

CBJ DOCKS & HARBORS BOARD  
CIP/PLANNING COMMITTEE MEETING MINUTES

For Tuesday, April 22, 2008

I. Call to Order.

Committee member Mr. Fisk called the meeting to order at 5:00 p.m.

II. Roll.

The following members were present: Mr. Williams, Mr. Mehrkens, Mr. Knapp, Mr. Kueffner, Mr. Simpson, Mr. Preston, and Mr. Fisk.

The following member was absent: Mr. Etheridge.

Also in attendance were: Mr. Stone – Port Director and Mr. McCall – Harbormaster.

III. Approval of Agenda.

Mr. Stone had one additional item for information which is the transient electric situation.

**MOTION by Mr. Simpson: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED. The motion passed without objection.**

IV. Public Participation.

There were none at this time.

V. Approval of Previous Meeting Minutes.

**MOTION by Mr. Simpson: ASK UNANIMOUS CONSENT TO APPROVE THE MINUTES OF March 25, 2008. The motion passed without objection.**

VI. Items for Action.

1. Douglas City Dock Demolition Bid Award.

Mr. Stone addressed the bid opening checklist that is in the committee member's packets (See attached). He stated that they had received one bid from Trucano Construction in the amount of \$403,392.00 for the base bid which is for the removal and disposal of the dock and the additive/alternative is \$24,282.00, which is for the reinforcement where the parking lot adjoins the FAA portion that will remain.

Mr. Stone stated that this was the only bid received and significantly exceeds the amount planned to be spent. His recommendation to the committee is to approve this bid pending what he may find out from the Corp of Engineers in the next couple days about the possibility of them being able to do the project for a lot less.

Further discussion among the committee members and Mr. Stone took place at this time.

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Mr. Stone stated that this project was extremely difficult to try and estimate costs.

The committee and Mr. Stone went over some of the options regarding this bid. One would be just to accept the bid, which would exhaust all the funding, second would be to approve it pending the inquiry to the Corp if they could do it for less, and third would be to scratch the whole bid, go back out with a new bid that would allow the piles to be cut off at the mud line.

Discussion among Mr. Stone and the committee members regarding the cutting of the piles took place at this time and other options they have for this project.

The general consensus of the committee is to leave this matter in abeyance and have Mr. Stone explore possibilities with the Corp of Engineers rolling this into their project and second, if not, would we be permitted with the other option of cutting off the pilings. If it gets to the latter of the two Mr. Fisk suggested trying to bid it that way and cross the business of pile driving later on.

### 2. CIP Finance Review and Close-outs.

Mr. Stone reported to the committee that the City is trying to go through all the passenger fee projects and take the fees that are not being used and move them back into the passenger fee account. Mr. Stone addressed the list of projects in the committee member's packet and went over each individual project with the committee at this time (See attached). Mr. Stone stated that there are quite a few projects that Docks and Harbors have that have passenger fees in them and the finance department is asking him to close as many of these projects as possible.

Discussion among the committee members and Mr. Stone took place at this time regarding where the funds would go and what portion of the monies are the passenger fees.

Mr. Stone stated that the reason this becomes so significant is for two reasons, one is next Thursday night he will meet with the Assembly and that same night they will be doing passenger fees, which would be an opportune time for Docks and Harbors to tell them which projects they are going to close and present a list of the passenger fees that we would like to have re-appropriated back into Docks and Harbors projects of which there are actually several of them..

It was recommended by the committee chair to Mr. Stone to put together a specific list of each amount and explaining why it should go there and to be more specific about these projects. The committee members made additional comments and feel this would be the best way to do this.

Mr. Fisk stated that this is not an actionable item at this time but is willing to meet with Mr. Stone and strategize on this and come back with a chairman's recommendation on an approach at the May first meeting. Mr. Fisk stated he will e-mail the committee members a list for comments before Thursday's meeting. The committee members agreed to this.

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### 1. Port Condition Assessment Update.

Mr. Stone stated there are three inserts in the committee members packets, one is a diagram and two others sheets that are port assessment updates that were done by PN&D in 2006 (See Attached). Mr. Stone stated what they have done is gone in and updated costs and determined some new financial information and primarily did this in order to justify going forward with an increase in fees at the port related to capital replacement.

What he had PN&D do was go through the major maintenance and repair projects that we have facing us and what the estimated current cost would be and then when they are recommending the time for those projects to occur. Mr. Stone went over the list at this time with the committee members (See Attached).

He did state that PN&D didn't try to go into the future as far as costs because steel is so volatile at this point and it is almost impossible to project costs with any type of certainty what will happen 2 to 3 years from now.

