

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

I. Call to Order.

Mr. Donek called the Regular Board Meeting to order at 5:02 p.m. in the CBJ Assembly Chambers.

II. Roll Call.

The following members were present: John Bush, Weston Eiler, Robert Mosher, Bob Janes, Budd Simpson, David Summers, Tom Zaruba (arrived 5:09 pm), and Tom Donek.

Absent: David Lowell

Also present were the following: Carl Uchytel - Port Director, David Borg- Harbormaster, Gary Gillette - Port Engineer, David Seng - New Board Member, and Jerry Nankervis - Assembly Liaison.

III. Approval of Agenda.

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

Motion passed with no objection

IV. Approval of May 26th, 2016 Regular Board Meeting Minutes and June 6th, 2016 Special Board Meeting Minutes.

Hearing no objection, the May 26th, 2016 Regular Board Meeting Minutes and the June 6th, 2016 Special Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items - None

VI. 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. Notice of Intended Sale of Boat Shelters AG-29 by Mr. Louis Bandirola

RECOMMENDATION: TO WAIVE DOCKS & HARBORS' RIGHT OF FIRST REFUSAL ALLOWING MR. LOUIS BANDIROLA TO SELL HIS BOAT SHELTERS ON THE OPEN MARKET.

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

Motion passed with no objection.

VII. Unfinished Business - None

VIII. New Business

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

1. Aurora Harbor Phase II - Design Fee

Mr. Gillette said in the packet is a proposal for PND Engineers for Aurora Harbor Phase II. This includes predesign planning, survey work, geotechnical, permitting, design, bid documents, contract administration, and inspection for a total package of \$598,485. This was discussed at the OPS/Planning meeting. There is some cost saving for the second phase because of the design elements that were completed in the first phase that go into the second phase. In phase I, the construction element was \$9,803,000, the engineering cost was \$778,000 for almost 8% of the total. Phase II, the construction cost estimate is \$4.6M and the engineering cost is \$299,000 which is almost 6.5% of the total. There are some cost savings reflected in this proposal in the basic design portion. The Preplanning and geotechnical work will be time and material because we are not sure what will be required for the Corps permit. The inspection services will also be under time and material because we are unsure what this will entail.

Board Questions -

Mr. Janes asked what the cost estimate is for moving the boat shelters?

Mr. Gillette said there is a fee added for connecting the boat shelters to the main float but not a specific line item. That would be captured in planning under the construction sequencing.

Public Comment - None

Board Discussion/Action

MOTION By MR.SIMPSON: TO ACCEPT PND ENGINEERS PROPOSAL FOR \$598,485 TO PROVIDE ENGINEERING SERVICES FOR THE AURORA HARBOR PHASE II PROJECT AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Delegation of Authority to the Port Director for Approval of Boat Shelter Sales.

Mr. Uchytel stated the regulation says Docks & Harbors Board has the right of first refusal. The Chair of the Board requested to delegate that authority to the Port Director and not bring such a simple thing to the Board and make the seller wait until after the next Board meeting to sell their boat shelter. He checked with CBJ Law and they don't see any problem with the language as written in the motion because of his purchase authority. He doesn't see wanting to purchase a boat shelter anywhere in the near future. He will bring it back to the Board for information when decisions are made to not purchase a boat shelter.

Board Questions

Mr. Bush asked why was it the Board's first refusal? Was it so we could purchase them and do away with them? Years ago, the state owned the Harbors and the City just ran them. The State originally allowed boat shelters to be built.

Mr. Donek said that is correct. They allowed 21 boat shelters to be built and those were grandfathered in. The solution was to give the City the first option to buy them back to be able to get rid of them.

Mr. Summers said he supports the intent of this motion, but he wants to know what effort is made by Docks & Harbors staff to ensure the condition of the boat shelters?

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

Mr. Borg said nothing. The Boat shelters are private property.

Mr. Uchytel said with the pending phase II of Aurora Harbor, there has been discussion on closely defining in regulation what the owner must do for maintaining their boat shelters in the Harbor. When OSHA came through to inspect the Harbors, they pointed out violations with the Boat Shelters. The Harbormaster is working to correct the violations. The regulation currently does not hold the owner of the boat shelter to any significant standard.

Mr. Donek said it is similar to the boats in the Harbors, they are all at different levels of disrepair.

