

**CBJ DOCKS AND HARBORS**  
**REGULAR BOARD MEETING MINUTES**  
**For Thursday, November 2<sup>nd</sup>, 2017**

I. Call to Order

Mr. Donek called the Regular Board Meeting to order at 5:03 pm in the Assembly Chambers.

II. Roll Call

The following members were present: Weston Eiler, David Lowell, Robert Mosher, Mark Ridgway, David Seng, Budd Simpson, and Tom Donek.

Absent: Don Etheridge and Bob Janes

Also present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, Dave Borg – Harbormaster, and Matt Creswell – Harbor Operations Manager.

III. Approval of Agenda

Mr. Uchtyl requested a Special Order of Business following Public Participation.

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

Motion passed with no objection.

IV. Minutes from the September 28<sup>th</sup>, 2017 Regular Board Minutes.

**Hearing no objection, the September 28<sup>th</sup>, 2017 Regular Board minutes were approved as presented**

V. Public Participation on Non-Agenda Items – None

Special Order of Business

Mr. Uchtyl read the Harbormaster of the year award Mr. Borg received at the AAHPA conference in Petersburg.

VI. Consent Agenda – None

VII. Unfinished Business-

1. Urban Design Preferred Plan Presentation

Mr. Gillette said during the last few months Docks & Harbors has been in a planning effort to look at the area between Marine Park and Taku Dock. An important property within this area is the Archipelago lot south of the downtown Juneau Library. This lot is currently vacant and ready for development. Staff requested CBJ purchase this property to meet the needs of the larger ships coming to Juneau a few years ago, but at the time of the request CBJ did not support the purchase. Docks & Harbors is going through this public process and taking comments from the public, users of the area, and the Board on development of this area. There was a Board workshop, a public meeting/workshop, and an open studio. The design team came back to the Board with four different concepts. The Board and public indicated what they liked the most out of those four concepts and the team developed a preferred master plan.

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The planning consultant for this project has been Corvus Design teamed with North Wind Architects, PND Engineers, and Rain Coast Data.

Chris Mertl with Corvus Design went over the likes and dislikes and how they came up with the preferred master plan shown in a power point presentation

Mr. Gillette said during the process of working on this plan, we have been looking for a private public partner which is a key element for this area because Docks & Harbors does not have enough money to develop this plan. We have our specific needs and mission to serve the cruise ship passengers. In this case, the owner of the property is a developer and they are excited about this project and want to work with Docks & Harbors to make this plan come to fruition. Allen Grinalds who is with Morris Publication Group is here tonight from Augusta, Georgia to let us know their plans.

Mr. Grinalds said Morris has a long Alaska history in Juneau, Anchorage, and Kenai. The family loves Alaska and is invested in Alaska looking at it as their second home. He said his position in the company is director of real estate in charge of real estate development for Morris Communications which has recently been changed from a Media Firm to a Real Estate Company. He said the dock changes in Juneau are impressive and they have been paying attention. He said he is here to provide a face for the developer and let the Docks & Harbors Board know Morris is excited about the potential for this project and what it brings to the Community. Looking at the Archipeligo property, there is a couple of different options for retail in this space. He said the easy answer would be throw up a couple of buildings facing Franklin Street for retail and call it good. However, Morris Group sees this as an opportunity to do something special for Juneau and make an impact for the community which will allow for retail for the cruise ship passengers as well as year around opportunity for downtown. This project will require a lot of diligence and staying focused on the project and creating that opportunity to continue to grow and invest in downtown. The project from a private stand point has to stand on its own economically. With the Morris family, this is not just about the economics of the deal but investing in the community and creating something special and lasting. They are committed to Juneau and won't put their name on anything that is not a first class presentation. The reason he is here is because of the investment and progress already made on the waterfront downtown Juneau. This is the time to develop this site in a creative, disciplined manner that creates value for all the parties. The Morris group is impressed with Docks & Harbors approach and Corvus Design championing public input and making sure that is incorporated in the design having the public voice heard. They want to capture not just a retail space but also the character in the spirit of Juneau.

