

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, May 21st, 2015

I. Call to Order.

Mr. Logan called the Regular Board Meeting to order at 5:32p.m. in the CBJ Room 224.

II. Roll Call.

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

Absent: Greg Busch.

Also present were the following: Carl Uchtyl – Port Director, David Borg-Harbormaster, Gary Gillette – Port Engineer, Jerry Nankervis – Assembly Liaison, and Kristen Kolden – Alaska Seismic & Environmental, LLC.

III. Approval of Agenda.

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

Motion was approved with no objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the April 30th, 2015 Regular Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items –

Rob Warden, Auke Bay, AK

He said he just finished his dock in Auke Bay and is concerned with the boat traffic. There is a 5 knot slow down buoy that boats are going well over the speed limit. His concern is on flat days, he gets a large amount of wake from the large whale watching boats. In the last 10 years, whale watching has really expanded. This is good for the community, but the boats are getting bigger and faster and on calm days, he gets three to four foot waves hitting his place.

There are other people who are experiencing the large waves also. He wants to know if there is something that can be done? He said the ferries and the smaller boats don't cause a problem, it is just the large whale watching boats. He said his barbecue got knocked off the dock from the wakes. He said he has a lot of money invested in his dock and he says it is dangerous if little kids are on the dock. It will also wear on the dock a lot sooner than what the life expectancy should be.

Mr. Spickler asked if he called Tourism Best Management (TBMP)?

Mr. Janes asked where his dock is located?

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Mr. Warden showed on a map where his dock is located.

Mr. Uchytel showed on the map where the speed zone restriction is.

Mr. Warden said some whale watching boats come in close to his dock.

Mr. Logan recommended to move this speed restriction issue to the OPS/Planning Committee.

VI. Consent Agenda - None

VII. Unfinished Business –

1. Small boat harbor Fees & Small Boat Harbor & Port Facilities Use Regulation.

Mr. Uchytel said it was brought to staff's attention by concerned citizens that the haul out fees (proposed for the CBJ owned self-propelled hydraulic Boat Lift) in 05 CBJAC 20.030 charging \$15 per linear foot each way is too high. The Harbormaster is recommending \$10.00 per linear foot each way and at last night's Finance Meeting, the Committee approved the recommendation. The \$10 rate is still \$2.00 more than other companies charge. This is the only additional change in this set of regulations. After this is approved, this regulation change, and the Statter Harbor Parking lot fees and Staff Labor fees will all go out for a 21 day public comment period.

Board Questions

Mr. Peterson asked what the haul out fee was prior to the \$15 per linear foot rate?

Mr. Uchytel said staff was using a \$5.00 per linear foot towing rate.

Mr. Peterson asked if it is approved here, will it go out for a 21 day period?

Mr. Uchytel said yes and then back to the Board for a public hearing.

Mr. Peterson asked where the concerned citizens directed their concerns to?

Mr. Borg said staff received some phone calls.

Public Comment - None

Board Discussion/Action

Mr. Peterson suggested to leave the \$15 rate in for the sake of the 21 day period.

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Mr. Logan asked if there were changes, would it need to go out for another 21 day notice period?

Mr. Uchytel said yes.

Mr. Simpson said he would be in favor of advertising this at the \$10 rate.

Mr. Donek agreed with posting the notice at the \$10 rate.

Mr. Borg said the people affected by this change will be out fishing on June 21st, and they wanted their voice heard.

Ms. Scovill said this has already been advertised at the \$15 rate and that generated the comments. It was pulled back to propose a lesser rate. This will go out for another 21 day public input period.

MOTION By MR. DONEK : APPROVAL OF MODIFICATION TO PROPOSED REGULATION CHANGES 05 CBJ 20.030 (AUKE BAY LOADING FACILITY – HAUL OUT FEES) IN WHICH THE FEE IMPOSED TO HAUL OUT USING THE SELF PROPELLED HYDRAULIC BOAT LIFT BE CHANGED FROM \$15 PER LINEAR FOOT TO \$10 PER LINEAR FOOT; AND THAT THE PROPOSED REGULATION CHANGES BE PUBLICLY NOTICED FOR A FUTURE HEARING AT AN UPCOMING BOARD MEETING AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

Mr. Summers left the meeting at 5:50 pm, but would return.

