

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, July 20th, 2016

- I. Call to Order** The meeting was called to order at 5:00 p.m. in City Hall Conference Room 224.
- II. Roll Call** The following members were present: David Summers, Bob Janes, Dave Seng, and Budd Simpson. Absent: Tom Donek & John Bush.
Also present: Carl Uchytel-Port Director; Gary Gillette-Port Engineer; Dolly Raster-Administrative Assistant III, Mr. Troy Andrew & Mrs. Sharon Andrew-Owners of Andrews Marina; Steve – Andrew’s Marina Maintenance Engineer.
- III. Approval of Agenda**
Mr. Uchytel requested to remove CCTHITA Lease from the agenda pending future information. Mr. Simpson requested to change Unfinished Business Item #2 to Item #1 to discuss Andrew’s Marina lease first.
MOTION: BY BOB JANES TO APPROVE THE AGENDA AS AMENDED AND ASKED UNANIMOUS CONSENT.
Motion passed with no objections
- IV. Public Participation on Non-Agenda Items - None**
- V. Approval of Wednesday, June 22nd, 2016 Operations/Planning Meetings Minutes**
MOTION: BY BOB JANES TO APPROVE THE JUNE 22, 16 MEETING MINUTES WITH TWO NAME CORRECTIONS FOR AUKE BAY MARINE STATION AND CCTHITA AND ASKED UNANIMOUS CONSENT.
Motion passed with no objections
- VI. Consent Agenda - None**
- VII. Unfinished Business**
1. Andrew’s Marina Lease
Presentation by the Port Director
Mr. Uchytel presented the proposed lease renewal for the Andrew’s Marina Tidelands ATS 33. Docks & Harbors has ownership of the lease that we received from the State in 2001. Andrew’s Marina has had this lease for about 55 years and they have the preferential right for renewal. We invited Mr. & Mrs. Andrew to the meeting to speak on the lease renewal and answer any questions the board may have. The ATS 33 lease is about 1.25 acres and was appraised at .15 cents per foot. We have two leases with Andrew’s Marina. The second lease ATS 1324 was renewed in 2009 for another 35 years. The board has discussed linking the two leases so they are on the same renewal cycle.

Committee Questions
Mr. Summers asked if the lease ATS 1324 that was renewed in 2009 is all submerged lands and asked if we are leasing any uplands to Andrew’s Marina.

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Mrs. Andrew answered that ATS 1324 is all submerged lands and ATS 5, which is the upland portion, is owned by Andrew's Marina. ATS 1324 joins ATS 5 and ATS 33. ATS 1324 was already renewed to us in 2009 and now we want to renew ATS 33.

Public Comment

Mr. Simpson asked what your future plans are for upgrades and the maintenance schedule. We are concerned about the condition of the harbor.

Mr. Andrew answered it is an ongoing process of constant repairs.

Steve, the maintenance engineer, answered I have put 26 new floats under the main this spring and we are ordering more fully encased floats with foam on the inside and the wood top. We are doing away with all of the tires. He stated he works on the docks non-stop.

Mr. Janes thanked the Andrews for coming in and stated he did walk the floats last week. With a 35 year lease we want to make sure it is an ongoing maintenance and improvements for the public who are using your facility. Even though it is a private marina, part of it is on public land and we want to make sure with a lease that long that the facility is at its best and highest use.

Mrs. Andrew stated our customers come to us and we always try to do the repairs requested to keep our customers happy. Steve works any time the weather permits and our insurance policy requires us to keep up on maintenance.

Steve stated he redid about 20 of the 32 foot stalls last year.

Mr. Simpson asked if they have stalls that go dry during the low tides.

Mrs. Andrew answered yes but we use them and the patrons are aware to put their motors up.

Mr. Summers asked if they want to renew the lease and what is the impact if it was not renewed.

Mrs. Andrew answered if the lease was not renewed we would have to remove a majority of our small stalls and we would lose business. But I ask the Board what would you do with the tideland if not leased to us. We want to get along with the city and are a safe business that has never been sued. She asked if you want us to do something to renew the lease just let us know. We will if we can afford it.

