

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, April 26th, 2012

I. Call to Order.

Mr. Jardell 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: John Bush, Greg Busch, Tom Donek, Don Etheridge, Eric Kueffner, Budd Simpson, Michael Williams and Kevin Jardell.

Absent: Wayne Wilson.

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

III. Approval of Agenda.

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

The motion passed without objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the minutes of the March 29th, 2012 Regular Board Meeting minutes were approved.

V. Public Participation on Non-Agenda Items.

Paul Swanson, Juneau, AK 99801

He said he wanted to compliment the Board for taking action to fix the travel lift structure to make it operational for another three to four years. He thought in prior discussions at the Board meetings, the travel lift was said to be originally rated at 40,000 pounds lift capacity. The cost for repairs was estimated at \$40,000 to get the travel lift rated at 25,000 or 26,000 pounds. Mr. Swanson said he looked at the travel lift and it was only originally rated at 30,000 pounds, and he can not see the cost of repairs being \$35,000 or \$36,000 like Mr. Duvernay estimated. He understands giving rent credit, but this is still money Docks and Harbors will not receive now. He wanted to know why this job was not sent out to bid. He does not see Docks and Harbors getting equal value.

Mr. Swanson said another problem he has is with the rebuild of Statter Harbor. Why is there going to be less slips than what is currently there now? There is going to be more demand than supply.

Carol Pitts, Juneau, AK 99801

She said she is the owner of ORCA Enterprises. She said at a meeting on April 25th with Docks and Harbors personnel, the waterfront vendors became aware that the booths that are located under the tram wires by the Archie VanWinkle Memorial are planned to be relocated this year. The vendors expressed concerned because of the loss of revenues. With the new plans, she understands the space that the four booths are located on will no longer be there. This year, the space is still there, and Ms. Pitts is

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requesting, for the sake of revenue, that the four booths stay at that location for one more year. All the vendors are in agreement with this issue.

Mr. Simpson asked what the appropriate procedure for this would be because this is a non-agenda item. Would the Chair entertain a Motion out of sequence?

Mr. Jardell asked the Port Director if the staff has any recommendation.

Mr. Uchytel said Docks and Harbors is not supportive to keep the four booths located under the tram way, for the same reason the vendors want them to stay. It is very congested in that area. Because of the congested area, it is unsafe. People are forced off the sidewalk and into traffic, and this becomes a safety issue. He said Docks and Harbors had a clear process in December and January on the proposed vendor booth locations for this year. It was not voiced during the meetings that this booth area was critical for waterfront sales.

Mr. Jardell said with this being an issue again, this should go to the Operation Committee meeting. Docks and Harbors established a sub-committee to listen to the concerns of all affected by the changes. He said the sub-committee had meetings and listened to concerns. Just acting tonight is not the best process.

Mr. Williams said he supports Mr. Uchytel on this decision. The amount of conversation, coercion, traffic, discussions, e-mail, and communication that go through these groups, is unbelievable. There is no way you can tell me that the vendors were not aware of what was going on, or what was occurring. If it is going back to the Committee, he wants to be on that Committee. As far as he is concerned, this should just be a done process.

Mr. Kueffner said he wanted to know what Committee this is to go back to? He said his comment on the process is that it is poor public process to take it up right away. He said he does not suggest to not reconsider a decision, but it does seem unnecessary to make this decision in haste without looking at the reasons for the moving of the booths.

Mr. Jardell said this will go back to Operations Committee.

Mr. Simpson said he agrees that the Board should not be doing things hastily, but on the other hand the first ship is next week. If this is something the Board wants to reconsider, putting this off for a normal meeting, meaning a month long process, will be causing the vendors to lose a quarter of their season.

Mr. Jardell said the Board did provide a number of opportunities for all the people affected by the changes to come and voice their views. Mr. Jardell said he was at the meetings and was surprised there was not much public participation. The sub-committee came to a conclusion, but he has no problem with reconsidering and revisiting every decision. This should go back to the Operations Committee.

Ms. Pitts said she appreciates the Board listening. The gravitation of the flow of traffic is one of the concerns that the vendors did have, and she said the vendors were concentrating on the proposal to take away the booths in front of the Port/Customs building. Some of the vendors were out of town and were trying to address this from a distance. The vendors thought everything else was in place. The concentration was all on the one issue. By the time three week's passes to take this to the Operations Committee, the booths will be in place. It is imperative to have the decision made now because the booths are not set yet. Once the booths are in place, moving the booths would be more complicated.

