

**CBJ Docks and Harbors Board**  
**REGULAR BOARD MEETING MINUTES**  
**For Thursday, September 25th, 2014**

I. Call to Order.

Mr. Logan called the Regular Board Meeting to order at 5:30 p.m. in CBJ Room 224.

II. Roll Call.

The following members were present: Tom Donek, Bob Janes, David Logan, Mike Peterson, Budd Simpson, Scott Spickler, David Summers, and Greg Busch.

Absent: John Bush

Also present were the following: Carl Uchytel – Port Director, David Borg-Harbormaster, and Gary Gillette – Port Engineer.

III. Approval of Agenda.

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

Motion passed with no objection.

IV. Approval of August 28<sup>th</sup>, 2014 Regular Board Meeting Minutes.

The Regular Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items – None

VI. Special Order of Business

Mr. Uchytel presented Mr. Doug Unruh with Employee of the Quarter Award.

VII. Consent Agenda

- A. Public Requests for consent Agenda Changes – None
- B. Board Members Requests for Consent Agenda Changes – None
- C. Items for Action – None

1. Salmon Creek Development – Lease Renewal

RECOMMENDATION: That the Docks & Harbors Board, under CBJ 85.02.060(a)(5), directs the Port Director to commence a lease agreement with Salmon Creek Development for Alaska Tidelands Survey No. 1277 consistent with CBJ 53.20.

2. Memorandum of Agreement – Statter Harbor Launch Ramp

RECOMMENDATION: That the Docks & Harbors Board approve the Port Director entering into a Memorandum of Agreement with the adjacent property

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owner to provide access necessary to construct the Statter Harbor Launch Ramp facility.

No objection- the Consent agenda was approved.

VIII. New Business

1. Douglas Harbor Rebuild Options

Mr. Gillette said in the packet is a list of options for the Douglas Harbor per a request from the Operations/Planning Committee. The options have been presented and discussed at the Operations/Planning Committee and also the Finance Committee meeting. Mr. Gillette went over the options;

- Option A – Pursue the original plan like we have been doing for the past 6 plus years now that we have a permit.

Mr. Gillette said the cost estimate for this option is \$10 million. We currently have \$5.6 million with \$2 million from DOT and the remaining in the CIP account. This does not include any of the Harbors fund balance. If we want to continue with this option, funding needed is \$4.4 million. A monitoring plan is still pending approval and the bid documents completed to 95% in 2008 need to be reviewed for updated consideration.

- Option B – Pursue the original plan but with newer technology poly tub float design (same as new Aurora Harbor floats).

Mr. Gillette said the cost estimate for this is \$10.5 million, we would need \$4.9 million more for this option.

- Option C – Pursue the original plan but stockpile the upper composite for cap.

Mr. Gillette said this option would still pursue the original plan and dredge to 12 feet. This upper composite of dredge material, which is clean, would be stock piled to use as a cap on the dredged material from 12 to 14 feet depth. We would still need additional material to provide a cap 6 to 12 inches. The harbor bottom would also need to be capped 6 inches. The cost estimate is \$9.8 million, we would still need \$4.2 million. Considerations for this option are, the Corp of Engineers permit would need to be modified, and the bid documents completed to 95% in 2008 would need to be reviewed for updated considerations.

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- Option D – Pursue the original plan but place dredge material in upland disposal facility.

Mr. Gillette said with this option, the dredge spoils would be deposited at Fish Creek Quarry. The dredge material would be trucked from Douglas Harbor to the site or loaded on barges, transported to North Douglas Launch Ramp, loaded onto trucks, and delivered to the quarry. The harbor bottom would still need to be capped with six inches of capping material. The cost estimate is \$9.5 million, and funding needed is \$3.9 million.

Considerations for this option are; the Corp of Engineers permit would need to be modified, the Assembly would need to provide permission to use the Fish Creek Quarry for the disposal site, an Alaska Department of Environmental Conservation permit would be sought to dispose of dredge material in Fish Creek Quarry, and a CBJ Conditional Use permit would be required for the upland disposal.