Mr. Eiler asked how often do the Boat Shelters sell?

Mr. Uchytel said there has been five this year.

Mr. Donek clarified that the boat shelters are sold for various reasons. One was selling because the owner was getting too old and another was selling because the owner died unexpectedly.

Mr. Eiler asked if the boat shelters were assessed or inspected by a Marine surveyor?

Mr. Donek said he owns a boat shelter, and his experience is that he looked it over and it was a place to park his boat and he bought it knowing the condition.

Mr. Janes suggested to work on the regulation for maintenance and upkeep of the boat shelters prior to the rebuild if possible.

Mr. Zaruba asked what the plan was for moving the Boat Shelters?

Mr. Uchytel said staff is still trying to figure it out.

Mr. Zaruba said they are not going to be easy to move.

Public Comment - None

Board Discussion/Action

Mr. Eiler wanted to know what the turnover has been with the Boat Shelters in the last ten years. The change of ownership could be a catalyst to having them inspected.

Mr. Donek said a boat shelter owner pays a tideland lease and property tax.

MOTION By MR. SUMMERS: TO DELEGATE AUTHORITY TO THE PORT DIRECTOR TO APPROVE THE SALE OF PRIVATE BOAT SHELTERS UNLESS THE PORT DIRETOR FINDS, IN CONSULTATION WITH THE BOARD CHAIR, THAT BOARD CONSIDERATION IS APPROPRIATE. THE PORT DIRECTOR SHALL REPORT ALL APPROVALS AS AN ITEM FOR INFORMATION/DISCUSSION AT THE NEXT BOARD MEETING AND ASK FOR UNANIMOUS CONSENT.

Motion Passed with no objection

IX. Items for Information/Discussion -

1. Norway Point to Bridge Park Land Use Master Plan (Results of Public Meeting)

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

Mr. Gillette said this is the master plan from Norway Point to Bridge Park and Corvus Design is the lead consultant. Meilani Schijvens who is one of the team members working on the Land Use Master Plan is here tonight from Rain Coast Data to do a presentation and an exercise.

Ms. Schijvens went over the document in the packet starting on page 30. She needs an indication on where the Board would like to go and where not to go. She has prepared a short exercise to get the Boards priorities to focus on and what not to focus on moving forward with this process. She said the team she is on, including Corvus Design, North Wind Architects, and PND Engineers, is actively working to develop a master plan for the uplands between the Juneau-Douglas Bridge and Norway Point. The reason for the focus on this project is the workforce earnings in the Maritime sector is the second highest earnings after the Government sector in the Juneau Community. There are 2,000 maritime jobs in Juneau with \$117.5M in annual wages. This is a significant part of Juneau's growing economy. In the Maritime Industry over the last five years, jobs have increased by 5% and earnings have increased by 12%. There are nearly 6,000 documented and registered vessels in Juneau. The project area was looked at by the numbers and did a data analysis.

- In terms of the 753 total vessel capacity of the area, Aurora Harbor has the capacity for 465 vessels and Harris has the capacity for 288 vessels with the annual moorage revenue just over \$1M for the project area.
- In terms of the commercial fishing fleet, this area hosts 1/3 of the fleet.
- The Yacht Club had 15,000 user days, including 274 events with a 53 average attendees at each event. There was 70 public rentals for weddings and celebrations and various other activities.
- There are 160 residents living in the area, and putting that into perspective, it is about the size of Coffmann Cove and bigger than Tenakee Springs.
- There are about 50 people that work in the uplands region of the project area, including Juneau Marine Services, the Marine Exchange, Juneau Electronics, the UAS Educational Facility, The Juneau Yacht Club, Maritime Hydraulics, and the Forest Service. Above the 50 are 25 additional workers that go to the area on and off for their work to work on boats as ship wrights, mechanics, welders, and various other professions. This does not include the 100 commercial fisherman that also hire deckhands.
- There are 360 students that use this area annually as part of the technical educational facility.
- One of the major uses of this area is parking. There are 289 parking spaces, 800 downtown parking permits and 620 annual temporary parking permits are allowed to use the 289 spaces.