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Greg Pilcher, Juneau, AK 99801

He said he is the owner of Whale Tales. He understands this is a difficult decision for the Board, but all the vendors were not here for the other meetings because they were traveling. He said it is clear to see the unanimous support from all the vendors on the loss of revenue that the vendors are going to expect if the booths are moved from last year's position. At the meeting yesterday, the vendors asked Mr. Uchytel and security to provide incident reports or accidents at that area. Mr. Pilcher said he has not seen any. He said the vendors are really only asking one more year and does not really see what the issue is. He said if the booths stay this year, this should benefit everyone. If the booths are moved, this is going to be a loss of revenue and jobs.

Mr. Williams said the summer season is a substantial amount of business for the vendors. Docks and Harbors is open year around and can be contacted by e-mail, phone or mail. The Board tries to be respectful to the community, the vendors, and people doing business, but Docks and Harbors also has to get business done. Docks and Harbors has a lot going on. Mr. Williams said if he had a business he would be paying attention to it. The Board tries to meet all the needs of the public, but if the business owner is not present and does not have someone to represent his business attending the meetings, it is hard to know what the needs of that business is.

Mr. Pilcher said he agrees, and he was in town for the meetings. He said only four vendors were here at the time of the meetings. He said all the vendors are here now, and the season has not started. The season is only five months long and the booths are sitting right there. If there was something substantial on injuries or accidents or anything like that, he could see not having the booths at that location. He has not seen any accident reports. He wanted to know who is against this and why?

Mr. Jardell said you can bring this up at the Operations Committee and see who opposes.

Mr. Pilcher asked when the meeting would be.

Mr. Jardell said May 22nd.

Mr. Pilcher said the soonest this could be is May 22nd for a decision.

Mr. Jardell said it would have to go to the full Board on May 31st after the Operation meeting.

Mr. Pilcher said so June 1st would be the soonest the booths could be moved.

Mr. Jardell said yes.

VI. Items for Action

1. Boathouse sale

Mr. Tajon said he received a letter from the owner of a boathouse located in stall F19 at the Aurora Harbor stating their boathouse is up for sale. He is giving Docks and Harbors the right of first refusal for the sale of the boathouse. The boathouse size is 15 X 41 feet. There are pros and cons for this purchase. This would give Docks and Harbors the ability to have a covered area for our vessels during inclement weather, storage, and secured area for impounds depending on the vessel size. The downside is the location of the boathouse is in an avalanche slide area.

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Board Questions

Mr. Donek asked what is the asking price?

Mr. Tajon said he didn't know, it was not put in the letter he received, but it has to be at least \$10,000.

Mr. Jardell asked what Mr. Tajon recommends.

Mr. Tajon said he recommends to politely refuse the purchase.

Mr. Simpson said he does not remember Docks and Harbors ever purchasing a boathouse before, and he thinks the purchase price would be closer to \$25,000.

Mr. Etheridge said the purchase price would probably be closer to \$34,000 or \$35,000.

Public Comments - None

Board Discussion/Action

Mr. Kueffner said he thought the information was sparse, but thinks it would be unfair to have him give the Board a price when we do not have any intent to buy. He said the Board could politely refuse, but would still like to know the price.

Mr. Bush asked what the annual moorage was?

Mr. Etheridge said the moorage is figured on the lineal feet of the boat, plus \$.37 per square foot for the boathouse plus tax. The boathouse owner also has to pay property tax.

MOTION By Mr. Etheridge: TO POLITELY REFUSE THE BOATHOUSE PURCHASE OFFER AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Trucano/Nowell Ave. Lease ATS 123 Lot 2

Mr. Uchytel said this Board has acted on this lease application from Mr. Trucano when he was intending to sublease, but he did not indicate a reason. This was forwarded to CBJ Law to move forward with the process and CBJ Law said Mr. Trucano needs to state a reason on the application for subleasing. Mr. Trucano has now come back with a reason for the lease. Mr. Trucano stated in his letter that he no longer intends to sublease and would like to lease CBJ tidelands for the quiet enjoyment, peaceful attribute and protection of the water-related view plane adjacent to his owned property.