Mr. Summers stated he did walk the harbors and it is his opinion the marina is in a state of disrepair. He stated he wanted to be honest with Mr. and Mrs. Andrew and was advised by some of their current patrons that if they do complain or ask for repairs that there is retribution and they feel they could lose their stall because there is a waitlist.

Mr. Andrew asked Mrs. Andrew and Steve if they have ever threatened to take away a stall.

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Steve answered no and we always respond to repair requests within a day or two whether is it a new cleat or fixing the power.

Mrs. Andrew stated she does tell people who do not behave or follow the rules that they can lose their stall but they do not have too many problems.

Mr. Summers thanked the Andrews again for coming in to answer questions.

Mr. Simpson asked if they have a rule about year round tarps.

Steve answered we do not have a tarp or derelict boat problem. We have a handful of live aboards.

Mr. Simpson also thanked the Andrews for coming in.

Committee Discussion/Action

Mr. Summer stated he is impressed the Andrews were willing to come in and hear our concerns. Although the 35 year lease seems too long. I think we should do a shorter term. We may want to expand in the future and 35 years is a really long time.

Mr. Simpson asked if the ordinance is a 35 year requirement and if the renewal rights are always present.

Mr. Uchytel stated he cannot answer that for sure. There is value for a lease holder to have a long lease when it comes to operating a business.

Mr. Simpson stated we should combine the two terms of the two different leases that Andrew's Marina holds for management purposes.

Mr. Seng asked if the leases have value if they are not leased to the same business. What would improve if we aligned these two leases for renewal purposes.

Mr. Summers stated we would want the leases to be concurrent with renewal dates so that if the Business was sold or left for some reason it would be better to have them linked for the future.

MOTION: BY MR. BOB JANES TO RECOMMEND THE BOARD APPROVES A NEW 35-YEAR LEASE WITH ANDREW'S MARINA (ATS 33) FOR \$5,549.50 ANNUALLY AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections

2. Moored Vessels on Docks & Harbors Submerged Lands

Presentation by the Port Director

Mr. Uchytel stated the vessel Lumberman has been anchored in our tidelands for the last three to four years. There is no engine and no propellers. We requested the Lumberman as well as the Hamilton vessels to relocate off our tidelands so Manson Construction could anchor the cruise

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ship docks there for the summer. Mr. Hamilton has been moving all of his vessels and barges. Mr. Lucas Drake who owns the Lumberman disputed he was on CBJ tidelands therefore, we got a survey to prove that it is our property and they need to vacate. They have not responded. So the question for the Board is now what.

Committee Questions

Mr. Seng asked to clarify that they received a letter to move off our tidelands and since we proved it is our tidelands after they disputed it therefore, do they still need to follow our direction from the first letter to leave our tidelands.

Mr. Uchytel stated we sent a letter to wait until the survey was done. We wanted to get the Manson Construction floats on our tidelands for the summer and they had to moor outside our tidelands since the vessels did not move on time.

Mr. Simpson said as a Board we have been sympathetic and the problem isn't that big anymore since the construction company was able to anchor their floats. We need to figure out our management practices since they are squatting on our tidelands.

Mr. Uchytel stated Mr. Drake is saying he has nowhere to go but the Harbor Department does not want another situation like the sinking of the Challenger.

Mr. Summers stated if it sank we then have a non-revenue boat that we would have to pay for the disposal. Can we come up with a solution that if they want to stay they have to pay.

Mr. Uchytel asked if that is what we want to have is a tideland full of non-running vessels.

Mr. Janes said he is also sympathetic but we need to have them vacate the space until we have a policy and follow the seaworthy and sanitation regulations. In the future we may create a policy where they pay fees and can have legal mooring.

Mr. Seng stated we need to make sure we have the right set of regulations for all vessels in our harbors or on our tidelands. We do not want different set of standards for vessels.

Public Comment - None

Committee Discussion/Action

Mr. Uchytel asked if that is what we want in our tidelands. It's not a boat.

Mr. Simpson answered that we have other non-running vessels in our harbors. We would want to create a policy that would work.

Mr. Seng said it is two separate policies we would need to address which are a vessel not being seaworthy and mooring vessels on our tidelands.

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Mr. Seng asked if we have any reports about how many acres of tidelands we have that would be viable for mooring. If we consider a mooring program with fees then we want to have an idea of the scope of users.

