

**CBJ DOCKS & HARBORS BOARD**  
**OPERATIONS/PLANNING COMMITTEE MEETING MINUTES**  
**For Wednesday, May 18th 2022**

- I. Call to Order** Mr. Ridgway called the Operations/Planning meeting to order at 5:00pm in CBJ Room 224 and via zoom.
- II. Roll Call** - The following members were in person at CBJ Room 224 or via zoom. Lacey Derr, Don Etheridge, Paul Grant(left the meeting at 6:30pm), David Larkin (left the meeting at 6:30pm), Matthew Leither, Annette Smith, Bob Wostmann, and Mark Ridgway.

**Absent** – James Becker

**Also in Attendance** – Carl Uchytíl – Port Director, Matthew Creswell – Harbormaster, Erich Schaal – Port Engineer, and Teena Larson – Administrative Officer.

**III. Approval of Agenda**

**MOTION By MR. ETHERIDGE: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.**

**Motion passed with no objection**

- IV. Public Participation on Non-Agenda Items** - None
- V. Approval of Wednesday, April 20th, 2022 Operations/Planning Meetings Minutes** Hearing no objection, the April 20<sup>th</sup>, 2022 Operations/Planning Meeting Minutes were approved as presented.
- VI. Consent Agenda** - None
- VII. Unfinished Business** - None
- VIII. New Business** –
1. 1% Sales Tax Initiative Projects – Harbor Enterprise  
Mr. Uchytíl shared the memo on page eleven. He asked what projects and what fund amount should be asked from the Assembly for the 1% sales tax initiative? The Finance sub-committee had questions and would like to put various parameters on the projects. The City Manager sent over a memo with limited information. The memo included deadlines, July 11<sup>th</sup> is a hard stop for the assembly. The assembly will be meeting on June 6<sup>th</sup>. The Board recommends \$5M for harbor projects. In the last ten years Docks and Harbors interdepartmental costs have increased three times. The department had received \$1.5M from 1% sales tax in 2017.

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**Committee Questions**

Lacey Derr asked about the project listed under section 2(e) if funding will be coming from another source.

Mr. Uchytel advised there is an opportunity to partner with federally recognized tribes to waive a portion of the cost of the local match for the feasibility study portion of the project.

Aurora Harbor phase III - Docks & Harbors has spent \$250K demolishing the north end of Aurora. The Harbor grant money is slated for this Legislative Session. If not vetoed by the Governor the department will likely have a \$2M match for \$4M in the next fiscal year. However, the department cannot apply for an additional grant if there is already a grant in hand.

Mr. Etheridge believes the funds may be vetoed again this year as the state budget is already over by \$1B.

Mr. Wostmann said the Finance Committee wrote out each project with how much each will minimally need to have any success with the project list.

Mr. Grant asked Mr. Uchytel what is the indication of preference for project importance. Studies and analysis vs ground breaking projects (IE Army Corp).

Mr. Uchytel advised the Army Corp does not have concrete details for the study yet and it may not get Assembly support. The Assembly does not have many harbor goals for 2022.

Mr. Etheridge advised the Assembly prefers to accept projects which are “shovel ready”.

Mr. Grant asked how much is needed to build out phase III/IV of the Aurora Harbor project.

Mr. Uchytel advised Docks & Harbors estimated \$10M or more to complete the Aurora Harbor project.

Mr. Grant asked if Docks & Harbors can propose a list of projects which focus on improvements to the Assembly, to help influence their decision. Mr. Grant advocates for choosing two projects with the highest priority.

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Mr. Ridgway said it is important to highlight the fact that we are replacing items we already have.

Mr. Etheridge advised the Assembly prefers to approve items visually impactful to the public.

Mr. Ridgway asked if the Board proposes the projects as new improvements, would we get more support from the Assembly.

Mr. Uchytel responded that he agrees with Mr. Etheridge and that the focus should be on what the public is going to want. It is possible to bundle these projects.

