

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 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, David Lowell, Robert Mosher, Budd Simpson, and Tom Donek.

Absent: Bob Janes, David Seng, and David Summers

Also present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, and Matthew Creswell – Senior Harbor Officer

III. Approval of Agenda

Mr. Uchtyl said he included the appraisal methodology requested from a Board member who is not in attendance tonight, but because he is not in attendance, he recommends to strike it on tonight's agenda and bring to a meeting he will be in attendance. He said he could also leave it on the agenda for discussion.

Mr. Donek said the information is in the packet and the Board members can read the information on their own and recommended to strike it on tonight's agenda.

Mr. Simpson recommended to bring it to the next OPS/Planning meeting as an information item.

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

Motion passed with no objection

IV. Approval of November 17th, 2016 Regular Board Meeting Minutes.

Hearing no objection, the November 17th, 2016 Regular 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. 05 CBJAC 20.150- Reserved moorage waitlist fee.

RECOMMENDATION: To make no changes to 05 CBJAC 20.150 requiring an initial sign-up fee of \$50 and an annual fee of \$10 to remain on the reserved moorage waitlist.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

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

Motion passed with no objection.

VII. Unfinished Business -

1. Waterfront Planning Contractual Services (Marine Park to Taku Smokeries)

Mr. Gillette said the contractual services pertains to looking at a specific in depth plan for our managed properties and private properties from Marine Park to Taku Smokeries. Staff has been working on a scope of work to enter into a term contract with one of the CBJ Engineering term contract holder. They have an architect, landscape architect, Planners, and Engineers on term contract. This will be a less than \$50,000 project.

Board Questions

Mr. Lowell asked if this motion is approved as written, does it put a moratorium on future permitted uses until the planning efforts are complete?

Mr. Gillette said the Board has already decided to hold off on any requests until the planning is complete.

Mr. Uchytel said staff is meeting with CBJ Engineering and CDD tomorrow to make sure everyone in CBJ is aware of this planning effort and united moving forward. We are aware there will be egress issues with Franklin Street and contentious land uses in this area.

Mr. Eiler asked how this planning compares to the Bridge Park to Norway Point planning? What kind of contrast do the two planning efforts have?

Mr. Gillette said the planning effort at Norway Point is more of a land use planning and specific areas are identified for specific land uses. The Marine Park to Taku Smokeries is more of an urban design plan. We have a lot of land uses identified in the waterfront plan, but this would specify where the specific uses would go and how they are connected. This plan is on a different scale with a more detailed level and the Norway Point planning is more general. We want to make sure to coordinate with the CBJ Engineering department because of the seawalk and to use one of their term contract holders.

Mr. Uchytel said we already have the waterfront plan, but the Bridge Park to Norway Point doesn't have that level of planning. This is just refining the long range waterfront plan with more detail.

Mr. Mosher asked how long will this take?

Mr. Gillette estimated about six months. There will be public meetings and different stake holders we want to contact as well as Board workshops and communication. Staff wants to get this moving as quickly as possible.

Mr. Donek said at a previous meeting there were some old concepts for the Archipelago property. He asked if this new effort will also consider uses for the Archipelago property.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

Mr. Gillette said yes, staff intends to include all properties between south Franklin Street and Taku Dock. Everything will be looked at and the different uses considered.

Public Comment – None

Board Discussion/Action

MOTION By MR. EILER: TO APPROVE THE DIRECTION OF STAFF AND ADVANCE THE SCOPE OF WORK TO A CBJ ENGINEERING TERM CONTRACTOR FOR NEGOTIATIONS AND ASK UNANIMOUS CONSENT

Motion passed with no objection

VIII. New Business

1. Bid Award – Auke Bay Loading Facility Boatyard Infrastructure

Mr. Gillette said in the packet is the bid results that were opened on December 8th, and the bids came in higher than originally anticipated. The bid range was from \$373,000 to \$480,000 and one was from out of town. Looking at the two lowest bidders, there is less than \$7,000 difference. Staff believes this is a good bid, and will result in a significant facility. We do have funding in the account to cover this bid. If the bid is approved tonight, it will go to the Assembly on Monday.

