

PORT COMMISSION MEETING

PAGE 1
PORT COMMISSION MINUTES
September 18, 1995

CALL TO ORDER Buster Richardson called in meeting at 7:30pm.

ROLL CALL Present: Allen DeSousa, Grant Fairbanks, Buster Richardson, Donna Chris, and Stuart Greydanus. Absent (Excused): Manny Konig and Clair Griftka. Also present were: Ken Weaver (City Manager).

APPROVAL/MINUTES M/M by Richardson, 2nd by DeSousa to approve minutes as is. No quorum from July 17th meeting. Motion carried unanimously.

DeSousa asked Greydanus anything on agenda to vote on?
Greydanus: Establishing the Port as a department.

DeSousa mentioned that he did not see the Port Contingency Fund (as requested on pg.8 of July 18, 1995 Port commission meeting) on current agenda. Add under old business. Port Contingency Fund under Item C.

APPROVAL/AGENDA M/M by Chris, 2nd by DeSousa to approve the amended agenda. Voice vote. Motion carried unanimously.

PORT DIRECTOR REPORT Port Director report submitted to commission verbally.

A. Crowley's last barge arrived July 17, 1995.
1. Generated additional Wharfage revenue from Barge 416 (400') due to Asphalt and extra freight pick-up.

B. Redd Samm was the low bidder at \$57.00/ton for rip-rap replacement emergency rock pile that was used this summer.

COMMENTS 1. Fairbanks and DeSousa asked Greydanus whether Redd Samm's bid was awarded officially and what did it cost the city last time?

2. Greydanus answered that the city council accepted Redd Samms Bid of \$57.00 per ton, which amounted to 1754 tons that the City would receive. The City had 1800 tons previously which meant that the last bid was approximately \$56 per ton. The other bidder was Knik construction at \$59.00/ton.

C: The seawall fence repair almost complete with the exception of the area where Inlet Salmon had been operating. Chain link fence not put up due to damage from ice. The work was done by Foundation Services.

COMMENTS

1. Chris asked for confirmation from Greydanus on completion of chain link fence. Greydanus replied that the fence that is not damaged will be put back up.

D: Greydanus also reported that the activities at the small boat harbor were fine except for vandalism of phones. Greydanus expressed frustration of not being able to catch the vandals in the five year period since the phones were installed. Greydanus stated that phones were repaired twice this summer at an estimate of \$300. In Greydanus's opinion, the practicality of continuing phone service with the history of vandalism needed reconsideration.

COMMENTS

1. Suggestions were made by Fairbanks to implement a security camera and to relocate phones to a more conspicuous area such as a well lit area.
2. Weaver suggested an implementation of a "one time policy." Phone privileges would be taken away for remainder of the boating season if vandalized once.
3. Richardson mentioned alerting the Public of the situation using the media, as well as the newspaper to offer monetary award for information. Second suggestion was to utilize a speaker phone instead of

a hand receiver. Also thought that "one time policy" would be unfair to other boaters.

Page 3
Port Commission
September 18, 1995

4. Chris suggested asking GTE for possible solutions like the speaker phone mentioned.

5. Weaver shared a solution utilized by other cities: Usage of heavy duty phones that cost approximately \$1,500.

E. Greydanus reported success of line burial at the dock and the favorable response from Crowley and D&G on the project.

F. Seawall fence bid was \$7,900. With Salzbrun bidding at \$24,000.

G. Fairbanks asked about high light poles for dock area. Greydanus replied that the \$84,000 contractor's fee was part of that deal and placed on the agenda for discussion. Chris also asked about lighting at fuel dock. Greydanus stated that installation had been completed with three explosion proof, gas proof, and coast guard regulation lights which made it a safe operation. Greydanus explained that when fuel barges came in, the operation of lights were controlled by Warren Hulbert.

H. Lease agreement with D&G for warehouse. Greydanus reported that D&G installed two new doors-looks nice and works great. The third door for the north side will be installed in the spring; meanwhile it will be boarded up for security reasons. 3" cap of gravel was graded and filled with boats for winter storage of boats.

COMMENTS

1. Fairbanks brought up the idea to maximize space by finding a way to stack boats.

I. Fairbanks brought up concerns with Crowley Marine's Wharfage on Dock. (Referring to page 1/A1). Asked Greydanus for clarification on Wharfage and Handling tariff. Wanted to know how Crowley could get charged wharfage for dropping freight off on the dock temporarily in

order to cross the river; then return to reload on same barge.

Page 4
Port Commission
September 18, 1995

1. Greydanus related the rules in the tariff. "Overstowed cargo destined for another Port is exempt from Wharfage charges provided that the same cargo is reloaded onto the same vessel **prior to departure** of the vessel."

