

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, November 15th, 2017

- I. Call to Order** (5:00 p.m. in City Hall Conference Room 224)
- II. Roll Call** (Don Etheridge, Tom Donek, David Lowell, Mark Ridgway, Bob Janes, David Seng, Robert Mosher, Weston Eiler, and Budd Simpson)
- III. Approval of Agenda**

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED

- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total)
- V. Approval of Wednesday, September 20th, 2017 Operations/Planning Meetings Minutes**
- VI. Consent Agenda** - None
- VII. Unfinished Business** - None
- VIII. New Business**

- 1. Six-Year Department Improvement Plan
Presentation by the Port Engineer

Board Questions

Public Comment

Board Discussion/Action

MOTION: TBD

- IX. Items for Information/Discussion**

- 1. Marine Passenger Fee – Request 2018
Presentation by the Port Engineer

Committee Discussion/Public Comment

- 2. Floating Breakwater/Net Float – Vicinity of Alaska Glacier Seafoods
Presentation by the Port Engineer

Committee Discussion/Public Comment

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3. Urban Design Plan - Update
Presentation by the Port Engineer

Committee Discussion/Public Comment

X. Staff & Member Reports

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, December 13th, 2017.**

XII. Adjournment

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OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

I. Call to Order The meeting was called to order at 5:02 p.m. in City Hall Conference Room 224.

II. Roll Call The following members were present: Tom Donek, Mark Ridgway, Weston Eiler, Robert Mosher and Budd Simpson.

Also Present: Carl Uchytel-Port Director (by phone), Matthew Creswell-Harbor Operations Manager, Gary Gillette-Port Engineer, Mary Becker-CBJ Assembly Member, Jennifer Mannix-Risk Management.

III. Approval of Agenda

Mr. Gillette asked for the addition of an item under items for information/discussion- 7. Little Rock Dump marine services center preliminary plan.

MOTION By Mr. EILER: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objections.

IV. Public Participation on Non-Agenda Items – None

V. Approval of Wednesday, August 23rd, 2017 Operations/Planning Meetings Minutes

Mr. Simpson asked for a correction to page 6 of the minutes, under Staff & Member Reports, to change “exceeded our revenues” to “exceeded our expenses” in regards to the \$734,000.

MOTION BY Mr. DONEK: TO APPROVE THE AUGUST 23rd, 2017 MEETING MINUTES AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objections.

VI. Consent Agenda - None

VII. Unfinished Business - None

VIII. New Business - None

IX. Items for Information/Discussion

1. Regulation Change – Insurance (covered under 05 CBJAC 40.010)

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Mr. Creswell said Carl recently sent out to the board, a YouTube video for Port of Bellingham's 2015 public meeting to discuss the State of Washington's law to require insurance to be held by boats in harbors. The fact that this is a state law is interesting meaning it is not just the ports themselves enforcing it. Right now in Juneau the only requirement we have for insurance is to either provide current proof of marine insurance or pay a non-refundable vessel disposal surcharge of \$0.25 per foot per month. This comes to approximately \$18,000 per year. If we have an incident where we are responsible for clean up or a boat sinking, that amount will not touch the amount it will actually cost us. It is our recommendation that we strengthen this language and our insurance requirements to require people to have insurance with Docks and Harbors as the additionally insured, and coverage for pollution oil spill clean-up costs. We currently have very weak language for what we require for insurance and it would be very easy for us to have a hefty clean-up bill.

Committee Discussion/Public Comment

Mr. Donek asked if a boat sinks in the harbor and the owner doesn't or can't pay for clean-up, are we stuck with that bill.

Mr. Creswell answered he is not sure but he assumes we would be the first ones responsible.

Mr. Eiler said we recently had a fire at Auke Bay, and asked if there has been an issue that has punctuated this insurance issue being brought up.

Jennifer Mannix, City & Borough of Juneau, Risk Manager

Ms. Mannix said there have been three claims in the last four years that she has been in this position of Risk Manager. Three boats have caused damage that did not have insurance. There was the Auke Bay boat fire, the Fisherman's Dock, and Aurora Harbor damage from a vessel. Our risk fund pays out the damages and then we hopefully get reimbursed from our marine liability insurance and then try to recover from the owners, but it is out of our pockets. We are still working on the Fisherman's Dock one from 2012 as there is a long statute of limitations.

Mr. Ridgway said he read on the Port of Bellingham's website that there were additional coverage requirements for vessels over 40ft and over 40 years old. Are you recommending something like that as well?

Mr. Creswell said there are wooden boats that cannot be insured at all. He asked how we write something that does not kick them out as there are nice historical wooden boats that we want in our harbors.

Mr. Simpson said he recalls that is where the idea of the \$0.25 per foot per month came from originally. It was intended for boats that were unable to be insured at all. Now it is being used by people who can get insurance but are choosing not to.

