

CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Thursday, January 21st, 2016

- I. Call to Order** Mr. David Lowell called to order the Finance Committee Meeting at 5:03 p.m. in the CBJ Assembly Chambers
- II. Roll Call** Members Present: Tom Donek, Tim Mosher, and David Lowell. Weston Eiler arrived slightly late.
Also Present: Carl Uchytel-Port Director via phone; David Borg-Harbormaster; Gary Gillette-Port Engineer; Bob Bartholomew – CBJ Finance Director
- III. Approval of Agenda**
Mr. Gary Gillette requested to amend agenda and move new business item #4 to #1; #5 to #2; then follow with the rest.
MOTION: BY MR. LOWELL TO APPROVE THE AGENDA AS AMENDED AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection
- IV. Public Participation on Non-Agenda Items** – None.
- V. Approval of December 3rd, 2015 Finance Committee Meeting Minutes**
MOTION: BY MR. TOM DONEK TO APPROVE THE DECEMBER 3, 2015 FINANCE COMMITTEE MEETING MINUTES AND ASKED FOR UNANIMOUS CONSENT.
Motion passed with no objection
- VI. Consent Agenda** - None
- VII. Unfinished Business** - None
- VIII. New Business**
4. Appropriation Ordinance – Cruise Ship Berths Improvement Project
Presentation by the Port Engineer & CBJ Finance Director
Mr. Gillette stated in the packet there is a memo for the appropriation ordinance. We are proposing to move \$2.5M from Port Development and \$1.5M from Docks Fund for a total of \$4M to the Cruise Ship Berth Project. In 2012 or 2013 when the assembly approved the budget there was an issue with DNR lands transfer that the fish memorial was objecting to and that has been resolved. We are now coming back to get these funds on to the project. We need these additional funds and it will include a 10% contingency amount. There are usually additional expenses for construction administrative & inspections. We are still \$2.3M short that we may or may not need based on contingencies but we can gage financial progress as we go through each phase.
- Mr. Bartholomew stated we currently have \$69.7M in the funding for this project and the total estimated amount needed for completion is \$76M. We have about a \$7M need and that need has

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been known for several years. We had a plan to increase the sale of additional revenue bonds but we are now waiting to see if we can find additional funds elsewhere. The \$4M that we are requesting for the Appropriation Ordinance will help cover the \$7M need.

Committee Questions

Mr. Donek asked since we are still \$3.2M short where would that come from.

Mr. Bartholomew answered through additional revenue bonds or we could look at Dock Funds, State Marine Passenger Fee Funds, City Marine Passenger Funds, or Port Development Fee Funds. We would probably use revenue bonds.

Public Comment - None

Committee Discussion/Action

MOTION: BY MR. TIM MOSHER THAT THE BOARD RECOMMEND THE ASSEMBLY APPROVE AN APPROPRIATION ORDINANCE TRANSFERING \$1.5M FROM THE DOCKS FUND BALANCE AND \$2.5M OF PORT DEVELOPMENT FEES FOR THE CRUISE SHIP BERTHS IMPROVEMENT PROJECT.

Motion passed with no objection

5. Loading Zone Permit Proposed Changes under 05 CBJAC 15.080

Presentation by the Harbormaster

Mr. Borg stated this item was discussed at a public meeting at the valley library last night regarding the proposed bus loading zone at Auke Bay. We were given some great input from the public so this should return to the committee for further discussion and action. I see a lot of the same public here tonight as well.

Committee Questions - None

Public Comment

Bob Janes, Board Member but speaking as public & owner of Gastineau Guiding, Juneau, AK
Mr. Janes stated he was at last night's meeting and we discussed ideas of per person fees & potential increases. We concluded it is too late in the year to incur any big changes. We talked about slight increase this year and the overall process seems to be working at this time. Since 2004 loading zone fees have not been increased but we, as a board, need to create a future process of reasonable increases.

Committee Discussion/Action

Mr. Donek stated that is why we created the fee review committees to catch up fees that have not been addressed.

Mr. Lowell stated he agrees to not make any big changes for this season.

Mr. Mosher asked who suggests fee changes. Is it staff or the board.

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Mr. Donek answered the fee review committee works on that and we could look at possible CPI increases like the moorage.

MOTION: NONE

1. Statter Harbor Master Plan Update

Presentation by the Port Engineer

Mr. Gillette stated he wanted to give an update of the Phase III Statter Harbor Master Plan. We had a public meeting on January 13, 2016. We are using PND for design engineering, Corvis for Landscape engineering, and Haight Electrical for this project. The whole project purpose is to reduce congestion, improve safety and efficiency, expand moorage, expand parking, facilitate future boatyard operations, and improve bus operations. The goal is to improve the overall Statter Harbor experience. Mr. Gillette presented plans for review attached to the agenda to show the picture of the completed project. Phase I was completed in 2014 and Phase II will be done in August 2016. What we are discussing tonight will be bus area. Buses for tour groups have gotten a lot larger over the years so we need to create a more efficient drive through for drop off and pick up. We can either have the bus staging area an angle parking spots where they will need to pull in & back out of parking spot or have pull through parking spots to avoid the backing up. An idea to consider for the Phase III structure would have public bathrooms, provide a covered area, and consider a second floor for possible retail or restaurant space.