VIII. New Business

1. Cultural Preservation Lease Review

Mr. Uchytel said since 1998 Cultural Preservation(Goldbelt) has been leasing this area, and has been modified since then. In 2013 during the review process, Horan & Company reappraised this area with nearly doubling the lease rent. Goldbelt did not agree with that rate and entered negotiations. He said he is recommending a lease amendment to change the rent calculations to 9% of the appraised value, which will set the lease rent at \$64,179. Change the lease rent review period from three to five year which will put this in line with CBJ ordinance. Return Parcel A which has no value to Goldbelt, and Docks & Harbors could use this for parking. He said these recommended changes will require Assembly action.

Board Questions –

Mr. Simpson asked if Parcel A was decked over?

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Mr. Uchytel said it is uplands.

Mr. Janes asked who owned lots one & two on the map?

Mr. Pierre said Goldbelt owns lots one, two, three, four and five.

Public Comment –

McHugh Pierre, Goldbelt Vice President of Alaska operations.

He said Goldbelt is the owner of the Seadrome Marina. We would like to move forward with this lease, have a review every five years, and make this quick and painless for all.

Mr. Janes asked if Parcel A is returned, will there still be access to that parcel?

Mr. Pierre said there will be access through Goldbelt property and Mr. Uchytel and staff would still be able to use that area if they choose to. He said Goldbelt would like to build a parking structure.

Board Discussion/Action

Mr. Simpson said this appears to be fair for both sides and would like to proceed.

Mr. Spickler said the Finance Committee endorsed this and recommended approval from the Board.

MOTION By MR. SPICKLER: TO ACCEPT THE RECOMMENDATION FROM THE FINANCE COMMITTEE THAT THE CULTURAL PRESERVATION LEASE RENT BE SET AT 9% RENT CALCULATION BASED ON THE APPRAISED VALUE OF \$713,100 OF THE PROPERTY, RESULTING IN A NEW ANNUAL LEASE PAYMENT OF \$64,179. THE AGREEMENT RETROACTIVE WITH THE AMOUNT OF \$67,149.91 FROM JUNE 1ST, 2013 THROUGH MAY 31ST, 2015. THE LEASE WILL NOW BE REVIEWED EVERY 5 YEARS WITH THE NEXT REVIEW JUNE 1ST, 2018. THE LEASE AMENDMENT WILL INCLUDE RETURNING THE 1,694 SF PARCEL A TO DOCKS & HARBORS RESULTING IN A REDUCTION OF \$7,851.69. THIS RECOMMENDATION TO BE FORWARDED TO THE ASSEMBLY FOR LEASE AMENDMENT ACTION AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

Mr. Summers was not present for the vote and returned at 6:02 pm.

2. Douglas Harbor Design Fees

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Mr. Gillette said in your packet is a fee proposal from PND Engineers regarding Douglas Harbor Design Fees. This project has been broken down into three phases. The first phase is demolition of the existing floats and Trucano Construction will be doing this work in August after the Salmon Derby. Phase II is dredging of the facility and disposing of the dredged material in Gastineau Channel. This will be funded by the Corps of Engineers and will go out to bid soon. Phase III will be back to Docks & Harbors to put the Harbor back in place. We are now moving forward with the design rebuild. This contract amendment is for the fees for PND to perform those services at \$308,940, with the new design being a substantial change.

Board Questions - None

Public Comment- None

Board Discussion/Action

MOTION By MR. JANES: APPROVAL OF THE ENGINEERING DESIGN SERVICES FEE PROPOSAL TASK ORDER, TO REBUILD OLD DOUGLAS HARBOR, BE AWARDED TO PND ENGINEERS, INC. FOR \$308,940 BE FORWARDED TO THE ASSEMBLY FOR APPROVAL AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

IX. Items for Information/Discussion

1. Cruise Ship Berth Monitoring

Mr. Gillette said when Docks & Harbors was constructing the Port Customs Building and the Visitor Center, there was concern from the Mt. Roberts Tram employees that vibration and cracking was going on in the building. Staff did an investigation by setting up survey points and monitored it through the rest of the project construction. It was determined that the visible cracks had been there a long time. The Tram building is partially built on piles and partially on spread footing and there was evidence that it had been going on for a long time. This determination showed that we did not cause the cracks and was not challenged after this work was completed. As a precautionary item, since we have a very large project along the waterfront with larger piles, staff thought it would be prudent to hire someone that will monitor this area to determine if this project is causing damage. He said Kristen Kolden is here from Alaska Seismic & Environmental, LLC who responded to Docks & Harbors RFP for vibration monitoring and was selected. She developed a plan for this monitoring and

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a contract was just signed for phase II to implement this plan once construction starts.

