

CBJ DOCKS AND HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, March 30th, 2017

I. Call to Order

Mr. Donek called the Regular Board Meeting to order at 5:00pm in the CBJ Assembly Chambers.

II. Roll Call

The following members were present: John Bush(via telephone), Weston Eiler(arrived at 5:08pm), David Lowell, Robert Mosher, David Seng, David Summers, Budd Simpson, and Tom Donek.

Absent: Bob Janes

Also present were the following: Carl Uchtyl – Port Director, Gary Gillete – Port Engineer, David Borg – Harbormaster, and Robert Palmer – Assistant Municipal Attorney for CBJ.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Approval of January 19th, 2017 Docks Fee Review Committee Meeting Minutes, February 23rd, 2017 Regular Board Meeting Minutes, and March 8th, 2017 Harbor Fee Review Committee Meeting Minutes.

Hearing no objection, the January 19th, 2017 Docks Fee Review Committee Meeting Minutes, February 23rd, 2017 Regular Board Meeting Minutes, and March 8th, 2017 Harbor Fee Review Committee Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items - None

VI. Consent Agenda - None

VII. Unfinished Business

1. Public Hearing for Regulation Changes to the Potable Water Fee ([05 CBJAC 15.050](#)), Grid Usage Fees ([05 CBJAC 20.100](#)), and Pump Use Fees ([05 CBJAC 20.120](#))

Mr. Uchtyl said on page 20 of the packet is the summary of the regulation changes that have been introduced to the Board and staff conducted the 21 day notice and we have received no comments. This is the last chance for public input before it is sent to the Assembly for final action.

Board Questions - None

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Public Comment - None

Board Discussion/Action

MOTION By MR. SIMPSON: TO APPROVE PROPOSED REGULATION CHANGES AND RECOMMEND THE ASSEMBLY TAKE ACTION TO ADOPT AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Bid Award – Aurora Harbor Phase II

<http://www.juneau.org/harbors/documents/FinalBoardMemo-DH17-021BidAward-3-29-17.pdf>

Mr. Gillette said the award information is a separate memo to the Board packet because the memo was so large. It is posted on our website along with a letter from Northern Construction Services (NCS) who was the low bidder. Staff opened bids on February 8th and NCS was the apparent low bidder and February 9th the posting notice went out. Staff did receive a letter of intent to protest the bid from Trucano Construction, but on February 14th another letter was received to withdraw the intent to protest. NCS had a sub-contractor report for the bid but did not list a sub-contractor for pile driving which meant they would be performing the work themselves. Additional information was requested to verify they had the ability, equipment and people to do the work. Staff received the information and reviewed it and determined it was sufficient to conclude that they had met the contract requirements to perform the work. They did list three other sub-contractors for other work on the project which were Harri's Plumbing & Heating, Anderson Brothers Electric and JW Bean. The bid award was brought to a Special Board meeting on March 17th and there was a number of questions. Trucano Construction brought up an issue that they were not fully paid for the sub-contract work they performed in Phase I of Aurora Harbor. Staff verified that NCS submitted the paperwork that said all sub-contractors were paid with the exception of a disagreement with final payment for Trucano Construction and closed out Aurora Harbor Phase I. At the March 17th meeting, Trucano testified that he has not been paid in full, and the Board members heard from a representative of the carpenters union that NCS is in proceedings with the Alaska Department of Labor (ADOL) regarding davis bacon wages on a project from Sitka. Staff has been looking into this and asked NCS about the issue. Numerous letters have been submitted regarding the issue. Mr. Uchytel contacted the deputy commissioner at the ADOL today, and Docks & Harbors is not able to obtain any information on this issue because it is still under investigation. However, in speaking with staff at ADOL, they indicated that they have not reached the debarment finding in this process yet, and they are typically able to work out the situation and not debar a company. Staff's concern is that if the bid is awarded and in the middle of the project they are debarred, the work could stop. However, given the information we have today, it is highly unlikely for debarment and the process could continue for a lengthy time. At this time, staff believes there is nothing substantial to warrant rejection of the bid and NCS has provided all the information requested.

Board Questions

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Mr. Eiler asked Mr. Gillette to explain on what type of previous large projects has there been a prescreening for qualifications from a bidder on their ability to perform.

