PORTS AND HARBOR COMMISSION Minutes for Regular Meeting February 1, 2011

### I. CALL TO ORDER

Chairman Bruce Painter called the regular meeting of the Ports and Harbor Commission to order at 7:05 p.m. in the Valdez City Council Chambers.

#### II. ROLL CALL

Commissioners Present: Bruce Painter, Laura Meadors, Steve Cotter, and John Bradshaw.

Colleen Stephens, Jeff Johnson and Bernie Culbertson were absent and excused.

Also present: Diane Kinney, Ports & Harbor Director; Steve Waller, Harbormaster; Sarah VonBargen, Harbor Office Manager; Karen Feero, Recording Secretary; and 1 member of the audience.

# III. APPROVAL OF MINUTES – December 7, 2010

The minutes of the December 7, 2010 meeting were approved as presented.

#### IV. PUBLIC BUSINESS FROM THE FLOOR

There was no public business from the floor.

#### V. STAFF REPORTS

Steve Waller, Harbormaster, reported the Harbor high mast lighting project is on hold. Mr. Waller explained the contractors are waiting for a few parts in order to finish the project.

Mr. Waller also reported the grid dock steps that were being installed have not been completed. During the project the contractors discovered the water line was in the way, so the steps were installed, but the contractors will need to replace the water line this spring.

Mr. Waller also informed the commission that the Marine Equipment Operator position has been advertised, but during the budget process the position was changed from a full time to a 75% position. This change in the position has presented some scheduling challenges. Staff will be requesting to change the position to full time during the next budget process.

Commissioner Bradshaw and Commissioner Meadors asked staff what the commission could do now to encourage council to approve the Marine Equipment Operator change from the budgeted 75% position to a 100% position.

Diane Kinney, Ports & Harbor Director, said the commission could make that recommendation to council.

Ms. Kinney informed the commission there will be a regular commission meeting scheduled for February 15<sup>th</sup>.

Karen Feero reported the defibrillator for the VCT should be arriving next week and staff will schedule training for the stevedores with the Fire Department.

#### VI. UNFINISHED BUSINESS

A. Approval of Recommendation Naming Rates and Fees for Use of Facilities in the Valdez Small Boat Harbor.

MOTION: Commissioner Bradshaw moved, seconded by Commissioner Meadors, to approve the recommendation Naming Rates and Fees for Use of Facilities in the Valdez Small Boat Harbor.

Commissioner Bradshaw questioned which rates council members did not like in the commission's recommendations.

Chairman Painter said the council members were questioning the moorage rate increase and the proposed travelift penalty. During the work session commissioners explained to council the suggested moorage rate increase was a 10% cap, not necessarily a definite 10% increase. Also the proposed travelift penalty seemed to be unnecessary to some council members.

Commissioner Cotter suggested the proposed penalty be reworded to have the charge for the lack of notification for the travelift to be up to an hour charge if notice has not been given.

Mr. Waller agreed with Commissioner Cotter and informed him staff also discussed doing this as well.

Ms. Kinney felt the council was interested in knowing where the commission was going with the rate increases. Ms. Kinney suggested expressing to council what the commission expected revenues to cover. The commission will need to inform council whether they feel the revenue from the fish taxes should go into savings or if the revenues should be used to cover operating expenses.

Commissioner Meadors felt the council wanted the fish tax to be used for the major maintenance fund. She felt revenues should cover operating expenses.

Ms. Kinney has asked the IT Director for the cost of harbor expenses, such as computers and the computer program that only the harbor uses. These expenses along with expenses from other departments will be billed under an "Administrative" cost.

Ms. Kinney asked commissioners if they felt funds should be set aside to replace the bobcat, travelift, and vehicles. And how much should be set aside if that is the goal. Staff has been setting aside \$500,000 per year for major maintenance. The commission should recommend to council whether this money should come from the fish tax revenues, Harbor revenues, or from the general fund.

Chairman Painter understood the \$500,000 that is being set aside each year is a combination of the fish tax and additional money from the general fund.

Ms. Kinney agreed with Chairman Painter's statement. Ms. Kinney explained the plan for next year is to transfer an estimated \$190,842 into the reserve fund from the revenue received from fish taxes. The Harbor will be short in the operations budget by about \$20,857, so some of the fish tax will have to be used to cover operating expenses. This is an estimated amount only.

Chairman Painter commented the work session confirmed his understanding that the Harbor fees should pay for the operation of the Harbor and routine maintenance costs and the city will pay for major replacement costs.

Chairman Painter mentioned revisiting the Harbor Master Plan to see if the city is on track for major equipment replacement.

Ms. Kinney said she would have a better idea of when the Harbor Master Plan update will be started after this Friday when department directors have a strategic plan meeting. Ms. Kinney will be able to ask the City Manager where the Harbor Master Plan fits in with the strategic plan.