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Mr. Eiler said this issue of not being able to get insurance came up with the boat shelters as well. He asked how many vessels in the harbor currently have insurance and what are other southeast harbors requiring.

Mr. Simpson said he believes most of the boats in the harbor will have insurance as a financed boat is required to have it and responsible boat owners will get insurance on their own.

Mr. Creswell said his current estimate is 60% have insurance and 40% do not.

Mr. Ridgway asked of the three vessels is there a total cost the city paid and who did we have to pay. He asked was harbor staff time kept track of to deal with these incidents.

Ms. Mannix said she does not know the exact numbers for the two repairs but she can send them. For the recent Auke Bay fire it was just over \$11,000. Insurance will pay \$6,000 and Docks and Harbors has a \$5,000 deductible. The other two projects were about \$100,000 each.

Mr. Gillette said we keep track of our staff time, consultant time, and contractor time. We include everything in the account code to be paid and keep good records of them.

Ms. Mannix said that is correct. Pollution can be a big deal and sometimes we have coverage for it and sometimes not.

Mr. Simpson said Bellingham's policy is very interesting, it is a similarly sized harbor and it is working for them. Also that it is a State Law which will probably not happen here.

Mr. Uchtyl said he believes other then Seward, in the State of Alaska most municipalities do not have insurance requirements. In Washington, the State Law required Bellingham to come up with these rules. The committee should realize this is the first volley in discussing where we would like to go regarding insurance, such as how detailed we want to be if we decide to make changes to our existing regulation. Part of this would include the boat shelters.

Mr. Simpson asked Mr. Uchtyl if he agreed with Mr. Creswell on the estimate of 60% people who have insurance.

Mr. Uchtyl said we will need to look that up but he believes the rate may be even higher than that estimate. There would be a benefit to having some sort of insurance requirement.

Mr. Ridgway asked Mr. Uchtyl if he knows whether or not most insurance policies will include what Bellingham is asking for.

Mr. Uchtyl answered he was not certain at this time.

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Mr. Donek said in the videos he got the impression that the State of Washington was hoping for a higher limit than the \$300,000 but they compromised to that. We should take a look at this and see what amount we want to ask for.

Mr. Simpson said we should find out what is available from insurance companies to the average boat user. He asked what the Board would like staff to do to follow up on this.

Mr. Donek answered staff should come back with a draft regulation that we can discuss and investigate.

Mr. Ridgway agrees with that idea and also we should figure out what the potential liability is by not having insurance.

Mr. Creswell said we can provide an estimate for what the worst case scenario might be for a 35 ft. vessel.

Mr. Simpson said we should also look at the Seward requirements that they have in place.

Mr. Donek said Seward was asking for a \$1 million policy and there is a statement that coverage afforded will be determined by the insurance agency.

Mr. Simpson said he noticed things in Bellingham's that weren't very clear as well. This is our opportunity to clean it up and make it clear.

Mr. Eiler asked staff to provide actual numbers on how many vessels have insurance.

Mr. Donek said we should look at the average policy cost and raise our vessel disposal fee to entice more people to get insurance.

Mr. Uchtyl said we will also need to think about the challenge of transient vs. permanent moorage as well.

2. Ordinance Change – Safe Condition of Vessels (85.02.020)

Mr. Creswell said our current regulation addressing safe condition of vessel is not very specific about requirements for sufficient means of transportation. A lot of owners are trying to put a kicker on a vessel and that is not enough power for safe operation of the vessel in and out of the harbor. It is required three times per year to leave the harbor which is difficult to enforce. Right now it is up to the Harbormaster's discretion for what is acceptable. We would like to see it strengthened in writing in regulation. We do not want to get so specific where we are asking for a minimum horsepower per length of vessel. We discussed with Ketchikan Harbor as well and came up with the draft regulation in the agenda. A vessel needs to be capable of getting in and out under its own power, operating from the original helm station, and a kicker/auxiliary motor is not sufficient to safely operate vessel.

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Committee Discussion/Public Comment

Mr. Simpson said an exception should be made for small sailboats and houseboats that we allow in the harbor. He doesn't believe a houseboat should require a motor and should be treated differently.

Mr. Creswell said houseboats are designated as non-moving vessels and are put in designated non-moving vessel areas.

Mr. Ridgway asked if there is a process for someone to convert a vessel into a houseboat.

Mr. Creswell said first we would need space in our designated non-moving vessel area, which we have none as of right now.

Mr. Mosher said these people with no working engine may be the same people who do not have insurance. If we will have an exception for non-moving boats then they should all be in one separate area.

Mr. Simpson said there are designated areas behind the gangways that are hard to get in and out of that has been set aside for these non-moving vessels or houseboats.

Mr. Eiler said the proposed language should define a kicker or auxiliary motor more specifically.

Mr. Simpson said by using the words "vessel's own primary power" that helps define it.