Board Questions - None

Public Comments - None

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Board Discussion/Action

MOTION By MR. ETHERIDGE: TO APPROVE THIS LEASE FOR MR. TRUCANO AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

3. CPI (Consumer Price Index) Adjustment to Moorage Rates.

Mr. Uchtyl said it was recommended at the Finance Committee to move forward with the automatic CPI price adjustment for moorage rates beginning July 1st, 2012. The way the ordinance is written is the new moorage rates would be automatically adjusted every year to the Anchorage CPI unless the Board elects not to have the automatic adjustment. The new moorage rates are in your packet.

Board Questions

Mr. Jardell asked what procedural process Mr. Uchtyl wanted from the Board. Is it do nothing, and it will be automatically adjusted, or make a motion to exercise the Boards right to disapprove.

Mr. Uchtyl said he would like the Board to make a motion that the rates were looked at and is in favor of the automatic adjustment.

Public Comments - None

Board Discussion/Action

MOTION By MR. Kueffner: TO APPROVE THE AUTOMATIC CPI ADJUSTMENT FOR MOORAGE RATES AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

4. Water Rate Fee Increase.

Mr. Uchtyl said Docks and Harbors last potable water fee increase was in 2005 to \$3.35 per 1000 gallons. Since May of 2005 CBJ water department has increased their rates three times. If Docks and Harbors elects to go with the same mark up as in 2005, which is 48%, the potable water fee would be set at \$4.67 per 1000 gallons. These are only fees charged to the cruise ships.

Board Questions

Mr. Busch just wanted to clarify that these are only fees charged to cruise ships.

Mr. Uchtyl said yes, this is cruise ships only.

Mr. Busch asked if when Docks and Harbors has water breakages if we still pay CBJ for the water.

Mr. Uchtyl said yes.

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Public Comments

Dixie Hood, Juneau, AK

She said she was having a hard time following and just wanted to clarify what the water fees were going to be raised to.

Mr. Jardell said \$4.67.

Board Discussion/Action

MOTION By MR. ETHERIDGE: TO APPROVE THE POTABLE WATER FEE INCREASE AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

VII. Items for Information/Discussion.
None

VIII. Committee and Board Member Reports.

1. Operations Committee Meeting- April 17th

Mr. Busch reported the Committee had one action item. It was the Doug Trucano lease that was discussed here tonight and approved.

Items for information included:

The first cruise ship is arriving May 3rd, and all the staff preparations for that date.

Staffing and cross training so the Harbor Officers and Harbor Technicians can work in the different areas.

2. CIP/Planning Committee Meeting – April 19th Cancelled

Mr. Williams said CIP did not meet, but the Special meeting at 5:00 p.m. on April 17th did meet. The Special meeting was to accept the bid award for the Statter Harbor moorage improvements.

3. Finance Committee Meeting- April 24th

Mr. Kueffner said the Committee took action on both fee increases that were discussed here tonight, the Automatic CPI moorage rate and the potable water fee increase.

4. Member Reports

Mr. Kueffner said he called the after hours Harbor cell phone and left a couple messages. He said he did not get a call back. He was wanting to know why that happened for a non-summer week night manning of the Harbormasters office. He needed a key to the crane and into the storage yard. In the past he said he has always called the after hours phone on the weekend. Is there better staffing on weekends in the winter?

Mr. Tajon said the winter months the office is only operated five days a week 8 am to 4:30 pm. There is a sign on the door to call the after hours cell number 321-1115. The staff does not carry that on them all the time. You can call CBJ police department and they will get a hold of the Harbor staff on call.

Mr. Kueffner said somebody carries the phone number listed on the door on the weekends.

Mr. Tajon said that would be during the day on the weekends.

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Mr. Kueffner said it was during the day that he had called in the past. He said he would recommend that any person who calls and leaves a message should get a call back.

Mr. Tajon said not all the staff knows to check the messages on the after hours phone. He will make a point to tell them to check the messages.

Mr. Kueffner said he was questioned about the restrooms at Harris Harbor. Are they ever going to be opened again?

Mr. Tajon said since the water line break under the restrooms about six years ago, all the plumbing has been taken out, and the water meter removed. Docks and Harbors uses this currently as a dry storage.

Mr. Etheridge said that was at the direction of the Board at that time. The Board decided not to operate the restrooms to create living spaces for the homeless and have to clean up after them.

Mr. Kueffner asked what if someone arrives in Juneau after non summer hours?

Mr. Tajon said they usually pull into a vacant space, and then sign in during normal hours.

IX. PRAC Representative Report

Dixie Hood said it has been very difficult hearing the discussion from the Board tonight. She said she has two items she would like to comment about.