Board Questions –

Mr. Doneksaid looking at the preferred plan he does not have a problem. It has compromises from what he was looking for but does not have a problem with it. His question is how the partnership is going to work?

Mr. Uchytal said as far as process wise for today this is the unveiling of Docks & Harbors preferred alternative. Now that this is in the public domain we will ask at the next Board meeting on November 30<sup>th</sup> to approve this as the preferred plan moving forward. This will not

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require a motion tonight. How do we meet the desires of the owner and the needs of the public side of this project? Mr. Uchytel said there are more details to be worked out, but he is hopeful by November 30<sup>th</sup> they should be worked out.

Mr. Simpson said he is recusing himself from this discussion.

Mr. Lowell said generally speaking, Corvus Design and team did a good job on this preferred plan and incorporating all the comments from the earlier meeting. He thought there was a lot more food cart activity than what is in the design. Are there other locations in this development that operators would have available space for a food cart?

Mr. Gillette said the food carts currently on the Archipelago lot basically rented a parking space. Some used four or five spaces and some took less which ended up filling the property. It wasn't necessarily a money maker but we wanted to keep some opportunity. It is not realistic to dedicate that much square footage of that valuable property for the level of development and investment the food cart owners put in. There are some food cart spaces in the plan and can be tweaked a little because we do understand that is an important part. However, it will probably not be to the level there is currently.

Mr. Lowell said he understands that. He also questioned if the 150' float dock would be a problem for the float planes and if they have been notified on this plan? He asked if there was any consideration to phase the project to try to limit that issue.

Mr. Uchytel said it is important to state that this is a plan. With the reconfiguration plan for Marine Park, the location for the 150' floating dock may not be the best location. Access to the water is important which was heard from the Board, but the concern from Wings was the float that was perpendicular to the shore obstructed maneuverability. However, he did receive an email from Holly Johnson of Wings Airways and she expressed concerns with the new float design. We would like to keep it in the plan but not sure it will be executed. He also said with the expansion of the seawalk it could change this plan again.

Mr. Lowell said he likes the idea of the seawalk expansion. He said in addition to the geometric constraint that Wings had expressed was the promotion of small vessel activity in that location and conflict with their operations.

Mr. Borg said the 150' float would be used as moorage and not a lightering float.

Mr. Eiler said this is an impressive plan and gives the Board a lot to think about. Is the intention tonight to have full public testimony and comment and those worked into the plan again and then looked at again at the next meeting?

Mr. Donek said we will take public comment and not vote until next meeting.

Mr. Eiler asked if this plan allows for the status quo of Vendor Booths?

Mr. Gillette said yes and in the same locations as currently.

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Mr. Eiler asked what the reasoning was for positioning of the B-zone in this plan?

Mr. Gillette said he took the four concepts to three Engineers at DOT and their preference is in the location in this preferred plan. The Marine Park location because of the long curve and intersection activity they did not like that location. Another location was next to the parking garage. There was a lot of activity in that location with the pedestrian crossing and people coming and going from the library, road, and Red Dog parking lot. They did not like that opportunity there. The other idea was to just have a pull off South Franklin Street and then back on to South Franklin. With most of the cruise ship activity going away from downtown, the buses would need to turn around in another facility to head back the other way and that would add congestion so that did not seem appropriate. DOT will sign off on the location of the B-zone in this preferred plan.

Mr. Eiler said this is prime waterfront area for the future of the community and something that was said earlier is “if you plan for what the locals enjoy it will also attract visitors”. The position of the USS Juneau and the expansion of the seawalk are great. He thinks CBJ can look at more ideas for the parking garage.

Mr. Mosher said the Board needs to think about how the 150’ floating dock will affect Wings. He asked if this is approved next month, will construction start immediately? Is this plan a concept or mission?

Mr. Grinalds said we are on a mission.

