

CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Thursday, August 20th, 2015

- I. Call to Order** The Finance Committee meeting was called to order at 4:58 p.m. in CBJ Assembly Chambers.
- II. Roll Call** The following members were present: Mike Peterson, David Lowell, Tom Donek, and Tom Zaruba via phone.
Also in attendance: Carl Uchytel-Port Director; David Borg-Harbormaster; Gary Gillette-Port Engineer; Dick Somerville-PND Engineering.
- III. Approval of Agenda**
Mr. Mike Petereson requested to add to the agenda the assignment of the Vice Chair for the Finance Committee as #1 under the Committee Administrative Matters.

MOTION: BY MR. TOM DONEK TO APPROVE THE AGENDA AS AMENDED.
Motion passed with no objections
- IV. Public Participation on Non-Agenda Items - None**
- V. Approval of July 23rd, 2015 Finance Committee Meeting Minutes**
MOTION: BY MR. TOM DONEK TO APPROVE THE JULY 23, 2015 FINANCE COMMITTEE MEETING MINUTES AS PRESENTED.
Motion passed with no objections
- VI. Consent Agenda - NONE**
- VII. Unfinished Business**

1. Douglas Harbor 35% Design Review & Budget

Presentation by Port Director

Mr. Carl Uchytel stated we have Dick Somerville from PND Engineering and Gary Gillette our Port Engineer here to discuss the Douglas Harbor 35% Design & Budget. At the CIP/OPS Committee meeting there was a proposed change that will go in front of the full board this month. The Design is \$1.2 Million in excess of funds available. Mr. Somerville from PND will walk us through the design and the various options. The items to discuss are the approach Dock, a retaining wall that would increase parking, and the price differences between different dock materials.

Mr. Dick Somerville from PND Engineering stated he will address the difference in pricing for Gulam floats versus Polytab floats, what items in the base bid that can be switched to an additive alternative to save on costs, and a timber retaining wall. Mr. Somerville presented a packet of information which has estimates for the different designs.

Mr. Somerville stated the industry has moved towards the Polytab floats for the structural elements to be up and out of the water for a longer service life of the materials such as the

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timber, steel, bolted connections, and the holes through the timber. There is about a \$200,000 cost difference between the floats with Gulam floats being cheaper. That is about 10% unit cost difference.

Committee Questions

Mr. Lowell asked if it is a 20% difference per square footage but only 10% savings with the added re-design costs.

Mr. Somerville answered it is a 10% difference in the total cost exclusive of the re-design so it is probably on 6-7% savings.

Mr. Lowell asked if the additive alternate is already included in the full amount.

Mr. Somerville answered the additive alternate is included in the total budget right now but could be removed and done at a later date for an approximate total of \$500,000 which includes access.

Mr. Lowell asked why there is a price difference between the two quotes for the additive alternate.

Mr. Somerville answered the Gulam is cheaper material for the landing float. The items that could be switched to an additive alternate to save \$500,000 are the approach dock, refurbished gangway, the landing float, utility shed, and the abutment near shore. It is not essential but it is desirable. It will be more expensive to do at a later date.

Mr. Lowell asked about the project PND did in Ketchikan that was fairly high price.

Mr. Somerville answered the project was entirely different, a much smaller scale, and difficult access. It was not included for comparison. The comparisons listed in the packet are the most comparable in the \$8-10 Million amount.

Mr. Zaruba asked what the total savings would be if we did not replace the B gangway and only used the D-Float gangway.

Mr. Somerville answered that is the approximate \$500,000 savings mentioned prior. The D-Float gangway is already ADA compliant and the B-gangway and approach dock could be added at a later date.

Mr. Zaruba asked if we eliminate the south A-Float stalls and just had side tie area what would be the savings be. And could those fingers be added at a later date.

Mr. Somerville answered the harbor would lose 25 stalls and he does not know the revenue difference for the Harbors. The fingers could be added later and the approximate additional savings not adding the fingers would be \$336,000.

