



- Distributed maps of Port MacKenzie showing alternative roads and land ownership status.
- Reported the Port MacKenzie website has been updated and well received, but we are still working on getting photos on the website.
- Commented he met with Totem Ocean Trailer Express (TOTE) who sent a planner out for a tour several weeks ago and Alaska Marine Lines (AML) and plans to meet with Matson. We need equipment infrastructure to attract these businesses to our port.
- Introduced Mr. Jim Baxter, owner of Northern Gravel & Trucking and presented him with a plaque of appreciation.
  - Mr. Baxter stated he brought in his first salt ship to the Anchorage port in 2006. All of the salt brought in had to be trucked to a staging area outside of the port. At Port MacKenzie he is able to convey the salt off the ship and stage it on the barge dock for transport throughout the State.
- Stated the Cell 1 repair is complete and he will have PND Engineers do an inspection of the entire barge dock.
- Reported the Barge Ramp RO/RO 35% Design Study has been completed with the rock revetment design as the most attractive option vs using sheet pile.

Discussion followed on outreach to the various shipping companies, cost comparison with the Anchorage port, the flexibility of Port MacKenzie and containerized shipping.

**B. Mr. Joe Metzger, Asset Manager**

- Stated we have one lease with Central Alaska Energy (CAE) for \$5,500 +/- per month. CAE has not done anything with their lease yet so we are looking to revise the terms of that lease.
- Reported we have two permits with QAP (formerly Colaska) for the old Alutiiq (white) and NPI (blue) warehouses totaling \$10,200 +/- per month for 18 months.
- Commented we share the revenue with NPI for their former lease until revenue reaches the agreed upon limit.

Discussion followed on increasing the cost of leases with a 3% escalator clause over 5 years vs using an appraisal and CAE's development clause in their lease.

**5. PERSONS TO BE HEARD**

**A. Mr. Brian Murkowski, Energy Consulting, LLC**

- Commented on a few observations he has made - TOTE uses mainly RO/RO for their operation and Matson uses mostly cranes. Matson has asked TOTE to share the cost of cranes which is not popular with TOTE and the Alaska Railroad (ARRC) has the availability to bond up to \$20 billion that is not required to be used for rail, however they have never used that option.
- Stated he was born and raised in Alaska and has worked in banking for many years but is now in the Energy business working with Ocean Renewable Power Company (ORPC).
- Reported ORPC is based out of Portland Maine and has been in business for 17

years in 47 counties working on renewable energy prospects converting energy in water currents to electricity.

- Reviewed the various potential projects they are working on including one 5 MW power system in Nikiski, 1-mile offshore. They require at least 3 knots to produce power, Knik Arm currents are between 5-7 knots.
- Commented the Port MacKenzie project could yield 40 KW to provide cathodic protection for our docks.
- Stated the Federal Energy Regulatory Commission (FERC) requires approval before power can be supplied to the grid so to reduce cost most of their projects will not supply the grid.
- Stated they recently received \$25M from Hatch to which will fund the commercial phase of their projects with all work being conducted in Palmer, Wasilla and Nikiski.
- Reported they have the potential to produce 18GW of power which is 10 times what Alaska needs now.
- Commented the challenges of Alaskan waters have made it necessary to make the equipment stronger and better.

Discussion followed on lease/sale/own of equipment, maintenance costs, purchase price, grant opportunities, and life expectancy of units.

Mr. Brown cautioned against the MSB purchasing the device; ORPC should pay for and maintain each unit.

## 6. UNFINISHED BUSINESS

There was no unfinished business.

## 7. NEW BUSINESS

MOTION: Mr. Crowley moved to extend the meeting time by 15 minutes, Mr. Brown seconded, the motion was approved unanimously.

## 8. ADMINISTRATION AND COMMISSION MEMBER COMMENTS

Mr. Brown inquired about the estimated revenue for the salt ship. Mr. Griffin stated the estimate is \$85,000 with 1 vessel per year and barge deliveries to Ketchikan, Thorne Bay, Juneau, etc.

Mr. Griffin commented plans are to remove the "A" frame from the trestle and lower the conveyor on the side of trestle for the next salt shipment. Northern Gravel is looking into shipping other products such as fracking sand, cement, and calcium chloride. Mr. Ray Wonders may bring in 1 or 2 ships this fall to support the oil and gas companies.

Discussion on the Jones Act, repurpose or disposal of the conveyor and the Port MacKenzie Rail Extension not being built. Trucking over road is better than rail if it is 150 miles or less, rail is more cost effective for anything over 150 miles.

9. ADJOURNMENT

The meeting adjourned at 5:21 p.m.

  
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Sandy Lockett, Port Admin Specialist

  
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Ron Tracy, Chairperson

Minutes Approved 7/29/24