Board Questions -

Mr. Eiler asked if one bid was from out of town?

Mr. Gillette said yes, it was Kuchar from Eagle River and they were the high bidder.

Public Comment - None

Board Discussion/Action

Mr. Lowell asked if the lease with Harri's Marine included this infrastructure in the evaluation of the lease price.

Mr. Uchytel said no, and technically we are under no obligation to do anything. This is more of what we want to do with our facility, and if we don't do it now it won't be done. There is about \$1M left from the Statter Harbor master plan received from the Legislature. If the Board approves this, it will come out of that money and the rest of the money will be used in other Statter Harbor projects.

MOTION By MR. LOWELL: TO APPROVE A \$373,766 BID AWARD TO ALASKA COMMERCIAL CONTRACTORS TO CONSTRUCT BUILDINGS IN SUPPORT OF THE AUKE BAY LOADING FACILITY LEASED BOAT YARD FACILITY AND ASK FOR UNANIMOUS CONSENT.

Motion Passed with no objection

IX. Items for Information/Discussion -

1. Harbor Bond Debt – Update

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

Mr. Uchytel said this was a request from Mr. Eiler to give an update on the Bond Debt. The link in the packet is to the Ordinance from 2007. In 2007, the Assembly approved Harbor Revenue Bonds for 10.6M. The use of this money is for the following;

\$4.2M - Old Douglas Construction Project

\$4.2M - Auke Bay Loading Facility Construction Project

\$1.3M - Dehart's Marina

\$720,000 - The bond reserve account deposits.

\$154,000 - Issuance costs accrued interest.

Mr. Uchytel said on page 18 of the packet show the Finance Director refinanced the bond in 2015 and the benefit for refinancing shows that Docks & Harbors only pays interest for the next three years.

Board Discussion/Public Comment -

Mr. Eiler asked if there has been other bonds for projects?

Mr. Gillette said we have used bonds before. The Aurora Harbor Phase I project used a \$7M general obligation bond which was approved by boaters. This bond is a revenue bond and is a little different in terms of paying it off. Bonding has been used on a number of projects.

Mr. Uchytel said we can use revenue bonds because we are an enterprise and revenue producing.

Mr. Gillette said the other bonds are the Geo-Bonds.

Mr. Uchytel said the Geo-Bonds are repaid with the 1% for sales tax or property tax which is approved by voters.

Mr. Simpson asked if Docks & Harbors user fees are used to pay this bond?

Mr. Uchytel said yes, it is included in our budget every year.

Mr. Simpson commented that the other bonds are paid by sales tax.

Mr. Uchytel said that is correct.

Mr. Donek asked what the total cost was for the Auke Bay Loading Facility?

Mr. Gillette said approximately \$13M.

2. Auke Bay Marine Station - Update

Mr. Uchytel said Docks & Harbors submitted an application to acquire the Auke Bay Marine Station that is also known as the former NOAA Lab. Our application was submitted through MARAD which is the Maritime Administration through a Port Conveyance issuance. Docks & Harbors is competing for this property with the University of Alaska who has plans to invest in a Marine Fisheries Facility using the LAB and bring the Fairbanks Marine Fisheries LAB to Juneau. Another UAS idea was to have a Maritime Academy at that location. GSA who will adjudicate assignment of the property realizes the two applications and have asked us to work with UAS to see if we can partition the property that would be acceptable to both parties. Mr. Uchytel said there was

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

a meeting this last week with Mr. Donek, Mr. Simpson, Mr. Gillette, Mr. Watt, the Mayor, and myself to strategize on how to move forward. The City believes the property would be best managed kept at the local level without UAS. However, the City would be able to provide UAS with what they need to be successful. Docks & Harbors is working with the City Manager to draft a letter to the university to reconsider their application. In the Docks & Harbors application, we did suggest we would enter into a MOA providing the University with facilities that would meet their requirements. GSA has asked us to come up with an equitable solution by February 1st. They would like to be finalized with the application process and issue a quick claim deed so someone can move in when the Coast Guard leaves in May.

