

CBJ DOCKS & HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, December 27, 2007

I. Call to Order.

Vice-Chair Mr. Fisk called the Regular Board Meeting to order at 7:00 p.m. in the CBJ Assembly Chambers.

II. Roll Call.

The following members were present: Mr. Fisk, Ms. Jebe, Mr. Knapp, Mr. Kueffner, Mr. Mehrkens, Mr. Preston, and Mr. Williams.

The following members were absent: Mr. Etheridge, and Mr. Simpson.

Also present were the following: Mr. Stone – Port Director, Ms. Johansen – Docks and Harbors Administrative Officer, and Mr. Dybdahl – CBJ Assembly Liaison.

Mr. McCall – Harbormaster was absent.

III. Approval of Agenda.

Mr. Stone requested under VI. Items for Action to move item #2 up to Item #1, move Item #5 to Item #2, and to move Item #1 down to Item #3 and then to continue on with the rest of the items.

MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED.

The motion passed without objection.

IV. Public Participation on Non-Agenda Items.

There were no public testifying.

V. Approval of Previous Meeting Minutes.

Mr. Preston requested on page 6 under his report of his last Finance Committee meeting to change the word City Attorney to City Assessor.

MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO APPROVE THE MINUTES FROM THE REGULAR BOARD MEETING HELD ON DECEMBER 6, 2007 AS AMENDED.

The motion passed without objection.

VI. Items for Action.

1. Proposed Changes to the Waterfront Sales Permit Applications.

Mr. Stone gave a short presentation on this topic.

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VI. Items for Action (cont'd)

PUBLIC HEARING:

1. Caroline Pitts – Orca Enterprises, LLC - 586-6999
Owner – Operator
P.O. Box 35431, Juneau, AK 99803

Ms. Pitts thanked Mr. Stone for omitting the sentence stating, **“that the tour operator can sell their tours at no more than one sales booth”**, but also she would like the sentence added, **“that tour operators can only sell Juneau tours same day sales”**. This would prevent out of town tour sales in which would be in direct competition with local Juneau tour sales.

Discussion followed with Mr. Preston, and Mr. Stone.

2. Larry Dupler – Adventures Unlimited - 723-9253
Owner – Operator
P. O. Box 35431
Juneau, Alaska 99803

Mr. Dupler said that he also agreed with all that Ms. Pitts said and that he too would like to have the sentence, **“Juneau same day tour sales”**, added to the regulations.

Discussion followed with Mr. Preston, Mr. Kueffner, and Mr. Stone.

MOTION by Mr. Kueffner: MOVE TO ADOPT CHANGES TO THE WATERFRONT SALES PERMIT REGULATIONS AS PRESENTED BY THE PORT DIRECTOR, AND TO FORWARD THE REGULATIONS TO THE CITY ATTORNEY FOR PRESENTATION TO THE ASSEMBLY.

Mr. Preston seconded the motion.

The motion passed without objection.

Vice-Chair Mr. Fisk said that the new suggested items mentioned tonight would be referred to the next Operations Committee Meeting for further consideration.

2. Fisherman’s Bend Tideland Lease Renewal.

Mr. Preston gave a short presentation on this topic.

Public Comment:

1. Sharon Andrew – Andrew’s Marina/Fisherman’s Bend
Owner - Operator
P. O. Box 210256
Auke Bay, AK 99821

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VI. Items for Action (cont'd)

Ms. Andrew said that she is appealing the increase in her tideland lease at Fisherman's Bend. She Read a short essay on her response to the memos that she has received from the Docks and Harbors Department regarding the appraisal and the increased amounts for her leased tidelands at Fisherman's Bend.

She felt that she was left with only three options as a result of the paperwork she received.

She added that she had obtained a personal income appraisal as instructed and found that the area was appraised much lower than what they have been paying since the lease was first initiated back on January 1, 1987.

Discussion followed with Mr. Fisk, Mr. Kueffner, and Mr. Mehrkens.

2. Chris Conder - Rum Runner Charters
Owner – Operator
has a stall at Fisherman's Bend

Mr. Conder said that if the tideland fees are increased for Fisherman's Bend then that cost will be passed on to the patrons who have moorage stalls in the marina.

He said that he felt that the fees are too high already.

3. Jack Cadigan - Adventures in Alaska Charters
Owner – Operator
Has a stall at Fisherman's Bend

Mr. Cadigan said that his fees keep rising every year and soon he will have to decide whether to continue his business or quit as the profit margin keeps declining.

Discussion followed with Mr. Fisk.