Mr. Uchytel answered we have some at Auke Bay, Downtown, & Taku Harbor but not a lot that would be suitable for mooring balls.

Mr. Simpson asked if we have tidelands over by Lawson Creek.

Mr. Gillette answered not where the yachts anchor in the deep water area.

Mr. Summers stated we would want to install private buoys we would have a price, insurance requirements, running vessels, and only temporary not for permanent moorage. Or if we do permanent it would be on a lease basis. We should have the Lumberman out of our tidelands by August 31, 2016.

MOTION: BY MR. SUMMERS TO MOVE THAT THE PORT DIRECTOR SENDS A LETTER TO ADVISE THE OWNERS OF THE LUMBERMAN VESSEL TO MOVE OFF OUR TIDELANDS BY AUGUST 31, 2016 AND ASKED UNANIMOUS CONSENT.
Motion did not pass.

MOTION: BY MR. JANES TO MOVE THAT THE PORT DIRECTOR SENDS A LETTER TO ADVISE THE OWNERS OF THE LUMBERMAN VESSEL TO MOVE OFF OUR TIDELANDS BY AUGUST 31, 2016 OR PROVIDE AN ACTION PLAN AND ASKED UNANIMOUS CONSENT.
Motion passed with no objections.

~~3. Central Council of the Tlingit and Haida Indian Tribes of Alaska (CCTHITA) Lease
—— Presentation by the Port Director~~

~~Committee Questions~~

~~Public Comment~~

~~Committee Discussion/Action~~

~~**MOTION: TO RECOMMEND THE BOARD APPROVE THE LEASE WITH
CENTRAL COUNCIL TLINGIT & HAIDA INDIAN TRIBES OF ALASKA (CCTHITA)
FOR THE PROPERTY AT 4400 THANE ROAD.**~~

VIII. New Business

1. FEMA Port Security Grant
Presentation by the Port Director

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Mr. Uchytel stated we submitted an application for a FEMA 75/25 match program Port Security Grant to improve our Port Security. We were awarded \$76,050 and we will match with the \$25,000 coming from our funds. The board must accept the grant then we forward to the City Assembly to also approve the acceptance.

Committee Questions - None

Public Comment – None

Committee Discussion/Action - None

MOTION: BY BOB JANES TO RECOMMEND THE BOARD APPROVES THE ACCEPTANCE OF DEPARTMENT OF HOMELAND SECURITY – FEMA PORT SECURITY GRANT FOR \$76,050 AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections

2. Aurora Harbor Municipal Harbor Grant

Presentation by the Port Director

Mr. Uchytel stated we were awarded a matching grant from ADOT. It is an ADOT \$2M Municipal Harbor Facility Grant that we will match with \$2M from our Harbor funds. The board must accept the grant then we forward to the City Assembly to also approve the acceptance.

Committee Questions - None

Public Comment - None

Committee Discussion/Action - None

MOTION: BY DAVE SENG TO RECOMMEND THE BOARD APPROVES THE ACCEPTANCE OF THE ADOT \$2M MUNICIPAL HARBOR FACILITY GRANT AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections

IX. Items for Information/Discussion

1. Problem Statement: Derelicts

Presentation by Port Director

Mr. Uchytel stated we had a lot of push back from a previous meeting when we talked about blue tarps in our Harbors. We have an issue with a lot of non-running vessels and petty crime especially in Aurora Harbor. We are finding a lot of the vessels are becoming flop houses for nefarious activities instead of a mode of transportation. Most of the tarps are on vessels that are not well maintained and we need to start cleaning up our harbors.

Committee Discussion/Public Comment

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Mr. Simpson asked the board if anyone has given thought to the tarp issue from the last meeting.

Mr. Janes stated he has given it a lot more thought in regards to safety and live aboards being relocated. We could have them in one area and create a neighborhood association so we can police our harbors in cooperation with the patrons who live on their vessels.

Mr. Summers stated he walked the Harbors and found a majority of the vessels covered in tarps were derelict vessels. There are a few vessels that are being actively worked on. We need to focus on the derelict vessels and require the vessels to perform under the boats power. If they are protecting an asset under a cover for maintenance then they can provide the work schedule.

