

**CBJ DOCKS & HARBORS BOARD**  
**OPERATIONS/PLANNING COMMITTEE MEETING MINUTES**  
**Wednesday, September 21<sup>st</sup>, 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: Tom Donek, David Lowell, Bob Janes, and Budd Simpson.

Also present: Carl Uchytel-Port Director and Dave Borg-Harbormaster.

III. Approval of Agenda

**MOTION by Mr. Donek TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.**

Motion passed with no objections.

IV. Public Participation on Non-Agenda Items

William Heumann of Juneau, AK

Mr. Heumann said I am interested in leasing the property behind my building on South Franklin Street. It is surrounded by The Seawalk. The area I am interested in is approximately 2,000 square feet. I understand there was discussion about putting bathrooms in that area. There were kiosks in the area, but those have since been moved. Tourists are drawn to areas that are away from my building. I am trying to find a way to adapt to the new circumstances. Part of that is to find a way to draw people to that underutilized area.

Mr. Janes asked is that your leased property on the dock.

Mr. Heumann said the area I am talking about is Docks and Harbors property. I am currently leasing the land, but this is the water area.

Mr. Simpson asked is this area designated for any other purpose.

Mr. Uchytel said I will check to make sure we do not have the area designated for other projects. We have conceptualized using the area for bathrooms.

Mr. Simpson said we're not in a position to take action on this item. Mr. Heumann can make an appointment to talk about specifics with Mr. Uchytel.

V. Approval of Wednesday, July 20<sup>th</sup>, 2016 Operations-Planning Meeting Minutes

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**MOTION by Mr. Janes TO APPROVE THE WEDNESDAY, JULY 20<sup>TH</sup>, 2016 OPERATIONS-PLANNING MEETING MINUTES AND ASKED UNANIMOUS CONSENT.**

Motion passed with no objections.

VI. Consent Agenda – None.

VII. Unfinished Business

1. Vessel Lumberman

Mr. Uchytel said I met with Mr. Drake who owns the Lumberman. I encouraged him to exhaust all his options. I also recommended he move to the Department of Natural Resources' (DNR) land. Mr. Drake emailed me today suggesting he plans to move the Lumberman.

Mr. Borg said harbor officers have been called out due to reports of a fire on the Lumberman, and this has happened multiple times. They burn trash on the back of the Lumberman. It costs overtime for our staff to respond to calls during off hours.

Committee Questions

Mr. Simpson asked where does he intend on moving.

Mr. Uchytel said he did not say.

Mr. Janes asked when does he intend on moving.

Mr. Uchytel said he did not say.

Mr. Simpson asked has anyone asked they stop burning trash.

Mr. Borg said I will send him an email.

Public Discussion - None.

Committee Discussion/Action- None.

VIII. New Business

1. Shayne Thompson (Angoon Trading Co.) Lease

Mr. Uchytel said on page ten of the appraisal you will see the former lease for Channel Flying. That lease was for the last 55 years. The lease expires November 27, 2016. In September the lease rights were assigned over to Shayne Thompson. I can work with the Law Department to write a new lease. The property was appraised a year ago for \$ 6,360.00. I recommend the appraisal is close enough to the current value and that the lease renewal be approved.

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Mr. Thompson said my business is the 7UP and Snapple distributor for Southeast Alaska. The warehouse has soft drinks stored. My vision is to clean up the property. I would like to obtain a Corps of Engineers maintenance permit to correct the erosion that is on the seawall. I would like to take the pad out to where the existing old dolphins are located. Then I can make a water access. I can then hire a landing craft to bring my product in as the ferry system is not always reliable.

Committee Questions

Mr. Simpson asked if Channel Flying was the continuing lessee would we automatically renew the lease.

Mr. Uchytel said yes.

Mr. Donek asked does the right to renew survive the assignment from Channel Flying to Shayne Thompson.

Mr. Uchytel said yes, that is what the Law Department informed me.

Mr. Janes asked do you plan on using this as a distribution center for the foreseeable future.

Mr. Thompson said yes.

Mr. Simpson asked are you comfortable with the rate we are charging.

Mr. Thompson said it will be more than what I am paying now, but I am comfortable paying the asked rate.

Mr. Donek asked does this need to go to the full board or can Mr. Uchytel and Mr. Thompson work this out.

Mr. Simpson said Mr. Uchytel and Mr. Thompson will work this out. This could go to the full board tomorrow on the consent agenda.

Public Discussion - None.

Committee Discussion/Action

**MOTION by Mr. Lowell TO APPROVE SHAYNE THOMPSON'S APPLICATION FOR THE LEASE AND ASK UNANIMOUS CONSENT.**

The motion passed with no objections.