2. Fairbanks thought that the wording of the tariff was a technicality.

3. Richardson related an experience with Crowley. Last spring he had the bow of his boat lifted 3 feet with a forklift and was charged \$185. Since Crowley did not give anybody else a break, why should the city do so?

4. Fairbanks illustrated an example of "technicality." Boat comes in on first sailing and drops off 100 vans for Koztebue. They have to stop somewhere else briefly then return and pick up the vans from the dock, which were destined for Koztebue. They've charged the Man in Koztebue for the vans already and extra things weren't included in the payments; so Crowley ends up eating those costs. Another scenario: Barge has a problem out in the Ocean and ultimate destination is Kotebue not Bethel. However they need to store freight in Bethel for one to two weeks. Crowley is not going to keep taking those costs. Eventually its the consumer who suffers. Final comment: Fairbanks says he's playing the devil's advocate in bringing this subject up. Told Crowley to get on the agenda and come to the meeting to present their ideas.

5. DeSousa asked Greydanus about freight that is left on the dock for one to two weeks, what do they get charged?

6. Greydanus replied: Fifteen days free-time and after that storage fees start to accrue. DeSousa commented that since they're basically receiving fifteen days of free storage, why should they get wharfage free? Greydanus

requested that further conversation on this subject be placed on hold since it will be on the agenda.

Page 5
Port Commission
September 18, 1995

7. DeSousa inquired about bid for the warehouse, who was the bidder and the amount of bid?

8. Greydanus replied that the proposal had been offered to D&G under the ordinance of infurtherance of local trade and development. Then the council decided to bid it out to the public. However D&G was the sole bidder. A five year lease for six months of usage from May 1st to Oct 31st at \$4,800. During the winter months, the city would utilize building for boat storage.

9. Fairbanks commented that the city had spoken of removing repair improvements from the lease. Did D&G pay a straight \$4,800?

10. Chris replied: City responsible for half of the cost for improvements; deducted from the \$4,800. DeSousa asked whether that came from the general fund or the Port's. Chris stated that it came from the Port fund.

J. Fairbanks talked with Gerry at Crowley. Gerry indicated that he wouldn't mind relocating office next to his shop (on the highway). Question: Is there a way for the city to assist in moving Crowley's office and utilize the land for city purpose? This would free up dock space, add security by being able to lic the front gates in addition to removing clutter.

1. Geydandanus mentioned that he too had spoken with Gerry and from their conversation; the corner of the general use area was also a desirable site. Greydanus added that Crowley is the only Private land Owner on the city dock. Suggested placing this subject on future agenda.

2. Fairbanks requested the future agenda to keep in mind of D&G's past proposal of erecting a two story building out of their own pockets. Fairbanks reemphasized in removal of D&G trailer and Crowley office would free up space on the dock.

K. Greydanus recognized the city manager for his

quick involvement and interest in the Port department.

Final Comments

L. Weaver inquired about Port projects funding.

Page 6
Port Commission
September 18, 1995

1. Chris replied that Port activities came out of the enterprise fund and not the general fund.

Council Rep. Report

A. Due to missing a few meetings Chris had nothing to report.

1. DeSousa asked about bringing budget request from department head and city manager to the council. Weaver interjected information of one problem, that Greydanus was not a Department head.

2. Chris indicated that she had presented the line item budget request to council. Also the issue of making the Port director a Department Head, had been brought up several times in the past.

3. DeSousa agreed that the issue of Port as a department had been on the agenda; however there had never been a continuity or finality on the issue. DeSousa went on to illustrate conflicts experienced in the past between the Port Director and the former City Manager. First cutting budget without project specification. Second deleting projects without conferring with the Port Director. Lastly, communication and personality clashes.

4. Greydanus confirmed conflicts experienced and noted that one of the projects; line burial had countered similar problems. DeSousa replied: \$100,000 was suppose to be for the dredging project for upper part of the slough. Fairbanks added that the dredging could have generated revenue for the dock.

5. Chris reminded the commissioners to keep in

Port Commission Minutes
September 18, 1995

mind unknown expenses like the Corps Project. All other projects should be second place.

6. Greydanus interjected to keep meeting on track, they were still on the council representative report.

7. Chris reported that she was finished.

Comments of Commissioners

Desousa- Same old Comments Not enough float space. Phone vandalism etc.

Fairbanks- Would like to see a gate put across access at Joe Lomack building. I beams should be utilized in Boat harbor or elsewhere. Fairbanks requested I-beam utilization and relocation of Crowley office be put on next meeting agenda.

No other comments

People to be heard

No comments from Public.

Old Business

Item A: Review \$84,000 contractors fee line item.