Mr. Creswell said this proposed version is very similar to what Ketchikan is using and it is working for them. He does agree with spelling out that this does not apply to non-moving vessels.

Mr. Mosher asked to move the vessels not in compliance to a derelict area.

Mr. Ridgway said we should discuss people who want to convert their vessels to a houseboat.

Mr. Creswell said general practice is people are selling the boats that don't run for \$1 and then we have to start the process over again with a new owner. The vast majority of people do not have the means to correctly dispose of a vessel so they sell them to make them not their problem anymore.

Mr. Simpson said these regulations should apply to the vessel not to the owner. So if it is sold the vessel should be immediately due.

Mr. Eiler asked how many boats are quickly selling like this to avoid the seaworthy requirement.

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Mr. Creswell answered that during construction we have been moving boats around and come up with a list of around 38 boats that have not moved in a long time. We sent out 72 hour notices and are working through them batches at a time.

Mr. Ridgway said the City had a program in the past for getting rid of junk vehicles. He asked if Docks and Harbors would consider some sort of program to work with and assist owners to get rid of a vessel.

Mr. Creswell said we have not discussed that as an option yet.

Mr. Mosher said we could pull them out and store them on land.

Mr. Simpson said there is a legal process but it may be less complicated to declare them as unsafe and pull them from the water. Then give the owner a set amount of time to fix it.

Mr. Ridgway asked if the Coast Guard has been brought into this.

Mr. Creswell answered that the Coast Guard is not primarily concerned with what is tied up in our harbors.

Mr. Ridgway said any new way staff can think of to incentivize patrons to do the right thing should be discussed.

Mr. Simpson said staff should proceed with this draft of this regulation.

3. Update to Vessels Anchored on Docks & Harbors Submerged Lands

Mr. Creswell said the new owner of the Lumberman has been issued a letter which is in the packet. The vessel is not anchored, it is moored by four points attached to large concrete blocks that are placed on the bottom. There is no engine or shaft in the vessel and it is not intended to be a working vessel again. Before he passed away this summer, the previous owner traded boats with Mr. Brenden Mattson, giving him the Lumberman. The old owner had been given notice that the vessel has to be removed by the fall. The new owner was told about a court case that was in process. Mr. Matson has been spoken to in regard to the vessel needing to vacate. Other vessels are now tying up to the Lumberman that had been issued seaworthy notices causing constant skiff traffic. Mr. Mattson has no means to move the Lumberman and nowhere to put it. The Challenger, a similar sized tug, sank and was a \$2 million clean up. The Lumberman, being on our tidelands, would be our responsibility if it does sink where it is. We would like to begin the discussion and write a regulation regarding anchoring and not mooring, on our tidelands.

Committee Discussion/Public Comment

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Mr. Eiler asked how long those mooring blocks have been there.

Mr. Creswell said Trucano placed the moorings around two years ago.

Mr. Simpson said at the time they insisted they had GPS coordinates and it was outside of our tidelands. They were incorrect. Mr. Simpson said Mr. Uchtyl told him to vacate but it never happened. We could generate some revenue if we wrote a regulation about mooring.

Mr. Mosher asked if we could give the Harbormaster the authority to make decisions to remove people from the harbor.

Mr. Simpson said this boat is essentially trespassing.

Mr. Gillette said it takes time with a vessel like this that cannot just move.

Mr. Mosher suggested moving them by force.

Mr. Uchtyl said if we are very proactive to evict them then we will end up owning this vessel and be responsible for clean-up and disposal costs. It will cost upwards of \$100,000 to remove it. As of right now it is not a threat of pollution or navigation so the Coast Guard will not engage. We do suspect nefarious activities are happening on board.

Mr. Ridgway asked who paid to clean up the Challenger.

Mr. Creswell answered the Oil Spill Trust Fund.

Mr. Ridgway asked if there was another group to incentivize to clean this up. He asked does that fund have any proactive measures. Next time the city might not get so lucky and may be responsible to pay the clean-up costs.

Mr. Creswell said it is not easy to open and is difficult to access. It is only used for large scale events.

Mr. Uchtyl said the Coast Guard was able to open the fund because there was no responsible party. In the Lumberman case that will not happen as there is a known responsible party.

Mr. Donek said it needs to be removed and it is cheaper to do so while it's floating rather than sunk.

Mr. Eiler asked what the rest of the process is.

Mr. Uchtyl said this is uncharted waters as we have not done this before. We probably would go down the path to trespass them and he assumes the owner will walk away. The

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Coast Guard may be involved to inspect it to check if it poses a danger. So far they have not shown any interest.

Mr. Becker said marijuana is legal in town but not on a vessel.

