

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, February 28th, 2013

I. Call to Order.

Mr. Jardell called the Regular Board Meeting to order at 5:32 p.m. in the Assembly Chambers

II. Roll Call.

The following members were present: Greg Busch, John Bush, Tom Donek, David Logan, Budd Simpson, Michael Williams, and Kevin Jardell.

Absent: Scott Spickler, and Eric Kueffner

Also present were the following: Carl Uchytel – Port Director, Dwight Tajon – Harbormaster, Loren Jones –Assembly Liaison, and Dixie Hood – PRAC Liaison

III. Approval of Agenda.

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

Motion was approved with no objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the January 24th, 2013 Special Board Meeting Minutes and January 31st, 2013 Regular Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items - None

VI. Items for Action.

1. Special Moorage Rate M/V Malaspina/50th Anniversary AMHS

Mr. Uchytel said he received a request from the Alaska Marine Highway System to waive moorage on May 4th for their 50th Anniversary community celebration. Passengers will embark for a Tracy Arm tour. The Board can approve this under ordinance.

Board Comments

Mr. Logan asked if the Tracy Arm tour was going to be a free tour?

Mr. Uchytel said he doubts that is the case.

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Mr. Jardell asked if this would be to encourage use of Docks and Harbors facilities.

Mr. Uchytel said this is a government agency that would just be using this for their 50th Anniversary celebration. If we were to charge, moorage would be approximately \$500.00.

Public Comment

Dennis Watson, Juneau, AK, said he thinks this is a good idea and this would bring a large group of people downtown. He is in support of not charging the ferry for moorage.

Dixie Hood, Juneau, AK, said having the M/V Malaspina dock downtown is a great way to celebrate their 50th Anniversary.

Board Discussion/Action

Mr. Donek said this was approved by the Finance Committee and forwarded to the Board for approval.

MOTION By MR. LOGAN: TO WAIVE THE DOCKAGE FEES FOR THE M/V MALASPINA FOR THEIR 50TH ANNIVERSARY AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. FY13/FY14 Budget Submission

Mr. Uchytel said this was discussed at the Finance Committee. Currently Docks and Harbors is doing well financially and he hopes it will continue at this rate. The budget will go to the City Manager and then to the Assembly Finance Committee for final approval

Board Questions

Mr. Busch asked what constitutes the bad debt in the Harbor revenue?

Mr. Uchytel said moorage revenue is just invoiced revenue, and not actual cash on hand. Moving forward, the new Administrative staff is working hard to collect moorage and is working with CBJ Law to go after delinquent accounts in Juneau Superior Court.

Mr. Busch said at the Operations meeting replacement of vehicles was discussed. He asked if there is a budgeted line item for vehicle replacement for when they need to be replaced and be allocated where the primary use is.

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Mr. Uchytel said that is correct.

Public Comments

Dennis Watson, Juneau, AK, said the budget numbers presented are easier to read and portrayed to the public better. Bad debt is still an item that is not clear. In the future, he would like to know what that debt really is. He said he is looking forward to seeing the Harbor revenues and expenses separated in FY14.

Mr. Jardell said the bad debt was discussed at the Finance Committee and Mr. Uchytel has been working with law to execute a plan to clean up the bad debt.

Board Discussion/Action

MOTION By MR.WILLIAMS : TO APPROVE THE FY13/FY14 BUDGET AS PROPOSED AND ASK UNANIMOUS CONSENT.

Motion passed without objection.

3. Update on Mega Yacht Harbor

Howard Lockwood, Manager of Juneau Port Development.

Mr. Lockwood said Juneau Port Development LLC is simply a vehicle which was created to create an entity which allows \$112 million in outside financing to invest in a facility that benefits the City. Juneau Port Development LLC has ownership, acting as an agent to the Docks and Harbors Board and the City Assembly. Juneau Port Development LLC signed the lease with CBJ and created the project. One of the key factors in the environment for Juneau Port Development LLC was the contaminated area. This has been a challenge, and there has been extensive testing of the soils. Mr. Lockwood provided a power point presentation on the Mega Yacht Harbor plan and described the project challenges. Mr. Lockwood is asking the Board to allow Juneau Port Development LLC to redesign the north west side of the existing approved plan to accommodate the needs for the snow storage processing facility and make any changes to that area which may be appropriate.

