

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, October 28th, 2021

Zoom Meeting

I. Call to Order: Mr. Etheridge called the Regular Board Meeting to order at 5:00 p.m. via Zoom.

II. Roll Call: The following members were present in the Port Director's conference room or via Zoom. Lacey Derr, David Larkin, Matthew Leither, Mark Ridgway, Bob Wostmann and Don Etheridge.

Also in attendance: Carl Uchtyl – Port Director, Erich Schaal – Port Engineer, Christine Woll – CBJ Assembly Liaison, Allison Eddins – City Planner II, Teena Larson – Administrative Officer and Nichole Benedict – Administrative Assistant I.

Absent: James Becker, Paul Grant and Annette Smith

III. Approval of Agenda

MOTION By MR. RIDGWAY: TO APPROVE THE AGENDA AS PRESENTED.

Motion passes with no objection.

IV. Approval of September 23rd, 2021 Board minutes.

Hearing no objection, the September 23rd, 2021 Board minutes were approved as presented.

V. Public Participation on Non-Agenda Items.

Mr. Kirby Day, Juneau, AK

Mr. Day commented that the Harbor staff did a great job with a trying season, mentioned how well they did during the COVID mitigation and gave praise for their professionalism, competence and hard work.

VI. Consent Agenda

A. Public Requests for Consent Agenda Changes – None

B. Board Members Requests for Consent Agenda Changes – None

C. Items for Action

1. Renaming Archipelago Lot to Peratrovich Plaza
Presentation by the Port Director

RECOMMENDATION: THAT THE ASSEMBLY ADOPT RESOLUTION 2968
RENAMING ARCHIPELAGO LOT 2A TO PERATROVICH PLAZA

**MOTION By MS. DERR: TO APPROVE THE CONSENT AGENDA AS
PRESENTED AND ASK UNANIMOUS CONSENT.**

Motion passed with no objection

VII. Unfinished Business

1. Regulation Change: 05 CBJAC 20.080 (Passenger-for-hire fee)

Mr. Uchytel said this is on page 24 in the agenda packet. These rates have been through the Finance Sub-Committee and the Operations Planning Committee. The proposal is to raise the passenger-for-hire rates 10% for both the vessel and per-person fee. This will add about \$15,000 to the Harbors Enterprise. There was a comment received last week with concerns regarding definitions. He clarified with the Law Department to modify the paragraph listed as definitions. We decided to strike the passenger-for-hire definition within the regulation and changed that to commercial charter vessel activities. This is the only change that is new from last Wednesday.

Board Questions: None

Public Comments: None

Board Discussion/Action:

Mr. Ridgway asked everyone to look at section 3 on page 25. Do we need to add a date where it is XX'd out?

Mr. Uchytel stated if the Board takes affirmative action today, staff will begin the public notice process which will require notice in the Juneau Empire and posting at the libraries. He suspects this will happen as early as November 1st, 2021. We will add that date once we commence the public notice period. We are planning for a public hearing on December 8th, 2021. All the Board is doing today is directing staff to begin the public notice process.

MOTION By LACEY DERR: TO PROCEED TO THE PUBLIC NOTICE PERIOD AND NOTIFICATION OF PUBLIC HEARING SET FOR DECEMBER 8th, 2021 TO AMEND 05 CBJAC 20.080 PASSENGER-FOR-HIRE FEE AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

VIII. New Business

1. Lisa Haffner New Lease Application.

Mr. Uchytel said Docks & Harbors manages several hundred acres of CBJ owned tidelands. We received these tidelands through a conveyance process established by the state. Most of the conveyance occurred back in 2001. This lease was originally with the state and is for 3.2 acres in the Tee Harbor area. Lisa Haffner currently leases this land and her 55 year lease expired this year. CBJ ordinance only allows for a 35 year lease and Ms. Haffner said she would like to exercise her right to sign a new lease for 35 years. The process requires an appraisal, which is in the packet and works out to be \$0.04 per square foot. Usually these things would go through the Operations Planning Committee first, but we were informed we are losing our CBJ law attorney on November 19th, 2021. We are trying to push this through while we still have our current representation. There is no legal reason to deny the lease going forward due to Ms. Haffner having preferential right to these 3.2 acres.

Board Questions

Mr. Wostmann asked Mr. Uchytel if Ms. Haffner has been made aware of the increase in rent and has that already been agreed to?

Mr. Uchytel said she has been made aware of the increase and accepts the conditions of the new lease.