Mr. Gillette said he has been with the department for eight years and this has only been done with the cruise ship berth project. The uniqueness about this project is that the pilings are in the 4' range which is much larger than the typical 18" to 24" piling size, and there was numerous soil issues and some of the piling required drill anchors.

Mr. Uchytel said Docks & Harbors is required to award to the lowest bidder per the CBJ City charter.

Public Comment

Doug Trucano, Juneau, AK (Owner of Trucano Construction)

He said he was the sub-contractor in Phase I of Aurora Harbor with NCS and has not been paid for the work he did in Phase I. In Docks & Harbors spec book it says the sub-contractor will be paid within 30 days of paying the prime contractor and the prime contractor will pay within eight days of them being paid and that was a year and a half ago. This is a very bad situation and he has been told Docks & Harbors can't even enforce their own regulations and force the prime contractor into paying Trucano Construction. He said he knows the employees working for NCS that worked in the Trucano Yard were not getting paid the Davis Bacon wages. This is the same thing they did in Sitka and NCS is in violation of the Davis Bacon act. He is also unsure how they can be a supplier and a contractor? If you are a contractor you have to do 40% of the work. They did not do 40% of the work in Juneau. He would like some answers before the bid is awarded. If Docks & Harbors puts information in the spec books, it should be enforceable or should not be included in the specs. If Docks & Harbors can't enforce the specs, the City should be liable to pay the money owed to Trucano Construction.

Ronald McCormick, Junction City, Oregon (Owner of Northern Construction Services)

He said on page 33 of the packet is a letter he prepared in advance of coming to Juneau to answer questions and concerns from the Special Board meeting.

Kris Dimond, Douglas, AK (Carpenters Union Local 1281 representative)

He said it was his understanding on the Sitka project NCS is being investigated by the ADOL for bringing employees to Alaska after actively advertising for employees to come to Alaska and work as carpenters on a prevailed wage project for \$18.00 per hour. He has also learned from Mr. Trucano that NCS had three carpenters assembling docks and putting bull rails on and decking in his yard and then they would transport the floats to Aurora Harbor. He said he spent an hour and a half going over certified payroll at the Port Office and there is no record of any certified payroll for those three people. That is wage theft and worker misclassification. This is an epidemic running rampant across this country and NCS is performing this right here in our City. This is taking jobs and money away from people who are struggling right now with the economy turning down. NCS is paying employees \$18.00 an hour for a job that should be paying prevailing wages at \$67.00 per hour which is well worth that rate for the work. A local Company can't compete with a company that is cheating and bringing people in from out of state and pay them substandard

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wages. The fact that Trucano Construction hasn't been paid when it has it in the spec book which is like a contract. He recommends to rebid this or award it to the next lowest bidder.

Ronald McCormick, Junction City, OR

He said his company Superior Forest Products has two d.b.a.'s. One is Alpine Lumber and Building products which manufactures floats and docks as part of their activity. Northern Construction Service is another d.b.a. and it is strictly construction in the State of Alaska. He said he is unsure who the three employees are that Mr. Diamond is referring to, but it is not uncommon for Alpine employees to be sent to Alaska if there is a problem with a product. He said we have been in business since 1998 on Prince of Whales Island as a sole proprietorship and we bid out our first job in 1999 which was a seaplane float. Not one time have we had any trouble with the ADOL, a union, or any kind of accusations like this. We have never even been in a court until this project. He said his company's integrity is important in what they do and the products made by his company. A project is not left until it is completed correctly. He said NCS has not knowingly done anything wrong and stay within the spirit of the law and the letter of the law all the time. He said he does have a disagreement with Trucano Construction. They agree to disagree at this time but is hopeful it can get resolved before mediation or arbitration.

Mr. Lowell asked what has been the nature of the projects since 1998?

Mr. McCormick said the construction was started in 1999 and the first project was a seaplane float and from that built a boardwalk in Bethal, seven snow removal equipment building across the interior of the state, a two year project in Kipnuk, and several other Alaska Communities. We have been suppling floats since 2010 and primarily on the Canadian market.