Ms Derr said she also recommends highlighting two or three projects. The north end of Aurora, the Wayside Park dredging, and Douglas Harbor uplands or Taku Harbor.

Mr. Leither added that he agrees with bundling of projects and it is important to stick with a specific ask financially over a range.

Mr. Grant proposed working on items which are broken, Taku Harbor and the Wayside Float. They can be listed as critical maintenance items. They are the three most visible for the public.

Mr. Ridgway asked how many people use the Wayside dock a year.

Mr. Creswell advised a lot of the public use the Wayside dock it is regularly utilized.

Mr. Leither agreed with bundling, but suggests Taku is not used as often and is not recognized by many members of the public.

Mr. Ridgway asked Mr. Uchytel if he sees any problems arising with the bundling idea?

Mr. Uchytel commented that the dredging may be covered in the sport fishing grant for Wayside.

Mr. Etheridge commented there may be a large public weigh in and turn out in support for the Wayside Float.

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Mr. Grant asked if there is any visual representation of the proposed projects which can be submitted to the Assembly?

Mr. Uchytel advised the Assembly has never asked for convincing needs for the proposed projects for the 1% sales tax. He agreed to combine projects and name/itemize them as so.

Mr. Schaal asked if the \$5M includes all proposed projects.

Mr. Grant suggested Aurora, Wayside Park and Taku Harbor as a bundle with a total of \$5M. Asking for a project like the breakwater that is not shovel ready is risky.

Mr. Uchytel asked for clarification if Aurora is both the floats and the building?

Mr. Grant said he has a concern with including the building because the building could be seen as feathering our own nest.

Ms. Smith asked how attached is the committee to the three proposed projects? She advised the South Douglas steering committee feels the South Douglas water front is being ignored and it is not a costly project to take on.

Mr. Ridgway commented that the Committee is not putting on the request things considered as improvements but more maintenance items.

**Public Comment- None**

**Committee Discussion/Action-**

MOTION BY MR. GRANT: RECOMMEND ADVANCING TO THE ASSEMBLY FOR THE 1% SALES TAX, AURORA HARBOR PHASE III/IV AS ONE ITEM AND THE TAKU HARBOR/WAYSIDE PARK REPAIRS BUNDLED AS ANOTHER ITEM WITH A TOTAL OF \$5M.

Mr. Wostmann objected to the motion.

Discussion – Mr. Ridgway recommended staff rewrite the letter to go to the Assembly and the details for the amounts would be up to staff to present at the next Board meeting.

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Mr. Wostmann withdrew his objection.

### Roll Call Vote

Lacey Derr – Y

Don Etheridge – Y

Paul Grant – Y

David Larkin – Y

Matthew Leither – Y

Annette Smith – Y

Bob Wostmann – Y

Mark Ridgway - Y

Motion passed.

## **IX. Items for Information/Discussion**

~~1. Live aboard working group – brief report~~

~~— Presentation by Paul Grant~~

### ~~Committee Discussion/Public Comment~~

2. Statter Harbor Phase IIIC – updated design

Mr. Schaal said this project is designed to improve the uplands, improve efficiency and build out the master plan proposed in 2016. This includes a bathroom, an enclosed waiting area, and a breezeway which leads to a new gangway, a concrete plaza, a designated bus drop zone, single use parking spaces and kayak launching.

A second story was proposed for the building but the planning commission advised city money cannot be used for the second floor development. There has been no interest from a private business to develop a second floor so we will discuss scaling back on that portion of the project. Architects proposed an 80' by 35' building. The project was proposed at \$4M, but there is only \$3.17M budget available.

Restrooms are the number one priority for all staff, customers and the general public. Second is curb, gutter and paving. It takes about \$5K to \$10K to maintain the parking lot each year. Staff find it best to have one drop off location for buses along a curb with a covered waiting area. Third, the public have shared they feel all improvements have been made for the cruise ship industry. In response we have proposed improvements for the locals which include a Sportsman's Plaza. Ideas for the Sportsman's Plaza include a "show off your catch" sign, installation of an ice machine and reinstalling a hydrant to rinse off boats and trailers.