On May 18th, we had a public meeting that approximately 60 people attended. The people that attended were asked what their priorities were for this area. In terms of the people that attended the meeting, priority was as follows;

1. To expand Marine Services Capabilities (27 votes). Of the 27 votes, eight people were specific to say Juneau needs a larger travel lift. The current 35 ton travel lift is not large enough to pull the Commercial boats. The other comments were to have a new crane, haul out facility, welding and boat maintenance shops, maritime

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

hydraulic services, additional boat storage area, boat stations to repair boats, and fill the uplands to meet those needs.

2. To improve safe and efficient access to and from Egan Drive and between the Harbors.
3. To upgrade Harris and Aurora amenities. This would be to improve the Harbormaster's office, bathroom facilities (not port a potties).
4. To add restaurants, coffee shops, and hardware stores in this uplands project area.
5. increase pedestrian access meaning the ability to walk from the Harbor to downtown.

Other comments for this area included, zoned for mixed use, storage spaces, additional parking, net shed or float, public transportation hub, increase maritime workforce development, emergency response training, improve small craft launch/moorage, improve and add community facilities, create a fresh fish market, covered boat storage, add bike path, add a cold storage facility, add a drive down float, repair or replace floats, and several other comments.

Ms. Schijvens explained the exercise she needed Board members to participate in to get the Boards priorities.

Board Discussion/Public Comment -

Mr. Janes recommended to add to her list that all live-aboards be put in one area of the Harbor, and he would like some thought given to the JD High School that may be closed at some point in the future for Harbor offices and Harbor related uses.

Mr. Eiler asked if CBJ owns the land in discussion for this project?

Mr. Gillette said most of Aurora and Harris parking is on the States right of way. There is private land, Federal Government land, State land, and we own all the tidelands in the Harbors. We did talk to ADOT to start the process of getting the right of way area turned over to CBJ which requires the Federal Department of Highways to agree with it because it is a federal highway. There is a mix of ownership in this area. Mr. Gillette said this is a master planning or visionary exercise.

Mr. Janes asked Mr. Borg if the parking was an issue with the Live-aboards, and if the live-aboard parking was all in one place if that would make policing the area easier?

Mr. Borg said that would make it easier.

5:53 Mr. Donek called a 5 to 10 minute recess for Board Members to participate in the project priority exercise.

6:04 back in session

Ms. Schijvens summarized what the Board members choice as priority.

1. Increase Harbor Amenities (specifically bathrooms) – 10 votes
2. Expand Maritime Services – 6 votes
3. Shopping retail opportunities

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

4. Reduce the hazard for Egan
5. Fish Market

Items that had no interest:

1. Building houses.
2. Bike Paths
3. Creating a bus transportation hub

She said she will go back to the team and discuss how the overall vision of this area will fit. The team will bring that plan back to the Docks & Harbors staff and gear up for a second public meeting in September to present the concepts. At that public meeting will be another opportunity for people to vote on the different concepts.

Mr. Eiler said he appreciated the presentation, and that it gives the Board a lot of good questions to consider as the planning process moves forward.

Mr. Bush asked if ADOT has a master plan for a better access to the Harbors off Egan?

Mr. Gillette said CBJ has nominated the Harbor entries as an area for the State to look at. There are a lot of other projects that rise to the top before this area.

Mr. Uchytel said currently there are three entry exit points to the Harbor and it might be better if it was down sized to two locations. There may be money for that.

~~2. Moored Vessels on Docks & Harbors Submerged Lands~~

~~Board Discussion/Public Comment~~

3. ABLF Boatyard Improvements Update

Mr. Gillette said there is a bid out now for a Fabric Structure for boat repair building which will be 25'x50'x22' tall. This would replace the one in Statter Harbor that is in disrepair. The bids are due July 8th. We are also in the final design phase of two buildings. One would be a shop building 24' x 30' and the other is 12' x 24' that would be used for an office and retail. We have it set up now that the Lessee will pay for the electrical. We will also install a fence around the leased area to make it clear of the lease area. We should have the bid ready design documents for the small buildings next week.

Board Discussion/Public Comments- None

~~4. Fourth of July Yacht Club Event~~

~~Board Discussion/Public Comments~~

5. FY 2017 Docks & Harbors Board Considerations

Mr. Uchytel said it is time to start thinking about our next month annual meeting. This is the time for the Board members to choose what Committee they want to participate on. The Special

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

Committee's are reestablished each year. The Board members need to decide if we still need the two standing Committee's or just the one. He said he typically puts the same agenda items on both meetings. Other ideas that were discussed with the Chair of the Board was maybe have a Committee of the Whole meeting one week before the full Board meeting similar to what the Assembly does.