- Option D/1 – Alternative disposal site for contaminated dredging.

Mr. Gillette said this is a new option that just developed today. In this option we would take the upper dredged material and dump it in the channel and the lower dredged material would be dumped at this other location along Gastineau channel. It is unsure if this would be a real option.

- Option E – Abandon original plan and re-build Douglas Harbor essentially in its current configuration.

Mr. Gillette said this option would remove all existing floats; dredge the harbor to -12 foot depth and that material would be deposited in the Gastineau Channel. This would provide moorage for 43 twenty foot vessels, 34 thirty two foot vessels, 13 forty foot vessels, and 251 feet of transient space. The Army Corps of Engineers permit would be modified to only deposit the upper composite non-contaminated material in Gastineau Channel. The need for a harbor bottom cap would be addressed in the permit modification. This cost estimate is \$6.9 million, and funding needed would be \$1.3 million. This would be taking a different direction since the original plan.

Mr. Uchytel said at the Finance meeting Mr. Logan made a motion to send a recommendation to the Regular Board to move forward with option E.

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Board Questions -

Mr. Spickler asked if staff is certain dredging to -12 is still clean material from the Corps of Engineers sample results.

Mr. Gillette said there has been a lot of Corps sampling and have gone down to -14. There is definitely a layer of the contaminated material. We also have a letter from EPA that said we could take the upper composite of 12,000 plus/minus cubic yards and place it in the Gastineau channel. Below the 12 foot level is the contaminated material. In the contract you would say minimum -12 maximum -13 or -12.5 feet.

Mr. Simpson asked if the upper material was softer and during a dredging operation if they would hit a more solid area that would be lower than the -12 foot?

Mr. Gillette said that would probably be correct because the harbor was dredged to -12 and this is just the silt that has filled in again.

Mr. Peterson asked if Option D/1 would provide a big enough savings to be less than the funds needed in Option E.

Mr. Gillette said he is unsure, but there is a lot of expense in the capping material.

Mr. Logan asked if with option E there is going to be a monitoring plan required for the harbor?

Mr. Gillette said the permit will need to be modified, and he is unsure if the harbor will be required to have a monitoring plan.

Mr. Logan asked Mr. Gillette's opinion on the EPA's answer and timetable.

Mr. Gillette said this could go different ways and he is unsure.

Mr. Logan asked how real is the Option D/1?

Mr. Uchytel said this is real, but the timing could be an issue for us.

Public Comment – None

Board Discussion/Action

Mr. Janes said he recommends to go with Option E.

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Mr. Simpson said he recommends to move forward with Option E.

Mr. Busch said he supports Option E.

Mr. Peterson asked if going with option E is eliminating Option D/1 if this becomes possible in three months from now?

Mr. Gillette said it won't eliminate that option if it is a three to four month time frame.

Mr. Logan said his motion at the finance meeting was specific to dredge to -12, but left the float configuration up to staff.

Mr. Simpson said that was the same motion from Operation/Planning Committee, dredge to -12, but have staff work on the float configuration depending on the needs at that time.

Mr. Gillette said there is also the possibility the Corps of Engineers will dredge to the -12. They built the harbor at -12, so technically they are responsible to maintain it at -12. Funds for the dredging is on their wish list, but have not come through yet on their budget.

Mr. Donek said he does not want the dredging to -12 in the motion, but to leave that up to the Engineers to figure out with the understanding to stay as close to the budget as possible.

MOTION By MR. BUSCH: DIRECT STAFF TO PURSUE PERMITTING WITH THE CORPS OF ENGINEERS TO ALLOW FOR MAXIMUM DREDGE TO A DEPTH THAT DOES NOT REQUIRE THE USE OF CAPPING OF THE DREDGED SPOILS MATERIAL AND ASK UNANIMOUS CONSENT.

Mr. Peterson asked to have Option E included in the motion.

Mr. Donek recommended to add replacement in kind in the motion.

