

CBJ DOCKS & HARBORS BOARD
OPERATIONS COMMITTEE MEETING MINUTES
For Tuesday, November 15, 2011

I. Call to Order.

Mr. Busch called the meeting to order at 5:00 p.m. at the Aurora Harbor Office.

II. Roll.

The following members were present: Greg Busch, Don Etheridge, Budd Simpson, Tom Donek, and John Bush.

The following members were absent: Wayne Wilson, and Kevin Jardell

Also in attendance were: Dwight Tajon – Harbor Master, Carl Uchytel – Port Director, Mary Becker – Assembly Liaison, and Michael Williams.

III. Approval of Agenda.

MOTION by Mr. Etheridge: TO APPROVE THE AGENDA AS PRESENTED.

IV. Public Participation on Non-Agenda Items.
NONE

V. Approval of October 19, 2011 Operations committee Meeting Minutes.

Hearing no objection, the minutes from the October 19, 2011 Operations Committee Meeting is approved once the correction is made.

VI. Items for Action.

1. Lease Application for ATS 123 Lot 2

Presentation by Port Director

Mr. Uchytel

Mr. Trucano would like to lease some tide land property adjacent to his yard. This came up in a Finance Meeting and they approved it to go further. Since then Teena and I have been doing some research with in City ordinance and came up with a structured processes for leases. It felt like Docks & Harbors (DH) didn't have one. I just wanted to go threw real quick what the process is for leasing property now, then go into what Trucano wants to lease. Essentially there is CBJ lease ordinance and then there is the ordinance under DH that also applies to lease CBJ lands. I went to Heather Marlow at Lands and asked what process do you have and they didn't have one either. The first thing put together was an application which DH didn't have. Per the ordinance for an application there is a ten (10) dollar fee. In some cases the land needs to be advertised and then a bid process. Ones the application is turned in and the fee is paid I will bring it to the Operations Committee. If it is approved I will then move forward with it. The property will then be appraised and the Lessee will pay for that, which runs about \$2,500.00. While talking with the Finance Committee and DH will get less money in a year then what it will cost to do the appraisal. Once the appraisal comes back it then goes to the Finance Committee and they establish the lease rent presumably what ever was recommended

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by the appraisal. Next it goes to the DH Full Board. They approve it and then I go to CBJ Law and they draft an ordinance for Assembly considerations. Then it goes to Assembly Lands Committee for a recommendation, next it requires two Assembly Meetings, one for public notice and one for adoption. Once that is done it comes back, CBJ drafts the lease for signatures and I sign it and Lessee signs it, then it goes to the State Recording Office. That is what I tend to do unless the board tells me to skip something. What I am asking for tonight is the approval to move forward with this lease. It is about 45,000 square foot lot. They do plan on sub-leasing it, but they don't know what they plan on using it for. However, if there is going to be any improvements it will have to go back to the full board for approval before it can be done.

Committee Questions

Mr. Bush

They want to leases it and then sub-lease the land?

Mr. Uchytel

Yes, they don't know what they are going to do with it but they plan on sub-leasing it. This has been leased by them before in the past and let the lease expire 2004. If you drive by, there is a sign advertising this piece of tide lands for lease and contact the Port office if you are interested and they have done that.

Public Comments

Paul Swanson - Juneau, Alaska, 99801

If Trucano can lease it out why can't DH lease it out to someone else? How long is the lease for?

Mr. Uchytel

There is a sign there saying this property is for lease, so if someone wants to lease it they can. They are free to ask to lease it too. In the application they have requested 35 years. When the appraisal was done it was appraised for five cents a square food.

Committee Discussion/Action

Mr. Donek

I thought Trucano used that for storage in the past; maybe they will only sub-lease part of it.

Mr. Etheridge

No, the land that had equipment stored on it was theirs, they want the other land. They had it leased for many years. They lease the land, make improvements and then sub-lease it. They can't afford to lease it and do the improvements too.

Mr. Williams

Juneau has limited recourses and people that have the ability to make improvements on lands

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to make it usable. 35 years seems a little long but, maybe Finance can look at it.

Mr. Bush

Is applicant aware that they will be covering the cost of the appraisal? If improvements are made and the value is changed would it be appropriate to ask for a new assessment.

Mr. Uchytel

Yes, they are aware of that.

