

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, October 27th, 2011

I. Call to Order.

Mr. Williams called the Regular Board Meeting to order at 7:00 p.m. at the CBJ Assembly Chambers.

II. Roll Call.

The following members were present: Greg Busch, Tom Donek, Don Etheridge, Eric Kueffner, Budd Simpson, Wayne Wilson and Michael Williams.

Absent: John Bush and Kevin Jardell

Also present were the following: Carl Uchtyl – Port Director, Dwight Tajon –Harbormaster, Mary Becker – City & Borough Assembly Liaison and Dixie Hood – Parks & Recreation Liaison.

III. Approval of Agenda.

Mr. Uchtyl asked to add another item under items for information/discussion;

4. Power point presentation on Statter Harbor launch ramp

MOTION by MR.ETHERIDGE: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the minutes of the September 29th, 2011 Regular Board Meeting were approved.

V. Public Participation on Non-Agenda Items.
None

VI. Items for Action

1. Echo Cove Commercial Use Permit

Mr. Uchtyl said this is basically a renewal of Coeurs last years Commercial Use Permit. Coeur plans to conduct boat transportation runs out of Echo Cove to Slate Creek Cove during the winter months when weather conditions create unsafe conditions. The transportation runs are planned to begin on November 14, 2011 and continue through April 30, 2012. They have been issued a permit for the last two years and have not had any issues.

Board Question

Mr. Kueffner asked if they would be doing the snow removal.

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Mr. Uchytel said he asked Mr. Eppers what services Docks and Harbor would be required to do and he said nothing.

Mr. Kueffner said he would like the snowplowing in writing.

Mr. Uchytel said the only other thing that may change in the permit is to bill monthly instead of at the end of the permit.

Mr. Wilson said that it is dangerous to transport passengers off a sandy beach and wanted to make sure they were required to have insurance coverage.

Mr. Etheridge said this is a renewal. Coeur has been doing this in the past and there has been no problems. They have done all the snow removal and everything required in the permit.

Public Comments

None

Board Discussion/Action

None

MOTION by MR KUEFFNER: TO AUTHORIZED THE PORT DIRECTOR TO ISSUE A COMMERCIAL USE PERMIT TO COEUR ALASKA FOR THE USE OF THE ECHO COVE LAUNCH RAMP FACILITY FOR THE PURPOSE OF OPERATING A PASSENGER SHUTTLE FROM ECHO COVE TO THE KENSINGTON MINE FROM NOVEMBER 14, 2011 UNTIL APRIL 30, 2012 AND ASK UNANIMOUS CONSENT.

Motion passed without objection

Mr. Williams said to just make sure to get an e-mail with the snowplowing to be performed by Coeur.

VII. Items for Information/Discussion.

1. Boom Truck Fee Schedule

Mr. Tajon said the boom truck will be arriving in the next couple of weeks. The boom truck fees that Docks and Harbors will be charging will not interfere with the full service providers. Mr. Tajon said Docks and Harbor will operate on a very limited services described in the proposal draft. With the boom truck, the staff will perform a specific pick without unloading everything from storage to access a certain stored items.

Mr. Busch asked if this would be going in front of the finance meeting at a future meeting, and the actual fee recommended amount would be proposed at that point.

Mr. Tajon said yes.

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Mr. Uchytel said Docks and Harbors staff wanted to make sure the Board was aware of their actions. The staff will be discussing this with the known boom truck operators in Juneau and invite them to attend the next Board meeting this would be discussed at. Mr. Uchytel said he thought this would just need to go to the next Board meeting with the fee rate.

Mr. Kueffner said because the Finance meeting was cancelled is why he recommended adding the Finance agenda items under Items for Information /Discussion on the Board agenda. He said he recommends after being discussed at this Board meeting to send to the next Board meeting for approval of the fees and not go to the Finance meeting.

Mr. Simpson said this has already been discussed at some length at the Operations Committee too, and most of the Board has already spent enough time on this issue.

Mr. Kueffner said he proposes to just send this to the next Board because it is already going to be in the community for a month.

Mr. Williams said to let the local boom truck operators know there is going to be some action items on boom truck fees at the next Board meeting.

2. Tideland Lease Rent Adjustment (Mt Roberts Tram)

Mr. Uchytel said this is briefing the Board that Docks and Harbors staff is moving forward with the lease rate adjustment recommended by Horan & Company Appraisers. The lease was last adjusted in 2006 to \$104,000. The proposed lease rate is \$300,000. He said he has brought this to the attention of the Mt. Roberts Tram as a courtesy. There is no action item needed from the Board at this time, but wanted the Board to know he was moving forward with this lease adjustment. Docks and Harbors Ordinance and Regulations states the process.