Public Comment – None

Board Discussion/Action

MOTION By MS. DERR: MOVE TO APPROVE A NEW 35 YEAR LEASE FOR LISA HAFFNER AT THE RENTAL RATE OF \$5,545.12 AND FORWARD TO THE ASSEMBLY FOR FINAL APPROVAL AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objections.

IX. Items for Information/Discussion

**1. Community Development Department (CDD) Areawide Planning Update
Presentation by Allison Eddins.**

Mr. Uchtyl said he was asked at the Operations-Planning Committee meeting to provide an overview of upcoming development projects prior to the Strategic Planning Retreat. This is why Ms. Eddins is with us today.

Ms. Eddins introduced herself as a Planner with CBJ, under Director Maclean. She began by speaking about the Auke Bay Area Plan. For a couple of years we worked with the neighborhood and sub-committee of the Planning Commission to begin implementing the area plan. Our first step was to propose new zoning districts for what we were calling the Auke Bay Core. This includes the waterfront, but we were not proposing to rezone the waterfront, mainly because what we were hearing from residents was they liked that 35 foot height limit to preserve the views. Those two new zoning districts we proposed, a mixed use and the neighborhood commercial did not pass the Planning Commission. However, they did adopt the two new zoning districts as an amendment to the CBJ Land Use Code. They declined to rezone Auke Bay to those two new zoning districts. Auke Bay continues to be a mixture of general commercial, light commercial, medium density multifamily, as well as low density single family. We have no plans to revisit that, however, the neighborhood association is interested in updating the area plan.

Board Questions None

Ms. Eddins spoke about the Blueprint Downtown. The process is moving along as expected. We are seeing some delays due to Covid and trying to get a Steering Committee and quorum. A draft of the plan should be going out for public review by the end of this year. A few items in this plan is the focus area from the Rock Dump all the way up to the neighborhoods in Star Hill, Chicken Ridge, down to Willoughby and to the Juneau-Douglas Bridge. This is a significant area, so we plan to break it up into eight sub-districts. Three of those directly relate to Docks & Harbors. The first being the waterfront, the boundaries for the waterfront are a little bit north of the Rock Dump, following Franklin down to the bridge. The second focus area is the Rock Dump, and the third is Aurora and Harris Harbors. The plan has quite a few goals and recommendations. Those that might interest this group is the plan that recommends supporting the 2017 Downtown Harbors Upland Plan. One specific recommendation for that is requiring mixed use development near Harris Harbor. They are also recommending giving support to the 2018 Marine Park to Taku Dock Urban Design Plan and the 2021 Small Cruise Ship Infrastructure Plan. This also

deals with the Visitor's Industry Task Force recommendation for a cruise ship dock at the Sub-Port.

Board Questions None

Ms. Eddins said the next project was the Long-Range Waterfront Master Plan. We are awaiting the results of a survey, and pending those results there will likely be amendments to the Waterfront Plan. Probably only the amendments that deal with Area B, which is the Sub-Port, will be considered. Beyond that there really hasn't been any movement as we await the results of the survey.

Board Questions None

Ms. Eddins said the next area plan we are working on is the South Douglas/West Juneau Area Plan. We have Annette Smith as a liaison to that project. A Steering Committee was appointed early this year and met in the spring. This is also a large area, so we are breaking it up into sub-areas as well. One area, that of course, would interest this committee is what we are calling the Waterfront Recreation Area. Prior to starting the public process, we met with some employees of Docks & Harbors and with Parks & Rec. We wanted to get an idea of what these departments had planned for the properties they manage in that area. Before the Steering Committee starts talking about specific recommendations for the Douglas Harbor, Ms. Eddins would like to meet with someone from Docks & Harbors to make sure she is as up to date as possible. She does not want to contradict any adopted plans, and wants to be supportive about what Docks & Harbors has in mind for the upcoming five, ten, fifteen years in that area. The steering committee is back to holding their regular meetings. They usually meet every three weeks. Ms. Eddins anticipate they will begin to meet and discuss the Douglas Harbor in December 2021.

Board Questions

Mr. Ridgway asked if that area includes North Douglas.

Ms. Eddins stated it does not include North Douglas. The focus area is from the bridge, south, to a little past Sandy Beach.

Ms. Eddins said the last item the Board wanted an update on is an item she is least familiar with. Director Maclean will be available for any future meetings to answer questions about the review of the Coastal Management Plan. That ordinance was repealed in August. Her colleagues and Director Maclean are working with Title 49 and the Planning Commission to determine if any of the sections in the Coastal

Management Ordinances need to be moved into the Land Use Code and officially adopted. That process is ongoing, the Title 49 Committee met about this specific topic just today.