4. TIGER Grant Application

Mr. Gillette said there is another round of Grant applications due mid-October and we are contracting with PND to put together 3 grant applications. Mr. Uchytel has met with Department of Transportation and Senators Sullivan and Murkowski recently to show them some of our plans. They were impressed with our master plan for downtown and long term plans for Statter Harbor. The first application is a new marine services center, we are asking for \$25 million. Another project we are applying for is the Fisherman's Terminal area that was discussed during the master plan, including a new office building, again asking for \$25 Million. The last application is a bay walk to connect the Auke Bay Marine Station to Auke Bay Harbor. We qualify under the rural category meaning we can apply for between 1\$ million and 25\$ million per project. These are nationwide grants and very competitive. It is a long process to decide, starting from a panel of staff on up to the top of DOT to make the final decision. Each project has to be a separate application.

Committee Discussion/Public Comment - None

5. Auke Bay Marine Station – Leasing Opportunities

Mr. Gillette said we will be getting the deed for the Auke Bay Marine Station on November 1st. We have been discussing leasing opportunities for three of the buildings that we have no immediate need for. We talked about putting out a request for letter of interest to find out who may want a lease here. The intent is to capture enough revenue in leases that we have no maintenance expenses.

Committee Discussion/Public Comment

Mr. Simpson said it is better to have it occupied then empty.

6. Harris Harbor Bathroom - Update

Mr. Gillette said Joann Lott of Jensen Yorba Architects did a quick sketch to see if we can fit two restrooms with showers in the old Harris Harbor Bathroom. They will fit but we will probably have unisex, one ADA and one non ADA compliant. A design will be worked on and bid documents prepared for this plan.

Committee Discussion/Public Comment

Mr. Simpson asked if we will keep the original building and location and strip the interior as the plumbing is already installed.

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Mr. Gillette said the existing plumbing under the floor will need to be converted as right now it goes to a lift station. Another lift station is expensive so we are looking at maybe doing it as a big holding tank that will be pumped out. We will get a cost estimate on the plan when it is decided.

Mr. Simpson said he recalls that building not being built to high quality is there any merit to tearing it down and rebuilding.

Mr. Gillette said the building is not in bad shape and it has a new roof on it. It will be much less expensive to re-use it. It was originally downtown then was eventually moved to Harris, there were management issues as the bathrooms were being camped in. It was decided to do away with it and make it storage only. The long range master plan incorporates bathrooms in that area as well.

Mr. Simpson said most public boat harbors have some sort of restroom facility.

Mr. Gillette said the plan is to operate it similar to Auke Bay, where it is only open during the day and locked at night with the ability to be opened by key fobs purchased at the office.

7. Little Rock Dump Marine Service

Mr. Gillette passed out drawings saying they were just received today. He said when we did the master plan for the uplands one of the ideas was to put an improved marine services area where the existing Yacht Club is. We received a letter from the Yacht Club that they were not enamored with the idea of being moved to Bridge Park. It was suggested to look at the little rock dump area as an alternative for the marine services center. We hired PND to look at it and it is a possibility. Cost estimates have not been created yet as first we were going to decide if we were interested in pursuing this idea. Page two shows a close up of the Little Rock Dump, the brown spots mark the old sewage cells that are capped. Page three is a preliminary concept drawing showing the haul out pier and a dock where vessels could queue up. There could be an upland staging area and upper boatyard included in the first phase. In multiple phases we could add an access corridor and more upland expansions. This comes close to the same size as the Yacht Club area would be. There was more sheet pile construction in the Yacht Club plan which is very expensive. The Little Rock Dump drawings would keep sheet pile at a minimum. There are other issues to be considered including the distance from the harbors and there may be more wind there.

Mr. Simpson asked Mr. Gillette what his personal opinion was on this.

Mr. Gillette answered this is a different plan from the Yacht Club idea but it is definitely doable.

Mr. Simpson asked does this overlap with the existing lease there.

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Mr. Gillette answered there is no current lease as it has expired and has not been renewed.

Mr. Eiler asked is this included in the TIGER Grant Application.

Mr. Gillette said we will submit the application based on our master plan. If we are successful and decide by then that we would like to move it to the Little Rock Dump, then we will approach the change at that time.

Mr. Eiler said maybe we should consider removing the sludge and remediation now rather than later.

Mr. Gillette said he spoke with Dick Somerville and by putting a few feet of rock on top of this then it could hold the weight of buildings and shops that we are discussing.

Mrs. Becker asked what size travel lift we are discussing.

Mr. Gillette answered 150 ton. The sealift at ABLF is a 45 ton.

Mr. Ridgway said he is encouraged by the land use plan. Placing rock is acceptable as remediating it. You would be buying future cost by capping that sewage area and creating more land. He hopes this prices out well.

Mr. Gillette said he doesn't know the specifics of these cells but they are capped right now. They will need to be dealt with if we wish to develop further and adding the rock on top would work most likely. We will run this idea by Jeff with Harri's Plumbing and Heating to get their opinion also.