Jim Duncan Jr., Juneau, Ak

Mr. Duncan said he has been with the Tram for the last 15 years, and became General Manager this last summer. He said he did receive a copy of the appraisal. He is concerned with the significant rate increase. This rate will have potential financial ramifications for the Tram. He said he would like to know the process from here. He said he thought the process was that if the appraisal that the CBJ Docks and Harbors had done was not acceptable to the lessee, the lessee can get an appraisal done, and if that is not agreeable, then a third appraisal can be done. If it is still not agreeable, it will go to the Assembly.

Mr. Williams said this is just a process that is moving forward with negotiations. He wanted to let Mt Roberts Tram know that the Docks and Harbors Board and staff wants to work together to find a resolution that will make everyone happy.

Mr. Kueffner said he has represented Mt Roberts Tram in the past and his firm has represented Goldbelt so he would like to recuse himself from this topic.

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Mr. Simpson said he has problems with this suggested rate on a number of different levels. He is familiar with property values in the South Franklin area. He said the property values on South Franklin are extremely reduced now from what they would have been in 2006. There is no way an appraisal done today could increase the rate three times its value. He said he says the Docks and Harbors Board has an obligation to be fair to the citizens and businesses in this community, and the \$300,000 proposed lease rent is outrageous. There is no way he would support that figure for an annual lease rate.

Mr. Wilson asked Mr. Simpson if he was talking about an unimproved rate versus an improved rate.

Mr. Simpson said he was talking about two comparable unimproved properties and that is what this appraisal was based on, unimproved property.

Mr. Uchytel verified he is just running a process and is not an appraiser. He wants the process to be fair and equitable.

3. Tideland Lease Rent Adjustment (Tim Smith et al)

Mr. Uchytel said this gets reappraised every 10 years. This is another lease rent adjustment that Docks and Harbors will be moving forward with. This rent would be set at \$11,957.25 annually from \$9,600.00.

Mr. Simpson said this adjustment seems fair.

Mr. Kueffner asked if the Tim Smith lease will have to go back to finance? He said he does not see that is would need to.

Mr. Williams said the Board is just authorizing the Port Director to move forward on this and should have final tuning at the Finance Committee before coming back to the full Board for approval.

4. Power point presentation on Statter Harbor launch ramp.

Mr. Williams said there was questions about the viability of the proposed new Statter Harbor launch ramp at the extreme lowest tides. The question was would Docks and Harbors be improving Statter Harbor boat launch ramp? Docks and Harbors wants to improve the ability to launch at minus tide levels. Where the new launch ramp is proposed, the bottom contours are significantly steeper than the current launch ramp.

Mr. Uchytel said Docks and Harbors has preliminary work to say the new launch ramp will be improved from what is there now. He showed a power point presentation on existing Statter Harbor launch ramp and discussed different tide levels on the ramp. He went on to discuss the new launch ramp tide levels and ramp positioning.

Part of funding for the Statter Harbor upland side comes from Federal Fish & Wildlife. The grant has to meet certain criteria for the boat launch facilities.

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Mr. Wilson said looking at the slide, at a -1 foot tide, and the larger the boat you're floating, the deeper the boat will set in the water. For loading, you need an increase run out to be able to get your trailer deep enough to launch it for a -2 or -3 tide.

Mr. Uchtyl said the design is not completed, but the final design will be better than the existing ramp.

Mr. Wilson asked if the Geotechnical for Statter has been completed yet?

Mr. Uchtyl said no.

VIII. Committee and Board Member Reports.

1. Operations Committee Meeting- October 19, 2011

Mr. Busch reported the boom truck fee structure was discussed. The Committee recommended the fee structure be increased to \$120.00 for the first hour and half hour intervals after that. The boat lift fee structure was discussed and the Committee developed questions for the Port Director to look into. The condition report for the Statter Harbor travel lift was discussed and the Port Director was addressing concerns. The Committee received a proposal for a net float barge that would be moored out in front of the Auke Bay loading facility and be available for working on nets. Updates to the proposed resident vessel regulations were discussed and the committee members shared comments and concerns. The Harbormaster had a good report and said the staff is getting ready for the winter season.

2. CIP/Planning Committee Meeting – October 20, 2011

Mr. Williams said the Committee received a letter from Parks and Recreation Advisory Committee as information item. The Committee also received a letter from the Douglas Advisory Board and they were unanimous about naming the Douglas Boat Harbor. Mr. Williams said the naming process would go as follows;

1. Put out in the public for participation
2. Send to Docks and Harbors Board
3. If the Board approves, send to the Assembly for final approval.

