

CBJ DOCKS & HARBORS BOARD
REGULAR MEETING MINUTES

For Thursday, February 26, 2004

I. Call To Order.

Chairman Mr. Knapp called the meeting to order at 7:00 p.m. in the CBJ Assembly Chambers.

II. Roll.

The following Members were present: Mr. Clough, Mr. Derr, Mr. Etheridge, Mr. Fisk, Mr. Grussendorf, Mr. Preston, Mr. Simpson, and Mr. Knapp.

The following Member was absent: Mr. Hurley.

Also present were the following: Mr. John Stone--Port Director, Mr. Wescott—Harbormaster, Mr. Krieber—Port Engineer, Mr. David Stone—Assembly Liaison, and Mr. Swope—CBJ City Manager.

III. Approval of Agenda.

Mr. Fisk requested to add an Executive Session at the end of the meeting to discuss a report from the Audit Committee.

MOTION by Mr. Etheridge: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMMENDED. The motion passed without objection.

IV. Public Participation on Non-Agenda Items. (Not to exceed 5 minutes per person, or twenty minutes total).

1. Greg Hayes—586-6224 Live Aboard Aurora Harbor K Float

Mr. Hayes said that the harbors need maintenance badly and that over the years we should have been doing the maintenance all along from the fees the patrons have already paid. We shouldn't expect to raise the fees all at once to do the deferred maintenance that should have been done.

He feels our rates here are the highest in the State of Alaska.

Over the years we have received money and should have been doing some maintenance with this money.

Mr. Knapp explained that just recently we have been given the 7 million dollars deferred maintenance money from the State to begin fixing up the Harbors. The results after a recent survey show that it will cost approximately 20 million to bring the Harbors up to standards. So, the 7 million we received from the State will just be a portion towards the final cost.

Currently we do not have that kind of money on hand so these Maintenance Projects will continue over a period of several years.

VI. Public participation on Non-Agenda Items (cont'd),

2. John Wilkins—789-7521 Owner Vet Boat of S.E. Alaska, Inc.

Mr. Wilkins handed out a letter to all the Board members. In this letter, he is asking for either a permanent or reduced fee vessel parking space at Auke Bay Harbor. He has a 40' vessel that services veterans and handicapped people for fishing Charters. It is a non-profit organization and even gas and vessel maintenance is donated by local service groups. Donations are currently down this year because companies that usually donate to charity causes are being affected by the lower stock market values.

Mr. Knapp referred his request to the Operations Committee to discuss at their next Committee Meeting.

3. Katherine Hope—723-9417 Live Aboard Aurora Harbor H Float

Ms. Hope said that she has experienced problems with her electric in the harbor. There has been rust in the box and she has sought help in getting it fixed from the Harbor Officers. They did help her when she asked. She would like to know whom to call if the power goes off.

Mr. Wescott told her to either call Juneau Police Department or call the telephone number for emergencies which is listed on signs on both doors of the Aurora Harbor Office building. JPD also has a call-out list for Harbor emergencies.

Mr. Knapp added that if it is a major City electrical outage that affects all city patrons then we have to wait for AEL&P to get the power up and running. If it is a problem with her cord or receptacle then the Harbor Officer would try to help her get it corrected.

VII. Approval of Previous Meeting Minutes.

MOTION by Mr. Etheridge: ASK UNANIMOUS CONSENT TO APPROVE THE MINUTES FROM THE REGULAR BOARD MEETING OF JANUARY 29, 2003 AS PRESENTED. The motion passed without objection.

VIII. Items for Action.

A. Freight Use of Launch Ramps.

Mr. Derr gave a short presentation on this topic.

Public Comment:

1. Brian Cogswell—586-6221 Live Aboard Harris Harbor Float 2-16.

VI. Items for Action (cont'd.)

Mr. Cogswell said he'd like to have the Commercial Operators use the ramps during the days early instead of evenings like Friday nights when the recreational boaters are trying to launch their vessels.

Mr. Derr said that this new set of Rules addresses this problem. See Item #5.

Mr. Cogswell said he hadn't had a chance to look over the latest Launch Ramp Rule. He was glad to hear that this problem had been addressed and solved.

MOTION by Mr. Fisk: MOVE TO APPROVE THE PRESENTED RULES AND FEES FOR COMMERCIAL FREIGHT USE OF THE LAUNCH RAMPS AS APPROVED BY THE FINANCE COMMITTEE. Mr. Preston seconded the motion.