4. Todd Wicks - Juneau Charter Boats Association
Current President of Association
Has a stall at Fisherman's Bend

Mr. Wicks said that he is the current President of the Juneau Charter Boat Association. Their club consists of around 20 fishing/Charter businesses that operate mostly out of Auke Bay. Six of these members have permanent stalls at the Fisherman's Bend Marina.

He said that he is concerned that the impact of higher fees for the Fisherman's Bend tideland lease will result in an increase of fees for marina stall renters. Also, he said that he is worried that if Fisherman's Bend raises stall rates then the Auke Bay/Statter harbor City float will be impacted with higher transient fees.

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VI. Items for Action (cont'd)

In addition, he said that in these times of spiraling fuel costs and uncertain travel industry stability, it seems wrong for the CBJ Docks and Harbors Department to increase fees on businesses that are already close to the tipping point of profitability.

Discussion followed with Mr. Mehrkens.

5. Larry Dupler - Adventures Unlimited 723-9253
Owner – Operator
P.O. Box 35431
Juneau, AK 99803
has 4 stalls at Fisherman's Bend

Mr. Dupler said that if Andrews Marina raises their stall rates as a result of this Tideland Lease increase it will affect his business as well as Orca Enterprises for the 4 large charter boats that they have moored there. This can greatly impact their whale watching charter businesses.

Discussion followed with Mr. Kueffner.

6. Ron Somerville - Previous Charter Boat Operator

Mr. Somerville said that because of rising costs he was forced to close his charter business.

He said that he also felt that the City was wrong to buy an over-inflated price of property namely DeHart's Marina.

In addition, he said that this proposed price change for Fisherman's Bend Tideland Lease over the 5-year period was insane.

Discussion followed with Mr. Fisk.

7. Rick Wolfenberger - Fisherman/s Bend/Andrews Marina
General Manager
Auke Bay, AK

Mr. Wolfenberger said that he currently operates the Andrew's Marina for his mother.

He said that they have followed the Docks and Harbors rules all these years. They got an appraisal as requested but the Docks and Harbors Board doesn't like it. He asked what exactly does it take to satisfy us? What are the right rules to follow now?

In addition, he said that his property tax has raised considerably and as a business they have had to absorb that additional cost. They can no longer as a business do this. Their moorage rates are 20% lower than City owned facilities in Seattle. Are we trying to run him out of business here in Juneau?

Discussion followed with Mr. Mehrkens.

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VI. Items for Action (cont'd).

8. Dennis Watson - 9333 Northland Street
Juneau, AK 99801

Mr. Watson said that the population of Juneau is not growing. This may force many businesses to leave or close down.

He said that he felt that the City is sending out negative signals regarding these tideland leases and that businesses will have a hard time selling should they choose to do so.

Discussion followed with Mr. Fisk.

9. David Sevdy - has a small boat moored at Fisherman's Bend

Mr. Sevdy asked whether the Docks and Harbors Board has a master plan for DeHart's and Fisherman's Bend Marinas? Mr. Fisk responded absolutely not.

He said that he was pretty shook up at what has been discussed tonight so he really has nothing more to say.

10. Kevin Birchfield - Alaska Charter Adventures
Owner – Operator
Has a stall at Fisherman's Bend

Mr. Birchfield said that he agrees with everything that has been said tonight. He added that if this increase goes through then many owners of Charter vessels will go out of business as a result.

Discussion followed with Mr. Kueffner, Mr. Preston, Mr. Knapp, Mr. Mehrkens, Mr. Fisk, and Mr. Williams.

MOTION by Mr. Kueffner: MOVE TO REQUEST THAT THE ASSEMBLY ADOPT AN ORDINANCE AUTHORIZING THE PORT DIRECTOR TO ENTER INTO AND NEGOTIATE A LEASE FOR A ONE-YEAR EXTENSION AT THE CURRENT RATE OF \$13,600.00

Mr. Knapp seconded the motion.

Discussion followed with several Board Members.

Mr. Knapp added a friendly amendment to the motion – he suggested that **“during this year we get Horan Appraisal Company to do an appraisal and have comparable figures to work with for establishing the next year's lease rate”**.

Mr. Kueffner accepted Mr. Knapp's friendly amendment.

Mr. Mehrkens added an amendment to the motion. **“To change the current rate to \$ 0.062 which would equal \$21,080 per year and do a one-year lease”**.

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VI. Items for Action (cont'd).

Mr. Williams seconded the amended motion.

**Mr. Mehrken's amended motion failed with 4-yes votes and 3-no votes.
(we need 5-yes votes for a quorum to pass a motion).**

Mr. Knapp's friendly amendment passed with 6-yes votes and 1-no vote by Mr. Preston.