Board Questions

Mr. Ridgway said he did not have any questions but wanted to thank Ms. Eddins. He appreciated her bringing the board up to speed on the wide range of planning efforts.

Mr. Wostmann also thanked Ms. Eddins for the summary. Mr. Wostmann was familiar with some of these plans, but not up to date on all of them. He asked Ms. Eddins to provide the Board with a reference list with all existing plans that affect Docks & Harbors.

Mr. Ridgway asked Ms. Eddins if she had knowledge on current planning efforts for a second crossing to Douglas Island.

Ms. Eddins said she does not and has not heard anything about a second crossing. If anything is being discussed it would be discussed between the City Manager and the department directors. The topic has always been hotly debated, and she does not anticipate that will change. She feels the need for a second crossing is just becoming greater and greater, especially as we see more development happening over on Douglas Island.

Mr. Schaal said he can add a little to that. He has been working with Katie Koester, Director of Engineering & Public Works. She is putting together a legislative priorities document, and one of the topics is the second crossing. Mr. Schaal read from a draft regarding the topic. It stated the second crossing from Juneau to Douglas Island has been a priority for the community since the early 1980's. Recently the CBJ Assembly appropriated \$250,000 to match federal appropriations of \$2.5 million, to perform a PEL study through ADOT. DOWL Engineering has been selected for the PEL study that is expected to be completed by the end of 2023.

Board Questions None

Public Comment None

2. Strategic Retreat Planning

Mr. Uchytal said Ms. Cosgrove is online now and will be under contract to facilitate the Strategic Planning Retreat. The retreat will begin on Friday, October 5th, 2021 at

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REGULAR MEETING MINUTES (CONTINUED)

For Thursday, October 28th, 2021

5:00 pm, and reconvene the next day on Saturday, October 6th, 2021 at 10:00 am. The current plan is to put in three to four hours each day. The retreat will be held in the Board Room of the Robert F. Valliant Admin. Building at Bartlett Regional Hospital. Mr. Uchytel read the retreat agenda on page 65 of the packet and welcomed comments by the Board.

Ms. Cosgrove said she appreciated Mr. Uchytel reading through the agenda. The only thing she wanted to add is there is flexibility while trying to keep to the agenda. If something comes up we can spend a little more time in one place over another, to meet people's needs.

Board Questions

Mr. Wostmann said he liked this agenda and it has the key points he wanted to see. He also liked the SWOT Analysis in there, as he has attended those in the past and believes they can be very effective.

Mr. Ridgway said he appreciated Ms. Cosgrove pitching in and thanked her for attending last week's Operations Planning Committee meeting. Mr. Ridgway also complimented Mr. Uchytel for the way the agenda was presented.

Mr. Uchytel stated the only people attending the retreat will be board members, staff and Ms. Cosgrove. There are limitations for the board room, only 12 people are allowed per Bartlett guidelines. We will meet the Open Meetings Act by each Board member having a microphone, and allowing the public to call-in. Mr. Uchytel confirmed with the Law Department this is an appropriate accommodation to meet the Open Meetings Act requirements.

Public Comments None

3. Docks & Harbors Calendar Schedule – 2022

Mr. Uchytel stated this has been shown to the Operations Planning Committee. This calendar shows the Operations Planning Committee, Finance Sub-Committee and Board meetings. If anyone has any conflicts to please let him know.

Board Questions

Mr. Wostmann said he wanted the Finance Sub-Committee to get together and look into their meetings. He would like two of those meetings each month. Ms. Larson stated she could add it to the agenda for the Finance Sub-Committee.

Public Comments None

4. UAS Property Acquisition Strategy

Mr. Uchtyl said he was working with the City Manager and this potential acquisition will be added to the Assembly Committee of the Whole (COW) meeting on Monday, November 1, 2021. The memo on page 67 basically gives some background and talking points for the Assembly. We are trying to acquire this property between the Aurora and Harris Harbor.

Board Questions

Mr. Ridgway asked Mr. Uchtyl if the 30 times increase to the lease can be recovered by existing sub-leases. We get \$36,700 per year to sublease the property, our yearly cost will be increased to \$230,000 per year.