Board Discussion/Public Comments-

Mr. Eiler commented this is a valuable opportunity and supports staff to work on a solution to make this happen. If Docks & Harbors is not successful with obtaining this property, and the university pursues some kind of Maritime Academy with boat training, they may need Harbor development.

Mr. Uchytel said that would be made clear if a Maritime Academy came to fruition, and UAS needed expanded Harbor facilities, Docks & Harbors would be willing to move forward with the expanded facility in our vision.

Mr. Watt said he agrees that local control makes the most sense. The City does support the University and can be a good partner. This is an important message and our actions affirm why the City is the best land holder. He said there may be a lot of work to agree to an MOU or MOA with the University, but we are committed to that. There has been a lot of things going on with the University in the last few months. This is a once in a generation opportunity. Mr. Watt said he would like to work with Mr. Uchytel to draft an MOU and bring it back to the Board for review.

Mr. Eiler said he encourage staff to bring this to the Assembly's attention because if the Assembly is investing money into a new facility, it is duplicative at this point, and it also puts in jeopardy other things UAS values now. He said he thinks the University is in a tough spot to be expanding or even thinking about expanding, but he thinks it is in the University's and Juneau's best interest to keep it local because Docks & Harbors can support it. He encourages talking to the Assembly and the Legislators about this.

Mr. Uchytel said the difference between the two applications is if it is an education application it is very limited and our read is it can only be used for educational purposes. If it is a Port Conveyance, we have the opportunity to chase revenue opportunities until such time as there is a master plan or detailed idea of what is supportable by the University or what we need for the Harbors. Staff believes we are being reasonable and feel the University is not.

Mr. Watt said he is committed to bringing UAS along with what is best for Juneau and the University.

~~3. — Horan & Company Appraisal Methodology~~

This item will be discussed at the next OPS/Planning Meeting.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

X. Committee and Member Reports

1. Harbor Fee Review Committee Meeting – Wednesday, November 30th, 2016

Mr. Simpson said the Committee studied the waiting list fee. It is \$50.00 to start on the list and \$10.00 to stay on the list. The Committee decided to leave this fee as is and not change anything. This was on the consent agenda tonight and was passed.

2. ~~Operations/Planning Committee Meeting – Wednesday, December 7th, 2016~~ - Cancelled

3. ~~Finance Committee Meeting – Thursday, December 8th, 2016~~ - Canceled

Mr. Eiler requested next month's Finance meeting be rescheduled. The week of January 16th is the start of the Legislature session and will be very busy. He recommends the week prior would be better.

Mr. Uchtyl said the Legislature reception is Wednesday and that is why the next OPS/Planning meeting was changed to Tuesday January 17th. There are other conflicts.

Mr. Gillette said staff is trying to schedule a work session with Corvus Design, Board members and then the public. This meeting was set for January 18th, then realized it needs to be changed. Staff will work with Corvus Design to schedule a better date.

4. Member Reports -

Mr. Eiler, Lands Liaison, recommends to communicate with the Assembly about Docks & Harbors land use plans from Marine Park to Taku Smokeries and what ideas we have for the Archipelago lot.

Mr. Uchtyl said before a joint meeting with the Assembly, he would like to have a strategic offsite in February or March with the Board members to have a consensus of what projects Docks and Harbors should be working on. We have some money, just not enough to do all the projects. We need to prioritize our projects.

XI. Port Engineers Report-

Mr. Gillette's said his written report was in the packet.