For some of the next steps, there is an open work order with PND for phase IIIC which involves a sub-contract with an architecture firm and electrical engineering. A change order was signed to add more money for the rescoping of \$20K of work. The open PO is

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for about \$260K. Currently in discussion is how far the \$3.17M can go for this project. Once the new estimates come out staff will be bring this back to the Board for discussion on what elements are most important.

Committee Discussion

Mr. Leither asked about the location on the “show off your catch” sign. Typically charter fishermen use the signs and if they are at the top of the ramp they may not be used by them.

Mr. Ridgway asked if the work order with PND includes re-estimating the cost of the facility. Is that lot actively graded during the winter?

Mr. Creswell responded it is not maintained during winter, but it is beat up during the summer. There is fresh wrap brought in each spring.

Mr. Etheridge asked if any of the proposed project qualifies for cruise ship money?

Mr. Schaal responded the money received from the Assembly cannot be leveraged for match at this point. It is being used to make whole all of the past cruise money which has been received.

Mr. Uchytel said the settlement agreement would not object up to a certain amount, which has been exceeded.

Mr. Ridgway asked if there is any supplemental funding available in case they are just shy of the full amount.

Mr. Uchytel said the bidding process right now is worrisome.

Ms. Smith asked why the hose off location was not included in the local friendly portion of the design.

Mr. Schaal advised it was included and that they are looking to reinstall the hydrant for rinse off purposes.

Mr. Ridgway asked regarding the curb and gutter portion are there erosion issues?

Mr. Schaal responded the curb and gutter is proposed to be able to pave against for driving surfaces.

Mr. Leither asked what the total cost expected will be for this project.

Mr. Schaal responded the original proposal was \$4M but the Assembly afforded \$3M, so we are making due with that amount.

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Mr. Leither suggests that most of the improvements will benefit the cruise ship passengers and that additional funds needed for this project should come from cruise ship money and not Docks & Harbors budget.

Mr. Ridgway replied cruise ship money was used to dredge Statter Harbor. The launch ramps that came from that benefited locals. Though the new project seems to be fully commercial, if they could get cruise ship money from the Assembly they would.

Mr. Schaal said the ratio has been 25% local and 75% cruise industry. The cruise line industry agreed to not object to an overall total.

Mr. Leither asked to clarify if the money was for all of Statter project.

Mr. Schaal confirmed yes it was for all of Statter, being cruise related.

Mr. Ridgway said he would prefer to see one or two things done well, and not minimize design efforts for a curb, paved and guttered lot.

Mr. Leither suggests educating the public on the proposed plans as many do not know about the 75% funds from the cruise ship industry.

Mr. Uchytel clarified there was no head tax used for phase I/II but only phase III.

Mr. Schaal points out that all of the cruise ship money was being spent downtown until this project was proposed.

Paul Grant and David Larkin left the meeting at 6:30 pm.

Public Comment- None

### 3. Proposed Regulation Changes

Mr. Creswell said he and his team have been going through regulations which may need updating and he will be bringing the requested updates to the Board soon. He asks for advice on how to submit it for the Board.

#### Committee Discussion

Mr. Etheridge suggested to bring the entire set of questions all at once.

Another Board member agreed with Mr. Etheridge but wants to ensure it is done thoughtfully and deliberate.

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Mr. Brown suggests waiting to see what the issues are and then decide. If you would like to maximize public participation anything that requires the full Board may be best submitted separate.

Mr. Etheridge would like to see the whole package together.

Mr. Creswell clarified the chairman would like the package to be submitted to the Operations Committee.