Mr. Lowell asked how many of the prior projects had pile drilling operations performed?

Mr. McCormick said he sub-contracts out work and performs their own work, which ever makes him the most competitive is what his company will offer to do.

Mr. Bush asked if he has employees that work for both Alpine and NCS?

Mr. McCormick said yes.

Mr. Bush asked if it was a large percentage of the employees?

Mr. McCormich said no. He said NCS does have an issue with ADOL, we could have paid them \$130,000 and the issue would have been solved, but there is a difference in opinion. The issue is there are employees that are Alpine employees constructing the floats five miles away and the only reason they are being constructed here is because they can't be transported. Normally they are constructed and assembled in Seattle and shipped to Alaska on a barge all in one piece. The Sitka floats were 16' wide so we prefabricated the floats in Oregon and shipped them and finished the assembling at Halibut Point. He believes the ADOL has bad information about the project NCS was doing and was mischaracterized and NCS is currently trying to get a hearing to explain the implications.

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Mr. Bush commented that the change in this situation was only that the floats were too large to ship and they needed to be assembled in Alaska.

Doug Trucano, Juneau, AK

He said the prime contractor is required to do 40% of the work on a project. If Alpine Lumber is the supplier, he would like to see how NCS did 40% of the work because Trucano Construction did almost all the work on Phase I right down to their trucking. In Sitka, Tamico did all the pile driving and there again if Alpine Lumber is the supplier he does not believe NCS did 40% of the work on that project either.

Ronald McCormick, Junction City, OR

He said his understanding of the 40% includes purchases such as piling and floats and that is all part of the prime contractors contribution to the 40%. That is no different than Trucano Construction purchasing floats from Mathews Lumber which counts toward his 40% on a project.

Board Discussion/Action

Mr. Summers asked Mr. Palmer if this Board is required to award this bid to this contractor because he is the lowest bidder? Could the Board do something other than award this bid?

Mr. Palmer said the Board could do something different. The Board is put in an awkward position. On one hand you have an ordinance that describes the Port Director as the purchasing officer for a project and the Port Director has issued a notice that identifies NCS as the apparent low bidder. The notice went out and that notice technically goes to the Assembly for the formal recommendation for this project. The Board does get to review work done by the Port Director and can also make a recommendation if you choose to. There is a fine balance for this project. Mr. Trucano, who is the number two bidder, is asking to do something different than the Port Directors recommendation. That puts the Board and the CBJ in a precarious position if the Assembly does something different than what the Port Director recommends because Mr. Trucano did file a notice of intent to protest and the protest is the legal mechanism to challenge the notice to award made by the Port Director. However, Mr. Trucano withdrew the protest and at this time Mr. Trucano does not have a legal right to challenge the award of this project. He waived his right and it is important because what is being asked from the Board should not be asked. The Port Director and staff has done a reasonable inquiry and has reached out to ADOL, has had communication with Doug Trucano, has opened their books pursuant to the public records request and has been completely transparent and has still deemed NCS the apparent low qualified bidder for this project pursuant to the City Charter. If the Board wants to do something different they can, but there could be significant legal exposure if the Board decided not to award to NCS. There would also need to be a clear explanation as to why the Board is doing a different recommendation than the Port Director.

Mr. Simpson asked if the bid preparation costs are the remedy to the apparent low bidder or are there other potential damages or legal issues if this is not awarded?

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Mr. Palmer said if the City awards to someone other than the lowest qualified bidder, we are typically liable for bid preparation costs. Each case may be different and he is not sure exactly everything that could be in a claim that CBJ could be responsible to pay.

Mr. Lowell said his understanding of the costs incurred on this bid was for procurement of equipment necessary to perform certain work elements of the project.

Mr. Donek asked Mr. Palmer that under City Charter, does the Board even have an option other than to award to the lowest bidder?

Mr. Palmer said the City Charter does limit the way we do public improvement contracts and it specifically states the City has to award to the lowest qualified bidder. Our contracts allow staff to deem what qualified means, and after that it is the lowest bidder.

Mr. Eiler asked if there has been other times the City has done a qualification analysis post bid opening?

