CBJ DOCKS & HARBORS BOARD

REGULAR BOARD MEETING MINUTES

For Thursday, January 28, 2010

I. Call to Order.

Mr. Preston called the Regular Board Meeting to order at 6:59 p.m. in the CBJ Assembly Chambers.

II. Roll Call.

The following members were present: Mr. Etheridge, Ms. Jebe, Mr. Kueffner, Mr. Preston and Mr.Williams.

The following member was in attendance via teleconference: Mr. Wostmann.

The following members were absent: Mr. Jardell and Mr. Mehrkens.

Also present were the following: Mr. Stone – Port Director, Mr. Gillette – Port Engineer, Mr. McLeod – Administrative Officer, Mr. Benner – Harbormaster and Ms. Hood – Parks & Rec. Liaison.

III. Approval of Agenda.

Mr. Stone said he would like to change the motion for action item #4-Award of Bid for North Douglas Sectional Floats. The motion will be to award the bid to Alpine Lumber & Building Supply for the amount of $69,777.

We are also adding an Executive Session as XV. With the following action items:

1. The Port Directors Evaluation.

2. The Lenhart Appraisal/Purchase.

MOTION by Mr. Etheridge: TO ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED.

The motion passed without objection.

IV. Election of a New Vice Chair for the Docks and Harbors Board.

Mr. Preston said Mr. Fisk has resigned his position on the Board as a result of a conflict of interest with his employment. Mr. Fisk was the Vice-Chair for the Regular Board and Mr. Preston did not feel comfortable appointing a Vice-Chair because it is an elected position.

Mr. Williams volunteered to be the Vice-Chair for the Docks & Harbors Board.

MOTION by Mr. Preston: TO MAKE MR. WILLIAMS THE NEW VICE-CHAIR OF THE DOCKS & HARBORS BOARD AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

V. Approval of Previous Meeting Minutes.

MOTION by Mr. Etheridge: TO ASK UNANIMOUS CONSENT TO APPROVE THE MINUTES FROM THE REGULAR BOARD MEETING HELD ON DECEMBER 3, 2009 AS PRESENTED.

The motion passed without objection.

VI. Public Participation on Non-Agenda Items.

There was none.

VII. Items for action.

1. Amendment to Docks and Harbors Regulation – Passenger for Hire.

Mr. Kueffner said this is an attempt make the Passenger for Hire fees equitable among the passenger vessels doing business from the Intermediate Vessel Float (IVF) and the Marine Park Lightering Float as well as other CBJ facilities.

MOTION by Mr. Kueffner: TO RECOMMEND THE BOARD PROPOSE AN AMENDMENT TO THE PORT FEE REGULATIONS ADDRESSING PASSENGER FOR HIRE CHARGES. TO HOLD PUBLIC HEARINGS AT THE FEBRUARY 23, 2010 FINANCE COMMITTEE MEETING AND THE FEBRUARY 25, 2010 REGULAR BOARD MEETING AND TO TAKE FINAL ACTION EMMEDIATELY AFTER THE PUBLIC HEARING AT THE FEBRUARY 25 REGULAR BOARD MEETING AND ASK UNANIMOUS CONSENT.

The Motion Passed without objection.

2. Amendment to Docks and Harbors Regulation – Residence Surcharge.

Mr. Kueffner said this amendment would take into account vessels with numerous on-board residents. The regulation would require vessels with more than three residents to pay an additional fee of $23 for each resident above three. The regulation is intended to provide equity in the residence surcharge and was brought about from certain vessels being used as boarding houses.

MOTION by Mr. Kueffner: TO RECOMMEND THE BOARD PROPOSE AN AMENDMENT TO THE PORT FEE REGULATIONS ADDRESSING RESIDENCE SURCHARGES. TO HOLD PUBLIC HEARINGS AT THE FEBRUARY 23, 2010 FINANCE COMMITTEE MEETING AND THE FEBRUARY 25, 2010 REGULAR BOARD MEETING AND TO TAKE FINAL ACTION IMMEDIATELY AFTER THE PUBLIC HEARING AT THE FEBRUARY 25 REGULAR BOARD MEETING AND ASK UNANIMOUS CONSENT.

