the Seaway locks in 2016, as bulk commodities are stable if trending downward and project cargoes are trending upward. Great Lakes pilotage was also discussed by the Administrator, noting that new regulations became effective on April 6, 2016 and that a lawsuit, including participating Great

Lakes stakeholders, has been filed against the U.S. Coast Guard. A consensus U.S. government position has been reached on a federal ballast water regulatory regime, according to the Administrator, who also noted that the State of New York has an ongoing review. The SLSDC also recently completed a voluntary agreement during its labor negotiations, which typically take place every three years, on May 19, 2016. Finally, the Administrator presented an overview of the successful commemorative event held in Massena, honoring the local workers who passed away during the original construction of the Seaway from 1954 to 1959.

Advisory Board Chairperson McMillan inquired about the impact of the new labor agreement, and SLSDC Director of Budget and Economic Development Kevin O'Malley noted that approximately 75 percent of all SLSDC employees were covered by unionized wage negotiations in the new labor agreement. Advisory Board Member Wenona Singel asked about recent media reports suggesting that Asian Carp had entered the St. Lawrence River and SLSDC Deputy Administrator noted that the species identified was deliberately introduced into the Seaway System in the 1960s and is genetically distinct from the Mississippi River species, which has the potential to be of more ecological consequence. Advisory Board Member Mielke asked about the Lake Michigan water diversion requested by Waukesha, Wis., and the Administrator observed that the SLSDC does not participate in the review process, as detailed in the Great Lakes Compact.

The next quarterly report was presented by SLSDC Director of Lock Operations and Marine Services Chris Guimond, who provided specific details about the 2016 opening of the St. Lawrence Seaway as well as performance metric highlights from the season to-date. The Seaway, Mr. Guimond noted, has maintained over a 99 percent system wide and 99 percent lock availability rate. The SLSDC will also be participating in multiple regional emergency response exercises in 2016, including coordination with the St. Regis Mohawk nation. Mr. Guimond and Deputy Administrator Middlebrook also provided insight about the SLSDC's ongoing research and test utilization of synthetic, virtual, and all-seasons aids to navigation.

SLSDC Director of Budget and Economic Development Kevin O'Malley presented a financial quarterly report and noted the SLSDC is cautiously optimistic that its request for \$36 million for Fiscal Year (FY) 2017 will be enacted based on initial appropriations committee approvals by the U.S. Senate and House of Representatives. He added that the SLSDC will soon begin working with the Department on the development of the FY 2018 budget request.

A trade and economic development update was presented jointly by Director O'Malley and SLSDC Great Lakes Regional Representative Adam Schlicht. A brief overview of the Cleveland Europe Express was provided, including the recently announced partnership between the Port of Cleveland and Lubrizol. Recent initiatives undertaken by Mr. Schlicht as well as his counterpart at the Canadian St. Lawrence Seaway Management Corporation (SLSMC), Vince D'Amico, include coordination with North American freight forwarders and logisticians and development of a HwyH<sub>2</sub>O Domestic Trade Mission, both in Houston, Texas. Finally, Mr. Schlicht discussed the recent launch of "Duluth Cargo Connect", a joint marketing effort being spearheaded by the Duluth Seaway Port Authority and Lake Superior Warehousing. Administrator Sutton noted that Mr. Schlicht was recently named a "Northeastern Ohio Top 25 Under 35 Mover and Shaker" for his efforts as the SLSDC's Regional Representative. The Administrator also requested approval from the SLSDC Advisory Board for the SLSDC to consider hosting HwyH<sub>2</sub>O-related events,



workshops, and conferences in the United States, which was well received by all members without objection.

SLSDC's Director of Engineering and Maintenance Jeff Scharf presented the next quarterly report which included a discussion of a myriad of lock maintenance, rehabilitation, and ARP initiatives. Highlights included completion of new lighting at the Eisenhower Lock tunnel; replacement of roofing systems at the Maintenance Base; ongoing planning and deployment of Hands Free Mooring technology, and ice flushing system technology.

SLSDC Deputy Administrator Craig Middlebrook provided the next quarterly report, including a description of the SLSDC's participation at the recent Global Estuaries Conference as well as Congressional consideration of federal ballast water regulatory oversight under the proposed Vessel Incidental Discharge Act. Deputy Administrator Middlebrook also suggested that the International Maritime Organization (IMO)'s ratification of international ballast water regulations seems likely to occur before the end of 2016.

Several proposed pieces of legislation were discussed by SLSDC Director of Congressional and Public Relations Nancy Alcalde in the next quarterly report, including the forthcoming iteration of the Water Resources Development Act and the Great Lakes Restoration Initiative. Ms. Alcalde also briefly discussed the SLSDC's ongoing successes in web-based and social-media outreach formats, including the Seaway's binational website, the SLSDC's governmental website, and the SLSDC's Facebook page.

Chairperson McMillan inquired about public interest in Great Lakes pilotage and Administrator Sutton noted that the SLSDC has deferred questions to the U.S. Coast Guard's Great Lakes pilotage office, as the definitive source of information.

The final quarterly report was presented by Deputy Administrator Middlebrook on behalf of Chief Counsel Carrie Lavigne, who was unable to attend. In particular, he discussed the latest changes to the International Joint Commission (IJC)'s Water Level Plan, reaffirming that the federal government has reached interagency consensus that commercial navigation remains prioritized in the updated plan.

#### **IV. Old and New Business**

Chairperson McMillan reinforced the SLSDC Advisory Board's interest in touring additional Great Lakes port communities. Advisory Board member Sulzer discussed the ongoing progress at the Philadelphia Maritime Academy, including ongoing coordination with the State University of New York (SUNY) Maritime College. The Chairperson specifically mentioned that the daily media clips were an important and helpful tool for the Advisory Board.

#### **V. Closing Discussion and Adjournment**

The meeting was adjourned at 12:02 p.m. with a motion to close from Member Singel and seconded by Member Sulzer.

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