Mr. Busch read the motion again with added option –  
MOTION By MR. BUSCH: DIRECT STAFF TO PURSUE PERMITTING WITH THE CORPS OF ENGINEERS TO ALLOW FOR MAXIMUM DREDGE TO A DEPTH THAT DOES NOT REQUIRE THE USE OF CAPPING OF THE DREDGED SPOILS MATERIAL FOLLOWING THE PROVISIONS OF OPTION E IN THE MEMO PROVIDED BY THE PORT ENGINEER AND ASK UNANIMOUS CONSENT.

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Mr. Logan provided a friendly amendment – add “Does not require or minimal capping of dredged spoils”

Mr. Busch did not accept Mr. Logan’s friendly amendment.

Mr. Peterson asked to have the Motion read again.

MOTION By MR. BUSCH: DIRECT STAFF TO PURSUE PERMITTING WITH THE CORPS OF ENGINEERS TO ALLOW FOR MAXIMUM DREDGE TO A DEPTH THAT DOES NOT REQUIRE THE USE OF CAPPING OF THE DREDGED SPOILS MATERIAL FOLLOWING THE GENERAL PROVISIONS OF OPTION E IN THE MEMO PROVIDED BY THE PORT ENGINEER AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. CY2015 Docks & Harbors Meeting Schedule

Mr. Uchytel said having the Finance meeting on the same week as the Regular Board is a difficult process because items will sometimes move forward from the Finance meeting to the Regular Board.

Board Questions –

Mr. Logan said the Fee review meetings will need to be factored into the decision.

Mr. Spickler suggested meetings on a Tuesday and Wednesday.

Mr. Logan recommended moving the Operations/Planning on the third Wednesday of the month and the Finance on the 3<sup>rd</sup> Thursday of the month and the Regular Board meeting on the Final Thursday of the month. The fee review meetings will still be immediately after the Operations/Planning and Finance.

Mr. Busch recommended to start after the first of the year.

Mr. Logan suggested the first meetings for 2015 will be Operations/Planning January 21<sup>st</sup>, Finance January 22<sup>nd</sup>, and the Regular Board January 29<sup>th</sup>.

Public Comment – None

Board Discussion/Action

MOTION By MR. BUSCH: HAVE STAFF PREPARE A MEETING CALENDAR FOR THE BOARDS REVIEW AT THE NEXT BOARD

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MEETING AND HAVE THE OPERATIONS/PLANNING ON WEDNESDAY AND FINANCE ON THURSDAY THE WEEK BEFORE THE FULL BOARD MEETING ON THE LAST THURSDAY OF THE MONTH AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

- IX. Items for Information/Discussion.  
1. Juneau Port Development Update

Mr. Lockwood, Manager of Juneau Port Development LLC, and owner of AMEx Mining.

Mr. Lockwood drew a picture of his lease area on the white board which showed boundaries on the land titles in his lease, and he described the difficulties and issues with the titles. In 2001, Mr. Lockwood said he presented to the Board that this area could be mined, pay the royalties, pay the state, remove the profits, and put the material right back to its current location. Or, he could mine the material and put it behind a retaining wall creating a parking area and build a harbor. These are two different businesses working together to make this work. AMEx does the mining that has control over the movement of the earth, the sand and dredging, and Juneau Port Development will do the construction for the harbor. Once the mining values have been removed and certified with the state, the mining claims solicit to remove that portion of the mineral reservation and that clears the title and allows the harbor to go in.

Mr. Logan said the Finance Committee was in agreement that tonight's presentation would be providing information on the permits and also having Mr. Trucano or Mr. Somerville give some input on the actual logistics of the project. He said he saw the information on the permits but no information from Mr. Trucano or Mr. Somerville.

Mr. Lockwood said both Mr. Trucano and Mr. Somerville were busy tonight. He said he could develop the information from them for next month if the Board is interested. He then went on to explain dredging specifics, and that Mr. Trucano and Mr. Somerville are both on board with this project.