1. She said the blessing of the fleet is scheduled for Saturday May 5th. She wanted to know if there was going to be some buoys or some kind of posts during the ceremony that would represent the location for the dock for the ships that are circling during the blessing of the fleet. With the markers, the fisherman can experience the space that will be available after the dock is in place.

Mr. Uchytel said there are three buoys marking the Panamax dock location right now. They will be moved out on May 1st, or 2nd, because the cruise ships are coming.

Ms. Hood asked if they would be moved back for Saturday?

Mr. Jardell said no, the buoys will not be there for Saturday.

Ms. Hood said there is no way for all the people concerned about the space for the blessing of the fleet ceremony to be able to see that there is enough space.

Mr. Kueffner said the buoys are in place right now and they can go see right now.

Ms. Hood indicated the fishing vessels that participate in the blessing of the fleet are not in place right now to conduct the test run.

Mr. Kueffner said that does not matter, they can still try it out right now, and there is nothing stopping them from doing that.

Ms. Hood said so would you notify the Coast Guard to do that.

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Mr. Kueffner asked why?

Ms. Hood said because that was one of the larger ships the Fisherman's Memorial were referring to when they were raising questions about not enough space.

Mr. Jardell said the Board is not inclined to get involved. The memorial service people have not inquired with Docks and Harbors to put out buoys, and did not ask us to participate in any way.

Ms. Hood asked who is they?

Mr. Jardell said the people in charge of the memorial service has not asked Docks and Harbors to do anything. Without the request, he does not see a need to do something that has not been asked to do.

Ms. Hood said many members of the public were here at a meeting that were concerned with not having enough space to do the blessing of the fleet as were some fisherman. She said she attended that meeting that the Board said they could put markers out marking the location of the new dock so the ships could experience the limited space available for the blessing of the fleet.

Mr. Jardell said the buoys are out marking the location of the new dock right now, and Docks and Harbors will work with them if the people in charge of the memorial come talk with us. He has not received a request from these people and if something is just put out there it could end up being in the way. Until someone comes and asks to do something, he is not inclined to do anything.

Ms. Hood said that the Board is backing off from what was agreed to do.

Mr. Jardell said he appreciates the comments and will take them under consideration.

Ms. Hood said she wanted to ask the Port Director to ask the Coast Guard to circle around the area while the buoys are marking the new dock location because that is the longest ship.

Mr. Jardell asked if there was other matters from the PRAC.

Ms. Hood said yes.

2. The PRAC would like to have another joint meeting with Docks and Harbors to discuss the under the bridge park issues and the seawalk.

X. Port Engineer's Report.

Mr. Gillette's report was in the packet, but he was not present.

Mr. Uchytel reported the assembly awarded the contract to Pacific Piling & Marine in Seattle for \$8.3 million.

Mr. Uchytel said he spoke with Jeff Duvernay regarding the haul out facility repairs. Mr. Duvernay said the repairs are complete. Next week, John Demuth from PND will make a final inspection. Mr. Uchytel asked how much the repairs cost to date, and Mr. Duvernay said he does not have a dollar amount for the repairs from North Pacific Erectors yet.

Douglas Harbor breakwater has seven of the twelve pilings installed. Trucano has demobilized until August 15th.

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The Douglas dredging project next milestone is June 5th, 6th and 7th, when the Alaska District of Corps of Engineers (Anchorage) will facilitate a meeting with the regulatory agencies involved in permitting here.

Mr. Uchytel said Statter Harbor launch ramp received public comment concerns from the Corps of Engineers, the staff is addressing those concerns to the Corps of Engineers.

The 16B project – Mr. Uchytel said he had a meeting yesterday at the request of Drew Green with four members of the Southeast Pilot Association, an executive from Holland American, Kirby Day, and Rick Erickson. They have concerns on the need to conduct more simulation on 16B based on what they are seeing with the new Solstice class ships coming to Alaska. There will be a Solstice class coming next summer and there was concern that the navigability study done two years ago did not fully address the size and breadth of the Solstice class. Mr. Uchytel said he will be working with Dick Sommerville with PND and Alaska Marine Exchange to arrange more simulation excises for the 16 B project. The simulator simulations will be either at PMI in Seattle or Avtac in Seward.

Mr. Uchytel said there will be navigation simulations for a fishing vessel on the inside of the float area that is marked with buoys. The buoys are in place and Docks and Harbors is waiting for the return of Hank Baumgart with Taku Fisheries to witness the fishing vessel navigating inside the buoys. This will let them see that there is in fact enough space to navigate to Taku Fisheries dock.