Board Questions

Mr. Jardell asked why a vote is needed now and not after the redesign?

Mr. Lockwood said so he can notify all the people and agencies that he is dealing with to tell them he has an official position with the Board to make

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the redesign. The new plan will still have to come back to the Board for approval.

Mr. Jardell said he did not see the Board having to approve moving forward with the redesign and then will have to approve the redesign.

Mr. Lockwood said because he has to re-plat and renegotiate the entire project with the Mega Yacht industry, and financing in Canada and London, he would like Board approval. Is there an issue with giving Juneau Port Development LLC permission to redesign this plan and bring it back to the Board?

Mr. Simpson said the Board has already approved the concept and the approval for the concept is not changing. He does not see the need for approval from the Board.

Mr. Lockwood said he had an approved plan that will be in phases and every phase will need to come back to the Board for approval at the planning level. He said this plan needs to be redesigned and he does not feel comfortable with going to his finance people without having an official position. He does not see any consequences for the Board approving a redesign. Mr. Lockwood said he is simply an agent of the Board, and he will not be able to move forward without the support from the Board.

Mr. Uchytel said his recommendations to the Board would be to not act on this redesign tonight, but to wait. He suggested that Mr. Lockwood provide a letter to him so he could socialize with the Engineer Department and make sure there are no issues.

Public Comment

Dixie Hood, Juneau, AK, said she participated in the long range waterfront plan and she followed all of this closely. She does not see why the Board can't act on this even if it is redundancy if it is requested by Mr. Lockwood.

Board Discussion/Action

Mr. Jardell recommended Mr. Lockwood work with the Port Director.

Mr. Logan asked what Mr. Lockwood means by being an agent of the Board?

Mr. Jardell said Juneau Port Development is not an agent of the Board and has no agency relationship. This is just a tideland lease.

Mr. Jardell recommended that the Port Director work with Mr. Lockwood and to work on his term being the agent of the Board.

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Mr. Simpson said when Mr. Uchtyl brings this back to the Board, he would like to see what the Board has already approved before he grants approval for something else.

Mr. Donek said he can see what Mr. Lockwood is trying to do, but agrees with Mr. Simpson and he does not want to get into the actual design of this project. Mr. Donek recommended a motion from the Board acknowledging that Mr. Lockwood has the authority to modify his plan as he sees necessary to accommodate the snow dump.

Mr. Simpson said he wants to see what authority was already given before anymore is given.

Mr. Busch said he was in favor of giving Mr. Lockwood approval to move forward with his redesign.

Mr. Logan said Mr. Lockwood should work with the Port Director before any more authority is granted.

Mr. Jardell said he is not sure what Mr. Lockwood is asking for that he can't already do.

No Motion – Mr. Jardell directed Mr. Lockwood to work with the Port Director.

VII. Items for Information/Discussion.

1. FY14 Moorage Rates

Mr. Uchtyl said this is in accordance with CBJ ordinance that allows for an automatic CPI moorage rate adjustment that goes into effect July 1. This is a 2.2% rate increase. This rate increase was approved and recommended by the Finance Committee to bring to the full Board as an information item. This will become effective July 1st unless the Board takes action to stop the increase.

VIII. Committee and Board Member Reports

1. Operations Committee Meeting – February 19th, 2013

Mr. Busch said there was one item for action.

- Harbor vehicle Replacement- The Harbormaster is pursuing two vehicle replacements and will bring to the full Board for approval. One will be a 4 X 4 full size pickup and a smaller vehicle that can be operated on the Seawalk.

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Mr. Busch said there was two information items.

- Statter Harbor Vessel loading zones- Mr. Busch said the loading zone areas have changed. Staff is working with the Charter Boat operators to get public input because this could be in place for two to three year. At the next Operations Meeting this will be an action item.
- Arrow Refuse- There has been four injuries in a year and Arrow is looking for alternative dumpsters. They will do some research, and bring back to the Operations Committee.

2. CIP/Planning Committee Meeting – Cancelled

3. Finance Committee Meeting – February 26th, 2013

Mr. Donek said there was two action items

- The Special Moorage rate for the M/V Malaspina
- The FY 14 moorage rates.