Board Discussion/Public Comments

Mr. Donek said having two separate Committee's looking at the same things seems a little redundant. He recommended to define what the different Committee's do and have two separate agenda's or change the by-laws to have a work session before the Regular Board meeting. He said at the July Board meeting, he would like to reappoint the special Committee members and finish the fee review for both Docks & Harbors.

Mr. Simpson said he would like to finish the fee review.

Mr. Uchytel said the Docks fee review is almost finished.

Mr. Bush said he likes the idea of combining the OPS/Planning and Finance Committee meetings. He said he will not be here for any of the July meetings.

Mr. Mosher said he likes the idea of combining the meetings and asked when this would be decided?

Mr. Donek said at the next Regular Board Meeting.

Mr. Summers liked the idea of combining, but wanted to remind the Committee members that sometimes each meeting was over two hours.

Mr. Donek said usually during budget time it takes more time and recommended to have separate meetings during that month. The advantage of still having the two meetings would be to split them when we have a long agenda.

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday, June 22nd

Mr. Simpson reported:

- The Committee discussed and approved the PND proposal that was acted on tonight.
- The Andrew's Marina 35 year tideland lease was discussed. The Committee members discussed the poor condition of the marina that is on the lease area. The members didn't know if Docks & Harbors had any business telling the lessee what to do with their facilities on this lease area or if it is our obligation to look after the interest and the public benefit. The Committee asked for a representative from Andrew's Marina to come to the next meeting and provide more information before a decision is made.
- There was also a proposal to restrict the use of tarps in the Harbors. Testimony was received from both sides. The Committee was unable to decide. Mr. Simpson said he gave the members a homework assignment to determine exactly what the problem is that they are trying to address. Once the real problem is

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

pointed out, then the Committee can come up with a solution to resolve that problem.

2. Finance Committee Meeting- Thursday, July 21st - Cancelled

3. Member Reports -

Mr. Summers reported he walked the docks this last week to observe the tarp issue. He saw clear examples of a tarp being used in an appropriate way and clear examples where they are not. He suggested the other Board members walk the Harbors and look at the tarps to see if it is a situation that someone is fixing their asset or someone doing something in the Harbor they shouldn't be doing.

Mr. Zaruba asked if the Harbormaster is requiring every vessel to move once a year under its own power.

Mr. Borg said this hasn't been done in years. Staff is working on this. When a vessel changes ownership, he is requiring that.

Mr. Zaruba said that might go along with the tarp problem.

Mr. Borg said he agrees.

Mr. Janes reported that it took him over two hours to find a place to moor at Statter Harbor. He said there were at least seven or eight permanent stalls that were empty. He recommended to keep moving forward toward the new for hire float at Statter Harbor. He asked Mr. Uchytel for an update on the for hire float financials and design.

Mr. Uchytel said the Board has approved the design efforts to move forward with the sediment testing for geotech and dredging and 15% design for the new for hire float. The derrick will show up in August to do the soil sampling and after that staff will have a better idea how hard it will be to dredge and what can be done with the dredge material and at what cost. The plan currently is to go forward with the state marine passenger fees for funding the for hire float and the associated uplands. If Docks & Harbors is able to use the \$4.6M from the State coming to CBJ, that would be enough to do the dredging and get the floats in place. The issue is convincing the Law Department that is an appropriate use of head tax. The new floats would provide safety and efficiency for cruise passengers and cruise ships to invest in a for hire float that is 13 miles away from the cruise ship. Docks & Harbors believes it is an appropriate use, however, with the ongoing lawsuit, the Law Department is requiring a factual basis report be provided that he and Mr. Gillette are working on as well as Barbara Sheinberg who is doing data collecting. He is hoping to have all the factual basis data by mid July to CBJ Law. This project will still happen, the use of this money will just bring it to fruition sooner.

Mr. Janes said 99.4% of Gastineau Guiding's 34,000 passengers are cruise ship passengers. Only .6% are not cruise ship passengers.