Mr. Gillette said this is a plan and a concept of the plan. Each one of these buildings is going to be designed and detailed. They may change a little in location and detail as all this is put together. This is a place holder for the different functions. We will move forward once we receive the Board’s approval and the Assembly’s approval. There is still a lot of work to do, but this is the first step. This is a road map and the other details still need to be worked out. The process moving forward is figuring out budget and design costs.

Mr. Mosher asked if there was money to get started from the cruise ship tax?

Mr. Gillette said yes, there are funds identified to start with the next level of planning for this project. This is not a plan to put on the shelf because we have the funds.

Mr. Seng asked what the position of CBJ is to be able to partner effectively with a private sector to make all this happen? With Morris group being on a mission, what if CBJ isn’t able to hold up its end of the deal? Time kills deals. He wants to feel comfortable making a recommendation to the Assembly that we think we are in a position to move too. You can’t only execute half a plan.

Mr. Ridgway said looking at this design, is it just the parking that meets Docks & Harbors mission? In terms of entering a PPV with Morris Communication, what part of this plan meets Docks & Harbors mission?

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Mr. Gillette said the bus staging and pick up area for cruise ship passengers. Based on some of the economic trends heard from Meilani in the beginning of the process, the cruise industry is expected to grow. Larger ships are coming and not less calls which means more people. Some projections for the coming years are 200,000 or more passengers. Just having space for people to mingle, gather and get to their busses for their different venues is the open space that we have heard as a needed area which is in the plan.

Mr. Ridgway said he primarily wanted to know how this relates to Docks & Harbors mission? He asked if Mr. Gillette was saying the mission of Docks & Harbors is to support the cruise industry, open space and B-zone parking for the crew members.

Mr. Grinalds said with decking over the submerged lands, it makes more sense to do this from the uplands. If Morris moved forward with the development on the uplands, it would become more expensive to deck over the submerged lands connecting the seawalk to south Franklin Street in the future. There is value in the sequence in terms of communicating our intentions and understanding the long term desires of Docks & Harbors. Doing the deck over from the uplands will save a lot of money.

Mr. Ridgway said it was indicated that this plan was a place holder and not a design agreed upon tonight but subject to change. He asked for some indication of how much change this plan may undergo?

Mr. Uchytel said staff is working on refining the Archipelago lot with the Morris Group and every week it is more solidified and Mr. Grinalds said time kills deals.

Mr. Grinalds said the Geotechnical work has started. Morris is excited and serious about this project. He said now is the time and there is a lot of momentum. He said he won't say Morris' situation will be the same in two years. The Morris family is behind this project and they are enthusiastic about it. In terms of timeline, once there is an agreed upon structure for the property we are ready to go. There is a lot in terms of weather and other possible issues but an ideal situation would be to have retail open to the tenants in the summer of 2019. Morris is completely committed to this project. They want to be a part of the future of downtown.

Mr. Uchytel said the Archipelago area of this plan is in reach and a short term goal, but the other parts of this plan are not ready to start immediately.

Mr. Ridgway asked Mr. Mertl if the deck over in Pier 49 in one of the initial four options? He asked if that area was currently under lease?

Mr. Gillette said there are lease areas by People's Wharf and the Jewelry stores, but they are built on already. The open area where Tracy's Crab Shack was this year is Docks & Harbors property not under lease and show a potential development there. The piece in front of Pier 49 is under lease and we don't know what their plans are. That is a potential deck over area for future development put in the plan as a placeholder.

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Mr. Donek said this planning process for this area started last spring, and the original thought was to have placeholders. Now with the potential partner coming in, the Archipelago property, which is the center area of this plan, has changed. We are now in a different situation than we were when we first started. The other parts of this plan are placeholders. Now we need to figure out how CBJ can work with a private developer.

Mr. Uchytel said excluding the Waterfront Sales Booths, another thing to think about is having the seawalk an open sales free area.

