THE CITY OF WHITTIER
Gateway to Western Prince William Sound
P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

PORT & HARBOR COMMISSION
REGULAR MEETING
Tuesday, January 7, 2014
COUNCIL CHAMBERS, P-12 BUILDING
6:00 pm

MINUTES

CALL TO ORDER

Monty Irvin called the meeting to order at 6:20 pm.

OPENING CEREMONY

Monty Irvin led the Pledge of Allegiance.

ROLL CALL

Ed Hedges	Seat A	P
Peter Denmark	Seat B	P
Brad Von Wichman	Seat C	P
Monty Irvin	Seat D	P
Seat E	Vacant	
Arnie Arneson	Seat F	P
Matt Kopec		A

MOTION: Brad Von Wichman made a motion to excuse Matt Kopec from today's Ports & Harbor meeting.
SECOND: Arnie Arneson seconded the motion.
Ed Hedges Y Peter Denmark Y Brad VonWichman Y Monty Irvin Y Seat E__ Arnie Arneson Y Matt Kopec __
VOTE: The vote passed by unanimous decision.
DISCUSSION: None

ADMINISTRATION PRESENT

Sue Miller, Harbormaster
Thomas Bolen, City Manager
Scott Korbe, Public Works Director
Jennifer Rogers, Deputy City Clerk

PUBLIC CITIZENS PRESENT

Charlene Arneson
Don Stevens
Dave Goldstein
John Ford

APPROVAL OF AGENDA

MOTION: Brad Von Wichman made a motion to approve the Regular Meeting Agenda of January 7, 2014.
SECOND: Arnie Arneson seconded the motion.
Ed Hedges Y Peter Denmark Y Brad VonWichman Y Monty Irvin Y Seat E__ Arnie Arneson Y Matt Kopec __
VOTE: The vote passed by unanimous decision.
DISCUSSION: None

APPROVAL OF MINUTES

MOTION: Brad Von Wichman made a motion to approve the Meeting Minutes of December 3, 2013 as is.
SECOND: Ed Hedges seconded the motion.
Ed Hedges Y Peter Denmark Y Brad VonWichman Y Monty Irvin Y Seat E__ Arnie Arneson Abstain Matt Kopec __
VOTE: The vote passed by unanimous decision.

OATH OF OFFICE FOR NEWLY APPOINTED MEMBERS

Deputy Clerk, Jennifer Rogers, swore in Arnie Arneson to the Ports & Harbor Commission.

ADMINISTRATIVE REPORTS

A. Harbormaster Report

See original Harbormaster's Report in packet. Sue covered the following topics in her report:

- 2014 Contract renewals were mailed out.
- The 2014 moorage fee charges went smoothly and were invoiced on January 1, 2014.
- Information relating to the harbor use has been compiled.
- Boat and harbor information provided by PND has been updated.
- Preparations for seasonal projects continue.
- The West Gangway needed extra attention and put back on the runners after a night of snow and wind that occurred mid-December.

B. City Manager's Report

See original report in packet.

Passenger Float

Thomas Bolen stated that an RFP for the passenger float fabrication was published on December 13th. The deadline to submit plans will be on January 13th, which is next week. 13 parties have inquired about the fabrication and most of those companies are from the Seattle area.

Leases

Using a map as a reference and a spreadsheet he developed, Tom reviewed the leases with the members. There was discussion about a lease in the harbor in a previous meeting. Peter Denmark asked for specific information regarding the lease, and Thomas Bolen provided the spreadsheets as a visual for his answer. Tom highlighted the leases that are in place, but there's no activity taking place.

Thomas Bolen indicated where idle lease lots exist on the maps and indicated where open areas exist, which he proposed to develop under lease to new businesses.

Tom asked the Ports & Harbor members for their thoughts on whether or not he should develop new lease lots that do not use the number scheme. Brad Von Wichman replied that it was a good idea.

Tom stated that it might be in the City's best interest that the Visitor Center that function under contract with a private entity. If someone already has a business, they can set up a portion of their business as the Information Center. It might be a cost effective way to have a Visitor Center.

Arnie Arneson said that the Ports & Harbor commission had a very long conversation about 10 to 12 years ago regarding land in the triangle area. It was suggested that the design of the circumference of the harbor all the way to the fuel float and around to the triangle. It was decided to the City Council that they adopt a nautical design. He doesn't agree that we should lease land to people who won't develop the land. He further stated that if they're not going to use the land as intended, then they should voluntarily give up the land.

Peter Denmark said that the available space most should be used for commercial purposes.

Charlene Arneson it was stipulated that within a year of installing water and sewer, a business entity should exist so that the City can collect sales tax. Unfortunately, she believes that this stipulation didn't make it in the master lease. Tom replied that there is some language in the lease. He is concerned by how small the lots are and parking was never an issue with the businesses.