Mr. Palmer said he is not aware of a Board or the Assembly doing its own responsibility qualification analysis. However, there are provisions as what has occurred in this contract to date where the purchasing officer, or in this case, the Port Director, can reach out to the apparent low bidder (NCS) and ask them to provide sufficient insurances they have the labor skills, ability and equipment to do the project. This is a checks and balance even if there isn't a prequalification.

Mr. Gillette said in the last eight years there was only one other, and it was the recent Statter Harbor launch ramp facility. The contractor is Miller construction who didn't have an asphalt paving sub-contractor. Under these same provisions, they were asked to show their labor skills, ability, equipment. The information they provided they didn't have the paving equipment but they planned to get the equipment and a permit. With the information Miller's provided, we deemed them not qualified. They went back and listed a sub-contractor so they were awarded the bid, but ended up doing the work themselves anyway and we are currently in the process of working out that issue. This is the only other time staff checked qualification before this time. NCS did not do pile driving previously so that is why we wanted to know if they could perform the work. With all the information NCS provided, it appears they are qualified to perform the work on Phase II of Aurora Harbor.

Mr. Eiler asked if the question on the Statter Harbor project were asked after the award?

Mr. Gillette said it was after the Assembly approved the award but not after the contract was signed.

Mr. Uchytel said in the Statter Harbor bid award, Miller's did provide a sub-contractor that had experience in paving so the contract was signed under the assumption another contractor was going to perform the work.

Mr. Mosher commented that we have a qualified low bidder determined by staff.

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Mr. Simpson said the Board is not qualified to adjudicate the dispute and claims presented here. He said he would hate to award a bid that achieves the low bid on the back of local workers and subcontractors by underpaying or failing to pay them. On the other hand, NCS has presented a thorough defence of their position such that it is impossible to tell who is right in this situation. They have a pending matter with ADOL and a lawsuit or arbitration with Mr. Trucano that will adjudicate whether they owe more money. The clear path to this agenda item is awarding the bid to the lowest bidder which keeps the Board and the City out of trouble.

Mr. Donek said we have a low bid and there was challenge raised. Staff did look into the challenge and responded to it and there are no grounds found to disqualify the lowest bidder. We are in a position to do nothing.

MOTION By MR. SENG: TO RECOMMEND AWARD OF CONTRACT # DH17-021 (REBUILD OF AURORA HARBOR PHASE II) TO NORTHERN CONSTRUCTION SERVICES FOR \$3,452,060 AND ASK UNANIMOUS CONSENT.

Mr. Bush called for a roll call vote.

Mr. Bush – No
Mr. Donek – Yes
Mr. Lowell – Yes
Mr. Mosher – Yes
Mr. Eiler – Yes
Mr. Simpson – Yes
Mr. Summers - No
Mr. Seng - Yes

Motion passed 6 yes, 2 no.

5 Minute break at 5:56 pm

6:03 back in session.

VIII. New Business

1. FY17&18 Budget

Ms. Larson said we are in the first year of this budget process which was adopted in April of 2016. With the Board's approval this will be presented at the Assembly Finance Committee on April 12th. During this budget process the FY17 actuals are projected as well as changes to the FY18 budget. Ms. Larson went over a power point presentation.

Mr. Uchytel said we will be asking the Board to approve the separate Docks & Harbors budgets.

Board Questions

Mr. Donek asked if the Harbors budget is meeting the debt revenue ratio?

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Mr. Uchytel said yes.

Public Comment - None

Board Discussion/Action

MOTION By MR. SUMMERS: TO APPROVE THE FY17 & FY18 BUDGET AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Land Use Master Plan – Norway Point to Bridge Park
<http://www.juneau.org/harbors/documents/DRAFTMasterPlanSummaryMarch27.pdf>

Mr. Gillette said this was a separate attachment. This is the final product from several meetings and public review. He said if there are changes that the Board wants to make they can be addressed before the final draft is published. Staff hopes this has been reviewed enough that everyone understands it and concurs with the direction. Mr. Gillette said he believes this is a really good document and could help with getting funding for this project showing that we have such a plan. This shows a good vision for the future. Staff would like this approved by the Board and recommend to the Assembly it be adopted as an official plan of the City.