Mr. Etheridge

That is not allowed.

Mr. Simpson

The appraisal is done on the property as it is delivered to the Leases. If it is unimproved mud flats then that is what they are paying for. If improvements are made they may get taxed but that doesn't change the lease rate that is being charged. It will be appraised as mud flats.

Mr. Williams

If DH enters into this for 35 years for X amount of dollars then improvements are made, the next 35 years it will just be mud flats, without the improvements.

Mr. Busch

Every three to five years there will be a reappraisal of the unimproved property, so as the property values increase based on the improvements its value may change as well.

Mr. Uchytel

Three years after the lease is signed there will be another appraisal every five years after that.

Mr. Bush

Who will own the improvements once the lease is up?

Mr. Etheridge

Docks & Harbors.

Mr. Donek

They have the opportunity to remove the improvements. If they don't remove them they become D&H property.

Mr. Etheridge

All of the dock area Trucano has over there is leased property from DH. It is appraised as if there were no improvements made on it. That is how it has been done for years because they have paid for all the improvements and maintains them. However, if they leave or give up that lease it would all come back to DH. Most of the leases DH has are 30 to 50 years. Every five years DH goes back and looks at it again and adjusts the appraisal rates at that point.

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Mr. Busch

I appreciate your efforts to go through and establish a formal process that is repeatable and can be followed and understood. Thank you for that.

Mr. Etheridge

I move to approve the Port Director to proceed with the application for lease by Doug Trucano for tidelands ATS123, Lot 2 (Douglas Island in vicinity of Douglas bridge) for the purpose of conducting a rent appraisal.

MOTION: PASSED – Approved Unanimously

2. Echo Cove Launch Ramp area trash can

Presentation by Harbormaster

Mr. Tajon

Three to four years ago the board changed that DH would no longer be doing any maintenance out at Echo Cove from October 1st – April 1st. This included the garbage receptacle, restrooms and the plowing too. When I was out there doing an inspection of the clean up job the day after the board meeting a recreational year round user stopped me. They wanted to know if DH could keep one garbage receptacle out there during the winter months. I told them that the request would have to go up the chain and maybe all the way to the board. The only time DH has gone out there in the past is to keep an eye on whether or not there has been vandalism out there. There has been some vandalism out there on a sign that Fish & Game gave DH. It would take one hour to make a run out there if DH was to do this. Forty-five minutes to go from Amalga Harbor to Echo Cove and maybe even back. There would be no guarantee that the road would be clear from the State. I know that the Kensington Mine has a permit to operate out of there. They would be taking care of maintenance on the lots out there. I am not quite sure if this is something DH can do. It is a big gamble for DH to go out there, not knowing if the roads will be clear and the risk the officers could be put in.

Mr. Donek

When DH stop doing winter maintenance it was because the roads were not maintained. Now the road is open more?

Mr. Tajon

Yes. But it depends on how the State runs on its priority list. Where dose running all the way out the road fall on the list.

Mr. Uchytel

I talked with Kevin Eppers from Coeur Alaska, I asked him about snow removal at the parking lot and he stated that they would take care of that.

Mr. Busch

When you have done your checks for vandalism are you finding that people are just dumping garbage out there?

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Mr. Tajon

It is only coming from one recreational user, since then DH has educated him. If he has trash he is to bring it to Statter Harbor. No garbage has been abandoned out there.

Public Comment

NONE

Committee Discussion/Action

Mr. Etheridge

These closers were for cost saving purposes and wear and tear on the vehicles during the winter time. It made a major difference in the savings in the operational budget. These are reasons the Board made the decision. It would be my recommendation not to do it.

Mr. Williams

I concur with Mr. Etheridge, also for safety reasons and human resources. Great job Dwight for giving an alternative, just bring it to Auke Bay.

Mr. Busch

All those in favor: NONE; All those oppose: ALL.