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Mr. Somerville stated there is a third option that would add about \$400,000 to the project to install about 150 feet timber retaining wall along with the B-Float approach dock & ADA compliant gangway. It would add additional 25 parking spots to Douglas Harbor.

Mr. Lowell asked if the 80 foot gangway would still fit.

Mr. Sommerville answered yes we would build a pocket so it would fit.

Public Comment – None

Mr. Gary Gillette presented the Douglas Harbor Budget from the agenda attachment with each quote from PND and what the additional needed funding would be for each plan. The additional funds needed from the Harbor account. The Gulam float quote we need \$800,000. The Timber & Polytub floats we need \$970,000. The Timber & Polytub floats with retaining wall we need \$1.4 Million.

Public Comment

Dennis Watson – Juneau, AK

Mr. Watson stated that there may not be a lot of future income coming in. Statter Harbor only has one ramp. The harbor could increase moorage more than just inflation to cover the costs of increasing operational expenses and the additional construction costs.

Committee Discussion/Action

Mr. Zaruba stated we need to do this project as close to the available funds as possible. We could save up to \$800,000 if we cut the B-Float approach dock, second gangway, and the A float south side fingers. Mr. Zaruba stated we would only lose 12 stalls if we just have the side tie area. Most people trailer the 24 foot stalls.

Mr. Peterson asked staff for clarification on the revenue.

Miss Raster answered we use the 25 stalls on the south side of A-float as transient first come first serve stalls and therefore sell daily and monthly moorage to more than 25 vessels. We sell 2-3 times the moorage for the 25 stalls for increased revenue since not all vessels are in the harbor every day every month. We are able to oversell Douglas moorage for the A-float since most vessel are in & out a lot.

Mr. Borg added the approximate loss of moorage would be a little over \$5,000 a month.

Mr. Zaruba asked if that is just for summer so it would only be a loss of \$30,000 a year.

Mr. Borg answered yes it is close.

Mr. Donek stated we already lost a lot of 24 foot stalls in Aurora. The 24 foot stalls are in higher demand in Douglas Harbor for the summer seasons. It would be a higher expense to have a barge come in at a later date to add the stalls. The Douglas stalls are

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needed and utilized. The \$30,000 in moorage per year would pay back in 10 years which is pretty good. The retaining wall expense is not needed but we could talk about it as an option. The B-Float approach dock and gangway could be added later from land.

Mr. Lowell stated he agrees with Mr. Donek to do the work now while the contractor is there.

Mr. Peterson also agrees we need the Douglas 24' stalls especially if North Aurora Harbor fails.

MOTION: BY MR. ZARUBA TO APPROVE THE 35% DOUGLAS DESIGN WITH ELIMINATION OF THE B-FLOAT GANGWAY, LANDING FLOAT, AND APPROACH DOCK.

Mr. Mike Peterson Objected

MOTION: BY MR. ZARUBA TO APPROVE THE 35% DOUGLAS DESIGN WITH THE B-FLOAT GANGWAY, LANDING FLOAT, AND APPROACH DOCK BEING AN ADDITIVE ALTERNATE SO WE CAN DECIDE LATER WHETHER OR NOT TO BUILD.

Motion passed with no objections

VIII. New Business - NONE

IX. Items for Information/Discussion - NONE

X. Staff & Member Reports

Mr. Borg stated we got a survey for the Auke Bay Harbor vessel "Icy Strait" and we will put it up for auction soon since we do use it.

XI. Committee Administrative Matters

1. Designation of Finance Committee Vice Chair.

Mr. Mike Peterson stated he wanted to appoint Mr. David Lowell as the Vice Chair of the Finance Committee. Mr. David Lowell accepted.

2. Next Finance Committee Meeting- Thursday, September 17th, 2015.

XII. Adjournment

The Finance Committee adjourned at 5:59pm.