

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Thursday, June 19th, 2014

I. Call to Order

Mr. Simpson called the meeting to order at 5:00 p.m. in the Assembly Chambers.

II. Roll Call

The following members were in attendance: Greg Busch, John Bush, Bob Janes, David Logan, and Budd Simpson. The following people were also in attendance: Tom Donek, Mike Peterson, Carl Uchytel – Port Director, Gary Gillette – Port Engineer, and David Borg – Harbormaster.

III. Approval of Agenda.

MOTION By Mr. Logan: TO APPROVE THE AGENDA AS PRESENTED.

The motion passed with unanimous consent.

IV. Public Participation on Non-Agenda Items.

None.

V. Approval of the May 22nd, 2014 OPERATIONS/PLANNING Meetings Minutes.

**MOTION By Mr. Logan: TO APPROVE THE May 22nd, 2014
OPERATIONS/PLANNING MEETING MINUTES AS PRESENTED.**

The motion passed with unanimous consent.

VI. Consent Agenda

None.

VII. Unfinished Business

None.

VIII. New Business

1. Establish Process and Timeline for comprehensive fee rate review.

Mr. Uchytel asked what are the objectives for the fee rate review. What roles would you like the different boards to have? How much do you want delegated to staff? Do we want to outsource any tasks? What is the timeline? Would we like new fees for Fiscal Year 2016? Do we want special public meetings for the rate structure?

Committee Questions

Mr. Logan asked Mr. Uchytel, do you have a preference as to how we handle the fee rate review.

Mr. Uchytel said anytime fees are involved we will have significant public interest. He indicated targeting certain fees to pay for capital improvements, such as a user fee.

Mr. Busch asked would you view the study of looking at the different harbor user groups as being of value for this as well.

Mr. Uchytel asked are we trying to look at everything or are there things we want to take off of the table, like small boat moorage fees.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Thursday, June 19th, 2014

Mr. Bush said I would like to see launch ramp permit fees and small boat moorage fees taken off of the table. I would like to see a trend report to see what has changed over the years, what projects the Harbors would benefit from, and what fees should be increased.

Mr. Janes said the Board should be involved and might want to change some operations. This could mean more fees. We should look at projects that would be influenced by and influence the generation of fees.

Mr. Peterson said the small boat fees and launch ramp permit fees should be included in the fee rate review. Other user groups might look at these exclusions and it could cloud the issue. Moorage keeps coming up and we should include that in the fee rate review.

Public Discussion

Mr. Dennis Watson of Juneau said it has been years since the fees have been looked at and they need to be a priority. I suggest that when the Charter Boat Dock at Statter is being built you give a public presentation and explain how the fees are used for projects like it. The public should know what the fees are intended to go to. Now that the Harris Harbor is new, and part of the Aurora Harbor will be new, I think you should look at what you are offering there and compare it to what you are offering at the Statter Harbor. I hope there will be more consistency between the new downtown harbors and the Statter Harbor. Now that the Harris Harbor is fully leased and the Statter Harbor is as well, the argument that one has higher demand than the other is starting to diminish. I am fine with the raising of fees if I know what the fees are going towards.

Mr. Paul Swanson of Juneau asked what the goal will be when looking at the fees. Is it to raise the income or to look at the inequities? When I asked, what is the difference between the Statter Harbor and the downtown harbors, I was told that you charge whatever the market will bear. That bothers me and I don't feel like that is a good enough response.

Mr. Jane asked Mr. Paul Swanson would you mind fees being raised if those fees went to improving facilities, infrastructure, and operations.

Mr. Paul Swanson said when DeHart's was purchased the rates went up before any improvements were made. When the new docks were built I was able to keep my boat stall and only pay for the six months I used it. Now I have to pay year-round, and I'm not going to fight that because I know it's a losing battle. If a person pulls his boat for the winter, and that slip is being hot-berthed by another boat, then I think there should be an adjustment for that person that has the slip assignment. Is the goal to make a lot of money or is it to be fair?

Committee Discussion/Action

Mr. Busch said I would like the fee schedule to be updated by December 2015. We need to get fee groupings. Public meetings and fees should be done in groups like commercial, small boat, fishing, live aboards, and manageable pieces for each section. This way we won't have an overwhelming group for each meeting. I don't want to look at this as raising rates; let's look at this as a review. We do need to look at the inequities and we look at what makes sense. We are

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Thursday, June 19th, 2014

an enterprise board and we need to make an income that matches our expenses. The rates need to make sense. We may not change them, but we should take the time to look at them.

Mr. Janes said we are doing this to have more improvements in our harbors. We are looking at an expansion of Statter Harbor by moving the breakwater out. I would like the future plans integrated when we talk about increasing fees and this will help to justify the change in fees.

Mr. Logan said I would like pass this to the whole board and see participation from CIP and Finance. This is about equality. We could lower some rates. We need to see what our revenue stream is because we have some expensive projects we would like to see to fruition.