- The Douglas Harbor project is moving along really well and not any issues.
- Statter Harbor launch ramp is nearing completion. The contractor is still waiting for the final guard rails for the seawalk and then we will have some negotiation issues to finalize.
- The Juneau Cruise Berth is moving along. Manson is doing a great job and on schedule. It is a good chance they will be done ahead of schedule.
- Aurora Harbor rebuild phase II. Staff just reviewed the 95% drawings. PND will have the bid documents ready just after the first of the year. Staff wants to get this out as soon as possible so there is plenty of time to get the floats. The project won't start until the end of August.
- Statter Harbor master plan phase III - The geotech and the environmental reports have been finalized. The report showed there is no contamination in the dredge material and staff is proposing to the Corp of Engineers in the permitting process that we deposit the dredge materials in the water outside of Auke Bay. In the geotech report, it did give us indication of bedrock and PND is looking to see if it

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

affects the proposed layout of the floats. An option would be to blast the bedrock and remove it or reconfigure the floats.

Mr. Eiler asked what the timeline was for the seawalk completion by the Whale Park?

Mr. Gillette said that is a three phase project. The first phase was creating the island and the area for the whale. The second phase is the seawalk and by spring the guardrails should be installed and access to portions of the seawalk. The third phase is the plaza and the amenities around the whale. There will be summer construction, but some of the seawalk will be open.

Mr. Donek asked when it will connect to the rest of the seawalk downtown?

Mr. Gillette said he understands they have begun negotiations with Merchants Wharf again and if they are successful they will continue from Marine Park and go in front of Merchants Wharf and Goldbelt. The Whale Park seawalk will have a connection to the sidewalk by the highway and continue on the sidewalk until the Goldbelt building.

XII. Harbormaster's Report

Mr. Creswell reported;

- Staff has been dealing with cold issues. The water systems are having freezing issues because the heat traces were not keeping up. It has been difficult keeping water flowing to the boats. There was an area identified in the new section of Aurora Harbor with faucets freezing and heat traces tripping off. Staff worked with Haight and Associates and they came down and turned up the resistance for the GFCI outlets. Harris Harbor also had some freezing issues.
- There was a big theft issue Monday night on the B-float in Aurora. There was a vessel the Isabella that was stripped of all the valuables. Staff is working with JPD to increase patrols and sent out emails and put up flyers to encourage Harbor users to report things that does not look normal.
- In the past six days we have had two boats that sank. One was at Statter Harbor and one was on N Float in Aurora Harbor.

XIII. Port Director's Report

Mr. Uchtyl reported last night at the Assembly Finance Committee they approved the transfer of \$4.6M from the Cruise Ship Berth project to the Statter Harbor Phase III. This was a 7 to 1 vote in favor of the transfer.

XIV. Assembly Liaison Report - None

XV. Board Administrative Matters

Mr. Uchtyl asked if the attendance sheet supplied to the Board members was what they wanted or is there something else they want?

Mr. Donek said this was requested by Mr. Summers. He said the Board members should not be contacted by Jennifer Shinn (JS). That is what we want to avoid.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

Mr. Bush said he appreciated the call if he doesn't respond to the email.

Mr. Uchytel said staff could text the Board members if that would help letting you know the agenda's have been posted.

Mr. Donek recommended to continue how the Board members respond.

The Board members requested a text message the Friday before the meeting.

Mr. Uchytel said staff has received the fourth request for records from Miller Construction. He needs to know if the Board members has any correspondence with Miller Construction or Secon regarding paving. This would be in email, letters, correspondence, legal documents, or text with Secon.

The Board members present said they have had no communication.

- a. Harbor Fee Review - Wednesday January 4th, 2017 at 12:00 pm
- b. Ops/Planning Committee Meeting - Tuesday January 17th, 2017 at 5:00pm
- c. Finance Committee Meeting -Thursday, January 19th, 2017 at 5:00pm
- d. Docks Fee Review - Thursday January 19th, 2017 following Finance
- e. Board Meeting - Thursday, January 26th, 2017 at 5:00 pm

XVII. Adjournment - The regular Board Meeting adjourned at 6:14 p.m.