Mr. Janes asked Mr. Lockwood if he had the Corps of Engineers permit to dredge now and if he can dredge if he has a lease or not with Docks and Harbors?

Mr. Lockwood said that is correct. In reading the terms of the permit, it is required to have a floating mechanism to remove sand and metals on the mining claims and to dredge to mean low low water which is -24 and we are

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only asking for -22 dredge. That permit simply allows to dredge that material down to that depth. For convenience during this phase whether the Harbor will be built or not, the retaining wall for the dredged material is going to be built, engineered, and certified for 200 thousand cubic yards of material. The permit to build this wall was applied for in August and is moving forward through the building department. An application was submitted for the conditional use permit with the planning commission to put in the infrastructure that is publically involved.

Mr. Janes asked if he was right to assume he would continue with the mining of this area despite what happens with the lease?

Mr. Lockwood said yes, the mining dredging was going to move forward whether the harbor goes in or not. With doing this, a new usable upland will be created.

Mr. Uchytel said when he reads the lease, he only sees one paragraph depicting the mining claims.

Mr. Lockwood said it is in the lease numerous times.

Mr. Uchytel asked how the mining claims in the lease are related? What is AMEx Mining's role?

Mr. Lockwood said AMEx will do the dredging to remove the metals and clear the title. AMEx is Alaska Mineral Extraction Mining.

Mr. Uchytel asked if there was a relationship with the mineral reservation and AMEx Corporation?

Mr. Lockwood said the mineral reservation was placed on the property when they deeded it to the municipality. The relationship is the State has the mineral reservation on that property. In divesting this to the City, it says the City has municipal rights subject to the States mineral reservations of the mineral estate.

Mr. Janes asked if the City's lease is encumbered by the mining claims until it is released?

Mr. Lockwood said yes and it is in the lease.

Mr. Logan said when he looks at the permit for the dredging, he sees a dredging permit for a sluicing operation. He said he is trying to figure out where the permit is to stack the spoils on the uplands.



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Mr. Lockwood said that was applied for and this is a simple permit. This is to put the mined material from on part of the submerged tideland to another part of submerged tideland.

Mr. Peterson asked if he didn't get this lease renewed, what happens?

Mr. Lockwood said he is not here to get the lease renewed. The lease was active when it was signed. Anyone can file a complaint that the lease is not being followed and that will go to arbitration with his final right would go to the courts. Mr. Lockwood said he needs approval from the Board on the site plan, concept design, cost estimates, construction plan, and schedule for development prior to beginning the project. Before any construction can start for the Harbor, the Board needs to approve this current concept.

Mr. Logan asked if Mr. Uchytel agreed with Mr. Lockwood's assessment that he has a lease in place that allows for the mining dredging of that area, and stock piling of that material? Does he have a lease in place and have the proper permits in place to begin?

Mr. Uchytel asked Mr. Lockwood if he only has the general provisions permit?

Mr. Lockwood said that is correct and it was applied for under AMEx Mining. AMEx Mining has a contract agreement with Juneau Port Development to do the mining part of the project.

Mr. Uchytel asked Mr. Lockwood if that permit itself allows you to dredge and bring the spoils on shore?

Mr. Lockwood said no.

Mr. Uchytel asked Mr. Lockwood what the permit allows him to do?

Mr. Lockwood asked Mr. Uchytel to read the permit.

Mr. Uchytel read the permit to the Board.

Mr. Logan said the permit would allow you to suck the dredge material up and put it back in the same area.

Mr. Lockwood said that would be correct.

Mr. Logan asked if he was just going to go in and process the minerals out of the sediment and return the sediment to the same place that it was taken from?

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Mr. Lockwood said he intended to use the clean material and place it behind the wall to create usable uplands and make a hole that could be made into a harbor. The dredged material will go behind the wall on the same property and not moved uplands. PND has engineered the wall, and he will bring Mr. Somerville to a meeting to explain this. The permit to build the wall is at the building department. It is a dredge fill permit with the City and simultaneously he has a conditional use permit with a vote of the public, so no matter what the Harbor does, this is moving forward. If the Harbor doesn't go in, the area behind the wall would likely be a park.