Mr. Williams wanted to know if the unfinished visitor center construction was going to have an impact on the vendor booths, because the vendor booths are to be located directly in front of the visitor center.

Mr. Uchytel said the visitor center should be completed by May 31st. Yellow barrier fence will be used around the building and still allow the workers to finish the visitor center. Mr. Uchytel asked Mr. Tajon if there would be any impact on the vendor booths.

Mr. Tajon said the way the building is configured and the area the vendor booths are at, there should be plenty of room for the workers to continue working on the building and not interfere with the vendor booth operations.

Mr. Bush asked the difference in Solstice and Panamax.

Mr. Uchytel said the concern on the Solstice class is where the ship would line up on the new berth. The bridge wings extend out 148 feet, and this was not included in the original simulations. With the dock rotating out 50 feet, the Pilot's Association had concerns, so we are going to listen to their concerns and run the simulation again. Everyone wants this to move forward.

Mr. Williams wanted to know the cost for the simulation?

Mr. Uchytel said roughly \$15,000.

Mr. Kueffner wanted to know the timeline for the new fingers at Statter?

Mr. Uchytel said the demolition of DeHart's starts October 1st and this period of construction to be completed by May of 2013.

Mr. Simpson asked if the fuel dock would be shut down during the construction period?

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Mr. Uchytel said yes it would, he will look into where fuel would be available.

Mr. Jardell said the Auke Nu land was conveyed by statute so Docks and Harbors could get the permit for litigation completed, however, there was an error in the legal description. The parcel does not close until it is a parcel. If this is a manifested error, this will still move forward to be conveyed. If it is not, Docks and Harbors will have to wait a year before this can be conveyed.

XI. Harbormaster's Report.

Mr. Tajon said he had nothing to report.

XII. Port Director's Report.

Mr. Uchytel said he was asked by the Human Resource Committee to look into the question imposed by the ILWU regarding safe lightering operations. Mr. Uchytel said he responded with a letter to the Committee of the Whole. He investigated some facility concerns and spoke with industry on the procedures they follow for lightering operations. He also contacted the Coast Guard to ensure that they would respond to any unsafe operation at the lightering float. He spoke with CBJ Risk Management and CBJ law regarding The Port Directors authority to dictate procedures.

Mr. Uchytel went over many important upcoming dates:

May 2nd is Docks and Harbors Customer Appreciation event at the Aurora Harbor from 11 -1. It is in the Tide Line newsletter, and all are invited. This event is not funded by Docks and Harbors funds.

May 3rd is the first cruise ship for the season at the Franklin Dock. He said he has arranged for the Juneau Douglas Jazz Band to meet the Carnival Spirit.

May 4th will be the first cruise ship docking on the Cruise Terminal Dock.

May 5th is the Fisherman's Memorial and the blessing of the fleet at 10:00. The area has been pressure washed.

May 9th is a briefing to the Assembly Finance Committee.

May 10th Mr. Jardell and Mr. Uchytel will narrate a Chamber Cruise through the downtown harbors.

May 12th is the Juneau Maritime Festival.

May 16th is the Docks and Harbors impound boat auction.

Mr. Uchytel said Docks and Harbors has four new employees hired or in the process of being hired, two Harbor Technician, one Harbor Officer, and one Administrative Assistant.

Mr. Uchytel said Sarah Day is no longer with the Juneau Empire and is moving to the Capital City Weekly.

XIII. Assembly Liaison Report

Ms. Becker said the Assembly approved naming the Douglas Boat Harbor to Mike Pusich Douglas Harbor, and the tideland lease for Juneau Alaska Communications.

She said she passed on to the Assembly that Docks and Harbors would be having a customer appreciation event and no monies for this event would come out of the Docks and Harbors fund.

XIV. Committee Administrative Matters.

1. Operations Committee Meeting – May 22nd, 2012
5:00 p.m. at the Aurora Harbor Office

2. CIP/Planning Committee Meeting – May 24th, 2012
5:00 p.m. in the CBJ Assembly Chambers

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3. Finance Committee Meeting – May 29th, 2012
5:00 p.m. in CBJ room 224.
4. Regular Board Meeting – May 30th, 2012
7.00 p.m. in the CBJ Assembly Chambers

XV. Adjournment.

The Regular Board Meeting adjourned at 8:05 pm.