Greydanus explained that he submitted a FY 95-96 line item budget proposal to William hunter breaking down Port Commission approved projects along with a dollar amount estimate to each project. The total amount of money Greydanus was \$184,000 for construction. Hunter did not discuss at any time what projects the Port should accomplish. Hunter just eliminated \$100,000 and submitted a contractor budget to Council for \$84,000. Hunter did not indicate to Council what construction projects would be completed in the upcoming fiscal year. Greydanus felt it important to outline what projects are to be accomplished by any department in the next fiscal year. Greydanus talked with Ken Weaver and decided to come up with a list of projects to be completed. Weaver interjected that he and the Port Director would compile a list of projects.

Port Commission Minutes
September 18, 1995

M/M by Chris 2nd by Fairbanks to recommend to City Manager that remainder of contractor money be used for gravel on dock, additional lighting, upgrade of petro dock road, seawall fencing and other projects the manager and Port Director agree on to be important. Voice Vote. Motion Carried unanimously.

Item B: Establishing Port as a Department

DeSousa started off by informing the Commission the importance of establishing the Port as a Department and making the Port Director the Department Head. DeSousa stated that this would make the Port more efficient by taking away menial tasks from the City Manager. The Port Director could take care of his own employees leave requests. The Port Director could also be given clear direction on projects and turned loose to accomplish these projects without going through the bureaucracy. DeSousa asked Ken Weaver how he felt on this issue.

Weaver stated he believes in delegating duties to various department heads. He agrees that the Port should become a separate department with the Port Director being the Department Head. The Port Director, as a department head, would still keep the City Manager informed of what was going on. He also would still be under the control of the City Manager.

Greydanus reported that he currently is performing the same functions as a Department Head. He attends Department Head meetings. He has hired his own employees. He prepares a budget for submission to the City Manager. He attends City Council meetings when there are issues affecting the Port. He is also responsible for preparing agendas and packets for the Port Commission meetings. He is also responsible for attending all budget worksessions in the spring. Greydanus also explained that the Port functions as a department. The Port issues its' own invoices and collects the money from the users. The Port allocates the uses of all Port facilities to potential users. The Port is responsible for following its'own ordinances and Tariffs.

Greydanus stated that establishing the Port as a department would make it more productive and efficient. Once the Port Director receives clear direction from the City Manager and City Council, he would be able to perform his function without having to keep going back to the manager for signatures for purchases of contract work and materials. The Port Director would be given say 10 projects to accomplish and then allow him the freedom to complete these projects. Port Director would be taken off the hourly rate and be on a salary. No overtime would need to be budgeted. The Port Director would be on call for all meetings and Port activities after his regular hours. The Port Director would be excluded from the bargaining unit if he is established as the Department Head.

Chris felt that the Port Commission should make a recommendation to the City Manager in support of establishing the Port as a department and establishing the Port Director as the department head.

Weaver stated that he is not philosophically opposed to it.

Richardson stated that if the Port Director is not established as the department head, then the City Manager office should be moved to the port.

Weaver stated that he does not have the time to be checking the operations at the port, that it is impossible. In a sense Stuart is a department head. Weaver did not understand why we have some department heads and then some lower rung positions running essentially departments. Weaver touched on department heads being excluded from the bargaining unit.

Fairbanks commented on one of the problems in the past was a the Port director is paid hourly and a City Manager came along and told Stuart that he would not be compensated for anymore overtime. Greydanus would explain that there are barges coming in tonight and there needs to be Port personnel to meet and check in the barges.

The City Manager would not compensate the Port Director to check those barges in, so Greydanus would go on his own time and check the barges in without compensation.

There was some general discussion whether to make a recommendation to the Council or City Manager.

M/M by Richardson 2nd by Fairbanks to take under advisement to City Manager to recommend at a future Council meeting, to establish the Port as a department and establishing the Port Director as the Department head. Voice Vote. Motion carried unanimously.

Item C: Port Contingency fund

M/M by Chris 2nd by Fairbanks that we recommend to the City Manager that a Port Contingency fund be established in the next budget process. After some general discussion Voice Vote Motion failed with Desousa casting dissenting vote.

There was some further discussion and confusion as to the original motion that was worked out. M/M by Fairbanks 2nd by Chris to recommend to the City Manager to establish a Port contingency fund in the next budget process. Voice Vote. Motion carried unanimously.

New Business

Item A: Dock Safety recommendations

Chris stated that it would be a good winter project to discuss vehicle traffic on the dock while there are Port operations occurring. This item should be put on a future agenda. There were no other comments.

M/M by DeSousa 2nd by Chris to adjourn at 9:15 Voice Vote. Motion Carried unanimously.