Mr. Janes asked what the Board needs to do right now?

Mr. Logan asked Mr. Uchytel if Mr. Lockwood has sufficient grounds under the existing lease, with no modification from the Board, that he has 35 years to accomplish this Harbor project?

Mr. Uchytel said he has a lease now, and he read a portion of the lease. "Lessee agrees to use the lease premises to plan, design, engineer, permit, finance, construct, sub-lease, and operate a full-scale harbor marina complex together with uplands commercial marine-related facilities, a public park, and all of the related amenities necessary for the operations of these facilities and improvements". Mr. Uchytel said that is what he focuses on. He read another portion of the lease. "Lessee shall be responsible for obtaining all necessary permits and approvals that may be necessary for Lessee's development of the Leased Premises". Mr. Uchytel said he has a permit to gold dredge, but he is unsure if he has the permit to fill? Mr. Uchytel asked if Mr. Lockwood still needed the permit to fill uplands?

Mr. Lockwood said in the Corps of Engineers permit, they do not regulate the discharge of rock and sediment from a dredge. That will be regulated by the 402 and DEC. Once this permit qualifies for the building permit and dredging to -22, the Corps is satisfied under this permit. He has to stay within those guidelines, but he also has to get a permit from Fish & Game and a permit from DEC that he is getting. Mr. Lockwood read a portion of the lease, Appendix A section 7(c).

Mr. Gillette asked what the elevation of the wall was going to be?

Mr. Lockwood said +27.

Mr. Gillette asked where it is constructed at?

Mr. Lockwood said the wall will be built after the dredged material is placed at the +10 tideline.

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Mr. Gillette asked if Mr. Lockwood constructs a wall at -10, is he still in the Corps of Engineers jurisdiction? The Corps of Engineers has jurisdiction up to elevation 15.4.

Mr. Lockwood said the permit allows for that dredging.

Mr. Gillette said that location is where you said you are filling not dredging.

Mr. Lockwood said that is what the 402 permit will allow.

Mr. Gillette asked if he had a permit to build a wall?

Mr. Lockwood said no. The first permit for the first phase goes to +22. The first phase of dredging goes to 44,000 cubic yards and opens a barge channel and brings trucking and pile driving equipment down to below mean low tide, and + 22 will get it above the lowest tides. He is asking the Board to tell him the new design looks good and to go ahead and try it. He is needing the approval from the Board to take it to market and not have his design broad sided by the snow dump like it was two years ago.

Mr. Logan said this is a great project. He asked Mr. Uchytel if after the end of Mr. Lockwood's extension in October, will his lease still be active? Does the Board need to take action? Does Mr. Lockwood need to provide additional documented verification?

Mr. Uchytel said he does not believe he has all the permits in place to go forward.

Mr. Logan asked if the permits Mr. Lockwood does not have a necessary part of this lease to begin even the dredging operation?

Mr. Uchytel read a portion of the lease "Lessee agrees to obtain and have in place permits and approval necessary to start construction of a harbor facilities and amenities within 36 months of the effective date of the lease". Mr. Uchytel said Mr. Lockwood has every right to suction dredge, but he does not have the permits in place to back fill. With the suction dredge, has he started construction? Mr. Uchytel asked the Board if mining claim lawyers need to be hired for the interpretation on this lease? He said there are a lot of things he can dispute with this lease. We get wrapped around the mining claims every time this is talked about, but per the lease, he needs to build a Marina and he needs to have the permits in place. The only room for debate is if the mining dredging is starting construction.

Mr. Busch said part of Mr. Lockwood's memo is he is seeking Mr. Uchytel's and the Board's approval of the current design prior to any work starting.

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This needs to be an action item to see if the Board approves of this plan. He has provided a site plan, design concept, construction plan, and the Board needs to take action on it under the terms of the lease.

