
City of Bethel, Alaska

Port Commission Minutes

Date 01/16/07

Regular Meeting

City Council Chambers

CALL TO ORDER

A regular meeting of the Port Commission was held on 01/16/07 at 7:00 p.m. in the City Council Chambers, Bethel, Alaska.

Brandon Leary called the meeting to order at 7:03 p.m.

ROLL CALL

Commission did have a quorum, the following members were present:

Brandon Leary
Allen DeSousa
Clair Grifka
Alan Murphy
Mary Kenick
Greg Roczicka

Also in attendance were the following:

Peter Williams
Kim Shelden

Absent:

Harry Faulkner
Heath Martin

PEOPLE TO BE HEARD

None

SPECIAL ORDER OF BUSINESS

Election of Officers

Allen DeSousa opened the floor for nominations. Mary made a nomination for Brandon Leary for Chairman.

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| MOVED BY: | Mary Kenick | Brandon Leary for Chairman |
| SECONDED BY: | Alan Murphy | |
| VOTE ON MOTION | Passed unanimously | |

Alan Murphy then made a nomination for Allen DeSousa for Vice Chairman.

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| MOVED BY: | Alan Murphy | Allen DeSousa for Vice Chairman |
| SECONDED BY: | Mary Kenick | |
| VOTE ON MOTION | Passed unanimously | |

APPROVAL OF MINUTES of the December 18, 2006 regular meeting

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| MOVED BY: | Clair Grifka | Approval of the December 18, 2006 minutes |
| SECONDED BY: | Mary Kenick | |
| VOTE ON MOTION | Passed unanimously | |

APPROVAL OF AGENDA

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| MOVED BY: | Clair Grifka | To approve the regular agenda, as amended |
| SECONDED BY: | Allen DeSousa | |
| VOTE ON MOTION | Passed unanimously | |

PORT DIRECTOR'S REPORT

Heath was absent but everyone had a copy of the report. Brandon asked if there were any questions or comments. Greg Roczicka inquired about the status of the survey that Heath mentioned was going to be put together and placed within the utility billing. Mary and Kim both said that currently it was too late in the month to include within this month's February utility billing. Mary suggested submitting it to finance soon if it's going to be issued.

Peter mentioned that he put some decking on some of the plastic floats and welcomed anyone to come down and see them out in front of the office tomorrow. He also informed everyone that Heath was "standing by" via telephone if anyone had any pertinent questions during the meeting.

CHAIRMAN'S COMMENTS

Brandon appreciated everyone voting him in as chairman again.

COUNCIL REP'S COMMENTS

Mary said she did not have any additional comments at this time.

Allen DeSousa asked Mary to fill them in on the situation with the police department with all the vandalism that was going on because vandalism does affect the port as well. Mary said the city manager and the police chief were working together with some direction from council on recruiting. She said there haven't really been any applicants for the vacancies with the police department. Mary suggested that could be part of the problem with the increase in crimes because people know that Bethel has a small force and that not every call

is going to be responded to. Mary said the police chief and city manager should have an update at the next council meeting.

COMMISSIONER'S COMMENTS

Clair said someone had come and talked to him about the fuel thru put increase they heard about. This person was also saying that the port probably couldn't do that because it's only supposed to be for the maintenance of the seawall, and none of it could be designated for the harbor. Clair said he did talk with Heath on this matter and about looking into this and making sure that the port can designate a penny for the harbor for the fuel thru put increase.

There was also discussion about the public probably not minding that a penny of it would be going to the harbor for maintenance and improvements.

Allen DeSousa thanked everyone for reelecting him. He also thanked all the new members saying that it makes the discussions better having more people and it also helps make the decisions the port makes based on more information. Allen said that nobody he talked to had a problem with the mention of the fuel increase, they were real happy with the improvements and they were also looking forward to what the port has planned.

Alan Murphy said he was sorry he missed the last meeting. He said he never got the chance to go back to that "seawall area" he talked about in the past to look and see. Alan explained to everyone that it is the area where they put the rock in and that there was nothing to keep anybody from going off that part of the seawall with a snow machine or anything. Peter said he brought it up, but that they haven't done anything over there yet as they are still trying to figure something out over there.