The Motion Passed without objection.

VII. Items for action (continued).

3. Moorage Rate 2010 CPI Adjustments.

Mr. Kueffner said every year we adjust the moorage rates according to the Anchorage CPI. This year the CPI increase was 1.2%. If the Board does nothing, the increase will take effect because it is an automatic adjustment. Included in the packets are moorage rate charts reflecting the CPI increases for the moorage year beginning July 1, 2010.

Ms. Jebe said she objected to the CPI increase. We have had some large increases in the past and although this is a small increase, the increases discourage patrons from using the Harbor facilities.

Mr. Kueffner did not feel the small increase would discourage patrons. He felt the way to encourage use of the facilities is to provide more services.

Mr. Etheridge said even a small increase in fees adds up for patrons with large vessels and we are pricing are customers right out of the harbors.

Mr. Wostmann said he felt the rate structure needed to be maintained and that increases were a normal part of doing business to stay inline with expenses.

Mr. Kueffner asked if Harbor staff had ever done a graph representing the number of boats in the harbors according to size to see who the rate increase is affecting most.

Mr. Stone said Harbor staff did a graph in 2004 and 2005 and at that time the average size of vessels in the harbor was 32 feet.

MOTION by Ms. Jebe: TO NOT ACCEPT THE PORT DIRECTOR'S RECOMMENDATIONS FOR THE MOORAGE RATE 2010 CPI ADJUSTMENTS AND DEFER THE INCREASE UNTIL NEXT YEAR AND ASK UNANIMOUS CONSENT.

Mr. Kueffner said he would second the motion.

The motion failed with 3 Board Members in favor and 3 opposed.

4. Award of Bid for North Douglas Sectional Floats.

Mr. Gillette said this project went out to bid. We received four bids for this project and the lowest bid came from Alpine Lumber & Building Products for the amount of $69,777.00.

VII. Items for action (continued)

MOTION by Mr. Etheridge: TO APPROVE THE AWARD OF BID FOR THE NORTH DOUGLAS SECTIONAL FLOATS TO ALPINE LUMBER & BUILDING PRODUCTS IN THE AMOUNT OF $69,777.00, DUE BY JUNE 1, 2010 AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

5. 2010 Budget.

Mr. McLeod provided a handout that included the 2011-2012 budget projections.

Mr. Kueffner said we reviewed the budget at the Finance Committee Meeting and were satisfied with the projected net profit of $493,500 in Docks and $224,719 in Harbors.

Mr. McLeod said at the Finance Meeting he was asked for a breakdown of what came out of the Board Contingency Fund and what that was used for. The following unexpected expenses used funds from the Contingency account:

Tideland signal buoy: $13,000
Auke Bay Parking Meter: $16,500
Buoy Anchor (4,000lbs): $1,700

Mr. Kueffner had a question about the Harbors Budget, line 41(Miscellaneous) which is $113,477 for FY09, but only $50,000.00 is budgeted for FY10 and FY11.

Mr. McLeod said line 41 represents bad debts and we are going to increase our collections efforts in hopes of greatly reducing this amount.

Mr. Williams asked Mr. McLeod for three items on the budget that should be watched closely.

Mr. McLeod said the three expenses he would closely monitor in FY11 and FY12 were: employee overtime, bad debts and water expenses.

MOTION by Mr. Kueffner: TO ADOPT THE FY 2011/2012 BUDGET AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

VII. Items for action (continued).

6. Cruise Ship Terminal and Columbia Lot Parking and Staging Area Reconfiguration.

Mr. Gillette said Docks and Harbors staff in association with PND Engineers, Kittleson Associates, JYI Architects and McDowell Group have been working on Cruise Terminal Uplands Improvements for the past year.