Commissioner Meadors asked if the commission can go ahead and propose the recommendation without changes since there is the 10% cap on moorage rates and see what council has to say.

Ms Kinney suggested the commission have a clear idea and recommendation for what expenses Harbor revenues should cover to take back to the council to show what goal the commission is trying to reach with rate increases.

Commissioner Cotter recommended an increase of 5% the first year and the second and third year an additional 10% rate increase.

Commissioner Meadors suggested emphasizing to council what the intent was with the 10% cap that was written in the recommendation.

Ms Kinney asked the commission if the travelift recommendation needed to be changed.

Mr. Waller mentioned the travelift isn't an ongoing problem. He suggested rewording the statement to "could be" a charge, not "will be" a charge.

Commissioner Meadors felt having a fee shows some kind of accountability to the boat owners for scheduling.

Chairman Painter asked if there was a consensus to remove the fee from the recommendation since the travelift is not a huge problem at this time.

Commissioner Meadors asked if staff could put together the additional 25% cost for the Marine Equipment Operator position. She would like to factor the personnel cost into the operating expenses for next year.

Commissioner Cotter agreed with the request and felt the applicants will at least be aware the staff is trying to turn the Marine Equipment Operator position into fulltime status.

MOTION TO POSTPONE: Commissioner Cotter moved, seconded by Commissioner Bradshaw, to postpone the recommendation until the next meeting.

VOTE ON THE MOTION TO POSTPONE: 4 yeas, 3 absent (Johnson, Stephens, Culbertson). Motion carried.

# VII. NEW BUSINESS

A. Discussion Item: Harbor Launch Ramp Dock Project

Ms. Kinney informed the commission that drawings included in the packets are updates on the project. She asked commissioners to review the information to see if there are any issues or something that the commission might see as a problem.

Commissioner Meadors expressed her concern for the removal of the spoils. She was wondering if the contractor will be responsible for removing the debris to a permitted land fill.

Ms. Kinney will contact the Public Works Director for verification of the disposal process of the debris.

Mr. Waller informed the commission that the project should be completed by the beginning of August.

Commissioner Meadors stressed the importance of the completion of this project to be on schedule. Working into the women's fish derby and during the silver fishing season will be a disaster.

Commissioner Cotter inquired on the length of the dock. Chairman Painter said that according to the drawings, the ramp length is 203.5'.

Ms. Kinney informed the commission that Moffatt and Nichol is a Seattle based firm that is new to working with the city. Moffatt and Nichol have a reputation for working on many marine projects.

B. Discussion Item: Kelsey Dock Mooring Dolphin Re-Design

Ms. Kinney said the mooring dolphin has been moved off the Kelsey Dock to the fishing pier. Ms. Kinney informed the commission that even though the pier float is on the current drawing, the scope of the project is only the mooring dolphin. The city has spent a lot of money to dredge the area and place fenders at that end of the Kelsey Dock to use for fishing vessels and fueling.

Commissioner Cotter commented on how the stevedores tie vessels up and he suggested having a winch on the mooring dolphin due to some of the vessels having heavy lines.

Commissioner Meadors asked if there was electrical power near the proposed mooring dolphin for the winch.

Ms. Kinney responded that she thought there was electricity nearby since there is a street light in the area.

Ms. Kinney will pass on comments from the commission to the project manager. Ms. Kinney has also shown Ryan Sontag from North Star the re-design to make sure there were no concerns from the stevedores on the mooring dolphin.

C. Discussion Item: Supplemental City Tagline

Ms. Kinney explained the new city tagline has been approved by council. The new tagline "Opportunities in Every Season" can be used as well as the "Gateway to the Interior" tagline for advertising Valdez.

### VIII. REPORTS

A. Valdez Small Boat Harbor 2010 Year End Report

There was no discussion

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B. Pioneer Field Airport Terminal Building 2010 Year End Report

There was no discussion

# IX. INFORMATION

A. Pacific Maritime Article "Marine Insurance 101".

Ms. Kinney thought the article was informative and wanted to share with the commissioners.

B. Valdez City Council Minutes of 11/22/10, 12/6/10, 12/20/10 and 1/3/11

Chairman Painter indicated the minutes from the Council meeting of January 3<sup>rd</sup> will be his reading material before the next meeting since this is the meeting that council did not approve the harbor rate increase.

X. COMMISSION BUSINESS FROM THE FLOOR

Commissioner Cotter informed the commission he was told that Steve Post from the Anchorage North Star office will be here for the February 15<sup>th</sup> meeting.

XI. ADJOURNMENT

There being no further business, the meeting adjourned at 8:38 p.m.

CITY OF VALDEZ, ALASKA PORTS AND HARBOR COMMISSION

ATTEST:	Bruce Painter, Chairman	_
Karen Feero, Recording Secretary	_	