Mr. Donek said we need to see if our rates are competitive and reasonable. For that we would need to leave small boat fees on the table. We heard that people are leaving because our fees are too high, we might need to lower those fees. We have fees that are not indexed and they have been on the books for years. We need to update all of our fees. We cannot raise a fee without having a reason. What is our staff cost? Are we keeping up with the cost of running the harbors? What are the trends there? Staff will need to give us some preliminary information and go from there.

Mr. Busch said I want us to be careful with the competitiveness of our rates because we are one of few cities that have our rates connected to the Consumer Price Index (CPI). A lot of other harbors wish they could do what we have done, and their rates are stagnant. They may not have the money to make improvements and will be completely reliant on grants.

Mr. Donek said we have two private marinas in Juneau to compare our rates with. We should not look at lowering our rates to match Hoonah, that's not going to happen.

Mr. Uchytel said the Board can decide annually if they want to increase rates to keep up with the CPI. If you think the rates are escalating out of control, you can take a reprieve from year-to-year. Do we want to examine the management of how we collect fees? For example, fish tickets, do we want to look at how we credit up to 20 days of moorage at Auke Bay?

Mr. Simpson said I like the idea of a combined committee. I think we should have a committee of the whole because everyone will want to be involved.

Mr. Busch said having a framework in place would be a good idea for the July meeting.

Mr. Donek said I would like to have some structure in place. The staff can give us some information so we have a place to start.

Mr. Uchytel asked would you like the staff to come up with what they think is best for the fees, or does the Board want to direct the staff where to start.

Mr. Janes said give us a basic plan to start with.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Thursday, June 19th, 2014

Mr. Busch said a breakdown for scoring and prioritizing would be useful to have too.

Mr. Donek said a list of criteria would be useful and you know those more than we do. I just want solid reasoning behind why we are looking into specific fees.

IX. Items for Information

None.

X. Long Range Planning Discussion

1. CIP Long Range Plan (See attached packet provided)

Mr. Gillette said Current Projects are funded and moving forward, Short Term Projects are in the 1 to 5 year range with partial funding, and Long Term Projects are in the 5 to 20 year range with no funding.

XI. Staff, Committee and Member Reports

Mr. Uchytel said we need to decide what we want to do about the Douglas Harbor grant money.

Mr. Busch said we want the permit first, and then we can decide what we want to do.

Mr. Donek said I want the dredging done.

Mr. Uchytel said we cannot use the grant money for dredging.

Mr. Simpson said if we dredge then that shows the state that we are moving forward with the project and then they will give us the grant.

Mr. Busch said if we dredge at Douglas Harbor we may have an opportunity to do the supplemental dredging at Aurora Harbor and have that included in the contract.

Mr. Gillette said the "C" Float at Statter Harbor has been completed and the work that has been done should extend the life of the float a few years.

Mr. Borg said we have the bid for the ABLF Power for winter storage. With regards to the vehicle that went off the ramp at North Douglas, we cleaned that ramp on the 29th of April. The ramp is in good condition. Norway Point had more damage than was expected and it will take 6 weeks to gather the wood needed for repairs. Arrow Refuse will not bring back the dumpsters with one lid due to liability, so we have to use the smaller dumpsters that are currently there. There are daily pickups for the dumpsters, with the exception of Sundays. Staff is going out the road more often to get trash. It costs \$230.00 per dump run. There is a Viper Team coming to town, they are a part of Transportation Security Administration (TSA). They promote confidence in our nation's transportation systems. The United States Coast Guard (USCG) inspected our facilities, and we passed with flying colors. Our staff has been working with Mr. Maas on installing some benches at Norway Point. The asphalt is too thin in one spot, so we will need to pour some concrete next week.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Thursday, June 19th, 2014

Mr. Busch asked was the staff was notified of this vehicle going off of the North Douglas Launch Ramp.

Mr. Borg said yes, but we were not notified by the USCG. We had staff on scene one hour after the incident. Capital Towing was already on scene when staff arrived. We had a diver go down and he could not find the vehicle.

Mr. Uchytel said we will have an investigation to see what the root causes were. Juneau Police Department was not notified at the time, and that was at the request of the party involved.

Mr. Simpson asked did this occur at an extreme low tide?

Mr. Borg said one of the witnesses I spoke to said that the vehicle may have been half on the ramp and half in the gravel. I have yet to talk to the owner of the vehicle.

The Auke Bay Loading Facility (ABLF) has been very successful this year with lifting boats.

Mr. Janes asked is there room for expansion at the ABLF.

Mr. Borg said it depends on the expansion.

Mr. Uchytel said Alaska Glacier Seafood's is limiting us to the south and Auk Nu is limiting us to the north, and then the roadway limits us too.

Mr. Gillette said we can see what is being used and if it is being used efficiently, but we cannot expand.

Mr. Logan said I went to the 16B meeting and everyone is on the same page. We discussed how we would look at art and what we wanted. We also discussed the budget. We have a broad idea of what we want.

IX. Committee Administrative Matters

The next Operations/Planning Committee Meeting is scheduled for Thursday, July 24th, 2014.

X. Adjournment.

The Operations/Planning Committee adjourned at 6:19 p.m.