The motion passed without objection.

B. Proposed Changes to Docks and Harbors Fees.

Mr. Stone gave a short presentation on this topic. He also asked that the fees go into effect as of July 1, 2004 with the exception of the Port Water Fees and have them go into effect immediately so that these fees will be in effect when the first cruise ship arrives in Juneau.

Discussion followed with Mr. Stone, Mr. Knapp, and Mr. Fisk.

Public Participation:

1. Brad Scougale—586-3452 Live Aboard Harris Harbor Float 4-60

Mr. Scougale handed out paperwork to Mr. Knapp. This paperwork dated 2/5/04 contained signatures of live aboard residents of the harbors that had come to a group consensus to support the new moorage rates and the additional \$100.00 fee to be used for maintenance provided that the proposed work on Harris and Aurora harbors must be done beginning this Fall.

He said they all feel that the proposed electrical plan should be furthered studied.

They also expressed their appreciation to Mr. Stone and Mr. Krieber for their efforts, good work, friendliness, and cooperation and patience with them in the beginning stages of these projects.

VI. Items for Action (cont'd).

They also would like for the board to consider no fee increases until some of the maintenance items are completed and services can be offered. If dumpsters are considered a live aboard expense he suggested that they be chained and locked to avoid up-land additional garbage being deposited.

He suggested that the live aboard fee be increased at only \$5.00 per year over a 3 year period as services are provided.

He added that in the past things have been proposed to be done with raised fees and then nothing was done after the fee was approved.

Mr. Clough said that 8 years ago when we ran a survey on repairing electrical it was proposed to cost 20 million dollars. The 7 million dollars that we received from the State will not begin to cover the electrical up-grade expenses.

2. Greg Hayes—586-6224 Live Aboard Aurora Float-K

He said he also was against the raised fees on the electrical. He feels that the Harbors are trying to take over the Electrical Service provided by a local Company—AEL&P. He said then the Harbors could charge anything they want for power if they control the meters. He also said that patrons should be charged for actual electrical use not on an average figure, as some patrons would tend to plug in as many appliances as they could and the people who are conserving electricity would have to pay for it.

Mr. Hayes also mentioned that in the past we have received money for projects but then the money was used for other things. What assurance do they have that this raised fee for electricity won't be used elsewhere?

3. Jeff Kemp—586-1311 Live Aboard Harris Harbor Float-3

Mr. Kemp said that if the increased fees go into effect his stall amount would increase 35%. He added that when the fees were raised a few years ago they were told this amount was to be used for improving maintenance in the Harbors. He has not seen any improvement in the Harbors as a result of that fee increase.

He said that he administers State Grants and if grantees do not show that they have properly used funds then he can rescind that money. If the Harbor Department were one of his grantees, he would rescind that money based on lack of performance.

He added that illegal use of dumpsters in Harris Harbor is not being enforced, a 96-hour storage rule is being violated, water spigots are still frozen and the docks still have loose boards, plus there is litter and dog feces on the floats. Also, parking permits for vehicles are not being enforced in Harris Harbor.

VI. Items for Action (cont'd).

In addition he would like to have the fees, if increased, to be done over a period of time—not all at once like proposed tonight.

He would like for the Docks & Harbors board to take a close look at what they are providing and what they are not providing to the patrons before they impose higher fees.

4. Charles Cardwell—364-3182

Mr. Cardwell said he has been using the Harbor facilities for the past 4 years and his concern is that he has seen no improvement of the facilities in this period of time.

He also is concerned if this increased fee will bring about the needed changes in maintenance of all the Harbors.

He said in the past it indicates to him that someone has not been planning well to bring about the improvements that are needed.

He would like to see the rules of the Harbors being enforced—this currently is not happening. Also needed repairs getting done, granted the electrical repairs cannot be done all at once and 20 million dollars worth of electrical repairs will have to be spread over several years.

He said he didn't mind paying for services but he does expect to get them!

5. Max Bohannen—635-1703 Live Aboard Aurora Harbor

Mr. Bohannen said he has a problem with the \$350 a year skiff fee. He has a little 8' skiff that he ties off the stern of his vessel. He feels \$350 a year is too much to pay for his little skiff.

Mr. Wescott explained to him that if the skiff is in the water along side of the vessel it would be charged but if it was on the vessel or across the back of the vessel attached and out of the water then there would be no charge.

