

STATEMENT FROM MAYOR JOHN HANDELAND

It is disappointing that the Arctic Deep Draft Port at Nome project is experiencing another unexpected schedule interruption. It is a DELAY, not cancellation.

Strict Federal procurement rules limits the release and availability of detailed information, with severe penalties if there are proven violations of the statute. Even within the Corps, the information flow is compartmentalized and project managers were not given advance notice.

On Monday a team from the City (Interim City Manager Chandler, Project Manager Baker and I) met with COL Jeff Palazzini, Alaska District Commander and his team and received assurance the COE is totally committed to building the project, an assurance also conveyed to us by Brigadier General Joseph Goetz, Division Commander located in Hawaii, who was in Nome recently. Headquarters in D.C. also has this very high on their radar.

The COE and the City, local sponsor, have agreed in principle to a course of action to evaluate options within available funding to build the first phase as a usable project based on a new solicitation, with future phases added as the project moves forward. PM Baker will be meeting with the Corps again next week to review a revised cost estimate being prepared. The District COE team has been directed by the Colonel to get a revised solicitation on the street by January 15. Joy will continue to meet as necessary to coordinate for the City, and more importantly hold their feet to the fire. All members of the City delegation are also subject to non-disclosure agreements, but we will brief city, state and our federal delegation as information that can be shared becomes available.

Senator Donny Olson, Rep. Neal Foster, and Gov. Mike Dunleavy, and the CODEL (Senators Lisa Murkowski and Dan Sullivan, and Rep. Mary Peltola), without whose unwavering support would have not gotten us to the horizon where we can "see" the imminent start of construction, will be briefed regularly through Wendy Chamberlain and Jay Sterne, our state and federal advocates respectively.

This completion of this project is vital to the city, region, state and the nation. (I was stopped in Costco this afternoon by an Alaskan who reminded me that we are lagging far behind Russia in activity in Alaska.) I want to acknowledge the leadership of Bering Straits Native Corporation (President Cindy Massie, VP Lucille Sands and CEO Dan Graham). BSNC is a vital partner, and I believe we had fruitful discussions in their offices Tuesday. We all want this project completed, and it only makes sense to have the rock come from Cape Nome!