



SALEM HARBOR PORT AUTHORITY

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MEETING MINUTES: March 4, 2021

A public meeting of the Salem Harbor Port Authority was convened at 5:07 pm via Zoom web conference.

Members present: Chair Michael Rutstein, Bob McCarthy - Ward 1 Councilor, Fred Atkins

Members absent: Mayor Kimberley Driscoll, Meaghan LeClerc

Others Present: Capt. Bill McHugh – Harbormaster, Seth Lattrell – Port Authority Deputy/Planner, Chris Hood – CW Hood Yachts, Senator Joan Lovely, Hannah Mori, Alan Hanscom – SATV, Bob Blair, Charlie Patsios, Scott Silverstein, Pat Gozemba, Kim McDonald, Patrick Scalli

Chairman Rutstein called the meeting to order at 5:01 pm.

Chairman Rutstein outlined the format for the meeting and indicated that members of the public may provide comments during the period of the meeting designated for public comment. Chairman Rutstein also expressed his disappointment that Footprint development team for the land around the power plant is not presenting at this meeting to the Port Authority, despite the initiation of their outreach to members of the Harbor Planning Committee (“HPC”).

Mr. Lattrell provided an update on the Municipal Harbor Plan/DPA Master Plan and addressed Chairman Rutstein’ inquiry regarding when Footprint will present to the Port Authority. Mr. Lattrell shared that Footprint has initiated outreach to the HPC members and City Council members and will be presenting publicly for the first time to the HPC on March 17 at 4pm as well as at the public meeting for the Harbor Plan on March 24 at 6pm. Mr. Lattrell indicated that Footprint plans to present to the Port Authority in April. Mr. Lattrell shared that in addition to Footprint’s outreach, the City has conducted a series of one-on-one meetings with HPC members and conducted several presentations to different neighborhood groups and stakeholders. To address confusion that has arisen in the past regarding the role of the Port Authority vs. the role of the Harbor Plan Committee in the future buildout of the Footprint property, Mr. Lattrell provided an overview of the roles of each body, including membership, purpose and mission, and a summary of key differences. Chairman Rutstein asked for information on what the product of the Harbor Plan effort is. Mr. Lattrell explained that the

harbor plan is a robust report that includes high-level master planning goals as well as specific regulatory substitutions, amplification, and offsets that will be implemented through the Chapter 91 licensing process. The Harbor Plan will need to be reviewed and approved by the state prior to implementation. Chairman Rutstein asked for information on timeline. Mr. Lattrell clarified that the City is still following the previously presented timeline, but that the schedule may shift if more time is needed to develop a clear consensus on the direction of the plan. Mr. McHugh asked if 10 Blaney Street facilities were entirely within the jurisdiction of the Port Authority. Mr. Lattrell confirmed that his understanding was yes, but that there is flexibility for the Port Authority to delegate responsibilities to other entities if helpful. Chairman Rutstein asked for an update on the harbor plan survey results. Mr. Lattrell shared that there have been approximately 370 responses to date, however the survey would remain open for at least another month until after the next couple public meetings.

Mr. Lattrell shared that the City continues to work with Footprint on the long-term lease and wharfing agreement, particularly on remaining issues of indemnification/liability and management responsibilities. To progress these negotiations and limit the impact on the ongoing repair work, the City is working directly with Footprint to engage their LSP to implement an interim plan to advance the upland repairs at the Deep-Water berth. Mr. McHugh added that management structure of the pier under these agreements is also of critical importance to the Port Authority. Mr. Atkins asked if there was a timeline for completion of the conveyance. Mr. Lattrell responded that the conveyance will be delayed until the completion of the harbor plan, however the city continues to work on an interim wharfing agreement/long term lease, which would serve a similar function, but would preserve flexibility to hold off on designating the 3–5-acre conveyance until upland uses were better understood. Mr. McHugh added that the add alternate in the deep-water berth repair which includes upland excavation work, will be a significant step forward in this process. Mr. Lattrell clarified that in addition to this conveyance there is also an outstanding item from the Community Benefits Agreement that required an oversight board for the Port Authority which included a representative from Footprint. Since there are no shared assets now, the City and Footprint have generally agreed to hold off on creating that oversight board until the conveyance is executed.

Mr. Lattrell shared that work to set up the website is ongoing. A draft of the website was received and will be shared with Port Authority members, but content still needs to be populated.