X. Staff & Member Reports - None

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, November 8th, 2017.**

XII. Executive Session

1. Personnel matters pertaining to the Port Director's Evaluation – Moved to Regular Board meeting on October 26th, 2017.

XIII. Adjournment – Meeting was adjourned at 6:47p.m.

SIX-YEAR DEPARTMENT IMPROVEMENT PLANS

Division	Project	Priority	FY18	FY19	FY20	FY21	FY22	FY23	Future
BRH	Replace Snow Removal Equipment	21		\$ 5,000,000			\$ 5,000,000		
	SREF Building Ph II Sand & Chemical Storage	22			\$ 10,000,000				
	Design Terminal Renovation, Ph III (Knuckle)	23				\$ 1,000,000			
	Design & Reconstruct Alex Holden Way & Utilities	24				\$ 2,200,000			
	Terminal Area (121) Apron Rehabilitation	25				\$ 3,500,000			
	Terminal Area (135) Apron Rehabilitation	26				\$ 6,000,000			
	Multi-Model Feasibility Planning	27				\$ 10,000			
	Acquire Wetlands Access Vehicle (w/CCFR)	28				\$ 250,000			
	Construct Terminal Renovation Ph III (Knuckle)	29					\$ 23,000,000		
	Civil Air Patrol Hangar Relocation	30						TBD	
	Fish & Wildlife Service Hangar Relocation	31						TBD	
	Replace ARFF Truck	32						\$ 1,000,000	
	Parking Garage	33						\$ 20,000,000	
	Relocate FAA ATCT	34						\$ 50,000,000	
Airport Total:			\$ 19,495,000	\$ 34,800,000	\$ 10,000,000	\$ 12,960,000	\$ 28,000,000	\$ 71,000,000	\$ -
Docks & Harbors	Municipal Road Replacement (North)	1	\$ 200,000						
	Parking Ramp (200 places)	2	\$ 1,000,000						\$ 4,000,000
	Remodel Emergency Department	3	\$ 600,000						
	Detox Bay at Rainforest Recovery Center	4	\$ 800,000						
	Operating Room Renovation	5	\$ 3,500,000						\$ 16,500,000
	Information Services Facility with Generator	6	\$ 1,000,000						\$ 2,000,000
	RRC and BOPS Replacement	7	\$ 1,000,000						\$ 9,000,000
	Remodel Laboratory (5000 sq. ft.)	8	\$ 250,000						\$ 3,750,000
	Child & Adolescent Mental Health Unit	9							\$ 23,125,000
	Maintenance Building for Equipment	10							\$ 750,000
	Oxygen Tank (Bulk) Storage	11							\$ 500,000
	Relocate & Remodel Biomed, Dietary, Laundry, Materials Management Bldg	12							\$ 2,500,000
	Pharmacy Remodel to Comply with UPC 500	13							\$ 400,000
	Roof for Medical Arts Building	14							\$ 250,000
BRH Total:			\$ 8,150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,775,000
Docks & Harbors	Steamship Wharf Cathodic Protection - Phase II	1		\$ 600,000					
	Visitor Information Kiosk Replacement - Design	2		\$ 25,000					
	Downtown Restrooms	3		\$ 500,000					
	Visitor Information Kiosk Replacement - Construction	4		\$ 120,000					
	Archipelago Property (Acquisition/Development)	5		\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000		\$ 25,800,000
	Shore Power at Cruise Ship Berths	6							\$ 25,800,000
Docks Total:			\$ -	\$ 6,245,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 25,800,000
Harbors									
Visitor Information Kiosk Replacement - Design									