Committee Questions

Mr. Eiler asked what the plan is for future development near the wall.

Mr. Gillette answered we may need to provide space for a larger fuel tank for the fuel dock and will need to keep it a utilitarian area.

Public Comment - None

Committee Discussion/Action

MOTION: BY MR. TOM DONEK THAT THE BOARD APPROVE THE SUBMITTED STATTER HARBOR MASTER PLAN AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection

2. Appropriation Ordinance – Douglas Harbor – ADOT Municipal Harbor Grant

Presentation by the Port Engineer

Mr. Gillette stated in 2008 the ADOT Municipal Grant awarded us a grant for \$2M for Douglas Harbor. We got in to some permitting issues and it took 7 years and \$1M to resolve. We are now moving forward with the Old Douglas Harbor re-build. We have three phases which is demolition, dredging which the Core of Engineers paid for, and the construction. We need to have the Assembly approve the appropriation for the funds from the grant to be accepted for the project.

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Committee Questions

Mr. Lowell asked why there was such a long delay to get the appropriation for the grant.

Mr. Gillette answered we were not sure we would get the permits and we can't get a grant contract until we bid the project. They held on to it for us but there was a deadline and we just made it in order to use this grant.

Public Comment - None

Committee Discussion/Action - None

MOTION: BY MR. TIM MOSHER THAT THE BOARD RECOMMEND THE ASSEMBLY APPROVE AN APPROPRIATION ORDINANCE ACCEPTING THE ADOT MUNICIPAL HARBOR GRANT IN THE AMOUNT OF \$2,044,230 AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection

3. Appropriation Ordinance – Douglas Harbor – Transfer of \$1.3M from Harbor Fund Balance to CIP

Presentation by the Port Engineer

Mr. Gillette presented a memo for the Old Douglas Harbor Phase III funding. The project is out to bid and we have a final cost estimate. He stated the funding for the project is going to require the Assembly to approve an appropriation ordinance to move \$1.3M of harbor fund balance to CIP to use towards the Phase III funding. We also have two additive alternates to consider. One is the retaining wall and expanded parking or add a second approach dock for an additional ramp. Or we could just go with the base bid and not choose either. In previous board meeting, the desired project the board has chosen is additive alternate A which is the retaining wall with expanded parking. The board approved the budget for that. Once the project is awarded we will clarify the alternate additive. We will need to get finance committee approval then the full board to forward this appropriation to the assembly.

Committee Questions - None

Public Comment – None

Committee Discussion/Action - None

MOTION: BY MR. TIM MOSHER THAT THE BOARD RECOMMEND THE ASSEMBLY APPROVE AN APPROPRIATION ORDINANCE TRANSFERRING \$1.3M FROM THE HARBOR FUND BALANCE TO THE DOUGLAS HARBOR PHASE III PROJECT AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection

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IX. Items for Information/Discussion

1. RFP – Land Use & Strategic Financial Planning For Downtown Harbor Facilities

Presentation by Port Engineer

Mr. Gillette stated the RFPs are due January 26, 2016 to start the master plan for the area from Norway point south to the bridge. Mr. Gillette requested if any of the board members are interested in being on the selection committee this will be brought up at the full board meeting for volunteers.

Committee Discussion/Public Comment - None

2. Notice of Intended Sale of Boathouse

Presentation by Harbormaster

Mr. Borg stated we were notified of the three boat shelters are up for sale and the harbor department has the right of first refusal to buy at fair market value. The shelters for sale are Aurora G-020; G-021; & E-032. If we do not purchase they will be allowed to sell.

Committee Discussion/Questions

Mr. Lowell asked what the fair market value is.

Mr. Borg said he is not aware of the appraised value. He believes the full shelter is \$70,000 for both sides of G.

Mr. Donek stated the sign on E-032 is for sale at \$35,000 and the assessed value is listed at about those amounts for the shelters.

Mr. Eiler asked how often do those boat shelters sell.

Miss Raster answered it does varies although recently several are for sale or have sold.

Mr. Lowell asked to clarify first right of refusal.

Mr. Borg answered it is in our regulations to offer it for Docks & Harbors first in case we decide to ever buy them out in the future. At this time we are not interested.

Public Comment - None

X. Staff & Member Reports - None

XI. Committee Administrative Matters

1. Next Finance Committee Meeting- Thursday, February 18th, 2016.

XII. Adjournment

The Finance Committee meeting adjourned at 5:49pm.