Mr. Peterson asked if the Harbor Board would have approved the conceptual plan two years ago, would the City have had the right to put in that snow dump area?

Mr. Lockwood said not the way they did it.

Mr. Janes said he would feel more comfortable approving a site plan after Mr. Lockwood receives the DEC permit. After that is received he has the potential for the project.

Mr. Logan asked if Mr. Lockwood's lease is expired by the next Board meeting?

Mr. Uchytel said yes because the extension was until October 25<sup>th</sup>.

Mr. Janes said he thought it was for 35 years.

Mr. Uchytel said the lease is for 35 years, but he needed the permits in place 36 months after the lease was signed and there were two/two year extensions to get the permits in place with the last extension expiring on October 25<sup>th</sup>. The general provisions permit he has had since 2012 so there is really nothing that has changed since then.

Mr. Logan asked if we wait until the next Board meeting, would the Board be able to take action if we so desired to extend the lease further?

Mr. Uchytel said yes, and asked Mr. Lockwood when he was going to meet with Mr. Hart at the Planning department.

Mr. Lockwood said tomorrow.

Mr. Peterson suggested to have a Special Board meeting before the lease expires to stay within the law.

Mr. Simpson suggested to authorize the Port Director to offer a five day extension and provide Mr. Lockwood with a specific list of all necessary permits. Mr. Simpson said at the last OPS/Planning meeting the Committee was specific on requirements that they perceived to be needed to continue the lease. He said Mr. Lockwood has had seven years to work on this and the Board keeps extending this because we support this project and want to see it move forward. Currently you only have a suction dredge permit and are nowhere near a boat harbor. He said to Mr. Lockwood that he needs to

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deal with getting the tough permits. He needs to show the permits to Mr. Uchytel and he can look at them and be certain you have what you need to move forward. The Board has been trying to tell you this for seven years now. The project is supported, but you need to produce the hard permits.

Mr. Lockwood said he has been with this for 14 years. He said he had a meeting with 250 to 300 people who voted in favor of this project. He had this ready to go and had two major companies that were going to take this over. Juneau Port Development is not going to build this Harbor per say. He put together a package that is sub-leasable. This will be done at no cost to the City, no cost to the tax payers, and he said he is in the same boat as Docks and Harbors working to get a dredge permit for Douglas Harbor. Mr. Lockwood said when the City put the snow dump in no permits were obtained and they broke laws. Mr. Lockwood said he has a lease, and he was informed that Docks and Harbors Board did no formal action on his plan. He said he will not move forward with this until it is approved by the Board. He will not get broad sided in the international money market because he didn't do his homework. He is doing this job for the benefit of the City. He said this is the only place in the World you can do this kind of a project. He said he does not get any cash out of this project, he just gets to put it together. All he is asking for now is approval of the site plan, concept design, cost estimate, and construction plan. He is not saying anything about permits, or dredging. He asked the Board to give him the approval or tell him no. If he is told no, he will dredge the material and put the sand right back where it came from and take it to the public. He said he is upset and disappointed. He took this to the Port Director and he got upset with him. He said he is doing this for the benefit of the community. He said he needs an answer. If it is no he will do the mining and walk away from it.

Mr. Peterson recommended that all the Board members receive a copy of the lease, and to authorize the Port Director to offer a five day extension.

Mr. Uchytel said this is a lease. Docks & Harbors receives income from this on unimproved lease area after the harbor is constructed. Juneau Port Development is not building this for Docks & Harbors to manage. Mr. Lockwood is asking for a site plan approval that he assumes he needs for this to go forward for investors. The bigger issue is that Mr. Lockwood needs permits in place to build this. The difference between Juneau Port Development and the permit for Douglas Harbor is that Docks and Harbors has a permit in place for the project issued by the Corps of Engineers. He is unsure if Juneau Port Development has even applied for a permit.

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Mr. Janes asked what does the Board have to lose if the project is approved for another year? This Harbor would benefit the City and there is a benefit for the City to allow Mr. Lockwood move forward with the task of getting the required permits.