Public Comment-None

**X. Staff & Member Reports**

Mr. Schaal reported - Hansen and Gress are the new lease holders for the Juneau Electronics Building. Jeremy Hansen has been in contact with staff regarding the issues they are having with upgrading the outside of their building with awnings and siding. He showed the Hansen and Gress building which is positioned on two parcels. CDD hates buildings that cross property lines. Hansen and Gress wants to update their siding, but they cannot add an awning as it crosses the property line. Mr. Schaal advised Hansen and Gress to go to City Lands division to apply for the purchase of city land. Their current yearly lease is \$5,048 based on a new appraisal done by Horan and Company. The asset values for Hansen and Gress is somewhere between \$250K-\$400K. It is unclear if Hansen and Gress wants to make the purchase if it is allowed or if they will move forward with the siding project with the building as is.

Mr. Wostmann asked if the land in question is contiguous with any other land owned by Docks & Harbors.

Mr. Schaal said it is separate from any other properties. He pointed out the DOT right of way is strange at this location and further investigation would need to be done to ensure complete ownership of said property.

Mr. Leither asked what CDD stands for and can Docks & Harbors buy just the 5' strip Hansen and Gress owns and lease it back to them?

Mr. Schaal said CDD is Community Development Department. Mr. Schaal also advised most business owners want to own the entire property.

Mr. Ridgway asked if Docks & Harbors was involved in the sale of this building which is almost entirely on Docks & Harbors property.

Mr. Uchytel said the leasee has the right to assign the property to someone else. They are allowed to assign and sell property as part of a lease agreement. Docks & Harbors does not own the building and only leases the land.

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Mr. Brown advised for an actual sell of land to happen Title 53 will be implicated, there is a code provision which requires the Assembly to make sure this is being done to the benefit of the City and Borough. He suggests Hansen and Gress put their proposal in writing which will allow the Board to respond.

Mr. Uchytel clarified Mr. Ridgway is asking how did Juneau Electronics make the sell to Hansen and Gress without any Board involvement?

Mr. Brown replied Juneau Electronics assigned it and he reviewed the assignment document. It was an assignment of the existing lease and there was no size or space difference.

Ms. Derr said she is not inclined to sell any Docks & Harbors property as there is not additional tidelands to purchase and getting rid of what they have is not in the best interest. She proposed a possible land swap instead.

Mr. Ridgway asked how much the building sold for.

Ms. Larson advised she did not know what it sold for.

Mr. Wostmann commented that there is a City ordinance that requires the purchaser of a commercial property to inform the city assessor's office of the purchase price. It should be public information which can be gathered.

Mr. Creswell reported – He wanted to thank his staff for all of the hard work they have done.

Mr. Uchytel reported – He praised Mr. Creswell and his staff for the work accomplished in his two week absence. Docks & Harbors had the blessing of the fleet event at the Alaska Commercial Fisherman's Memorial, the Statter Harbor Beer Fest, Maritime Festival, and the Alaska Association of Harbormasters scholarship program to name a few. He mentioned the Infrastructure Week celebration and ribbon cutting being held 5/20/22.

Mr. Uchytel mentioned Docks & Harbors base revenue is down 4%. The CIP projects fund balances are managed by the Finance Department portfolio manager. When the budget was presented back in April to the Assembly, the interest was \$21K in docks and \$27K in harbors but there was actually a deduction of \$133K in docks and \$111K for harbors and this is cutting into the bottom line.

Mr. Leither asked if there is an ETA on the rate study?

Mr. Uchytel replied they are slowed down due to writing grants.

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Mr. Creswell said he will be walking over to the AS Dock after the meeting to see the new medallion system used by the Princess ships. He invites others to join him.

Mr. Etheridge said he will be putting the Live-aboard study on hold until July.

Mr. Uchytel asked Board members that term is up to reapply as applications are due June 4<sup>th</sup>.

### **XI. Committee Administrative Matters**

1. Next Operations/Planning Committee Meeting-**Wednesday, June 22<sup>nd</sup>, 2022**

**XII. Adjournment** – The meeting adjourned at 7:02pm.