Mr. Simpson stated the repairs should not be exceeding a week to a month. It is just an excuse to keep tarps on year after year. The badly maintained tarp covered boats are indicative of something else that is attracting a bad element. We owe it to the regular users of the Harbor to clean up the area so families can use the harbors and not worry. The appearance of these vessels has to do with safety and being functional and we can focus on that regulation to fix the appearances.

Mr. Seng stated he thought other harbors have a vessel operating rule. He asked do we have that rule and are we enforcing it. It would accomplish cleaning up the tarps and derelict vessels.

Mr. Uchytel said he has spoken to Harbormaster Borg to determine what boats have not left the harbor in the most amount of time. We can start enforcing the sea worthy test. We can create a list and whoever has not moved in the longest period of time we start there and give those 3 months to perform with the vessel. We have demolished at least 27 boats in the last three years to clean up the derelict boats through impounds of non-paying vessels. We are not HUD housing and it will be hard to deal with the challenges of anyone who lives on social security or with a diminished mental capacity. We will want to decide what to do with patrons that have nowhere else to go.

Mr. Simpson stated we cannot allow people to use the Harbors for what was not intended.

Mr. Summers asked if we can partner with the Local Fire Department to help with determining if these vessels are a fire hazard, ventilation issues or if determined unsafe we can go from there.

Mr. Simpson said it can be an issue being in the role of an inspection entity and we could end up taking on some sort of ownership or liability because of it.

Mr. Uchytel stated we have stopped a lot of vessels from entering the harbor or swapping owners if they are derelict and do not qualify to stay. There is a lot of transition with vessels changing hands for example at the bar for \$50.00. Ms. Raster and the Harbormaster have really cracked down on that so we have been able to eliminate a lot of unqualified vessels when they change owners. Also if a patron owes us past money then they cannot register any new vessels until the old debt is paid.

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Mr. Simpson asked if the boat has back rent does it stop the boat from entering or staying. Does the debt follow the boat.

Ms. Raster answered the debt goes to the owner at the time and they are the responsible for those charges. If they do not pay the bill from the time period of when they owned the vessel then they will go to collections. If the vessel sells and is qualified to stay the new owner gets a fresh start with their own account.

Mr. Simpson asked if we can do a lien on a vessel. Can we stop them from returning or staying.

Ms. Raster answered we would have to go through the legal department to determine if we can do liens on vessels. We already stop anyone from returning to the harbor with a new vessel, getting a launch permit, or getting a parking permit if they owe us money and are at collections. They are denied from our services until they pay their debt in full.

Mr. Uchytel stated boats do not have titles in Alaska so any vessel can change hands with a bill of sale even if it is on a napkin.

Ms. Raster stated we require all vessels that change ownership to provide a copy of the bill of sale, a copy of the registration in the new owner's name, and do a sea worthy test in order to get a stall. We will continue to pursue a new patron until we get the all of the requirements completed.

Mr. Simpson stated I am hearing we have some tools we can use.

Ms. Raster stated I don't think we need to worry about tarps. We move forward with the sea worthy test that is already in regulations. We do not need the help of the fire department and we do not have to justify how we are choosing vessels to start with. We advise patrons we are picking you now and everyone has to do a sea worthy test. Dennis Holloway, our Harbor Officer, has already compiled the list of vessels to start with. Three months is too long to give a patron. Odds are most of the vessels are never going to operate again. We will need back up from the Board to commit to following through with the sea worthy tests meaning if they fail they are determined to be a derelict vessel and are unqualified to remain in the Harbor. If they do not vacate then we will need to impound the vessel and if it goes to auction and sells it cannot return until it is fully restored and operational. Most of these will not sell so the board will need to commit a certain amount of money to pay for the disposal of these vessels. The patrons that are on fixed incomes that we were worried about do have decent enough vessels that they will be able to get them running. My first couple of years with the Harbor department we were making progress with getting rid of the derelict vessels and the past year we cannot keep up with the amount of illegal activity taking over the north end of Aurora Harbor and the vessels becoming derelict due to a lack of upkeep and care.

Mr. Simpson stated he still has an issue with the tarps and the general appearance of the vessels and the harbors.