Kristen Kolden gave a presentation on the vibration monitoring plan for the waterfront area during the cruise ship berth project.

Mr. Spickler asked how she will be able to verify the ground settling versus the vibration causing the cracks?

Ms. Kolden said the key is to have everything time correlated. Weather is slow static happening overtime, and Dynamic static is instantaneous like pile driving.

Mr. Summers said this building also serves as a base for the Tram. Will the Tram movement up and down be considered?

Ms. Kolden said that would be recorded. The times the Tram goes up and down could be documented to see if there is a spike in crack movement or ground vibration.

Mr. Spickler asked if the pile driving starts having an affect on the building what will be done to mitigate that problem?

Mr. Gillette said if something does happen it would need to be looked at.

Ms. Kolden said based on her experience, it is highly unlikely that pile driving would cause damage to a structure from the vibration. People can perceive this as happening so this vibration monitoring is a good way to protect Docks & Harbors.

Mr. Uchytel pointed out another reason for this monitoring was because of the settlement at the Fisherman's Memorial that Docks & Harbors was accused of causing.

2. Term Contract results

Mr. Uchytel said Docks & Harbors term contracts are typically fiscal year to fiscal year and have option to renew for three one year periods. There were five that expired this year. The term contracts are for projects less than \$50,000. The selections are as follows;

Electrical Engineering - Haight & Associates
Civil Engineering Consulting services – PND
General Electric Work – Anchor Electric
Plumbing and Mechanical – Behrends Mechanical
Boat Demolition – Trucano Construction

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3. Thane Ore House Lease – Next Steps

Mr. Uchytel said this is a Request For Proposals (RFP) for the selection of the next lessee for the Thane Ore House. He said this RFP is what he is proposing to select a business to lease the Thane Ore House area. There would be a selection panel of staff, Board members, and possibly the Assembly Liaison. The proposer would need to provide a business plan on how they will execute the lease, and the capacity of the firm. More discussion followed the RFP selection process.

Mr. Logan suggested to send this to the Finance Committee meeting in June as an action item and on to the Full Board.

4. Whale Project

Mr. Summers said this whale subject has been in the media lately. Different organizations have stated what they thought Docks & Harbors opinion on the Whale project is. He said he looked back in previous minutes from 2012 and was not able to find anywhere that the whale project was endorsed for a certain area by Docks & Harbors. He did find the whale project wrapped into the maritime center building area discussion, but the building project did not move forward. Because people are saying that Docks & Harbors Board has endorsed a certain location, specifically at the Assembly meeting, he thinks it is important to clarify to the Assembly that Docks & Harbors has not endorsed a specific location so there is no public perception to that effect.

Mr. Logan asked Mr. Nankervis if he left the meeting with the impression that Docks & Harbors has endorsed the whale project location.

Mr. Nankervis said he didn't, but there is people that could have.

Mr. Logan asked if the Board should take a position on this because we have nothing to do with this?

Mr. Donek said this is not our project.

Mr. Logan asked if the Board needs to clarify our position as a Board?

Mr. Janes said he would like it officially known that Docks & Harbors does not have a position on the Whale project location.

Mr. Simpson said it was specifically stated that Docks & Harbors endorsed the whale location, and his recollection is the Board received a presentation. The fact Docks & Harbors did not endorse this location needs to be clarified.

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Mr. Logan asked if this needs to be an action item that the Board needs to clarify they are not taking a position on this project.

Mr. Uchytel said the Assembly already endorsed the location. When this was presented to the Board, nobody asked the Board to endorse this location. Engineering had a plan and Docks & Harbors was just making sure there was land available.

Mr. Logan asked if sending a letter to the Assembly clarifying the Board position needed to be an action item?

Mr. Nankervis said the Assembly hears public testimony all the time, and sometimes it is inaccurate. He suggested to direct the Port Director to send an e-mail to the Assembly members letting them know it was an incorrect statement and the Docks & Harbors Board did not endorse the whale location.

Mr. Summers said the statement came from the president of the whale committee.

Mr. Bush said the record speaks for itself and he does not see it as an issue.

Mr. Logan asked to send an e-mail to the Assembly members and the person who made the statement that the Docks & Harbors Board is taking no position on the location of the whale.