Mr. Logan directed Mr. Uchytel to work with Mr. Lockwood to extend his lease by five days and bring this back as an action item at the next Board meeting. Mr. Logan suggested Mr. Lockwood work on getting the required permit.

Note: After review of the October 25<sup>th</sup>, 2012 Board minutes, it was determined the extension of the leased expires on October 30<sup>th</sup>, 2014. No short term extension is necessary.

X. Committee and Board Member Reports

1. Docks Fee Review Meeting – September 17<sup>th</sup>, 2014

Mr. Busch said at the first meeting the committee decided to stack the meeting after the Finance Meeting. The waterfront vendor booths will be discussed on October 28<sup>th</sup>.

2. Operations/Planning Meeting – September 18<sup>th</sup>, 2014

Mr. Simpson said the Committee heard the Juneau Port Development presentation and that was sent to the Regular Board. The other item was the options for Douglas Harbor. Option E was moved forward and that was discussed tonight.

3. Harbor Fee Review Meeting – September 18<sup>th</sup>, 2014

Mr. Simpson said the Committee broke up the different areas into manageable parts and decided to move forward with the fees pertaining to passenger for hire. The next meeting is scheduled for September 30<sup>th</sup> and staff was working on contacting passenger for hire patrons to come and provide information.

4. Finance Committee Meeting – September 23<sup>rd</sup>, 2014

Mr. Donek said the Committee heard the same items on the agenda tonight.

5. Member Reports –

Mr. Peterson said the last Assembly Lands Committee was cancelled.

Mr. Logan said the Auke Bay Steering Committee met and is slow moving forward. He will be out of town for the next one and will send an e-mail around for another Board member to attend.

XI. Port Engineers Report –

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Mr. Gillette said his report is in the packet.

XII. Harbormaster's Report

Mr. Borg reported;

- The CSTSA user group meeting and Statter Harbor user meeting both received positive feedback.
- Aurora Harbor is empty and staff is working on pulling salvageable items.
- The Port is finishing up and putting things away.
- He said he is working on Code of Conduct for the patrons as well as domestic animals situation.

XIII. Port Director's Report

Mr. Uchytel said Passenger for Hire patrons were notified by phone and fliers.

Letters were sent out to the vendor booth holders by e-mail.

He said both the Harbormaster and himself will not be attending the Harbor review meeting they will be attending the PCC conference in Campbell River, BC. He will be on leave the week after PCC and the week after that he will be attending the AAHPA conference in Ketchikan. Docks and Harbors will be hosting the 2015 PCC conference.

Mr. Uchytel said at the Finance meeting he indicated the Harbors had a \$500,000 surplus. He had a meeting with the Finance Department and there is \$172,000 in liabilities through collections for patrons that have not paid for several years.

Mr. Simpson asked if any of the delinquent account patrons are still in the Harbor?

Mr. Borg said no.

Mr. Uchytel said when an invoice is created it looks like a revenue, but when they don't pay it is not a revenue so we are trying to get this bad debt off the books for a cleaner ledger moving forward. It will be painful for FY14.

Mr. Peterson wanted to say that he attended the CSTSA meeting and the Statter Harbor meeting and at both staff received high marks.

Mr. Logan said he attended them also and comments were constructive in nature or complimentary.

XIV. Board Administrative Matters

- a. Operations/Planning Committee Meeting – Next meeting is October 23rd, 2014 in the Assembly Chambers at 5:00 p.m.

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Mr. Simpson and Mr. Logan are not able to attend this meeting. This meeting may need to be moved to a different day. Mr. Logan said he would be gone for the entire week.

- b. Finance Committee Meeting – Next meeting is October 28th, 2014 in CBJ Room 224 at 5:00 p.m.
- c. Board Meeting – Next meeting is October 30th, 2014 in the Assembly Chambers at 5:30 p.m.

XV. Adjournment

The regular Board Meeting adjourned at 7:54 p.m.