

CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Thursday, December 3rd, 2015

- I. Call to Order** By Mr. David Lowell at 5:04 p.m. in the CBJ Assembly Chambers.
- II. Roll Call** Members Present: Tom Donek, Tom Zaruba, & David Lowell. Weston Eiler-via phone.

Also present: Carl Uchtyl-Port Director, Dave Borg-Harbormaster.

III. Approval of Agenda

MOTION: BY MR. ZARUBA TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections.

IV. Public Participation on Non-Agenda Items - NONE

V. Approval of October 21st, 2015 Finance Committee Meeting Minutes

MOTION: BY MR. ZARUBA TO APPROVE THE OCTOBER 21, 2015 MEETING MINUTES AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections.

VI. Consent Agenda - NONE

VII. Unfinished Business- NONE

VIII. New Business

1. Channel Construction Lease Application

Presentation by the Port Director

Mr. Uchtyl stated there was a 1.6 acre lease that originated in 1961 with State of Alaska and Construction Services Inc. that was for 55 years. In 1967 the lease assignment switched to Juneau Ready Mix Inc. In 1978 it changed to a 25 year period. Then in 2001 the State transferred the tideland lease administration to CBJ Docks & Harbors. In 2003 it switched to Tongard then 2008 changed again to Channel Construction. In 2010 we added .5 acre to the lease. It will be expiring in April 2016. In preparation for the lease expiring, Channel Construction applied for another lease. We had Horan & Co. do an appraisal to determine the lease amount. The new proposed rate .15 cents per square foot for the 2.1 acre property. This is consistent with our other similar leases. This will be for a barge landing.

Committee Questions

Mr. Zaruba asked if there is a problem entering in to a new lease with Channel Construction since it is in chapter 11 bankruptcy.

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Mr. Uchytel said he can consult with legal to see if that is an issue. We do make sure they are compliant with sales tax.

Public Comment - None

Committee Discussion/Action

Mr. Donek said we did discuss this at the CIP/Ops meeting last night.

MOTION: BY MR. DONEK FOR MR UCHYTIL TO DRAFT THE LEASE WITH THE CONDITION MR. UCHYTIL CHECK WITH LAW FIRST REGARDING BANKRUPTCY ISSUE AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections.

2. Special Annual Moorage Fee for Skiffs

Presentation by the Port Director

Mr. Uchytel stated this is the first regulation recommended change to consider The Harbor fee review committee discussed changing the annual open hull 21' or less skiff rate from \$600 per year to \$300 so we can encourage more use of designated areas for these smaller vessels. It was also discussed to have it as a calendar year rate instead of the normal moorage year of July – June.

Committee Questions

Mr. Zaruba asked if the daily rate and monthly would follow along with this \$300 annual rate.

Mr. Uchytel answered the daily and monthly rates are for stall users not the designated skiff zones.

Mr. Zaruba asked if there are any 6 month rates.

Mr. Uchytel answered no. We assume it is not used because most trailer their skiffs and the \$600 fee a year would require the boat in the harbor 7 ½ months to really make it worth it.

Mr. Lowell asked if it was the staff recommendation to delete it.

Mr. Uchytel stated the board wanted to try it anyway.

Public Comment -None

Committee Discussion/Action

Mr. Zaruba asked Mr. Borg how much work would this require to police it.

Mr. Borg stated this would require a permit and we would have to police the skiffs to make sure they are in the right area. It would be first come first serve and if it is full then it's full.

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Mr. Lowell asked what all the skiffs that are in the harbor paying now.

Mr. Uchytel answered it is either daily or monthly since they are just short term.

Mr. Zaruba stated we should follow staff recommendations and do away with it since there is no money in it.

Mr. Donek said we did discuss this quite a bit in the fee review committee and Mr. Simpson led the charge of reducing fee to encourage use.

Mr. Borg stated my biggest concern is when the skiffs do not use the skiff zone and there will be a huge learning curve to make sure they aware they get charged daily rates when they use the wrong area.

Mr. Donek stated the advantage seems to be for Douglas Harbor since we are removing the skiff slips and we can utilize the inside of the main walk. It would not be for the purpose of making money but convenience for our patrons.

MOTION: BY MR. ZARUBA TO MOVE TO THE FULL BOARD FOR DISCUSSION AND DECIDE ON THE PROPOSED CHANGES AT THAT TIME AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objections.

3. A Resolution of the City & Borough of Juneau in Support of Full Funding for the State of Alaska Municipal Harbor Facility Grant Program in The FY 2017 State Capital Budget.

Presentation by the Port Director

Mr. Uchytel stated we have always supporting funding for Harbor grants in the past and this year we submitted our own application for a harbor grant for Aurora Harbor and we are listed #7 to possibly get \$2M in grants. The legislator reviews the applications and divides out the funds if they choose to fund the program.

Committee Questions

Mr. Zaruba asked if there is a chance that this gets funded.

Mr. Uchytel answered he spoke to Representative Cathy Munoz who advised not to give up since it is an election year.

Mr. Lowell asked if we lowered the amount requested would we have a better chance.

Mr. Uchytel answered any amount would be great.

Public Comment

Dennis Harris- Juneau , AK

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Mr. Harris stated he is on the Airport Board and he wanted to give us heads up that the Airport Board received a letter stating there was no longer a 5% grant for aviation and this may happen for harbors too. I still think you should apply for it.

Committee Discussion/Action

Mr. Donek stated if we do not ask we won't get it.

MOTION: BY MR. LOWELL TO ENDORSE PROPOSED CBJ RESOLUTION SUPPORTING THE ADOT MUNICIPAL HARBOR GRANTS PROGRAM AND REQUEST ADOPTION BY THE FULL DOCKS & HARBORS BOARD AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections.

IX. Items for Information/Discussion -None

X. Staff & Member Reports - None

XI. Committee Administrative Matters

1. Next Finance Committee Meeting- **Thursday, January 21st, 2016.**

XII. Adjournment

The meeting adjourned at 5:34pm.