Board Questions-

Mr. Simpson said he thought working on this master plan was a good process. He requested to edit any Yacht Club reference to being located under the bridge.

Mr. Gillette said he will correct that.

Public Comment-

Mr. Donek said to include the Yacht Club letter on page 81 of the packet under public comment.

Mr. Simpson said the letter is supportive of the concept and represents 180 members.

Board Discussion/Action-

Mr. Seng asked why are items that were discussed and not added to the plan listed in the document?

Mr. Gillette said the document shows that those things were identified early in the research and through the process it was decided against doing some suggested things because there was a higher and better use.

Mr. Eiler said he likes the document and if adopted and presented to the Planning Commission and the Assembly can be viewed as a generational document something to look at in the future. It is important to be aware of what is being proposed and to have this type of a document, but also caveat that with is this the direction we want to go with our community currently in an economic recession. He questioned if the expansion of the marine service yard was appropriate with the

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economic times because Juneau is also competing against two main ports that have larger travel lifts that were largely financed by state funds or other funds that operate below market value. The marine service yard is over \$30M and should be looked at to see if it can be justified.

Mr. Donek said this is the first step. He agrees that a lot of the things in this document may not be feasible economically today, but we don't know what tomorrow is going to bring. This document is not saying this is exactly what we are going to do, but this gives us a guideline for people who come to us with a proposed use.

MOTION By MR. SIMPSON: TO APPROVE THE NORWAY POINT TO BRIDGE PARK MASTER PLAND AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. Shorepower access fee (05 CBJAC 30.010)

Mr. Borg said these fees have been through all the Committee meeting and can answer questions.

Board Questions - None

Public Comment- None

Board Discussion/Action

MOTION By MR. LOWELL: TO USE 80% MAX USAGE IN CALCULATION FOR DAILY POWER USE AND ROUND PRICE PER DAY COLUMN UP TO THE NEAREST FULL DOLLAR ON ALL IN THE CHART AND TO ADOPT THE CURRENT SUMMER AND WINTER MONTHLY SHOREPOWER ACCESS FEES WITHOUT CHANGING THE RATES, DELETE THE SENTENCE IN 05 CJBAC 30.010 SHOREPOWER ACCESS FEES SUBSECTION (b) (*With approval of the Docks and Harbors Department, a person may use a 50 amp service and be assessed a 30 amp fee provided the service is current limited to 30 amps*), AND ADD A COST ADJUSTMENT PROVISION TO TRACK INCREASES IN THE COST OF OUR RATES IMPOSED BY AEL&P ON AN ANNUAL BASIS SUBJECT TO REVIEW BY THE BOARD.

	Volts	amps	KW per hour	KW per day	Cost per KW from AELP	% of realistic max usage, per day	Price per day	Rounded rate	current
3 phase 100 AMP	208	100	36.0256	864.6144	0.124	0.8	\$85.77	\$86.00	\$48.00
3 phase 60 AMP	208	60	21.61536	518.7686	0.124	0.8	\$51.46	\$52.00	
3 phase 100 AMP	480	100	83.136	1995.264	0.124	0.8	\$197.93	\$198.00	\$120.00
1 phase 30 AMP	120	30	3.6	86.4	0.124	0.8	\$8.57	\$9.00	\$7.20
1 phase 50 AMP	208	50	10.4	249.6	0.124	0.8	\$24.76	\$25.00	\$24.00
1 phase 20 AMP	120	20	2.4	57.6	0.124	0.8	\$5.71	\$6.00	\$4.80

Motion passed with no objection.

4. Daily Commercial Launch Permit.

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Mr. Borg said this is to establish a daily commercial launch ramp permit so people that are not normal commercial users the ability to use the work zone at the ABLF. At this time someone would have to pay the \$250.00 annaul rate if they wanted to use that area. He doesn't see a huge use, but this gives another option.

Board Questions - None

Public Comment- None.