Further discussion regarding this specific list took place with the committee members and Mr. Stone at this time. Mr. Stone stated that there s a major need for approximately 4.5 to 5 million to complete these projects and to start a CIP immediately and separate it from a general project.

Mr. McCall also brought to the attention of the committee members the need for something to be done to the DeHart's facility and stated that we are not able to keep up with it and put in a bunch of money into constant repairs. He stated that an estimated cost for the project needs is right around 4 to 4.5 million.

More discussion among the committee members took place at this time.

The committee chair is recommending that this be referred back to the Port Director to develop a separate CIP for these maintenance items and treat them separately and be presented either at the Full Board meeting or the next CIP meeting.

## VII. Items for Information/Discussion.

### 1. Transient Electric Usage.

Mr. Stone stated to the committee that as everyone is aware of there are area's in our harbor facilities that have transient power usage. He went over last year's bill for usage and stated it was \$133,000.00 and that this would be extremely larger with the temporary rate increase. Mr. Stone explained to the committee that what they are trying to do is two things. One is trying to determine all of the stuff that we have control over such as the offices and places where we can reduce usage. Secondly, there is all of the transient electrical usage. Mr. Stone stated that we are actually looking at what would be a 700% increase in the power bills.

Mr. Stone stated that what they have done is gone through and pulled all of our cost expense centers and going through each one and determining what can be done as a department to eliminate usage and from that they have come up with a whole bunch of measures and essentially making sure heat traces are off, space heaters are off, turning off half the harbor lights where we can and by doing this we will be able to nibble at the edges a bit through this.

The one bad news regarding the transient electric is that we have several hundred people on transient usage. There was a study done a few years back and this was how we developed the rate structure for these people. Mr. Stone stated that the problem is that we are looking at basically all of these expenses going up anywhere from five hundred to eight hundred percent, which will be a fee that will be woefully inadequate to handle the situation.

He stated that one approach is to look at what the rate is going up and multiply these current rates by the specific percent. The problem is that at this percent there will be nobody using power.

Mr. Stone stated that on May 1 we will need to take affirmative action otherwise we are basically going to go broke in a couple of months. What they have come up with is an interim policy and are going to attempt to convince AEL&P to let us use meters wherever they are available which would include transient spots at Aurora and Harris harbor where we bring the transient boats in. This would mean that there will be meter readings taken in and out at any usage and try to pass these costs to AEL&P having us administer that because we are more efficient in dealing with the customers than they are because it takes them two days to set up accounts. He stated if this is successful and we are hoping it will be and looking at this favorably we are going to try and move all of the long term patrons that currently don't have meters into metered spots so they can continue to have it. This would be fine in the downtown facilities, but the major problem is at Statter harbor. Mr. Stone stated that there is not one meter in the whole harbor that can be read and it is almost an impossible situation and the only thing that could be done is to shut down all power. He addressed the issues regarding leaving the power on out there, for example great amounts of theft.

He suggested some solutions for those folks that are in need of power, one is to relocate them down town into an area that has metered boxes. Also, we would have someone on call out at Auke Bay if there were any emergency situations that come up.

Basically Auke Bay would be shut down.

There was further discussion regarding this among the committee members and staff at this time.

There will be further reports to the committee at the Full Board meeting on Thursday.

#### VIII. Member & Staff Reports.

Mr. McCall gave updates on the current construction projects; Auke Bay loading facility is getting material for fill at this time. He reported that the IVF float has all its floatation devices underneath and are currently working on installing bull rails and also dealing with the power. Douglas pump out station is basically in and they are waiting for the electrical cabling to come in.

Mr. Stone gave an update on the crane bids.

Mr. Stone also gave an update to the committee members on the Amalga facility. He stated that they are trying to get an ADA grade path, and also entrance protection. He mentioned that there have been two public meeting, and it was mostly with the landowners. He stated it is fair to say that there is very strong opposition to any type of breakwater structure. One group is the landowners and the primary concern is they have accretion rights and they want to make sure that we wouldn't impact those. The second concern of theirs is the big rock structure next to the island.

Mr. Stone also stated that some other landowners were concerned about the aesthetics of it and is currently a nice little spit where we would be putting a rock mound. He also said there is another concerned group of people that use this facility to dive. Mr. Stone explained what they do. He stated that at this time he isn't sure what the Department of Fish and Game will do, but it looks more than likely they would pull the plug for now.

Mr. Stone addressed some of the concerns regarding the different user groups to the committee at this time.

IX. Committee Administrative Matters.

The next meeting is scheduled for May 27, 2008 at 5:00 pm in the Assembly Chambers.

X. Adjournment.

**MOTION by Mr. Kueffner: ASK UNANIMOUS CONSENT TO ADJOURN THE MEETING. The motion passed without objection.**

The meeting was adjourned at 6:35 p.m.