**Public Comment**

**Dennis Watson, Juneau, AK**

He said he has had the opportunity to have dinner on Holland American ships in the Harbor many times over the last few years in front of one of the most unattractive part of the Harbor which is where the development is being planned. It is really ugly. This project will solve that problem. He is glad to see the public private partnership because this is a thing of the future and we better get on board. Private enterprise has had a much better track record in Juneau managing and operating businesses than the Borough ever has. There are some things he doesn't like in this plan but there is still more time to discuss that. Overall he thinks this is a great project and would like to see it move forward. He said he urges the Board to get more serious on what is good for Juneau. Take a look at this area from the waterside and it is not attractive. He said he came to Juneau in 1992 and this lot has been empty since then.

**Greg Pilcher, Juneau, AK**

He wanted it verified that the Vendor tour booth areas are to stay where they are located currently for the foreseeable future.

Mr. Mertl said that is the way they are shown in the plan.

Mr. Pilcher asked if the plan is what we are sticking to?

Mr. Mertl said that is what is in the master plan.

Mr. Gillette said that is the plan.

**Board Discussion/Action**

Mr. Eiler said there were two previous discussions he wanted to look at in the future –

- 1- Leaving open water space and not decking over the entire seawalk like in Ketchikan.  
This could be looked at with continuing the seawalk to Gold Street
- 2- He also would like to find a place for a playground around the Willoughby area.  
He suggested saying something to the City Manager to include in future plans.

He suggested to have CBJ put these plans on Facebook for comment. If the food vendor area is going to be limited, it should be communicated to these small businesses. If this is no longer the place for it, maybe develop placeholders between Marine Park & Taku because

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there are a lot of CBJ owned open space areas. He said he thinks the private public partnership will work but to bring the community along for the rest.

Mr. Mertl said based on the comments heard at the last meeting, the 150' float provided better access to the water and with the ships farther from the seawalk it provided the visual. As for the playground in the current plan there really is no room but we could put it in as a placeholder where the waterfront attraction facility is because we don't know when we will find another private partner who would want to take that on and don't even know what that facility will be. Finding another location may be better.

Mr. Mertl said there are eight food cart placeholders that are roughly 10' x 20'.

Mr. Uchtyl said this will come back on November 30<sup>th</sup>.

NO MOTION

**VIII. New Business**

1. Resolution 2017-01 in support of full funding (\$9,820,141) for the State of Alaska Municipal Harbor Facility Grant Program in the FY2019 State Capital Budget.

Mr. Uchtyl said this was brought before the Board in previous years. At AAHPA annual conference resolutions are drafted on what is important to this organization. The organization will then ask Municipalities to sign and have their Assemblies approve additional resolutions. The organization then packages all the communities that put the resolutions together and communicates with the Governor and the Legislature for support. This resolution is for the Harbor Facility Grant Program which is a DOT program 50/50 match. In the past, Docks & Harbors has been very successful with the program. With support of CBJ and other Municipalities we are hoping DOT funds all the programs for all the Harbors that have applied. On page 24 of the packet shows all who have applied for these funds.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MR. SIMPSON: THAT THE ASSEMBLY APPROVE A RESOLUTION IN SUPPORT OF FULL FUNDING (\$9,820,141) FOR THE STATE OF ALASKA MUNICIPAL HARBOR FACILITY GRANT PROGRAM IN THE FY2019 STATE CAPITAL BUDGET AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Resolution 2017-02 in support of Senate Bill 92: An Act relating to Abandoned and Derelict Vessels

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Mr. Uchtyl said this is another resolution that was adopted at the AAHPA October meeting. The Board approved this resolution last year. Senator Micciche from Soldotna proposed SB92 for derelict and abandoned vessel accountability. This will be discussed again in this upcoming Legislative session. This spells out that the State of Alaska has a derelict and abandoned vessel problem which is becoming more of a problem and needs more tools to resolve this issue. Add insurance requirements for commercial vessels over 30' and a funding stream somehow to resolve some of the existing abandoned derelict issues that will come forward in the coming years. On page 31 in the packet is a resolution which is SB92 from 1990 acknowledging abandoned and derelict vessel problems and they are a hazard to the environment and the State does not have resources. This resolution of support will help to put pressure on the Legislature to come up with solutions to resolve derelict and abandoned vessels in the State.