The information items were lease reviews and ADOT property activities.

4. Member Reports

Mr. Busch said Pacific Pile and Marine is not scheduled to complete Statter Harbor until May 15th. With the first cruise ship arriving on May 2ND, this will impact operations at Statter Harbor. The fuel dock is also not scheduled to be completed until June 1st.

IX. PRAC Representative Report

Ms. Hood said at PRAC's February 5th meeting, it was decided that the management plan presented by the PRAC director that allows 16' or less motor vessel with 10 hp or under would be supported. If additional funding were provided by the Assembly that education would be required and permits before use of Auke Lake and a full time Ranger position to monitor and enforce the provisions be provided for.

X. Port Engineers Report

Mr. Gillette was on vacation

XI. Harbormaster's Report

Mr. Tajon said there was electric issues over the weekend at Statter Harbor that could have been caused by wave action, and Anchor Electric fixed. The Seattle Boat show attendance was down by 2%. The white crane will be out of commission for about six to eight weeks. Pacific Pile and Marine just started putting in A and B floats.

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XII. Port Director's Report

Mr. Uchytil said Statter Harbor contractor is about a week ahead of schedule.

The Harbormaster and staff is working with all the user groups at Statter Harbor to find solutions with shortage of available real estate.

Mr. Uchytil said he met with the Juneau Legislative Delegation and staff is very supportive of all of Docks and Harbors projects.

He said he received all the necessary paperwork to move forward with the South Franklin St. expansion project. This is the uplands work consisting of removing the sidewalk.

He said he asked the Deputy Port Engineer to look into an e-mail he received from a concerned citizen about waking issues for PPM Construction barge.

Mr. Uchytil said he contacted the Coast Guard and they will put out a broad cast notice to mariners.

There was a successful vendor booth auction that was held this month.

There will be a pre-season meeting with the vendor permit holders and the A & B loading zone permit holders in April.

16B is moving forward, the period for any more appeals for the conditional use permit has run out. Staff is moving forward with the 65% review, the meeting is next week.

The City Clerk's office has solicited the panelists for the 1% for art. JAHC has two panel members that have been named. Mr. Uchytil requested to the City Manager to nominate Kirby Day to represent industries interest. Docks and Harbors will have the opportunity to nominate someone. Left are two nominations that the Assembly will make.

Mr. Uchytil said he is a member of American Society of Civil Engineers Local Chapter and the Visitor Center was nominated as the project of the year. It came in as runner up, and Docks and Harbors received a plaque.

Mr. Uchytil said he testified as the vice president representing AAHPA on a pending bill to modernize language in State law which allows municipalities to take action on derelict and abandoned vessels.

Mr. Uchytil said he had a meeting with Mr. Ed Page from Alaska Marine Exchange regarding the Alaska Maritime Service Building. Mr. Page has been meeting with members of the Legislation for funding for this building.

Mr. Uchytil said Mr. Page will testify at a meeting on Tuesday.

The Petro Marine lease will go to the Assembly on Monday as a non-agenda item.

City Law has almost completed the Liberty Lease.

The Harbormaster is participating in the Maritime Festival again this year on May 19th at the Brickyard.

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Mr. Williams said he heard that the stalls that were going to be used for the charter boat operators at Statter Harbor have been given out and he just wants to make sure the Charter operators are still going to get the space they need.

Mr. Tajon said the original spaces have been given out, but other areas are being discussed to make sure they will work for the Charter Boat Operators.

XIII. Assembly Liaison Report- Mr. Jones said he had nothing to report.

XIV. Committee Administrative Matters

- a. Operations Committee Meeting – Next meeting is March 19th, 2013 at the Assembly Chambers at 5:00 p.m.
- b. CIP/Planning Committee Meeting – Next meeting is March 21st, 2013 in the Assembly Chambers at 5:00 p.m.
- c. Finance Committee Meeting – Next meeting is March 26th, 2013 in CBJ Room 224 at 5:00 p.m.
- d. Board Meeting – Next meeting is March 28th, 2013 in the Assembly Chambers at 5:30 p.m.

XV. Adjournment

The regular Board Meeting adjourned at 6:35 p.m.