Greg Roczicka said that he appreciated the thoroughness of the minutes from last month's meeting. Kim said that she wanted to be as thorough as she could because Alan Murphy was not able to be present for that meeting. Greg also talked about feedback he has received in regard to the fuel thru put increase. He said that there were a couple of guys that he talked that were not too enthusiastic about it, but that they understood why. Greg said that he would not be at the next month's meeting, as he was scheduled to be down in Juneau that week.

OLD BUSINESS

A) Small Boat Harbor Financial Overview

Everyone had copies to review. Brandon discussed that if the small boat harbor continued to operate the way it is now that it would have revenues of \$36,000, but that it would cost almost \$150,000 to operate. That would leave \$120,000 in the hole which would only increase year to year.

Brandon also said that's Heath's already tightened up a lot of the numbers and basically this was the best case scenario that everyone was looking at.

Mary asked about miscellaneous revenue. Peter explained that it was basically impound fees and that the small boat harbor might get close to "breaking even" if you were to count the boats and the labor, but that the small boat harbor does not make any money on it. He also said that 100% cost plus the 18% administrative fee was built in the tariff last year and this would cover the equipment cost and labor. However, they did not impress upon that this year but probably will the next year, explaining that this was something brand new incorporated into the tariff and they would have to get the people used to it.

NEW BUSINESS

A) Fuel Thru Put Rate Increase

Brandon said there has been a change from a one cent increase to a two cents fuel thru put increase, explaining that projected out over several years that with just a one cent increase the small boat harbor would still be in the red and that there's still not enough money to do what needs to get done.

Allen DeSousa agreed saying with a two cent increase not only would it get them out of the red, but would also still have some funds to make improvements.

Brandon said with one cent they would barely break even and with two cents they would be able to do some improvements and also stockpile a little bit for emergencies.

Allen DeSousa suggested that the commission should be reviewing this on a semi annual basis to see if it needed to be adjusted. Maybe they could get away with a cent and a half instead of two cents, explaining that whenever you can drop something that it really gets the public excited.

It was agreed to at least have that option in there that it would be reviewed annually and that it could be adjusted down or it could be adjusted up.

The first time should be left in place a minimum of two years was suggested by Allen DeSousa. This way they can get some of the maintenance done that they want to do and not run in the red at all for two years.

Brandon also pointed out that it will also help the rest of the cargo dock, petro dock and the rest of the seawall because they will have that extra money to spend where it should be spent.

Heath was called on the telephone to answer some questions regarding the public hearing in February for the fuel thru put increase (as far as what actions were needed to be taken at tonight's meeting). Heath explained that we all needed to be in agreement (or majority) tonight and that we had to have two public hearings by ordinance. He clarified that at this point in time the port commission was not required to do anything official.

Allen DeSousa: We're not agreeing that we want to raise it by two cents; we are exploring the possibility of raising the thru put by two cents. Once we get the rest of the information

input from the public, that's when we go into our debate whether we agree on it and how much, and then that's when we send our recommendation to council.

TO PROCEED WITH PUBLIC HEARING ON FUEL RATE INCREASE

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| MOVED BY: | Allen DeSousa | To proceed with public hearing in regard to exploring the increase in the fuel thru put for maintenance and operation of the small boat harbor. |
| SECONDED BY: | Mary Kenick | |
| VOTE ON MOTION | Passed unanimously | |

B) FY 2008 Port Operating and Capital Budget

It was suggested by Brandon to move this item to the next meeting when Heath would be available to answer questions.

MOVE AGENDA ITEM TO NEXT MONTH'S MEETING

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| MOVED BY: | Mary Kenick | To move item "B" under new business - FY 2008 Port Operating and Capital Budget to next month's meeting |
| SECONDED BY: | Allen DeSousa | |
| VOTE ON MOTION | Passed unanimously | |

DISCUSSION

Allen DeSousa mentioned welcoming any suggestions on what the public would like to see at the facility at the time of the public hearing.

Different ideas and ways of properly disposing of discarded fish were also discussed.

ADJOURNMENT

Meeting adjourned at 8:11 p.m.

NEXT MEETING:

Respectfully Submitted:


Brandon Leary, Chairman

APPROVED THIS 28 day of December 2007.

ATTEST: _____