Board Discussion/Action

MOTION By MR. MOSHER: TO ADOPT STAFF RECOMMENDATION FOR AN ABLF DAILY COMMERCIAL LAUNCH RAMP FEE OF \$30.00 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

5. Alignment of the Facility Security Plan with Title 85

Mr. Uchytel said he attended Facility Security officer training. This is for our regulated facilities which is the cruise ship docks and certain times at the Auke Bay Loading Facility. It is required that we have a FSO (which is Dave Borg), within our ordinance and Title 85 there is a reference to our Facility Security plans that require all plans to be submitted and approved through the Board. That is not the language the Coast Guard enacting these regulations wanted to happen. This is not correct and he wants to clean it up. He is asking the Board to delete this portion and staff will start the 21 day public notice process. The Docks & Harbors Facility Security Plan is managed and maintained by the Harbormaster Dave Borg who is the Facility Security Officer. The information in the plan is consider Sensitive Security Informaiton (SSI) and is not something publically provided and only on a need to know basis.

Board Questions - None

Public Comment- None.

Board Discussion/Action

MOTION By MR. EILER: TO APPROVE THE DELETION OF 85.02.045 (F) AND DIRECT STAFF TO COMMENCE THE REGULATION CHANGE PROCESS & ASK UNANIMOUS CONSENT.

Motion passed with no objection

IX. Items for Information/Discussion

1. Annual Moorage CPI Adjustment

Mr. Uchytel said page 87 in the packet has the FY18 moorage rates. We have the option to not adjust moorage rates and are automatic unless the Board takes action. Last year the pecent change

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was .04%. The rate adjustment would be two cents on the downtown monthly moorage rate and because this is less than five cents, there is no CPI adjustment for this Fiscal year.

Board Discussion/Public Comment

Mr. Donek said last year we did not make the rate increase but we also tied the two rates together. Meaning downtown and Statter Harbor rates are raised that same based on the downtown rate, but if we keep having these low inflation rates, we will not be raising the rates. One thing we should have added was to review the rates every five years by looking at the accumulative rate and make an adjustment from that. This should go back to OPS to look at changing to adjust the rate based on the accumulative CPI for the last five years.

Mr. Eiler agrees and asked if the Board didn't raise at a time when there was an increase?

Mr. Uchytel said last year Statter Harbor would have been increased by \$.05 but it wasn't raised by the Board. The other thought is that it could go up a lot if it is only looked at every five years and the partrons may not take it well.

Mr. Donek suggested to send this to OPS for discussion.

2. Statter Harbor Parking Lot Reconfiguration

Mr. Gillette said in page 90 of the packet we are working to reconfigure the former truck and trailer angle space to provide single vehicle spaces. He showed on the map where the dumpsters and the recycle bins will be located and ADA spaces. On page 93 of the packet shows the area that will be designated for bus staging to drop off and pick up passengers. This will be similar to how Phase III will be set up and the bus drivers will be used to it by the time Phase III is completed. This will separate the users and be more safe, efficient and relieve congestion. Staff is making these changes this year to increase the parking on the Harbor side and make the offloading of passengers safer.

Board Discussion/Public Comment

Mr. Donek suggested to have a golf cart for people with mobility issues.

Mr. Borg said the bus drivers are allowed to drop off people with those situation at the top of the gangway.

3. Appraisal Process/Methodologies

Mr. Uchytel said this was a request from Mr. Summers a few month ago on what is the process for Docks & Harbors appraisals and why we use comparables primarily as opposed to other methodology. Mr. Horan's letter is in the packet on page 93.

Mr. Horan provided an overview of his letter and some slides on a power point.

Board Discussion/Public Comment

Mr. Eiler asked if depreciation and large scale assets were factored in on the Tram lease?

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Mr. Horan said the depretiation would impact improved properties but generally it doesn't impact raw land.

Mr. Summers said because Docks & Harbors properties are so unique and different and we are an enterprise Board, can we seek an alternative process to finding out the value of our land and are we doing the best job on behalf of the people of Juneau for the highest and best use? He recommended having a competitive or comparative bid process for appraisal bid awards.

Mr. Uchytel said comparables are the most desired methodology.

Mr. Horan said if the thought is to have a different appraisal methodology or a way to manage the appraisal process in a way to maximize the return on your property, CBJ does have a regulation in place currently if a lease holder is not in agreement with an appraisal provided by CBJ, the lease holder can get another appraisal. In this process it was determined that the other appraisal didn't include the correct methodology and the playing field wasn't the same. He is not clear how using a competitive appraisal process to maximize the return to the citizens on these assets. You don't want to discourage entrepreneur incentive coming to town and you want a mix of businesses. He would discourage a highly competitive bidding process.