Board Questions - None

Public Comment - None

Board Discussion/Action

**MOTION By MR. RIDGWAY: THAT THE ASSEMBLY APPROVE A RESOLUTION IN SUPPORT OF SENATE BILL 92: AN ACT RELATING TO ABANDONED AND DERELICT VESSELS AND ASK UNANIMOUS CONSENT.**

Motion passed with no objection.

**3. Fund Transfer Resolution \$200,000 to Harris Bathroom CIP**

Mr. Uchtyl said staff is asking the Board to approve moving money that is currently held in a CIP project for the Statter Harbor Breakwater deck project that has \$666,000 which has been appropriated over the last two years. Silverbow Construction was awarded that project which is only for two of the openings, and is currently working on this project installing two of the fiber grates. Staff would like to move \$200,000 of the \$666,000 into a Harris Harbor bathroom recommission CIP project. On page 33 in the packet is the renovation design. This will require Assembly action to rededicate this money for this project.

Board Questions

Mr. Seng asked if we did approve moving \$200,000 from the Statter Harbor funds. Would the remaining balance be enough to complete the deck over project?

Mr. Uchtyl said if Silverbow can do this work at 50% of what was estimated, it will need to be decided if the rest of the openings will be decked over.

Mr. Seng asked if the initial contract is to deck over two of the Statter Harbor Breakwater holes?

Mr. Uchtyl said two of the 16.



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Mr. Seng said so there is 14 left and the current contract for the two is \$73,000.

Mr. Uchytel said that is correct.

Mr. Seng said multiplying \$73,000 times seven we would still be short to finish all 16 even if they maintained the current rate.

Mr. Uchytel said that is correct.

Mr. Donek asked what other source of funds are available to use for this project or to make up the difference for the Statter Harbor project?

Mr. Uchytel said the Harbors fund balance. If the Board decides to continue with finishing the breakwater open areas, this will need to go back out to bid. Docks & Harbors has lots of needs and finite resources.

Mr. Seng asked where in priority from the Boards priority list is the Harris restroom compared to the Statter deck over?

Mr. Mosher said he would like to see the Harris restrooms completed.

Mr. Seng said from the strategic retreat notes, Statter Harbor breakwater was first on the list under needs and \$100,000 allocated which meant it was only for the two that is currently being decked over.

Mr. Donek asked why take out of this CIP and not the fund balance?

Mr. Uchytel said it is the same.

Mr. Donek asked if the procedure was different?

Mr. Gillette said moving it from a CIP to a CIP it is a one meeting transfer with the Assembly. If you move from a fund balance to a CIP it is an appropriation which is two meeting with the Assembly.

Mr. Uchytel said we also want to protect our fund balance. It comes down to what the Board wants to do. If there is value in recommissioning the bathrooms then we should do that. If the will of the body is to live with Port a Potties, then we will move on.

Mr. Donek said the intent on the Statter breakwater project was to do the first two to try it and if it worked to continue on but only do another two at a time.

Mr. Uchytel said with the \$1M dollar estimate, staff decided to span this project out over three years setting aside \$333,000 per year.

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Mr. Donek said he wants to see the deck over survive the winter.

Mr. Ridgway said he would like to have restrooms in Harris. He asked what Mr. Borg thought Docks & Harbors would get more utility out of?

Mr. Borg said with the situation going on downtown with the homeless, he is leary about having the restrooms. However, telling transient visiting boaters that they have to go off site for a restroom and shower is difficult. This is the right thing to do and it needs to be done. The Statter Harbor breakwater deck over is a safety issue, but there has been no major incidents with people falling in. Doing the two openings on both ends of the breakwater is a good start and is a great test area. He said the Harris bathroom is a priority.