The project goals are to reduce congestion; improve safety; increase capacity; improve loading zones; Improve pedestrian and vehicular circulation; and maintain existing public parking.

Mr. Gillette provided a handout showing the recommended parking layout for the Cruise Terminal and Columbia Lot. The Harbor CIP Committee has recommended the Board approve the proposed design which includes a designated passenger shuttle lane.

Mr. Gillette gave a brief presentation.

Ms. Hood asked how many public parking spaces would be available with the new configuration at the Columbia Lot.

Mr. Gillette said not including the 25 spaces belonging to Taku Smokeries, there would be 38 spaces managed by the Harbor Department. We will have 6 spaces designated for the IVF Dock, 2 for the visitor center, 2 for customs, 1 for the customs van and 2 for staff, leaving 23-25 spaces left for public parking.

MOTION by Mr. Etheridge: TO APPROVE THE GENERAL DESIGN FOR PARKING AND STAGING RECONFIGURATION AT THE CRUISE SHIP TERMINAL AND COLUMBIA LOT AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

VIII. Items for Information/Discussion.

There were none.

IX. Committee and Board Member Reports.

1. Operations Committee Meeting- January 19, 2010.

Ms. Jebe said the OPS Committee discussed crane warm-up time software and the installation of heating magnets, a new plow blade for the Auke Bay F350, Douglas power pedestal failure and flat rate fees back 12mos, and management of non-moving vehicles in permit parking to storage areas.

IX. Committee and Board Member Reports (continued).

2. CIP/Planning Committee Meeting – January 21, 2010.

Mr. Williams said the CIP Committee discussed the following issues: The Lenhart property purchase, the Cruise Ship Dock planning design, installation of a 480 volt power outlet at Auke Bay for $6,000, and the Customs building within the visitor center at the Cruise Ship Dock.

3. Finance Committee Meeting – January 26, 2010.

Mr. Kueffner said all items discussed at the Finance Committee are on the Regular Board Agenda.

X. Administrative Officer's Report.

There was none.

XI. Port Engineer's Report.

Mr. Gillette said his report was in the packet and he provided some color renderings of the Port Visitor Center Design.

XII. Harbor Master's Report.

Mr. Benner said he wanted to address some steps the Harbor staff is taking to manage the Permit parking areas. He said we are posting standard parking signs in Aurora and Harris Harbor Parking lots as well as some three day parking space signs. This will help us transition non-moving vehicles to our storage areas.

XIII. Port Director's Report.

Mr. Stone said he will be attending the Seattle Boat Show February 4, 5 and 6. He will be manning the Alaska Harbormaster's booth. He also said he would like to have a lunch to thank Greg Fisk for serving as a Docks and Harbors Board Member.

XIV. Committee Administrative Matters.

A. Meeting Calendar for February 2010.

Operations Committee Meeting – February 16, 2010
5:00 p.m. at the Aurora Harbor Office

CIP/Planning Committee Meeting – February 18, 2010
5:00 p.m. in the CBJ Assembly Chambers

Finance Committee Meeting – February 23, 2010
5:00 p.m. at the CBJ Meeting Room #224

Regular Board Meeting – February 25, 2010
7.00 p.m. at the CBJ Assembly Chambers

MOTION by Mr. Williams: TO GO INTO EXECUTIVE SESSION ASK UNANIMOUS CONSENT.

The motion passed without objection.

XV. Executive Session. (Start: 8:21, End: 8:40)

1. Port Director Evaluation.

2. Lenhart Appraisal/Purchase.

XVI. Adjournment.

MOTION by Mr. Kueffner: TO ASK UNANIMOUS CONSENT TO ADJOURN THE REGULAR BOARD MEETING.

The motion passed without objection.

The Regular Board Meeting was adjourned at 8:41 p.m.