SIX-YEAR DEPARTMENT IMPROVEMENT PLANS

Division	Project	Priority	FY18	FY19	FY20	FY21	FY22	FY23	Future
HARBORS	Cruise Ship Uplands Staging Area	2	\$ 100,000						
	Downtown Restrooms - Partial Funding to Locate/Design	3	\$ 75,000						
	Slatter Breakwater Safety Improvements	4	\$ 333,000	\$ 333,000					
	Taku Harbor Deferred Maintenance	5	\$ 200,000						
	ADFG Grant - Amalga Harbor Fish Cleaning Float	6	\$ 300,000						
	Auke Bay Passenger for Hire Facility	7	\$ 4,600,000						
	Aurora Harbor Rebuild-Phase III	8		\$ 7,000,000					
	Area Wide Anode Installation	9		\$ 400,000	\$ 400,000	\$ 400,000			
	Auke Bay Net Repair Float	10		\$ 300,000					
	Aurora Harbor Dredging	11		\$ 350,000					
	Wayside Float Maintenance Dredging	12		\$ 350,000					
	Aurora Harbormaster Building and Shop	13							
	Douglas Harbor Uplands Improvements	14							\$ 3,000,000
	North Douglas Boat Ramp Improvements	15							\$ 2,000,000
	Juneau Fisheries Terminal Development	16							\$ 1,000,000
	Fish Sales Facility/Seaplane Float	17							\$ 10,000,000
	Harris Harbor Public Restrooms/Showers	18							\$ 1,000,000
	Harbors Total:		\$ 5,633,000	\$ 8,733,000	\$ 400,000	\$ 400,000	\$ -	\$ -	\$ 17,250,000
Docks & Harbors Total:			\$ 5,633,000	\$ 14,978,000	\$ 5,400,000	\$ 5,400,000	\$ 5,000,000	\$ -	\$ 43,050,000
Eaglecrest Ski Area									
Deferred Maintenance - Lift/Mountain Operations Improvements	Lodge Maintenance/Improvements	1	\$ 210,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 75,000	
	Lift Operations - Misc Lift Parts	2		\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
	Mountain Operations - Trail Conditioning	3		\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
	Mountain Operations - Hiking Trails	4		\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
	Mountain Operations - Trail Maintenance	5		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
	Mountain Operations - Snowmaking & Water Line Replacement/Improvement	6		\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	
	Mountain Operations - Night Lighting	7		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
	Mountain Operations - Caretaker Shack	8		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	
	Lift Operations- Plamigan Ramp	9		\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	
	Mountain Operations - Nordic Improvements	10		\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	
	Mountain Operations - Septic System Upgrades	11		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	
	Lift Operations - Black Bear Motor	12		\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	
	Lift Operations - Magic Carpet	13		\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
	Generator Building Repairs	14		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
	Lift Operations - Remove Mid Hooter Fuel Tank	15		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
	Eaglecrest Ski Area Total:	16	\$ 210,000	\$ 320,000	\$ 340,000	\$ 355,000	\$ 285,000	\$ 225,000	\$ -
Fire									
	Downtown Fire Station Roof Replacement	1	\$ 300,000						

CBJ Docks and Harbors Board
Strategic Retreat Minutes
Saturday May 13th 2017

I. Call to Order – Mr. Donek called the meeting to order at 9:10am in the CBJ Assembly Chambers.

II. Roll Call -

The following members were present: John Bush, Weston Eiler, Bob Janes, David Lowell, David Seng, David Summers, Budd Simpson, and Tom Donek)

Absent – Robert Mosher

Also Present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, David Borg – Harbormaster, Teena Larson – Administrative Officer, and Mila Cosgrove – Deputy City Manager.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total time) - None

V. Prioritization of Future Docks & Harbors Projects

Mr. Uchtyl said the list in the packet is just a list and not prioritized.

Mr. Gillette talked about all the items on the list. Ms. Cosgrove helped the Board determine what projects are needed and what projects are wanted. The Board had much discussion on all the items on the list. The priority was decided as follows:

Short Term Project Wants

- 1 –Harris/Aurora/Douglas Security (\$100K)
- 1 – Dredge Aurora Slip A6/A8 (\$400K)
- 3 – Lighting N. Douglas (\$60K)
- 4 – Harris Harbor Bathrooms (\$175K)
- 5 – Auke Bay Net Float (\$200K)

Short Term Project Needs

- 1 – Statter Harbor Breakwater Deck Over (\$100K)
- 2 – Taku Harbor Pile Jacking (\$200K)
- 3 – Waterfront & Underwater Inspections (\$100K)
- 4 – Archipelago/waterfront planning (\$150K)

Projects currently in process

Archipelago/Waterfront/Design Planning
Statter Harbor Breakwater Feasability
Statter Harbor Phase III
Miscellaneous 16B Improvements
Little Rock Dump Study

Other Projects

Seawalk MOA
Scheduling of ships @ City Docks
Maximize Funds - Tideland leases
Develop land use & marketing plan
Subport/Mayflower Island
Title 85 Review & Clean up
Harbor Sanitation

Future Projects priority wants

- 1 – Douglas Harbor Paving/Landscaping (5 votes)
- 2 – Statter Harbor Phase IV (4 votes)
- 2 – Port Office Relocation (4 votes)
- 3 – Downtown Marine Services Expansion (3 votes)
- 3 – ABMS/Hagmier Procurement (3 votes)
- 4 – Statter/ABMS Seawalk(2 votes)

Future Projects priority needs

- 1 – Downtown Harbors Zinc Anodes (10 votes)
- 2 – Aurora Phase III (8 votes)
- 3 – Harbor Office Replacement (6)
- 3 – ABMS Design (6)
- 5 – Taku Harbor Stockade point & Walkway (2)

The Dredging Wayside float received 0 votes

Beneficial Use Aurora/Harris Maintenance dredging received 1 vote

Marine Passenger Funds project priority list

- 1-Cathodic Protection Phase II
- 2-Archeipelago Lot Procurement
- 3-Small Cruise Ship Berths
- 4-Seawalk Guard Rails
- 5-Electrification Cruise Ship Berths

The committee asked Mr. Gillette to bring a plan for N. Douglas to the next OPS meeting.