Public Comment

Board Discussion/Action

MOTION By MR. SENG: TRANSFER \$200,000 FROM THE STATTER HARBOR DECK OVER CIP TO THE HARRIS BATHROOM CIP AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

**6:40 - 5 MINUTE BREAK**

**6:48 BACK FROM BREAK**

**IX. Items for Information/Discussion**

**1. Statter Harbor ESA Permitting**

Mr. Uchtyl said Bre Austin is here from PND to go over the challenges and update us on the status for Statter Harbor phase III permitting. The dredging portion of the project involves blasting about 750 cubic yards of rock and dredging about 25,000 cubic yards of sediment and we have exhausted all realistic opportunities to get any portion of phase III of Statter in this winter.

Ms. Austin said she is the Environmental Specialist for PND Engineers. She provided a brief overview of the permitting challenges. The first phase of this project involves dredging and blasting. PND recommends that CBJ requests an Incidental Harassment Authorization (IHA) under the Marine Mammal Protection Act (MMPA) for the Humpback Whales, Steller Sea Lions and the Harbor Seal which are the three key species identified as being present in the vicinity. Obtaining an IHA can be a long process, sometimes taking between seven and nine months. PND has been in contact with Oceanus Alaska regarding obtaining an IHA. Oceanus Alaska biologists are available to assist PND with data acquisitions, analysis and preparation of the IHA. Oceanus Alaska has significant existing data and highly qualified staff members who would be able to help move the IHA along quickly with their expertise. The IHA process should be initiated immediately due to the short time window for construction to proceed by October 2018.

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Committee Discussion/Public Comment

Mr. Ridgway asked if the sound studies completed by Oceanus Alaska were for the blasting or pile driving?

Ms. Austin said the pile driving has become more of a regulatory focal point for the last several years. The sound study was done on the noise associated with pile driving.

Mr. Ridgway asked if different methods and means have been looked at?

Ms. Austin said the study was done on the vibratory pile driving. There are large costs in the studies and don't reduce the risk enough to avoid the IHA anyway.

Mr. Ridgway asked who estimated the time to obtain the IHA?

Ms. Austin said PND has been in contact with the Alaska Region and Headquarters regarding blasting. They said approximately six months to a year. PND Anchorage office and Oceanus Alaska's experience has been seven to nine months.

Mr. Ridgway said he was recently told it would take 16 months.

Ms. Austin said going through US Fish & Wildlife Service their process can take up to 18 months for certain animals. We are looking at strictly animals within the National Marine Fisheries Service jurisdiction which is a little shorter process.

Mr. Uchytel said he wanted to bring this information to the Board. The plan is to move forward with an IHA and be in a position to award work commencing October 2018.

2. Notice of Intended Sale of Boat Shelter AG-024 by Stephen Crapo

Mr. Uchytel said this is just letting the Board know staff received a notice that Mr. Crapo is intending to sell his half of a boat shelter AG- 024. I will let him know he has free will to dispose of his boat shelter.

Committee Discussion/Public Comment

3. Request for Information – Disposal of used Waste Oil

Mr. Uchytel said Harbors has an annual cost to disposal of used waste oil that is taken in at Statter and Aurora Harbors. Staff has a Request for Information out asking the public and business if they have any ideas or proposals to deal with our waste oil. We are hoping to find a contractor to take it, use it, burn it, rather than Docks & Harbor moving it around at a considerable expense with Delta Western.

Committee Discussion/Public Comment

Mr. Donek asked if there was any help from the CBJ Hazardous Waste program?

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Mr. Borg said the cost is prohibitive and it still has to be transported. Currently it is \$1.50 per gallon to move from Statter Harbor to Aurora and \$3.50 per gallon if there is no room at Aurora and they store it for us. We are taking in about 450 gallons per week at Statter Harbor. Aurora Harbor has a burner that burns about 40 gallons per day but we just can't keep up.

Mr. Uchytel said we are looking for a business that will be able to take this oil and burn it at no cost to Docks & Harbors.