Mr. Bohannen said that the Harbor Department does a great job and he has no problems with any of the crew.

He added that he liked the way we increased the fees that we did several years ago where we only charged a straight across fee of \$50.00 per year rather than the full \$100.00 all this year. He thought we should spread this fee out.

5. Leon Shaul—723-4223

Mr. Shaul said he has a skiff at Douglas Harbor. He thinks the Harbor Board needs to re-look at the overall skiff stalls and charges.

VI. Items for Action (cont'd).

He has noticed that the small skiff stalls in Douglas Harbor are mostly empty. Is this because boats are out for the Winter or because they are unassigned? Are we charging too much—is that why they are empty? This would be things to look at before raising fees.

7. Andrew Green—586-1282 Port Manager Cruise Line Agencies of Alaska

Mr. Green said he would like to see the fees for the Port not go into effect until the next Cruise Ship Season so the Cruise Line Companies could incorporate these fees into their next Cruise Ship Season Rates.

Also he would like this Harbor Board to continue to pursue the Passenger Fee proceeds for our Docks and Harbors Projects.

8. Rick Turner—790-7462 Live Aboard Aurora Harbor K Float-11

Mr. Turner said he has looked at the proposed electrical fees and compared it with his own electrical bills from AEL&P. We are within \$1.00 and he finds no problem with that. He sees no problem with what we are asking.

He does have a concern that if we charge a flat rate throughout the Harbors and people don't continue to conserve on their electrical usage then the electrical costs would increase to all patrons—even the ones who do conserve their power usage.

He doesn't mind paying for his usage but it isn't fair to have to pay for other's usage too!

He was interested in the comparison between other Harbors to fees but questioned how do the other Harbors compare on maintenance since they pay lower fees? That too would be interesting to see a full picture. Also a comparison as to what services are available at these other Harbors compared to what services we offer our patrons.

Mr. Derr added a brief comment on the electrical fees and explained when we were attempting to go to non-metered electrical boxes. Also these fees are based on what the full electrical consumption of each electrical box can produce with the understanding that each patron will use the full amount as long as they are already paying for it.

Mr. Etheridge added that it will be a long time before all electrical boxes will be replaced so many people will not see a change in fees until their box is ready to be replaced. This Electrical Project will take many years to complete for all the Harbors. We don't have the 20 million dollars up front so we have to do the work over a long period of time when we have funds available.

VI. Items for Action (cont'd).

Mr. Fisk added that the \$100.00 Maintenance Fee that was tacked onto the fees for stalls was to begin to help on the Maintenance repairs of the Harbors. This was to help along with the additional 7 million dollars we are getting from the State to bring the Harbors up to standards. The completed Survey for bringing the Harbors up to standards was 20 million dollars so the 7 million dollars won't begin to cover the full cost. We will have to keep adding funds to the State money or we won't get all the necessary maintenance repairs done that are needed to complete this Electrical Project. We had thought that this across the board \$100.00 fee would begin to help on the Electrical Maintenance Project.

9. Katherine Hope—723-9417 Live Aboard Aurora Harbor Float J-39

Ms. Hope asked what her electrical meter is? She understands 110 and 220 but not amps. Mr. Wescott said that she has a 110.

She added that she has been observing things for many years in the Harbors. She herself has several electrical appliances, but finds that she has to unplug things to use others or her circuit breaker will trip so she can't use all of her appliances at one time. She said that she likes to keep warm. She is willing to pay more for electrical if necessary in order to keep her boat warm.

She added that Mr. Kemp already said what she had wanted to say about the water problems. Also she was concerned about the degree of angle of the ramp, as it is very steep at Aurora Harbor.

Mr. Knapp said that this problem was in the process currently of being corrected. A longer ramp will lessen the degree of angle at a low tide.

10. Michael Mann—723-4619 Douglas Stall

Mr. Mann said he was disappointed at the rate increases. He is a local fisherman and pays when he has his fishing vessel moored as Auke Bay in addition to still paying for his stall in Douglas even though there is somebody else hot-berthing in it while he is out. He continues to pay for moorage in Sitka when he fishes over there and also pays moorage at Haines when he is fishing there. He pays fish taxes and sales taxes locally. He pays property taxes on his home here.

He has fished commercially here for many years and feels he is supporting this community with all the fees he has been paying through all the years.

This proposed fee raise will be an added burden to him and his family and he is opposed to it.

VI: Items for Action (cont'd).