4. Auke Bay Marine Station – Lease update

Mr. Gillette said there were two applicants, Docks & Harbors and UAS. GSA told staff to work with UAS to divide the property. In the packet starting on page 100 is a memorandum of agreement with a map showing the line where the property will be divided. This has now been submitted to UAS to respond to.

Mr. Uchytel said there is a shared cost with UAS and Docks & Harbors which is for the surveying in preparation of a driveway which is \$220,000.

Board Discussion/Public Comment

X. Committee and Member Reports

1. Harbor Fee Review Committee Meeting- Wednesday, March 8th, 2017

Mr. Simpson reported the Committee discussed the shorepower access fee and the daily commercial launch ramp permit.

2. Specail Board Meeting – Thursday, March 16th, 2017

3. ~~Finance Committee Meeting – Thursday, March 23rd~~ CANCELLED

4. Operations/Planning Committee Meeting- Wednesday, March 29th, 2017

Mr. Simpson reported the Committee reviewed the shorepower access fee, the daily commercial launch ramp permit, and the security plan.

5. Member Reports- None.

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XI. Port Engineer's Report

Mr. Gillette said his written report is in the packet.

XII. Harbormaster's Report

Mr. Borg reported:

- Staff has been getting ready for the start of the summer season and the seasonal staff returns April 3rd.
- There are two broken cranes that staff has S.E. Industrial working on. A hydraulic issue on one and a motor issue on another. We hope to have those repaired by the end of next week.
- The Galatia/Crystal Dawn has been moved to be destroyed.

Mr. Eiler asked how Docks & Harbors is proposing to enhance customer service?

Mr. Borg said we have customer service training scheduled for all Docks & Harbors employees.

XIII. Port Director's Report

Mr. Uchytel reported

- Last year there was a woman from Anchorage hired to do customer service training for Docks & Harbors. This year we asked her to come back and do a half day refresher on customer service.
- The Miller hearing for the Statter Harbor Phase II launch ramp facility was yesterday and staff believes Miller construction was required to use the sub-contractor for paving and they indicated they would at the time of bid award. The hearing officer was the City Engineer Roger Healy. Staff provided our position and Millers attorney provided their opinion and Roger Healy will render a decision.
- Tomorrow is another hearing. He is the hearing officer for the alleged violation of a vendor booth permittee. The hearing is at 4:00 pm tomorrow afternoon. He recommends the Board not attend. Ms. Larson will be representing what she believes to be the violations of this vendor booth permittee. The vendor lawyer is already in town that will provide their position. Mr. Uchytel said he will provide the impartial hearing officer position on what he believes to be the right answer and render a written decision. If he renders a decision unfavorable to the vendor booth permittee, they have the option to appeal the decision to the Board.
- The boat shelter expo event is planned for Wednesday May 17th. An invite will go out to boat shelter owners as well as local contractors that can assist in boat shelter repair needs.
- There are three ribbon cutting ceremonies in May.
 - May 5th – the Cruise ship dock project at noon.
 - May 19th - the Statter Harbor phase II launch ramp project
 - May 26th – the Mike Pusich Douglas Harbor

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, March 30th, 2017

- The next planning document is the Urban plan which is from Taku Dock to Bridge Park. This project will start in April.

XIV. Assembly Liaison Report - None

XV. Board Administrative Matters

- a. Strategic Retreat – Saturday, April 1st, 2017 at 9:00am – Cancelled
Mr. Simpson recommended to have a survey monkey to find out the best date.

Mr. Uchytel asked if this should be done over two days or just one.

Mr. Simpson recommended to do this in one day.

- b. Ops/Planning Committee Meeting – Wednesday, **April 19th** at 5:00pm
- c. Finance Committee Meeting – Thursday, **April 20th, 2017** at 5:00pm
- d. Board Meeting – Thursday, **April 27th, 2017** at 5:00pm

XVI. Adjournment – The regular Board Meeting adjourned at 7:54pm.