X. Committee and Board Member Reports

1. Harbor Fee Review Committee Meeting – May 6th, 2015.

Mr. Simpson said the committee discussed the trailer launch ramp fees, kayak fees, and other non-motorized vessel fees. The Committee recommended \$100 annual launch fee per vessel and not per user. The per user has been abused. There are designated free kayak launch areas at Amalga Harbor, Old Douglas Harbor and Tee Harbor. Kayak users will still be subject to launch fees if they are using the main ramps at any of the facilities.

2. Operations/Planning Committee Meeting – Next week.

3. Finance Committee Meeting – May 20th, 2015

Mr. Spickler said everything discussed at the Finance meeting was on the Agenda tonight.

4. Docks Fee Review Committee Meeting – Cancelled

5. Member Reports – none

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XI. Port Engineers Report –

Mr. Gillette reported;

- Aurora Harbor is on schedule and boats are scheduled to move back in on June 1st.

Mr. Logan asked if he heard back from GCI?

Mr. Uchytel said the Deputy Port Engineer said the GCI representatives would need 50% of the 110 slips and they only had 19 previously. If they come back and say they are not interested, staff will ask what it will cost for Docks & Harbors to have the phone lines installed.

- At Statter Harbor they are working on installing instrumentation in the soft ground area that will be built up for consolidation. There has been low tides so they have been working early and late hours to get this completed. Staff received a noise complaint and needed to remind Millers not to haul rock until after 7:00 am. He said Millers Construction cut down some trees on Dick Deems property that was not suppose to be cut and staff is negotiating that issue.
- Manson Construction will be ready to move into place on September 16th to start the Cruise Bert Project.
- Amalga Harbor Fish Float study is in progress. Harold Moeser is working on this project. There are a number of option to look at for this project and will go to the Ops/Planning meeting for review.
- The Cruise Berth Art was approved by the Assembly.

XII. Harbormaster's Report –

Mr. Borg reported;

- Four derelict vessels were taken to Trucano's for demolition.
- Shedoni left the IVF today under Trucano's power. Staff worked closely with the owner and entered a contract for disposal.
- At the ABLF there is a vessel on the hard that suffered some damage from Docks & Harbor travel lift. He said a marine survey was completed on this vessel and risk is involved.

XIII. Port Director's Report –

Mr. Uchytel said the ribbon cutting ceremony is on June 5th for Aurora Harbor. Customer appreciation will be on the same day until 2:00 pm.

Today a retired Army Major Steve Powel who's uncle perished in Solomon Islands on the USS Juneau came to town aboard the Oosterdam. He said Mr. Nankervis, Mr. Borg, Mr. Clauder and myself were there for a small ceremony where he presented a purple heart to Mr. Nankervis for the City which his uncle received.

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XIV. Assembly Liaison Report

Mr. Nankervis reported;

- Assembly introduced a land trade with CBJ and the Christ Evangelical Lutheran Church which is the church across the lane from the Troopers.
- Moved resolution 2713 which is the CBJ Capital Improvements Project list for 2016 through 2021.
- Moved Resolution 2726 which is dissolving the Aquatics advisory board and the empowered Board will be stepping in.
- The mill rate is the same as last year at 10.76.
- Ordinance 2015-20B appropriated money for the CBJ operations for FY 2016.
- Ordinance 2015-21B which is money to fund the Juneau School District. We have revenue sharing for 2016, but not certain for 2017.
- Ordinance 2014-24AM appropriated the City Manager \$100,000 partial funding for the Statter Harbor launch ramp.
- Approved the 1% for Art for the Cruise Berth project which members were surprised on the amount.

XV. Board Administrative Matter

- a. Operations/Planning Committee Meeting –Thursday, May 28th, 2015
- b. Harbor Fee Review Meeting – Wednesday, June 3rd, 2015
- c. Operations/Planning Committee Meeting –Wednesday, June 17th, 2015
- d. Finance Committee Meeting –Thursday, June 18th, 2015
- e. ~~Docks Fee Review Meeting –Thursday, June 18th, 2015~~ - Cancelled
- f. Board Meeting – Thursday, June 25th, 2015
- g. Board Member Applications – Tuesday May 26th, 2015

Mr. Uchytel said as of this morning the City Clerk received 3 applications for four positions.

- h. Port Director Performance Review Process

Mr. Logan asked Mr. Spickler, Mr. Simpson and Mr. Donek to meet briefly tonight to talk about the form that was received in an e-mail and enter into executive session after the next Board meeting in June.

XVI. Adjournment - The regular Board Meeting adjourned at 7:22 p.m.