2. Aurora Harbor Phase II 35% Review

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Mr. Uchtyl said if you turn to page 17 in your packet you will see floats E, F, and G. We brainstormed about how the work could be accomplished. The project is going to be about \$4 million and will replace floats E, F, and G. It is a fairly easy project because there are no gangways. We want to have the bidding and awarding completed by early spring 2017. Then the contractor can mobilize in August 2017. The rebuild will consist of new electrical, new lights, and new water lines. All the fingers will be compliant with the American's with Disabilities Act (ADA). The vessels will be directed outside the work area. The shelter owners will also be directed to minimize the load on the shelter, so all items will need to be removed from the boat shelters. We will have a meeting in April 2017 for all the boat shelter owners so we can explain how everything is going to be moved. We want the boat shelter owners to take control of improvements to their shelters. The boat shelters are not all in the same condition; some have been maintained and others have been neglected. Now would be a great time to make regulation changes for the boat shelters. For example, there are boat shelters that are not compliant with the National Electrical Code (NEC). Also, I recommend we have better regulations regarding boat shelter owners having insurance and what that insurance looks like. Lastly, I suggest cleaning up the language in the regulations regarding the Harbormasters access to the boat shelters.

Mr. Uchtyl gave a PowerPoint Presentation explaining how the boat shelters will be moved in phases during the rebuild.

Committee Questions

Mr. Donek asked was the selection on which boat houses moved based on getting the right number on each float.

Mr. Uchtyl said we had to move some boat shelters because we wanted to balance the locations. Some of the boat shelters have access doors off the main float and we did not want to change that option.

Public Discussion – None.

Committee Discussion/Action

Mr. Lowell said it would be prudent of the City & Borough of Juneau to do a thorough pre-construction survey. This would help the construction crew. It would also give us a baseline as to what the condition the boat shelters are in currently. This would help us if anything were to go wrong during construction. What happens when the construction crew is ready to move a boat shelter but the owner has not prepared the boat shelter?

Mr. Uchtyl said I would need to check the regulations, but I believe staff would do the work and we would charge for staff labor. I don't know what a survey would accomplish.

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Mr. Simpson said I don't think we need a full marine survey. Someone could just go through each boat shelter, take notes, and digital pictures for documentation.

Mr. Donek said it would be best if the owner is present during the survey. A walkthrough with someone with structural knowledge and a camera would work fine.

**MOTION by Mr. Janes TO APPROVE THE AURORA HARBOR PHASE II 35% REVIEW AND ASK UNANIMOUS CONSENT.**

Mr. Donek said I recuse myself from this vote because I own a boat shelter.

The motion passed with no objections.

**3. Special Moorage Rate Consideration – Non-Motorized AGS Barge at Statter Harbor**

Mr. Uchytel said the Alaska Glacier Seafood's (AGS) barge at Statter Harbor is the former net float we had at the Auke Bay Loading Facility (ABLF). The barge has been decked over. It is a nonnotarized barge and they need a place to moor it over the winter. The owner asked for consideration with regards to the monthly rate because the barge is not moving, not using electricity, or water. I recommend we offer the downtown harbor rate as a consideration for AGS.

Committee Questions

Mr. Simpson asked where do you want to moor the barge.

Mr. Uchytel said it is currently on the inside of the breakwater and will remain there until May 1<sup>st</sup>, 2017.

Mr. Simpson asked are there issues with the location due to the size of the barge. Is it blocking traffic? Due to the weight will it damage our breakwater?

Mr. Uchytel said no, we've had yachts out there bigger than that, and I haven't heard any charter operators complaining.

Mr. Janes asked is it going to sink or is it in good shape.

Mr. Uchytel said no, it's not going to sink.

Public Discussion

Dennis Watson of Juneau, AK

Mr. Watson said I have concerns about a barge that heavy in the harbor. They've made additions to the barge and that could do something to the structure. It is exposed to the large tide changes Juneau experiences twice a day, and the wakes caused by the Greens Creek boat. On a windy day the water breaks over the breakwater. Last year a barge broke a finger in Statter Harbor, and that cost a lot of money to fix.

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Committee Discussion/Action

Mr. Uchytel said with regards to the displacement of the barge, I don't know if the draft is the same, but they removed gravel ballast. I have thought about the stress the barge will place on the breakwater and think it will be fine.

Mr. Janes asked Mr. Borg are you comfortable with the AGS barge on the breakwater.

Mr. Borg replied yes. I've talked to my staff as well and we're comfortable with the AGS barge on the breakwater.

Mr. Donek asked what do we do when the next person asks for a special rate. What is the justification with giving AGS the special rate when the next guy doesn't get the special rate?

Mr. Uchytel said the regulations allow us to make those judgments. This vessel is revenue we're going to collect. I can rationalize a lesser rate in the winter when there's no demand for the facility.