MOTION by Mr. Derr: MOVE TO RESCIND THE \$100.00 PER STALL MAINTENANCE FEE AND REFER THIS ITEM BACK TO THE FINANCE COMMITTEE FOR FURTHER CONSIDERATION AND REVIEW.

Mr. Grussendorf seconded the motion.

Discussion followed with Mr. Simpson, Mr. Preston, and Mr. Knapp.

The motion passed 7 to 1 with Mr. Fisk voting No.

Mr. Knapp called for a 10-minute break at 7:30 p.m.

Mr. Knapp called the meeting back to order at 7:43 p.m.

Mr. Knapp said that the Finance Chairman Mr. Derr would go through each of the shaded proposed fee changes item by item for Board Members approval.

Item 3, 3-A, remove Item 3-B (listed in previous motion) Item 3-C, Item 5, 5-A, 5-B, Item 6, Item 8, 8-A and remove 8-C.

MOTION by Mr. Derr: ASK UNANIMOUS CONSENT TO APPROVE THE UNDERLINED ITEMS LISTED ABOVE FROM PAGE 1 OF 6 OF THE PROPOSED DOCKS AND HARBORS FEE SCHEDULE.

The motion passed without objection.

Item 11-B, 11-C changed to \$10.00 per half hour (per previous motion tonight under Freight Use of Launch Ramps), Item 13, 13-A, 13-B, 13-C, 13-D, Item 14, 14-A, 14-B, 14-C, 14-D, Item 15, 15-A, 15-B, 15-C, 15-D, Item 16, 16-A, 16-B, 16-C, and 16-D.

MOTION by Mr. Derr: ASK UNANIMOUS CONSENT TO APPROVE THE UNDERLINED ITEMS LISTED ABOVE FROM PAGE 2 OF 6 OF THE PROPOSED DOCKS AND HARBORS FEE SCHEDULE.

The motion passed without objection.

Item 23, 23-A, 23-B, Item 23-C add based on a case by case basis approved by the Harbormaster.

Item 24, 24-A, 24-B, Item 24-C add based on a case by case basis approved by the Harbormaster. Item 29, 29-A, and 29-B.

MOTION by Mr. Derr: ASK UNANIMOUS CONSENT TO APPROVE THE UNDERLINED ITEMS LISTED ABOVE FROM PAGE 3 OF 6 OF THE PROPOSED DOCKS AND HARBORS FEE SCHEDULE.

The motion passed without objection.

VI: Items for Action (cont'd).

Item 32 and Item 33.

MOTION BY Mr. Preston: ASK UNANIMOUS CONSENT TO APPROVE ITEM #32 (POTABLE WATER FEE) MAKING THIS FEE EFFECTIVE IMMEDIATELY. ALSO TO APPROVE ITEM #33 OF THE PROPOSED DOCKS AND HARBORS FEE SCHEDULE. The motion passed without objection.

Mr. Derr said that page 5 of 6 and page 6 of 6 lists the Proposed Docks and Harbors Annual Reserved Stall Fee Schedule.

Mr. Fisk commented that we have had a lot of people here tonight protesting the fee changes because their rates have gone up. We didn't have anybody here because his or her rates are being reduced. Also the reason for the fee changes are to make the fees more equal to all the Harbor Patrons.

Mr. Preston added that we need also to incorporate the skiff fees of \$350 per year as well as the \$360 per year fee for limited access stalls.

MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO INCORPORATE THE SKIFF RATE OF \$350.00 PER YEAR AND THE LIMITED ACCESS STALL RATE OF \$360.00 PER YEAR INTO THE CBJ DOCKS AND HARBORS ANNUAL RESERVED STALL FEES AND THAT WE ADOPT PAGES 5 OF 6 AND 6 OF 6 OF THE CBJ DOCKS AND HARBORS ANNUAL RESERVED STALL FEE SCHEDULE AS PRESENTED. The motion passed without objection.

Mr. Derr added that he wants to better define what is a skiff and what requirements are for a stall. He said we want to eliminate confusion.

Mr. Preston wants to further define and discuss the 8' skiff in the water in a stall that was mentioned tonight during the public hearing.

Discussion followed with Mr. Grussendorf, Mr. Etheridge, and Mr. Preston.

MOTION by Mr. Fisk: MOVE TO ADOPT THE PROPOSED FEE CHANGES AS PRESENTED WITH THE ACCEPTED AMMENDMENTS.