Mr. Eiler recommended to have a Committee of the Whole review title 85.

Mr. Simpson recommended to split the Douglas paving/landscaping into two phases.

The Committee requested to bring the 1% sales tax recommendations to a future OPS/Planning meeting.

VI. Board Members recruitment/appointment procedures to meet Docks & Harbors specific/unique needs.

Mr. Uchytel said this is being brought forward from Assemblyman Loren Jones. This project will help the Assembly better identify the skills needed to meet each Boards specific/unique needs. The Board is asked to discuss this topic over the next few months and respond to Mr. Jones Enterprise Board appointment process document. The goal for this work would be to implement these new recruitment/appointment procedures sometime after the June/July 2017 enterprise board appointment process.

VII. Adjournment – The Strategic Retreat meeting adjourned at 2:45pm.

CBJ Docks and Harbors Board FY2018 Marine Passenger Fee Request

Area Wide Port Operations

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the docks enterprise.

The Board has established a number of fees to generate revenues from users of the assets. The Board has calibrated these fees to assure the overall revenue generated by the enterprise equals the overall cost of running the enterprise.

Many of the uplands assets are used by entities which it is not possible, feasible, or acceptable to charge fees. As a result, users paying fees are subsidizing users that do not pay fees. The services provided to these users are area wide in nature benefiting the general public and cruise ship passengers of private docks. As part of this fee request, the Board identified services that are area wide in nature.

Board identified the following services:

1. Year round maintenance and monitoring of Marine Park.
2. Maintenance and operation of public parking at the Columbia Lot and seasonal public parking at the Steamship Wharf Plaza and the Visitor's Center Lot.
3. Maintenance and operation of unrestricted pedestrian access along the waterfront at the public docks.
4. Maintenance of tour operators Vendor Booths.
5. Maintenance and operation of shuttle drop-offs and pick-ups in the CBJ loading zone that are used by all cruise ship terminals in Juneau.
6. Providing area wide port security.
7. Billing and collecting CBJ area wide fees for all docks.

The Board reviewed its FY17 budget and apportioned expenses associated with these services. Based on its review, it estimates that about 9% of the annual docks budget is attributable to area wide services.

Marine Passenger Fee Funds Requested (FY18): \$154,100

Benefits: This approach is supported by the cruise ship industry since it is more equitable than raising dockage fees. This approach meets the intent of the marine passenger fee since the services benefit all cruise ship passengers, not just the passengers at the public docks. This approach allows the Docks and Harbors Board to direct part of the dock lease revenues to the much needed rebuild effort of the small boat harbors reducing the need for fee increases at the harbors.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Port-Customs and Visitor Center Buildings Maintenance Support

Project Descriptions: These two buildings are located on the downtown Juneau waterfront, an area that serves over one million cruise ship passengers each year. Docks and Harbors, an enterprise fund, is responsible for costs associated with operating the Port-Customs and Visitor Center Buildings. Expenses include all utilities (water, sewage, electrical, alarm monitoring) and facility support (parking lot, plaza, snow removal, janitorial and general maintenance).

Marine Passenger Fee Funds Requested (FY18): \$133,500

Approximately 4450 sq feet (building area) @ \$2.50/sq feet/month = \$133,500

Project Review: The Port-Customs Building was completed in May 2011 with the Visitor Center completion in June 2012. The project which included the buildings, infill dock construction, covered shelters, landscaping and plaza cost approximately \$9M and was funded with Marine Passenger Fees. The Port-Customs Building is occupied by the US Customs and Border Protection (CBP) year-round and Docks and Harbors staff from April to October. CBP claims to be exempt from any costs associated with their operations within a port. The Visitor Center Building is occupied from April to October by the Juneau Convention and Visitor Bureau (JCVB), a non-profit organization for the purpose of supporting cruise passenger inquiries. The JCVB budget does not support maintenance of the building. This leaves the Docks enterprise funds fully exposed to the costs of maintaining and servicing these buildings.

Benefits: By establishing a Port-Customs and Visitor Center Buildings maintenance fund Docks & Harbors can better manage and maintain the properties entrusted under their responsibilities. Passenger fees were granted for this purpose in FY2013 through FY2017.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for all ongoing maintenance and operating expenses of these two buildings and associated upland support facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

CBJ Parks & Recreation Landscape Maintenance Services

Project Descriptions: Docks & Harbors managed property includes the downtown waterfront from the Taku Dock to Merchant's Wharf. The landscaping has been maintained by CBJ Parks & Recreation seasonal staff for several years out of the CBJ general fund. Flowers, flower pots, trees, shrubs and grass along Marine Park, Cruise Ship Terminal and Alaska Steamship waterfront are meticulously planted and groomed in an admirable fashion. Beginning in FY15, Docks & Harbors was directed to fund this maintenance out of the Docks Enterprise budget.