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Ms. Raster stated that we do have a lot of drug den vessels and some are with tarps. If we eliminate the derelict boats with drug activity that will get rid of most of the tarps as well. We should start with doing sea worthy test and that will clean up a lot of the harbor. The Board needs to know the non-moving vessels we will do the sea worthy tests with are not 90 days past due which is an easy impound to do. The Board will need to commit to doing a derelict non-qualified vessel impound and incur the cost of disposal. The patrons will have the option to remove their vessel by either hauling them out or taking it elsewhere. If they don't cooperate, then we will have to move forward with impounding and disposal at the Harbors expense.

Mr. Janes asked what is a drug den that you are referring to in the harbor.

Ms. Raster answered that we have a lot of homeless people and drug addicts that are coming in to our harbors and flopping on vessels. We are finding needles everywhere and reports of drug deals right out in the open. There is a lot of sub-letting vessels to renters who do not perform any upkeep and the cheap living attracts a lot of bad elements. We do our best to chase off people or get ahold of owners to get rid of the people but unfortunately some of the owners are drug addicts too.

Mr. Summers stated we need to have a no sub-leasing of vessels to stop them from being rented out.

Mr. Simpson stated he thought that was already in place.

Ms. Raster answered unfortunately no we do not have that regulation.

Mr. Uchytel stated we will cover the live aboard regulation review this fall to address sub-leasing.

Mr. Simpson stated we have heard from staff they will move forward and crack down on non-operational vessels to start but I am not giving up on eliminating tarps in our harbors.

2. Draft CBJ Energy Plan

Presentation by Port Director

Mr. Uchytel stated that CDD put together a draft energy plan with input from the Juneau Commission of Sustainability. To my surprise the number two strategy on page 37 there was talk about an increase in the use of power by Cruise ships with Docks & Harbors included in the draft that has been circulated to the public. I was not made aware of this ahead of time before the public was notified. I do not appreciate finding out about this at the same time the public has been notified.

Committee Discussion/Public Comment

Mr. Simpson asked who came up with this plan.

Mr. Uchytel answered CDD and the Juneau Commission of Sustainability which is an appointed committee. They are trying to execute the 2010 Juneau climate action plan(JCAP) that was

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approved by the Assembly. I feel there is another entity within CBJ that is trying to dictate the priorities of this body.

Mr. Simpson stated we have considered this already on more than one occasion and they are also telling us we can pay for it with a cost recovery opportunity through increased head tax to visitors. Their solution is to get someone else to pay for it that does not have a vote on whether or not they want it.

Mr. Gillette stated they have not communicated with us and they have no idea we've investigated this and it will be a \$25M project.

X. Staff & Member Reports

Mr. Gillette stated he wanted to update the Board on the Auke Bay Loading Facility Boatyard. We got a bid on the boat yard structure. We had two bids come in. The qualified bid was for \$43,000 and we issued a Purchase Order to move forward with the structure. It is a prefabricated structure that we will have to create a base for. We will use concrete blocks to make a 50 foot U-shaped base to secure the structure to. The company that we purchased the structure from will offer support to install the structure. The other element is we are building two wood structures out there. One will be a small shop and the other a retail space. We will go out to bid by the first part of August so they can start in September.

Mr. Uchytel stated the Auke Bay Phase II launch ramp area will start being paved next week by Miller Construction. Monday was the substantial completion date so they are now on liquidated damages as we speak. The best case scenario is they will have substantial completion by Derby Weekend August 11, 2016.

Mr. Simpson asked if they are setting up a claim on why they are delayed.

Mr. Uchytel answered it was poor management.

Mr. Gillette said they have run out of excuses and we told them to get it done.

Mr. Uchytel said we have submitted a letter of interest to acquire the NOAA Lab building out at Auke Bay. We are set up to discuss the Statter Harbor Phase VI passenger for hire float at a public meeting in the Assembly Chambers. We put together a solid case to use Head Tax to use for this facility.

Mr. Simpson stated back to the Energy Plan and asked Mr. Uchytel to prepare a letter from the Board to present why we disagree with the plan.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, August 17th, 2016.**

XII. Adjournment

The CIP meeting adjourned at 6:50pm.