Mr. Derr seconded the motion. The motion passed without objection.

C. Adoption of FY 05 Budget.

Mr. Stone gave a short presentation on this topic. He referred to the paper work he had enclosed in the Packet tonight.

VI: Items for Action (cont'd).

MOTION by Mr. Derr: MOVE TO ACCEPT THE FY 05/06 DOCKS AND HARBORS BUDGET AS PRESENTED AND TO SUBMIT IT TO THE CBJ FINANCE DEPARTMENT AND THEN ON TO THE ASSEMBLY FOR FINAL APPROVAL.

Mr. Etheridge seconded the motion.

Public Participation:

1. Steve Dingman—586-6797 Live Aboard Aurora Harbor Float H-9

Mr. Dingman said he is concerned about reducing 3 Harbor Officer positions during the Winter months. He is afraid that things won't get done with reduced staff and that the remaining staff will be unmotivated even more.

He added that if we have an extreme Winter with lots of snow would we have enough people to do the snow removal and plowing for all the Harbors?

Discussion followed with Mr. Stone, Mr. Fisk, Mr. Knapp, and Mr. Clough.

The motion passed without objection.

D. Board Comments on Draft Waterfront Plan.

Mr. Simpson gave a short summary of this topic. He referred to the Memorandum dated February 24, 2004 enclosed in the Packet. This is a summary of the Draft Waterfront Plan document that has been submitted to the Assembly for review.

MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO RADIFY THE SUMMARY REVIEW PRESENTED BY THE CIP/PLANNING COMMITTEE AND TO SEND IT TO THE WATERFRONT DEVELOPMENT COMMITTEE FOR THEIR REVIEW. The motion passed without objection.

E. Board Comments of Title 85 Changes.

Mr. Stone gave a short summary on this topic. He had written a memo and written up a revised Ordinance to present to the City in response to the Title 85 Revision that we have received.

At Mr. Knapp's request Mr. Stone will go through both the Ordinances showing the original and the City Revised sections and then his worded suggestions on a line by line basis.

Title: the original title showed Docks and Harbors Board and the Harbor Department. The revised changes the title to just Harbor Department. Mr. Stone recommends changing the title to Docks and Harbors Department.

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Section 2: This strikeout makes the Docks and Harbors Board use the Finance Department for all purchases, including Capital Projects. Mr. Stone recommends to not strikeout this exemption but leave it as is. To change this would mean increased over-head expenses and currently we have to comply with CBJ Purchasing Ordinances as well as any purchases over \$100,000 requires the CBJ Assembly's approval already.

85.01.010: This change corrects grammar and is a good housekeeping measure and should be adopted.

85.02.020: This change corrects unnecessary language and is a good housekeeping measure and should be adopted.

85.02.030: This change clarifies Board Meeting Rules and should be adopted.

85.02.045(a): This strikeout eliminates the requirement for the Board to consult with Juneau convention and Visitors Bureau (JCVB) and submit a Master Plan for development of the Ports and Harbors to the Assembly. Instead a report on Operations is required to be submitted to the City Manager for review and comment and then to the Assembly. Mr. Stone recommends for the existing language to remain. The requirement for the new report is not needed since it duplicates the Annual Budget Process and is already required by other provisions of the Ordinance. The new language also requires the Board to submit recommended amendments to adopted plans to the Manager and Assembly. This change is good and should be added to the existing language in the Ordinance.

85.02.045(b): This strikeout eliminates the requirement for the Board to submit a report to the Assembly Committee of the Whole at least quarterly. Mr. Stone recommended it remain but change the reporting frequency to semi-annual.

85.02.04(c): This strikeout removes the City Manager and Senior Staff Person as liaisons to the Board. Although this change reflects current practice, Mr. Stone thinks this would detract from effective communications and working relationships. So, he does not recommend this strikeout.

85.02.45(e): This strikeout places all facets of harbors and dock operations under the Manager in an emergency. The current ordinance allows the Manager to take over facilities as needed to resolve emergencies and has worked without a problem over many years. The strikeout is not necessary.

85.02.45(f): This new language requires all Docks and Harbors Security Plans and agreements to be reviewed and approved by the City Manager. Mr. Stone's recommendation is to require the Docks and Harbors Board to submit Security Plans to the City Manager for review and comment prior to submission to the U.S. Coast Guard.