4. Lumberman Status Update

Mr. Borg said the new owner has been sent a letter stating he has until October 18<sup>th</sup> to remove his vessel from our property. He has failed to remove the vessel. Staff contacted the Coast Guard to find out the overall condition of the vessel and using their pollution inspectors was their way to board the vessel. There was significant oil found in the bilges and old stuff found. They will get back to us on the actual amount found. They were on the vessel for seven or eight hours. They will get a report done in the next few days and he will brief the Board at the next meeting. Mr. Borg said he spoke with the owner and he indicated that he needed 30 more days and he intended to sell some items on the boat and get towed to Petersburg. He was not granted the 30 days. Moving forward, if there is a significant amount of pollutants on this vessel, the Coast Guard would be willing to make this safe. If Docks & Harbors does end up with this vessel, it will be an approximately \$200,000 effort to dispose of it. Mr. Borg has a request with CBJ Law for an impound process and he is waiting to hear back.

Committee Discussion/Public Comment

Mr. Eiler asked what is the next step to avoid this happening in the future?

Mr. Borg said the Anchoring Out Regulation is being reviewed by CBJ Law and after that comes back it will be advertised for 21 days, have a public hearing and then go to the Assembly for final adoption.

Mr. Simpson requested to bring that back to the OPS for review also.

5. Vessel Impounds

Mr. Creswell said staff has been working on getting vessels moving for about the last eight months with the construction coming up. There was a need to get a lot of vessels moved and there was going to be a crunch for space. Staff was also aware that there were a lot of vessels in the Harbor that have not moved with some upwards of 10 years. Our regulation requires a boat to leave the Harbor three times per year under its own power. Initially approximately 40 letters were issued to vessels that hadn't moved in over a year. Out of those forty letters, we currently have nine boats that have been impounded and one pending which are being stored on H float in Aurora Harbor. Probably eight of these boats will never run again and a couple of the boats staff did not even go on because of the sanitary conditions. He was happy to see this process worked as well as it did having 30 run out of the 40. Harbor Officer Mr. Holloway worked with the boat owners to get the boats running. The next process is sending the nine boats to auction. Anything sold will be sold with a caveat that they will leave the

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Harbor. We will move onto Harris Harbor next spring and go through the process all over again.

**Committee Discussion/Public Comment**

Mr. Eiler asked how many boats are currently impounded system wide?

Mr. Creswell said there are several standing impounds. If that boats shows up in the Harbor we can impound it. There are nine currently impounded.

Mr. Ridgway asked if there is a good estimate in terms of what these impounds cost CBJ in terms of time, wages, and costs of disposal?

Mr. Creswell said yes, but he does not have those numbers tonight. They are tracked on an excel sheet. Depending on the size of the boat it runs from \$1,000 to \$9,000. Clearing these boats out of the Harbor has resulted in seven or eight police calls a week down to zero. Other patrons have noticed and are happy with the results and staff is getting compliments daily.

Mr. Borg said it costs roughly \$6,000 per vessel and roughly \$60,000 to \$65,000 to clean up all of Aurora. These fees will go to collections, but we don't let anyone in collections come back in the Harbors.

Mr. Ridgway said the cleanup efforts are noticeable.

Mr. Uchytel asked for an update on the vessel Whimsea.

Mr. Borg said the Whimsea is a vessel that caught fire and sank in Statter Harbor recently. The owner contacted me and he is upset that the Coast Guard presented him with \$160,000 clean up fee. The owner did not have insurance. Harbors sent him a bill for a little over \$4,000 for disposal fees. He was very angry when he called because he has been paying the vessel disposal fee surcharge which is \$.25 per foot if you don't have insurance. When he was staying in Statter which is a transient harbor, you don't pay that. Only people with permanent assigned stalls pay the disposal fee. He was under the impression he had insurance with us. He is now saying that he had thousands of dollars of snap on tools on the vessel when it sank. Mr. Borg said he disposed of the vessel after the fire and after everyone inspected it. The owner claims he was not given time to recover the tools. Mr. Borg said he tried to explain the process but the owner did not want to listen. This event happened in June and this is the first he has heard from the owner.