The Committee also discussed the condition of the travel lift and haul out operation. The Committee decided losing a haul out is not an option. If that feature is lost, the process to reinstall a haul out would cost astronomical. It would be more cost effective to try to fix the existing travel lift because it is worth a lot of money just being there.

Mr. Williams said the Port Director reported the Alaska Marine Highway vessel will not be using the proposed Juneau location.

3. Finance Committee Meeting – October 25, 2011 – CANCELLED

4. Member Reports-

Mr. Kueffner wanted to know why the parking by City Hall was not opened.

Mr. Tajon said he called City Hall and because of the new parking garage, CBJ will keep that parking area closed.

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IX. PRAC Representative Report

Ms Hood reported at the November 9th PRAC meeting, the committee will be reviewing a priority list of Parks and Trails in the Juneau Area to make a selection to forward to the Assembly for the proposal for the 1% sales tax election in October 2012. The proposed areas that Docks and Harbors would have any relationship with or impact would be the Under the Bridge Park, Marine Park, and the Seawalk.

Mr. Kueffner asked when and where the November 9th meeting was going to be?

Ms. Hood said in the Assembly Chambers at 6:00 pm.

X. Port Engineer's Report.

Mr. Uchtyl said Mr. Gillette was on vacation.

Mr. Uchtyl reported a Sealift representative came to Juneau this last week to look at Docks and Harbors facilities. The sealift representative reported that there should be no problem operating the 45 ton sealift at the Auke Bay loading facility.

Mr. Uchtyl said he will be signing the 404 B permit either tomorrow or early next week for the Statter uplands project.

Trucano Construction has started working on the Douglas break water project again.

Docks and Harbors received the permit for work on the two damaged pilings in the Aurora Harbor and installation of a third piling.

Mr. Kueffner asked if Mr. Uchtyl showed the Sealift representative the Statter Harbor launch ramp area to see if the 45 ton sealift would work at that location.

Mr. Uchtyl said he was not there, but the representative said something along the lines of the existing Statter ramp is narrow, but it would probably work.

XI. Harbormaster's Report.

Mr. Tajon reported the Harbor was notified of a significant water leak in Aurora Harbor. The leak was found, but the water was left on for the resident live a boards at that area of the Harbor. Friday the water will be shut off so the repairs can be completed.

Mr. Tajon said the Echo Cove launch ramp is going to be cleaned off by a contractor tonight.

Mr. Busch asked if meters were installed at the head of all the water lines to quickly identify when there is a break?

Mr. Tajon said there are some meters installed there. There was a meter installed at that area, but not a remote reader. There is a remote reader that will be installed.

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XII. Port Director's Report.

Mr. Uchytel reported Dwight Tajon, Gary Gillette, Erich Schaal and himself attended the AAHPA(Alaska Association of Harbormaster and Port Administrators) conference in Homer last week. During that event, Phil Benner was awarded the AAHPA Harbormaster of the year award and Dwight Tajon was recognized as CBJ Docks and Harbors Employee of the year.

Mr. Uchytel said he is coordinating a visit for next Friday for four Danish representatives from Copenhagen coming to look at Docks and Harbors cruise ship facilities.

Mr. Uchytel read a thank you letter from the Deputy Commander of the Coast Guard Sector Juneau for the Harbormaster's assistance to the Coast Guard Cutter Anacapa.

XIII. Assembly Liaison Report

Ms. Becker said she will be meeting with Mr. Uchytel Monday of next week. She said she is happy to be the Docks and Harbors Liaison. She said she is pleased to see the activities and things happening in the Juneau Boat Harbors. With Juneau being a fishing community it is important for the Harbors to be fixed, repaired, finished, and ready for the sport and commercial fisherman. She said she would be happy to receive input on what the Board would like her liaison reports to include.

Mr. Williams suggested to send interests in a e-mail to Kevin Jardell and he can get together with Ms Becker.

XIV. Committee Administrative Matters.

1. Operations Committee Meeting – November 15, 2011
5:00 p.m. at the Aurora Harbor Office
2. CIP/Planning Committee Meeting – November 17, 2011
5:00 p.m. in the CBJ Assembly Chambers
3. Finance Committee Meeting – November 29, 2011
5:00 p.m. at CBJ Room 224
4. Regular Board Meeting – December 1, 2011
7.00 p.m. in the CBJ Assembly Chambers

XV. Adjournment.

The Regular Board Meeting adjourned at 8:01 p.m.