The original motion by Mr. Kueffner passed with 6-yes votes and 1-no vote by Mr. Preston.

Vice-Chair Mr. Fisk called for a 5-minute break at 8:55 p.m.

Vice –Chair Mr. Fisk called the Regular Board Meeting back to order at 9:02 p.m.

3. Fee Appeals.

Mr. Stone gave a short presentation on this topic.

Public Comment:

1. Linda Kadrlik - has the vessel Adventures Afloat - 586-3312
Located in stall A-A-005
4950 Steelhead
Juneau, AK 99801

Ms. Kadrlik said that she is appealing the live-aboard charges that they have been charged as they own property upland and pay CBT taxes on this property. They have an office there and use the house in addition to living aboard their vessel in Aurora Harbor. The house is empty except when they are at the house.

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

There was no motion made by the Board Members to change the status of the fee charged to the Kadrliks. The live-aboard fee will stand and the appeal was denied by no action by the Board Members.

Vice-Chair Mr. Fisk added that the resident surcharge (live-aboard fee) regulation would be discussed at the next Finance Committee Meeting to be held on February 21, 2008.

2. Ann Lind - 4299 Marion Drive
Juneau, AK 99801
Currently is a Day Care Provider

Ms. Lind said she was charged a daily moorage rate on her vessel in the amount of \$421.28 for the month of September. She said that she was appealing this charge due to various hardship situations.

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VI. Items for Action (cont'd).

Discussion followed with Mr. Preston, Mr. Kueffner, Mr. Merhkens, Mr. Knapp, Mr. Williams, Ms. Jebe, and Mr. Fisk.

MOTION by Mr. Knapp: MOVE TO NOT WAIVE THE DAILY FEE CHARGES AND TO ALLOW MS. LIND TO PAY THE ADJUSTED AMOUNT OF \$312.15, AND TO REMAIN CURRENT ON ALL MONTHLY FUTURE PAYMENTS, AND IN THE EVENT THAT SHE HAS A REMAINING BALANCE ON JUNE 30, 2008, THEN WE WOULD LOOK AT THE STALL RENEWAL SITUATION.

Mr. Mehrkens seconded the motion.

Mr. Preston offered an amendment to the motion. **“To have Ms. Lind continue to pay the \$150.00 current payment schedule to the end of June 2008, and to waive the remaining amount owed.”**

Mr. Williams seconded the motion.

Discussion followed with Mr. Preston, Ms. Jebe, and Mr. Fisk.

Mr. Preston’s amended motion failed with 4-no votes and 3-yes votes.

Mr. Preston offered another amendment to the original motion. **“Move to forgive the entire back balance from September.”**

Ms. Jebe seconded the amended motion.

Mr. Preston’s amended motion failed with 4-no votes and 3-yes votes.

The original motion made by Mr. Knapp failed with 4-no votes and 3-yes votes.

Vice-Chair Mr. Fisk said that the fee appeal by Ms. Lind was denied by the failed motion.

Mr. Stone was instructed to work with the Harbor Department to see that Ms. Lind receives the adjusted amount of \$312.15 offered for some relief on the daily rate charged for the month of September.

4. Auke Bay Boatyard Lease.

Mr. Stone gave a short presentation on this topic and Mr. Preston added additional information.

Mr. Stone said that we received no formal protests to the award of the bid to Juneau Marine Services.

Discussion followed with Mr. Fisk, Ms. Jebe, and Mr. Preston

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VI. Items for Action (cont'd).

Public Comment:

1. Jim Betts - Betts Boat Repair
Owner – Operator
2648 Glacier Highway
Juneau, AK 99801

Mr. Betts said that he understands that he scored second to Juneau Marine Services, however he really would like to be selected to operate the Auke Bay Boatyard. He said by selecting Juneau Marine Services they would now have a monopoly on this type of business since they already operate the downtown boatyard. There is no other boatyard with water access in Juneau.

He said that 10 years ago he also bid on the downtown boat yard operation and again came in second to Juneau Marine Services.

In addition, he said with being in the boat repair business he expects to make the City money through the paying of taxes on both materials and labor expenses. He said that he is not complaining as this brings more money into the City coffers.

He said in summary, he feels that he is qualified to operate the Auke Bay Boatyard and would like to be considered for this opportunity. Also, this would avoid a monopoly situation that should help for fairness of costs to customers.

Discussion followed with Mr. Knapp, and Mr. Kueffner.

2. Todd Wicks - 911 Minor Court
Juneau, AK 99801
Charter Boat Operator

Mr. Wicks said that Jim Betts has been his mechanic and friend for 15-years and that he feels that Mr. Betts is an excellent mechanic and is very dependable.