85.02.060(a): The second strikeout eliminates wording in a manner that appears to restrict the Board's authority. Mr. Stone does not recommend this strikeout.

85.02.060(a)(1): The proposed change seems to eliminate CBJ's ability to further develop its docks and harbors and appears to reassign facilities that are currently under Docks and Harbors Management via a future Resolution. Mr. Stone suggested retaining the current wording in the Ordinance.

Mr. Simpson suggested adding the wording: "unless otherwise designated by the Assembly by Resolution". There was no objection by Board Members to Mr. Simpson's suggestion.

85.02.060(a)(2): The proposed change revises the process for adopting regulations. Currently the Assembly authorized the Board to adopt certain regulations without mandatory review. This provision does not include a savings clause on regulations adopted under the existing Ordinance. Mr. Stone suggested putting a savings clause to retain existing regulations upon adoption of a new Ordinance.

85.02.060(a)(4)(a): The proposed change limits the Board's flexibility to establish rates of pay. Mr. Stone does not recommend this change because it limits the Board from considering rates of pay in other Docks and Harbors systems throughout the State. He suggests retaining the existing language of the Ordinance.

85.02.060(a)(4)(b): 1st sentence is consistent with our current practices however, a provision should be made to allow the MEBA Contract to supercede the CBJ Personnel Rules and Policies, as it currently does like other CBJ Contracts. Mr. Stone suggests that a Memorandum of Agreement (MOA) under the current Ordinance with the City Manager and the Personnel Director can easily handle the intent of the paragraph. This MOA could be fashioned similar to the MOA's with the Finance and Engineering Departments. He suggested a MOA with the Personnel Director under section 85.02.090(a)(5).

Discussion followed with Mr. Simpson. He said ideally the City would have the positions professionally classified but current workers would not lose their current wages as they would be grand fathered in even though their job classification might change. In the past we have not done a very good job of applying these classifications in a uniform manner. So this new way would at least have the appearance of fairness to the employees. Mr. Simpson added that we should go along with the suggested standards to avoid further problems. If we come up with problems we can address them at that time.

Mr. Derr asked how many more fees would we be faced with if we have to use more City Services for things like Personnel etc?

Mr. Knapp added that in Purchasing we have an existing MOA with them that seems to be working, however we are uncertain at this time what the costs for using the Personnel Department fully will be.

Mr. Fisk said that in regard to the Personnel issues he feels we need to change our procedures and fully use the Personnel Department in regard to employees to avoid further problems.

Mr. Clough said he is concerned with who will be hiring and firing of employees and what the added costs will be to our Docks and Harbors Department.

Mr. Swope said he couldn't quote what the added cost would be at this time, however, we should be concerned at what it would cost us for liability should we have future personnel problems with our employees in the form of legal matters and expenses.

Mr. Derr suggested that the wording should spell out exactly what the requirements are, because if we assume what it means, that down through the years when somebody new reads the Ordinance they will go by the exact wording listed in the Ordinance, not necessarily what we currently agree is the intent of the wording.

The Board Members were in agreement to change the wording in the sentence; "The Harbor Department shall utilize the services of the Personnel Department (strike for all) and change to (when) hiring, or terminating personnel, and in dealing with grievances, labor agreement negotiations and substantial disciplinary actions".

Mr. Knapp said he would be meeting with the City Attorney on this Personnel item (b).

85.02.060(a)(5)(A): The strikeouts remove the Board's authority to sell, purchase, and trade submerged lands without Assembly approval. This is consistent with our current practice. However, Mr. Stone proposes to broaden the Assembly's authority to require approval for all lands.

85.02.060(a)(5)(B): The knockout removes the Board's authority to lease submerged lands for non-marine related uses. Mr. Stone does not recommend this change, as it would restrict our ability to lease uplands. Mr. Stone recommended a change to the ordinance to allow leases of land for non-marine related uses with Assembly approval.

85.02.060(a)(5)(C): This extensive knockout eliminates the Board's authority for land transactions and requires all land transactions to be in accordance with a new land management plan that is yet to be developed. Mr. Stone said he supports changes to require consistency with land management goals established by the Assembly and to require compliance with current land ordinances. He does not support changes to transfer land management authority from Docks and Harbors to the City Manager. He submitted wording to preserve the revenue potential of tidelands for the benefit of CBJ's small boat harbors.