Cost: \$45,000

Marine Passenger Fee Funds Requested (FY18): \$45,000

Project Review: The requested amount has been developed by a CBJ Parks & Recreation algorithm based on requirements to propagate plant and maintain the vegetative cover, new seedlings, plants and flowers.

Project Time-Line: This project would be an interdepartmental transfer from Docks & Harbors to CBJ Parks & Recreation.

Maintenance and Operation Responsibility: Commencing in FY15, Docks & Harbors has been assigned sole responsibility for maintaining the greenery along the CBJ owned waterfront, including parking lot facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request**

Weather/Current Monitoring System Operations & Maintenance

Project Descriptions: This funding would provide annual operations and maintenance for valuable real time weather and water current information to mariners that access the downtown Juneau waterfront including the four cruise berths (private and public) and the Taku Dock (serving Taku Fisheries). The system provides wind and current monitoring sensors at various locations to offer real time information for navigation purposes. The system disseminates via a phone app, internet, or other public media commonly available to mariners in the immediate area.

Construction of the system was phased beginning in 2014 with final completion in 2016 for full use by the 2017 cruise season. The requested funding would provide annual operations and maintenance of the system for continued assistance to mariners in the Juneau harbor.

Marine Passenger Fee Funds Requested (FY18): \$20,920

Project Review: The requested amount has been developed by Marine Exchange of Alaska based on projected annual and periodic operational expenses and anticipated maintenance of the system.

Project Time-Line: The system will be fully functional by the 2017 cruise ship season.

Maintenance and Operation Responsibility: Maintenance for operational costs (electricity, equipment calibration, etc.) would be the responsibility of Docks and Harbors through a contract with Marine Exchange of Alaska.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Corrosion Protection for Marine Park Sheet Pile Wall

Project Descriptions: The existing metal sheet pile wall is in need of new coating and impressed current cathodic protection. The work protects the steel components of the wall from corrosion by salt water and would extend the life of the facility.

Cost Estimate: \$600,000

Marine Passenger Fee Funds Requested (FY18): \$600,000

Project Review: An inspection of the wall was performed by Tinnea and Associates, experts in cathodic protection. It was determined that the existing sheet pile wall had lost significant material of its protective coating and that the impressed current system no longer functions. The project is designed and ready for bidding as soon as funds are available.

Project Time-Line: Procurement would begin upon receipt of funding.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for ongoing general maintenance expenses. The work of this project is beyond normal wear and tear and needs dedicated funding to complete this work.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request**

Visitor Information Kiosk Replacement - Design

Project Descriptions: The Visitor Information Kiosk serves cruise ship passengers needing information about Juneau. It is located in a strategic location near one of the two city owned docks that support the cruise industry. The current kiosk has exceeded its design life. The facility does not meet ADA standards, has inadequate heating, and does not provide adequate shelter for patrons. This request would provide funding for planning, design, and cost estimate for a new kiosk facility. Once costs are known it is anticipated a future funding request would be made for construction.

Cost Estimate: \$25,000

Marine Passenger Fee Funds Requested (FY18): \$25,000

Project Review: The Juneau Convention and Visitors Bureau (JCVB) requested that a new kiosk be provided which would offer a more user friendly facility and address safety and comfort concerns of volunteers. The current facility was moved from the Marine Park area when the Alaska Steamship Wharf was expanded for bus staging.

Project Time-Line: This project would begin the design phase upon allocation of funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Cruise Ship Uplands Staging Area

Project Descriptions: This project would be located in the downtown area near the cruise dock, an area that serves over one million cruise ship passengers each year. The project entails identifying and procurement of available Downtown lands necessary to accommodate additional staging areas required to accommodate the larger post-panamax sized cruise ships and greater passenger counts.

Marine Passenger Fee Funds Requested (FY18): \$1,000,000

Project Review: The Cruise Ship Terminal Staging Area, completed in spring 2014, greatly improved the efficiency and safety of the parking and embarkation in support of the cruise industry. However, due to geographic limitations and finite available land, new property must be pursued to ensure facilities are available to support increased passenger loads in the coming decade. The efficient management of future cruise ship land based needs will require securing adjacent uplands to the cruise ship berth.

Project Time-Line: The project would be planned and designed once procurement of lands is accomplished.

Maintenance and Operation Responsibility: This project is to identify and procure land available for future Docks enterprise initiatives.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request**

Downtown Restrooms

Project Descriptions: The project would be located along the downtown Juneau waterfront, an area that services approximately one million cruise ship passengers each year. The project consists of constructing new restroom facilities at a location south of the Library/Parking Garage.

Cost Estimate: \$500,000

Marine Passenger Fee Funds Requested (FY18): \$500,000

Project Review: This project has been brought forward at the request of the Assembly to address the lack of adequate restroom facilities in the downtown waterfront area.

Project Time-Line: This project would begin design phase upon allocation of funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.