Charlene said that when it was developed in the master plan, parking was never an issue as there was no parking. For example, the people who developed the hotel said that they would have valet parking that would go over to the parking lot. And the parking lot people said they would provide area for parking. Shoreside was an exemption because they have a parking plan.

Dave Goldstein stated that Paul Crowther is another person who is not using his lot as intended. He encouraged the Ports & Harbor members to reinstitute what people are supposed to do with their lots.

He suggested that a good way to approach this situation is to send a letter out to those who aren't using their lots as intended and start the one year clock again to submit a plan which would include the business plan, a drawing of the building that they would put up and actually fall through with the plan within a year.

Charlene asked the Commission to keep in consideration the ordinance and what the setbacks are in various areas. There are zero lot lines in the harbor district and 5 feet on each side of the building. Back and front are zero, sides are five feet.

Whittier Harbor Development

Thomas Bolen stated that he did some research since the last meeting. His research showed the following:

1. May 2004, DOT transferred the harbor to the City and gave the City 2.4 million for maintenance and repair. The City quickly recognized that the money wasn't sufficient.
2. On February 2005, the Ports & Harbor Commission made a recommendation to the City Council to support a Harbor Improvement Concept, which addressed current and future needs, specifically in regards to larger sized vessels.
3. In February 22, 2005, the City Council passed a Resolution #764-05, supporting the Commission's recommendation.
4. In April 2005, the Council passed Resolution #771-05, authorizing the manager to execute a contract with PND Engineers to design the new Harbor Improvements.
5. September 21, 2010, the City Council passed Resolution #972-10 which directed the City Manager to proceed in procuring funding to "rebuild and reconfigure" the float system of the harbor.
6. January 18, 2011 the City Council passed Resolution #982-11, authorizing the City Manager to hire Harris Sand & Gravel to construct Phase I of the Harbor Improvement Project.
7. June 2013, the City applied for a State Harbor Grant to resume improvements for the Harbor Improvements Project. The application was successful and the funds are pending by the 2014 Legislature.

Thomas Bolen stated that there has been deliberation on this matter and all documents suggest that a decision was made long ago, with all subsequent steps in the process following that decision. There is no evidence that the Council has acted to change the course of this project.

Charlene Arneson wants to change the existing gangway in Phase I. Tom states that this should be brought up to the Council and they will need to make the change.

Arnie Arneson stated that there are about 15 fuel tanks buried in the harbor area. Tom replied that contaminated soil was found during Phase I, but they didn't find any tanks. Scott Korbe stated that removing the contaminated soil of Phase I cost an additional $200,000. Instead of hauling the dirt out to the water, it was taken to the head of the bay. The only obstruction they came across during this time was a 3x4 ft. rock.

Peter Denmark stated that the City Manager has a good historical perspective of the harbor. A new float plan has been envisioned for quite some time to maximize revenue for the harbor. He felt that perhaps we can redefine the phases in 2014. He asked Thomas Bolen if there is a cost benefit analysis available for each phase. Tom replied that there is not.

Dave Goldstein presented two drawings which represented two different slip configurations for the harbor. There was much discussion about this presentation. To summarize, Dave Goldstein felt it would be logical to reconfigure the harbor instead of rebuilding it.

CORRESPONDENCE

A. Thomas Bolen to Senator March Begich regarding PILT payments.
This letter can be found in the meeting packet.

UNFINISHED BUSINESS

A. Prioritize Repairs, Replacements and Renovations
Covered in City Manager's Report

B. Review Harbor Design
Covered in City Manager's Report

C. Lease Inventory
Covered in City Manager's Report

NEW BUSINESS

None

CITIZENS COMMENTS

Don Stevens stated that we already have an engineering design and we should go with it.

COMMISSION COMMENTS

Monty asked Tom if he felt the City should spend more money to obtain a Cost Benefit Analysis. Tom replied, No. Tom added that we know we need a new harbor, but with every year that we wait, the cost will go up. We should do what we can to move forward.

Monty Irvin encouraged the members to come up with some rules or ideas that can be applied to the Ports & Harbor Commission that can be discussed at the next meeting.

NEXT MEETING ATTENDANCE PLANS: February 4, 2014

ADJOURNMENT

MOTION: Ed Hedges made a motion to adjourn the meeting.
SECOND: Arnie Arneson seconded the motion.
Ed Hedges Y Peter Denmark Y Brad VonWichman Y Monty Irvin Y Seat E __ Arnie Arneson Y Matt Kopec __
VOTE: The vote passed unanimously

Meeting adjourned at 7:49 pm

Attest:

Jennifer Rogers
Deputy City Clerk

Monty Irvin
Chair