Mr. Lattrell provided an update on the ongoing work at the North Berth and Deep-Water Berth. The work to the Deep-Water Berth is advancing, and Mr. McHugh is coordinating site access and mobilization dates with the property owner. The work at the North Berth is advancing into final design and construction documents, pending signature of a contract amendment. All

permits for that work are in hand. Mr. McHugh added that the North Berth design will include changes to the aluminum gangway to provide greater flexibility for future use.

Mr. McHugh provided the Harbormaster's report, beginning with a summary of the FEMA Port Security Grant program, and indicated that the city is exploring a grant related to cyber security for this next round. Mr. McHugh shared that there is dredge work which recently ended at Hawthorne Cove, and there will be additional work upcoming, including pile driving. The contractor leased space from the City which generated revenue for the City/Port Authority for both the current lease and from a past unpaid lease. Regarding the Deep-Water berth mobilization is anticipated for early April and is being coordinated with Max Greig from the Power Plant/Footprint. The City/Port Authority received a second cancellation by the cruise ship Silver Whisper, highlighting the uncertainty of the future cruise ship industry. Mr. McHugh shared an update on his discussions with a prominent marine transportation company with interest in utilizing the port to support offshore wind. The company has reached out to the property owner and is continuing its dialogue with the City. Mr. McHugh shared that the company's interest appears to be very real and immediate, and that the intended use would be long-term marshalling and O&M. The interest in Salem would be in addition to and complementary to the intended future use of New Bedford. Chairman Rutstein asked if the pile driving at Hawthorne cove would occur at night. Mr. McHugh responded that he does not anticipate a need for pile driving outside of normal work hours. Councilor McCarthy requested a copy of the schedule once it has been determined so he may share it with the neighborhood. Mr. McHugh clarified that it is likely not true pile driving, but instead vibratory driving of piles. Mr. McHugh will coordinate with the property owner to notify abutters. Mr. Lattrell shared with Councilor McCarthy that he presented to members of the Derby Street neighborhood regarding the City's Harbor Plan and will be hosting a site walk with that group in the coming weeks.

The meeting was opened to public comment. Bob Blair, Eastern Point Pilots, shared that he feels that we are approaching a tipping point for the Footprint property for future reuse, and that he also sees strong interest in the site from the offshore wind industry. Mr. Blair indicated that he does not feel that the property owner is being responsive to that interest and shared that he feels the Port Authority should capitalize on this interest and take more action to support the reuse of the property for marine industrial uses, including offshore wind. Mr. Blair has engaged financiers to evaluate options for the Port Authority to purchase the property. Mr. Blair shared his support to protect the DPA and suggested that the Port Authority advance an appraisal immediately and approach Footprint about purchasing the property. Mr. Rutstein reiterated Salem's role in offshore wind development off the coast of Massachusetts and acknowledged that Salem is needed in addition to New Bedford for the state to meet its targets for clean energy. Mr. Rutstein shared that he would like to revisit an appraisal of the Footprint site. Mr. Lattrell shared that he explored that option over a year ago, but at the time the Port Authority chose to hold off until the underlying rules of the property were established by the

Harbor Plan. Mr. McHugh suggested that the appraisal could be done with an assumption that the DPA remains in place with no additional flexibility under the Harbor Plan. Mr. Atkins shared that he would like to advance the appraisal and made a motion to do such. The motion was passed unanimously. Mr. Lattrell acknowledged that he will advance the appraisal and shared a response to comments which expressed frustration over the lack of action on the Footprint Property. Mr. Lattrell shared that the harbor plan timeline was communicated early on in order to set expectations, and that the length of the process is intentional, and allows for significant community engagement. That engagement will help to build consensus around a future reuse scenario that is compatible with the surrounding community and will create a smoother path for future permitting, which can be lengthy. Mr. Lattrell also shared that to date, Footprint has been transparent with their actions and intentions through the Harbor Plan, and that no action has yet been taken by Footprint to modify the DPA. Mr. Blair responded that he does not believe there would be significant permitting required to begin serving the offshore wind industry, but that he would confirm with state officials, and reiterated that the Port Authority is at a key inflection point and needs to act soon.

Mr. Atkins added a final clarification that we do not need to execute the contract for the appraisal at this time, but that we should pursue a proposal for an appraisal to demonstrate to Footprint that the Port Authority is serious about advancing discussions and coordinating more closely on reuse plans.

Meeting minutes from the February meeting were unanimously approved.

Salem Harbor Port Authority adjourned @ 6:00 pm.