85.02.060(a)(6): This new language eliminates the Board's authority for capital improvements unless first approved by the Assembly. The current ordinance gives docks and Harbors jurisdiction for managing capital improvements located on the docks or in the harbors, but requires Assembly approval for expenditures greater than \$100,000. Our MOA with the City Manager and the CBJ engineering Department obviates the need for a revision to this section. Mr. Stone suggested that the Assembly remove Docks and Harbors from the responsibility of managing projects by resolution. He also is not in favor of the 2nd knockout that eliminates the Board's authority to apply for grants from State and Federal agencies.

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85.02.060(a)(7)(a),(b)and(c): The changes in this section and the changes under CBJ Ordinance 53.50.001 seem to eliminate the Board's authority for purchases and place purchasing under the Finance Department and the City Manager's Office. Mr. Stone does not recommend this change. This section still retains the requirement for the Assembly to approve all purchases exceeding \$100,000 giving the Assembly fiscal control over the Board. He suggests to keep purchasing under the Docks and Harbors Board, but make it clear that the board is subject to CBJ Purchasing Ordinances.

85.02.063: Mr. Stone said it is his understanding that this planning requirement is embedded in Article II of the Land Management Ordinance set out in Chapter 53.09. He recommends in 85.02.060(a)(5) incorporates this ordinance, and planning requirement. In addition, maybe this requirement could be limited to undeveloped lands that are not addressed by adopted plans.

85.02.065: This new provision would prevent the Board from even initiating a project or plan without an Assembly resolution. Currently the Assembly has the power to approve each expenditure above \$100,000 and the power of appropriation over all docks and Harbors funds through the budget process. This provision seems counter to having the board advise the Assembly on important improvements to our docks and Harbors and would eliminate our ability to effectively plan and manage capital improvements.

85.02.070: This strikeout requires Assembly approval of all rules and regulations adopted by the board. It may be prudent for the Assembly to consider specifying which regulations come before it.

85.02.090(a): This change is poorly worded. My wording corrects the language.

85.02.090(a)(3): This proposed change requires the Port Director to develop organization plans and classification plans only after consulting with the CBJ Personnel Director and to make such plans consistent with other CBJ Department. Mr. Stone said this seems unnecessarily restrictive. This could be easily resolved by a MOA between the Docks and Harbors Board and the City Manager for services of the CBJ Personnel Director.

85.02.090(a)(5): This strikeout eliminates the Port Director's ability to tailor the personnel plan to best fit the docks and harbors operations. Mr. Stone does not recommend this change because it eliminates an important management tool for efficient administering the docks and harbors. His suggestion still makes it clear that the Docks and Harbors department is subject to all personnel ordinances, rules, and policies and allows the Port Director to enter into a MOA with the Personnel Director for services under this section.

85.02.100(a): This rewrite requires all fees and changes to follow the new regulation ordinance. This rewrite is also, set up to work with the yet to be adopted companion ordinance that will specify which facilities are under the Board's control.

85.02.100(b): This strikeout eliminates the provision, which required the Assembly to consider benefits prior to taxing property located in the harbors. The new language also allows the board to recommend fees for the facilities that are not under its control via the future companion resolution. Mr. Stone combines the fee authority under this and the pervious section into one section and keeps the tax provision. His rewrite also contains a savings clause to prevent our existing fee schedule from expiring with the adoption of this ordinance.

85.02.105: This section strikes port dues. Mr. Stone recommends retaining this important revenue tool.

85.02.108: This section applies in the event that 85.02.105 is determined to be invalid by the courts. Since this has not happened it can be removed.

85.02.110: This strikeout removes the requirement for the Board to propose a six-year CIP for submittal to, and consideration by the Assembly. Mr. Stone recommends keeping this requirement since it is an important tool for communicating infrastructure needs to the Assembly.

85.02.140: This section is entirely removed and contained the authority for a Port Advisory Committee, which advised the Board on port projects that should be funded with port dues. When port dues expired this Committee was no longer needed. Mr. Stone said this change could be adopted, however the Assembly should consider keeping this in since it is a way to get buy-in from interests that are paying port dues. Mr. Stone recommends keeping the Committee.

Mr. Simpson said that he recommends leaving this Committee available in this section for further needs.

Mr. Knapp said what he is hearing is pretty much a consensus of approval from the Board Members to the Port Director's summary of revisions of the Title 85 Revision report drafted by the City.

MOTION by Mr. Fisk: MOVE TO FORWARD THE SUBSTITUTE ORDINANCE SERIAL NUMBER 2004-03 TO THE ASSEMBLY FOR CONSIDERATION WITH AMMENDMENTS.