Mr. Janes asked what are we going to do when the next interested party asks for a discounted rate. I'm not sure what the criteria are we're judging the AGS barge on vs. another vessel. I think we should come up with a policy before we approve this. We need to think about what our policy is for future decisions.

Mr. Simpson said I suggest we approve this and then craft a policy for a discounted rate.

Mr. Uchytel said it's a barge and is different than a vessel that has its own mode of power. It's basically storage.

Mr. Lowell said I am still concerned with the fact this is an unmanned barge that cannot move quickly if the need arises. Has AGS looked into getting a DNR permit to use their land?

Mr. Uchytel said I don't know if they contacted DNR for a permit.

Mr. Janes asked what is the liability with regards to insurance for having a barge tied to a dock. It seems unconventional. Will AGS' insurance cover the damages to our docks if anything happens?

Mr. Uchytel said we can make it a condition AGS provides proof of insurance.

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**MOTION by Mr. Janes TO APPROVE THE SPECIAL MOORAGE RATE CONSIDERATION FOR THE NON-MOTORIZED AGS BARGE AT STATTER HARBOR WITH PROOF OF INSURANCE AND ASK UNANIMOUS CONSENT.**

The motion passed with no objections.

4. Cruise Ship Berth Contract Administration and Inspection Services Proposal – PND Engineers

Mr. Uchytel said this is the third phase. This is a proposal for 24 hour work shifts at 6 days a week. The total estimate is \$995,496.00.

Committee Questions

Mr. Donek asked how does this compare to last year's estimate.

Mr. Uchytel replied it's about the same.

Mr. Lowell asked how much is remaining on the current contract.

Mr. Uchytel said I do not have that number today.

Mr. Simpson asked is this consistent with what we have in the budget.

Mr. Uchytel said yes, it is consistent. The project is going well because of PNDs efforts.

Public Discussion – None.

Committee Discussion/Action

**MOTION by Mr. Janes TO APPROVE THE CRUISE SHIP BERTH CONTRACT ADMINISTRATION AND INSPECTION SERVICES PROPOSAL OF \$995,496.00 AND ASK UNANIMOUS CONSENT.**

The motion passed with no objections.

IX. Items for Information

1. Removal of Marine Park Lightering Float

Mr. Uchytel said in your packets you will find a letter from Wings Airways regarding their concerns about the placement of the lightering dock. It is pinching the seaplanes as they drive to their moorings.

Al Clough of Wings Airways in Juneau, AK said with 16B moving everything seaward it forces pilots to make a 180 degree turn in close quarters. It also requires weather conditions to be perfect. It is not a safe maneuver. If the lightering float were removed this would allow pilots more room to maneuver.

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Holly Johnson of Wings Airways in Juneau, AK said The Seawalk portion was going to cut through where our business is located. At that point we were going to move to the end of the building and be the only tenant in that building. In that scenario we would be next to the Lightering Float as a portion of The Seawalk. Negotiations have stalled and The Seawalk has been delayed. Wings Airways is now caught in the crosshairs. We thought the Lightering Float would go, but it has been left in place until negotiations come to a conclusion for The Seawalk. We can't afford to take over the lease of the other tenant and we can't move any further down. So, now we're stuck sharing a tight space with a public dock.

Committee Discussion/Public Comment

Mr. Uchytel said a Zip Line company and Adventure Bound use the float to go to Tracy Arm. They would be displaced by removing the Lightering Float. We do have the Port Field Office float that was designed as the Lightering Float. Also, I have received emails from some retailers regarding the removal of the Lightering Float and how that will negatively impact their sales.

Mr. Janes as an operator, this year with the increased size in the ships, Marine Park is insufficient. My bus operators have to circle downtown three times to find a space to stage. We need to be looking at the long-term solution.

Mr. Simpson asked can we shift the placement of the current Lightering Float.

Mr. Uchytel said we plan on keeping the Lightering Float until The Seawalk or Marine Park development necessitate the Lightering Float's removal. The game changer is that it is unsafe for the seaplanes.

X. Staff, Committee and Member Reports

Mr. Borg said staff has been working on general repairs around the harbors since they have time and supplies. The main focus has been the north end of Aurora, the damage from the accident is estimated at \$80,000.00. Our insurance should cover the cost. We sold the S10 at auction for \$2,600.00. The seasonal employees finish on October 2<sup>nd</sup>, 2016. I did issue letters to five patrons informing them they need to pass the seaworthy test.

Mr. Uchytel said Trucano is at Douglas Harbor and Millers is working on the Statter Harbor Launch Ramp. We're hopeful Millers will be done on November 1<sup>st</sup>, 2016.

XI. Committee Administrative Matters :

1. Next Operations/Planning Committee Meeting

The next Operations/Planning Committee Meeting is scheduled for Wednesday, October 19<sup>th</sup>, 2016.

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- XII. Adjournment  
The meeting adjourned at 6:41 p.m.