

CALL TO ORDER

Mayor Sullivan called the joint meeting of the City Council and the Port Commission to order at 12 noon.

ROLL CALL

All members present except for Councilmember Fenn. All members of the Port Commission present except for Commissioner Dirksen.

APPROVAL OF AGENDA

M/M by Carpenter. 2nd by Bainton to accept the agenda as presented. Voice vote. motion carried.

NEW BUSINESS

PUBLIC HEARING ON AMENDMENT 2 TO ORDINANCE 165 - PORT ENTERPRISE FUND TRANSFER OF \$94,500 FOR INSTALLATION OF FLOATS, PILE COVERS AND SAFETY LADDERS ALONG THE SEAWALL

Cheryl Keepers, Special Assistant to the City Manager, reviewed for Council the proposed plan for installing floats, pile covers and safety ladders along the seawall.

Councilmember Carpenter inquired as to the Port Commission's recommendations regarding the installation. Port Commissioner Korthuis indicated that the Port Commission has not taken a formal position on the matter. Mr. Korthuis suggested that any money transferred from the Port fund be done as a loan to the general fund. Commissioner Korthuis inquired as to the status of the seawall account.

Port Commissioner Herron asked Administration if the project could be limited in scope to reduce the cost of the project. Special Assistant Keepers noted that the project items were bid separately so that the project could be scaled down if necessary.

Mayor Sullivan noted for the Council the need to protect the integrity of the Port fund; that Council should not deplete the revenue within that fund on projects not involving the cargo dock and petro port.

Councilmember Veit inquired as to who is borrowing the money and if the funds borrowed could be repaid to the Port fund. Mayor Sullivan noted that the money will be transferred to the general fund and that the transfer could be handled as a loan to the general fund.

Councilmember Veit asked if State funds would be available next year to replace the borrowed funds and if not, would the general fund repay the Port fund. Mayor Sullivan indicated that State funds may be available but if not, that the general fund should reimburse the Port fund.

City Manager Stigall reviewed for Council the revenue projections for the dock operation for FY '86. the projection recognizing net income of less than \$20,000 for the year.

Councilmember Veit asked if funds were available in the dock account to permit a transfer of \$94,500. Mayor Sullivan noted that the fund has unencumbered monies in the amount of \$267,000.

Commissioner Herron suggested placing only 1 or 2 floats at this time in an effort to reduce costs.

Chet Atkins of Atkins Steel and low bidder on the installation project recommended that Council not divide the project; that cost efficiencies are available to the City by completing the project as bid.

Port Commissioner Herron, with the concurrence of the Port Commission members present, recommended that Council place all the floats at this time.

motion

M/M by Veit. 2nd by Carpenter to adopt Amendment 2 to Ordinance 165 transferring to the general fund from the Port Enterprise fund \$94,500 for the installation of floats, pile covers and safety ladders along the seawall. Poll vote, motion carried. The Port Commission concurred in the motion and vote.

motion

M/M by Veit. 2nd by Bainton directing Administration to set up a re-payment schedule from the general fund to the dock fund beginning in FY '87. the re-payment to the dock fund to include the monies transferred from the dock fund by amendments 1 and 2 to the FY '86 budget, the total amount of the transfers being \$352,500. Poll vote, motion carried with Port Commission concurrence.

#### MISCELLANEOUS

Port Director Connick reminded Council that the current dock operation contract between the City and KTC is due to expire in May, 1987; that the City must decide if it wants to extend the present contract, to negotiate a new contract, or to take over the entire dock operation; that the City should decide which option it will exercise in sufficient time to permit the City to have in place a management scheme at the dock by May, 1987. Mayor Sullivan noted that the matter should be placed before the Port Commission for its recommendation.

Councilmember Aloysius inquired about the ramp at the small boat harbor. Special Assistant Keepers indicated that the ramp should be operational within the near future.

Councilmember Aloysius asked if City insurance would cover accidents involving the floats along the seawall. Mr. Aloysius recommended that the use of seawall floats be temporary; that after the small boat harbor is complete that boaters use the small boat harbor and not floats along the seawall. Council directed Administration to report back to Council at the July 10 Council meeting on the status of the small boat harbor ramp and the City's liability and insurance coverage regarding the use of City placed floats along the seawall.

ADJOURNMENT

M/M by Aloysius to adjourn. The meeting adjourned at 12.45 pm.

PASSED AND APPROVED THIS 10<sup>th</sup> DAY OF JULY, 1985.

ATTEST:

  
Wayne J. Maiers, City Clerk

  
Joe Sullivan, Mayor

5g023