XI. Port Engineers Report- Mr. Gillette's report was in the packet

Mr. Gillette reported

- Douglas Harbor is moving forward. Trucano Construction won't be onsite until September.
- Statter Harbor is moving forward with substantial completion July 18th.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

- Cathodic Protection is a joint project with Engineering. This is for the area under the Downtown bus staging area and under the Library parking garage. They will be on site after July 4th. Ballard Marine Construction is the contractor.
- The weather monitoring system is up & running at the AJ Dock. The next phase will put stations on the new cruise berth for people to use for coming into Taku smokeries and Franklin Dock. They should be up and running for the next cruise season.
- We are working on the application for the old NOAA Lab Facility. Staff is preparing for meetings and meeting the application deadline which is at the end of August.

XII. Harbormaster's Report

Mr. Borg reported

- Staff is doing brush clearing around the Harbor areas.
- The Fishermen are giving great feedback on the additional moorage on the inside of the new CT float.
- C-Ramp has been paved.

XIII. Port Director's Report

Mr. Uchytel reported

- The survey did come back and the Lumberman is on Docks & Harbors tidelands. He sent a letter asking them to attend the next OPS/Planning meeting to discuss their plans.
- The Yacht club has a 4th of July event on the 3rd that they were requesting to use the entire parking lot exclusively. He said he asked CBJ Law and they advised not to do so. The event planner does not need the entire area anymore so this is a non-issue at this point.
- Miller Construction disagrees on the paving aspect of the Statter Harbor launch ramp project contract. There is a clause in the contract that allows Docks & Harbors to deduct 10% of the Sub-contractor amount of paving. Millers is at risk to lose \$72,000. Millers said it is important they self perform. Millers did get a conditional use permit but there was an appeal so it is a possibility that Millers may not be able to pave by the July 18th date.
- He said he sent a letter to Sharon Andrews with Andrew's Marina requesting she attend the next OPS/Planning meeting to let the Committee know their intentions for maintaining the Marina.
- He said he met with Central Council Tlinget & Haida today and the terms of the lease were agreed to. The lease proposal of \$8,600 with a lease review every five years and \$1.00 per participant with a Juneau index adjustment.
- Aurora Harbor Phase II project will move forward because we received the harbor grant.
- We received a \$76,000 FEMA Grant for Camera's at the downtown cruise ship docks.
- Applied for a Tiger Grant to extend the crane dock at Aurora Harbor for a greater capacity for fishermen. We will know in two months if we are successful.
- We are working with the Corps to maintenance dredge Harris & Aurora Harbor. We may be able to use the dredged material for beneficial uplands.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, June 30th, 2016

XIV. Assembly Liaison Report

Mr. Nankervis reported -

- Last night at the Special Assembly meeting we appointed the members to the EagleCrest Board (Mike Stanley, Kayla Harmon, and Stephanie Hoag) and Airport Board (David Epstein and Martin Myers). There is still one vacancy on the Airport Board.
- On Monday night the Committee of the Whole discussed the sales tax on food and a 6% general sales tax and we opted not to pursue that at this time.
- On June 15th there was a Special Meeting and we reappointed to the Docks & Harbors Board Weston Eiler, Bob Janes, and newly appointed David Seng. The Assembly reappointed Tom Rutecki and Ritchie Dorrier and newly appointed Charlie Williams to the Aquatics Board.
- On June 13th at the Regular Assembly meeting we introduced ordinances.
 - An ordinance providing a temporary 3% sales tax that would be in effect for five years from 2017 to 2022. This would result in about \$26.4M. This will be on the ballot.
 - Ordinance 2016-20 is an ordinance placing an 8% tax on marijuana products similar to the alcohol tax
The Equal Rights Ordinance
 - Ordinance 2016-25 is providing for a permanent 3% sales tax. This will be on the ballot.
- Approved a \$10M loan from DEC for the Bio solids treatment and head works improvements (bio solids dryer).
- Approved first marijuana cultivation facility.
- Approved the moorage fees.
- Next Assembly meeting is July 11th.

XV. Board Administrative Matters

- a. Ops/Planning Committee Meeting - Wednesday, July 20th, 2016 at 5:00pm
- b. Finance Committee Meeting -Thursday, July 21st, 2016 at 5:00pm
- c. Board Meeting - Thursday, July 28th, 2016 at 5:00pm

XVI. Adjournment - The regular Board Meeting adjourned at 6:52 p.m.