Mr. Uchytel said Docks& Harbor incurred a little over \$11,000 in fees. We took that to CBJ risk to run through our insurance and they covered everything except the \$5,000 deductible. We ended only billing the owner for \$4,000. This was the vessel staff thought the fire was arson. It burned to the water line and sank. Mr. Trucano raised the vessel and took to his yard where it sat until the investigators were done with it and then he was instructed to take it to the dump.

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Mr. Donek asked if the impound vessels should go out to auction or is it a waste of time and just take to the dump?

Mr. Uchytel said this is required by ordinance to make them available.

Mr. Creswell said these boats will have several thousand dollars for their minimum bid to cover the impound fees.

6. Boat Insurance

Mr. Creswell said the vessel surcharge that we currently charge only applies to permanent stall holders. There are 1201 stalls and currently 551 permanent assigned stalls and 120 of these stall holders are paying the vessels disposal surcharge which ends up to be approximately 20% of our permanent stall holders that do not have insurance. In FY17 \$19,500 was collected for the vessel disposal surcharge. We did see a presentation on boat insurance at the AAHPA Conference in Petersburg and it showed us that vessel insurance is difficult. Washington has made it easier by having a State Law to fall back on. The Harbormaster and I will continue to work on this and talk with other Harbors to come up with a solution. As you hear tonight, this is very important.

Committee Discussion/Public Comment

Mr. Eiler suggested increasing the surcharge over time.

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday, October 17th, 2017 - CANCELLED
2. ~~Finance Committee Meeting~~ CANCELLED
3. Member Reports
4. Assembly Lands Committee Liaison Report –  
Mr. Eiler said the Lands Committee met and the primary topic of concern for Docks & Harbors was the land conveyance at Indian Point. The full report is online.
5. Auke Bay Steering Committee Liaison Report – No Report

XI. Port Engineer's Report – Mr. Gillette's written report is in the packet.

He said the ABMS transfer is pending the final stages of that transfer. The Department of Education has issued a quit claim deed to the University of Alaska and working on getting that recorded. MARAD is a little behind and MARAD attorney's and CBJ's attorney's need to talk to come up with a solution on language. After that is finalized it will be a couple of weeks before the quit claim deed is received to be signed and recorded. After that is recorded he will meet with the CDD and work on the subdivision process. He has already applied for a preliminary plat review. Staff is working on addressing comments.

Mr. Eiler asked the timeline on the Little Rock Dump Feasibility Study?

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Mr. Gillette said staff did receive a preliminary report and he did distribute at the last OPS meeting. He will check in with PND to get an update.

**XII. Harbormaster's Report**

Mr. Borg reported;

Mr. Creswell is moving to Statter Harbor to be the Supervisor at that location.

Mr. Hinton is the Senior Harbor Officer. He took that position in July.

**XIII. Port Director's Report**

Mr. Uchytel reported;

- NCS has mobilized for Aurora Harbor phase II, their crane is in the Harbor. The floats will start arriving mid-December. Their plan is to work six days a week and be complete on the completion date of March 31<sup>st</sup>.
- Staff submitted three TIGER grants. Results will be known in the spring.
  - Juneau Fisheries Terminal - \$25M
  - Marine Services - \$25M
  - Elevated Seawalk between Statter Harbor & ABMS - \$12M
- Working on a RFI for property management at the ABMS.
- Docks & Harbors new Assembly Liaison is Rob Edwardson.
- Mr. Gillette and I are working on a policy for the 1% for art light guidelines.

**XIV. Assembly Liaison Report – None**

**XV. Board Administrative Matters**

- a. Ops/Planning Committee Meeting – Wednesday, November 15th, 2017 at 5:00pm -
- b. Finance Committee Meeting – Cancelled
- c. Board Meeting – Thursday, November 30th, 2017 at 5:00pm –

**XVI. Adjournment – The regular Board Meeting adjourned at 7:47 pm.**