MOTION: FAILS – Unanimously

VII. Items for Information/Discussion.

1. Harbormaster Operations Report

Presentation by Harbormaster

1. Removed North Douglas Boarding floats to Statter Harbor – **They will be moved back in April when there are some good tides.**
2. Pressure washed Harris & Douglas floats
3. Pulled water meter & back flow preventer at Fisherman's Terminal
4. Service cleaning on used oil burner
5. Constructed new pouring deck at used oil collection area outside of Harris Harbor office – **There was an incident where a customer slipped a little. So the pouring deck was increased in size.**
6. Called diver in for three water line repairs in Aurora. One was pending a water meter reading, it is a very minor leak.
7. Removed barriers from paid parking area at Statter Harbor
8. Completed bull rail preparations for the season – shipment of plastic round stock arrived later than expected – **This will let the crew prepare some chocks for spacers between the deck and bow rail.**
9. Graveled area near the Horton lot for the core sampling contractor – **Took the portable drill unit down the trail and did the last two core samples.**

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10. Contractor cleaned off Echo Cove launch ramp
11. Auke Bay crew trouble shot issue with hydraulic sander – took it to Maritime Hydraulics, the pump is shot and parts are hard to find – need to go out to bid for a new one. – **There are two bids in right now. The one in Anchorage adjusted the shipment for DH.**
12. DeHarts is finally vacated on November 1 – **DH is just down there for cleaning off snow. Gate is locked and DH has a shared locking system with the Fuel Dock. There are signs posted “Closed to the Public”. The power is shut off to B and C float. The main and D float could not be shut off because they are connected to the Fuel Shack. I went over the moorage assignments for the new DeHarts and discovered that there are two lodge companies operating out of DeHarts. Between the two lodges they have a total of eight stalls, four for each company. That is going to be a problem when it comes reassignment time. The current rules (05 CBJAC 40.035 a3) is “In cases where a waiting list exists for the slip or space size being assigned, the applicant or assignee has no more than two slips or spaces of any size assigned to them.”**
13. Created a shared lock system with the fuel dock operators at DeHarts
14. Shut off power to B & C floats in DeHarts for the winter.

Mr. Bush

I had a patron ask why the North Douglas Boarding Floats get taken out. Is there a ruff regular schedule that they are taken out and put in?

Mr. Tajon

They are taken out because there is no break water in place right now. The old floats only lasted ten years and DH is trying to make them last longer. They are taken out in October and put back in place sometime in April. It is all tide dependent.

VIII. Staff & Member Reports.

Mr. Busch

One item for next staff and member reports: My understanding is that there hasn't been any input on the live-a-board issue from the Operations Committee. If any one has comments or recommendations please e-mail them to the Harbor Master, so DH can look at what issues need to be resolved with potential regulatory changes. For next meeting, request that there be an information report on what regulations are currently in place for the live-a-boards including the public nuisance and if possible the commercial use restrictions that maybe in place.

Mr. Williams

I and another person will be spending a lot of time down in the Taku Fisheries area so if DH needs any pictures taken call me. It will not cost anything.

Mr. Simpson

I think it was Mr. Jardell that brought up to the Yacht Club Board the idea of co-sponsoring with some holiday lighting on boats in the harbor. I was going to bring that up at the Yacht Club meeting tonight and see if anyone was interested in it. I just wanted to see if there was anything particular I should say or pass on. Years ago there was some type of parade were boats would go

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threw the harbors with decorations. That is not what is being suggested, it is just to decorate what is in the harbors.

Mr. Busch

Is that something that has been done in the past?

Mr. Etheridge

With the new LED light that might be something a patrons can do now without popping the breaker.

Mr. Uchytel

I acutely initiated that discussion. What I was looking for was a sounding board from some user group to see whether this was worth pursuing from DH perspective. If so I would be willing to meet with the Chamber of Commerce rather some business people to see how much interest they would want or provide in sponsoring an event like this. If there is interest or if you tell me no one wants to mess with their boats in December putting lights up, that is a good answer and I will go on with other things. But if there is interest I would be willing to step out and see what I can do. Then maybe it could move to more in the future years.

Mr. Simpson

The Yacht Club is willing to offer the club house for a place to hold an event for awards to Co-Sponsors.

Mr. Williams

I took some pictures of the Douglas pilings. They were actively working out there.

Mr. Uchytel

There are 12 pilings for the breakwater they are only planning on doing five because of weather concerns this season. They are working on sixth piling right now, which is the center one.

Mr. Simpson

Move forward with the Christmas Lights.

IX. Committee Administrative Matters.

1. The next Operations Committee meeting – December 6th, 2011 at 5:00 pm at the Aurora Harbor Office.

X. Adjournment.

The meeting Adjourned at 5:47 P.M.