Mr. Grussendorf seconded the motion. The motion passed without objection.

Mr. Knapp called for a 5-minute break at 10:50 p.m.

The meeting reconvened at 10:55 p.m.

F. Board Comments on Term Limit Ordinance for Boards and Commissions.

Mr. Clough gave a short presentation on this topic.

He said he and several other Members of our Docks and Harbors Board were not in favor of this Ordinance that limits the time a Board Member can serve on any particular Board. Many of our Board Members have extensive experience and knowledge to bring to solving problems and or issues concerning the docks and Harbors.

MOTION by Mr. Preston: MOVE TO RECOMMEND TO THE ASSEMBLY THAT THE BOARD TERM LIMITS NOT BE IMPOSED. Mr. Simpson seconded the motion.

Discussion followed with Mr. Preston, Mr. Fisk, Mr. Etheridge, Mr. Simpson, and Mr. Derr. The motion passed without objection.

The Port Director was instructed to write a letter to the Assembly with comments and to recommend that the Board term limits not be imposed.

VII. Items for Information/Discussion.

A. Port Director's Evaluation.

Mr. Stone mentioned he has almost a year in as our Port Director and would like his evaluation in a timely manner. This is just a reminder to the Board Members.

Mr. Clough, Operations Committee Chairman requested the Board Members to be prompt in returning their evaluations to him for review. He would like them soon and definitely before the fiscal year ends on June 30, 2004.

VII. Committee Member and Staff Reports.

A. Finance Committee.

No report given.

B. Operations committee.

No report given.

C. CIP/Planning Committee.

Mr. Simpson gave a short report of his last CIP Meeting. He said that Tom Donek from Fish and Game wants to give us \$900,000 to do a project at Taku Harbor. He will give us more details at a later time.

Mr. Simpson added that they spent a lot of time at the meeting going over the Waterfront Plan.

VIII. Capital Improvement Project Report.

Mr. Krieber said that there were no problems on projects at this time.

IX. Harbor Operations Report.

Mr. Wescott referred to the Harbormaster's Report attached in the Packet for projects completed for the month of February 2004.

Mr. Wescott also mentioned that this past week he had spent most of his time at the Command Center and the program went well on the Coast Guard security drill.

He added that we had gotten the Harbor Boat back with 2 new engines and the boat sank with only 1-hour time on the engines due to poor installation of the motors. The company has ordered 2 more new engines and will replace the ones that had been under water.

X. Committee Administrative Matters.

A. Meeting Calendar for March 2004.

Finance Committee Meeting -- None Set At This Time.

Operations Committee Meeting -- March 11, 2004 -- 5:00 p.m. – Aurora Harbor Office

CIP/Planning Committee Meeting – March 23, 2004 -- 5:00 p.m. CBJ Assembly Chambers

Regular Docks & Harbors Board Meeting – March 25, 2004 – 7:00 p.m. CBJ Assembly
Chambers

Mr. Stone added that Mr. Swope had called this past week and asked if we wanted to take over the administration of the Crossing Guards for this coming Season. There is \$85,000 in funds to pay them. He also added that he contacted the JPD and they said this amount would more than cover the amount needed to administer the Crossing Guards plus the JPD would do all the hiring and training for us.

Discussion followed with Mr. Simpson, Mr. Clough, and Mr. Derr.

Mr. Stone said he had talked with Mr. Wescott and Mr. Tajon and they saw no problem with taking over the administration of the Crossing Guards.

Mr. Derr requested that we get a MOA with the JPD for taking over this responsibility and subject to funding this year and subsequent years. Mr. Stone will get this MOA written up and bring it back to the Board Members for their approval at the next Board meeting.

Mr. Knapp asked for a 5-minute break at 11:15 p.m.

The meeting reconvened at 11:16 p.m.

XI. Executive Session.

A. Report from the Audit Committee.

MOTION by Mr. Simpson: ASK UNANIMOUS CONSENT TO GO INTO EXECUTIVE SESSION. The motion passed without objection.

Executive Session began at 11:17 p.m.

The Regular Board Meeting reconvened at 11:28 p.m.

XII. Adjournment.

Motion by Mr. Fisk: ASK UNANIMOUS CONSENT TO ADJOURN THE MEETING.
The motion passed without objection.

The meeting was adjourned at 11:29 p.m.