Mr. Wicks added that competition is very good for the boat haul-out business.

Discussion followed with Mr. Kueffner, Mr. Fisk, Mr. Preston, Mr. Knapp, Mr. Stone, and Mr. Williams.

MOTION by Mr. Knapp: MOVE TO POSTPONE THIS DECISION AND REFER IT TO A COMMITTEE OF THE WHOLE MEETING EARLY IN JANUARY 2008, AND THEN TO GO INTO AN EXECUTIVE SESSION TO FURTHER DISCUSS THIS TOPIC.

There was no second to this motion – so the motion failed for lack of a second.

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VI. Items for Action (cont'd).

MOTION by Mr. Williams: MOVE TO AWARD A LEASE FOR THE AUKE BAY BOATYARD AS RECOMMENDED BY THE FINANCE COMMITTEE AND TO REQUEST THAT THE ASSEMBLY ADOPT AN ORDINANCE AUTHORIZING THE PORT DIRECTOR TO NEGOTIATE AND ENTER INTO A LEASE WITH JUNEAU MARINE SERVICES.

Mr. Kueffner seconded the motion.

Discussion followed with Mr. Knapp, Mr. Fisk, Ms. Jebe, Mr. Mehrkens, Mr. Preston, and Mr. Kueffner.

The motion failed with 4-yes votes and 3-no votes.

MOTION by Mr. Kueffner: ASK UNANIMOUS CONSENT TO RECONSIDER THIS TOPIC AT THE NEXT REGULAR BOARD MEETING ON JANUARY 31, 2008.

The motion passed without objection.

Vice-Chair Mr. Fisk said that this topic would be placed on the January 31, 2008 Regular Board Meeting Agenda.

5. Statter Harbor Master Planning and Permitting Services Award.

Mr. Stone gave a short presentation on this topic.

Discussion followed with Mr. Kueffner.

MOTION by Mr. Mehrkens: ASK UNANIMOUS CONSENT TO APPROVE THE AWARD OF THE STATTER HARBOR MASTER PLANNING AND PERMITTING SERVICES RFP AS RECOMMENDED BY THE PORT DIRECTOR AND TO REQUEST THAT THE ASSEMBLY APPROVE A CONTRACT AS RECOMMENDED BY THE PORT DIRECTOR.

The motion passed without objection.

6. Request for Waiver of CBJ Rock Royalty.

Mr. Stone gave a short presentation on this topic and added that they have decided not to pursue this waiver at this time.

VII. Items for Information/Discussion.

There were none.

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VII. Items for Information/Discussion.

There were none.

VIII. Committee and Board Member Reports.

1. Operations Committee Meeting – held December 11, 2007

Ms. Jebe said that they looked at the Waterfront Sales Permit Regulations and talked about the vandalism at Douglas Harbor.

Also, she said they talked about keeping the Harris Harbor Restrooms closed permanently.

In addition, she said that they talked about vehicles that are towed to Norway Point in order to remove snow from city streets.

2. Finance Committee Meeting – held on December 20, 2007

Mr. Preston said that most of the items that they talked about have already been discussed at tonight's meeting.

He said that there was one Boat Shelter sale that had been previously approved and a letter has been sent out per requirements.

3. CIP/Planning Committee Meeting – held on 12/18/07

Mr. Fisk said that they mainly talked about current project updates.

IX. Harbormaster's Report.

There was no report as Mr. McCall was out of town.

X. Port Director's Report.

Mr. Stone said he had nothing further to add due to the fact we are out of time for this meeting.

XI. Committee Administrative Matters.

1. Meeting Calendar for January 2008.

Please note the meeting schedule for all the Committee Meetings and the Regular Board Meetings for the entire 2008 calendar year

Operations Committee Meeting - January 15, 2008
5:00 p.m. to 7:00 p.m. **AURORA HARBOR OFFICE**

Finance Committee Meeting - January 17, 2009 – (meeting has been cancelled)
5:00 p.m. to 7:00 p.m. **CBJ ASSEMBLY CHAMBERS**

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XI. Committee Administrative Matters (cont'd).

CIP/Planning Committee Meeting - January 29, 2008

5:00 p.m. to 6:30 p.m.

AURORA HARBOR OFFICE

Regular Board Meeting -

7:00 p.m. to 10:00 p.m.

January 31, 2008

CBJ ASSEMBLY CHAMBERS

XII. Adjournment.

MOTION by Mr. Kueffner: ASK UNANIMOUS CONSENT TO ADJOURN THE REGULAR BOARD MEETING.

The motion passed without objection.

The Regular Board Meeting was adjourned at 11:05 p.m.