Mr. Uchtyl said we cannot recoup that difference on the backs of our sub-lessees. In FY2021 we were in the black \$180,000 for the Harbor Enterprise. This memo on page 67 states we cannot continue the status quo and keep collecting the same amount of rent and continue to be viable enterprise.

Mr. Schaal said when we went through the appraisal process for the boatyard lease, it was based on its use as a boatyard. When the appraisal was provided to UAS from the same appraiser, he was asked to find the value at the highest and best use. This is the reason for the new increased price.

Mr. Ridgway said he was trying to feel out how much of a liability that might be. He thanked Mr. Uchtyl and Mr. Schaal for the explanation.

Public Comment

Mr. Dennis Watson, Juneau, AK

Mr. Watson asked the Board to really take a look at expenses when deciding these things at the retreat. Mr. Watson believes the UAS property purchase is probably the most important piece of the Docks & Harbors work projects. If Docks & Harbors lose this space down there, he does not know what we will be able to do. Mr. Watson asked the Board to be cautious, and he certainly supports the purchase.

X. Committee and Member Reports

1. Operations/Planning Committee Meeting – October 20th, 2021

Mr. Ridgway said the policy statement rate setting was not forwarded to the Board, but was discussed. The Peratrovich Plaza and passenger-for-hire language was forwarded out of the committee. Also, they were joined by Ms. Cosgrove to discuss the upcoming board retreat.

2. Finance Sub-Committee Meetings – October 13th & 27th, 2021

Mr. Wostmann said the focus had been primarily on the change in rates and how to apply the CPI. Trying to reach a consensus on the best way to establish a rate increase on an interim basis until we can complete the rate study.

3. Member Reports

Mr. Leither said that he has been speaking with many harbor patrons at Statter Harbor and people are very happy with the hot berth process. He wanted to pass that along as a compliment to the staff.

4. Assembly Lands Committee Liaison Report

Ms. Derr said the Assembly Lands Committee did not meet this month. They are scheduled to meet next week and it will be on next month's report.

5. Auke Bay Neighborhood Association Liaison Report

Mr. Wostmann received an active summary from the Planning Committee. The proposed zoning changes were not adopted, there has been no further action. Mr. Wostmann is on the contact list for the Auke Bay Neighborhood Association, but there is nothing new to add.

6. South Douglas/West Juneau Liaison Report – None

XI. Port Engineer's Report

Mr. Schaal said his typical project update is in the packet and he wanted to let everyone know we will be discussing both cruise ship electrification, and the UAS property at the COW meeting on Monday, November 1, 2021. This will be the third time we have tried to present to the Assembly. Mr. Schaal gave the Board an update

on what he will be sharing. Through our review of the ships that will be using the docks over the next few years, we feel there will be enough power to move ahead with the project. Mr. Schaal discussed AEL&P, average precipitation and how the hydroelectric plant works. We would be at the bottom of the list to receive power, after the Franklin Dock, Greens Creek Mine and non-interruptible customers. Mr. Schaal stated the AS Dock has by far the most vessels able to connect and face the correct direction. There is a 4:1 ratio of vessels that can connect to the AS Dock vs the Cruise Ship Terminal Dock. If you are concerned with cost recovery, it would make sense to install the infrastructure at the AS Dock first.

Board Questions

Ms. Derr asked if it would be beneficial to have Board members in the crowd (Zoom) for the November 1st 2021 COW meeting?

Mr. Schaal said yes, it is always great for the Assembly to see the Board caring about our projects.

Mr. Uchtyl offered Board members use of the conference room at the Port Office to attend by Zoom.

XII. Harbormaster's Report

Mr. Uchtyl said staff is currently soliciting for a Harbor Security Officer. It will close next Friday, November 5th, 2021. Hopefully after the interview process we will have a full-time Security Officer by the end of November.

XIII. Port Director's Report

Mr. Uchtyl said the requests for the rate study proposal is due by November 9th, 2021. He is anticipating at least three proposers. At least two board members have expressed an interest in sitting on the selection committee. If any other Board members would like to participate please let him know.

Mr. Uchtyl said the last item to share with the Board is about the Alaska Association of Harbormaster's Conference in Anchorage. Every year they reveal the Alaska Department of Transportation Harbor Grant list. This year there was seven municipalities that submitted municipal harbor grant applications in the amount of \$20 million. There were two tier I projects, which always go to the top of the list. We ended up in fourth place behind the Sand Point. The legislature will need to

appropriate at least \$15 million in FY2023 for us to benefit with the \$2 million harbor grant. This money would go towards the Phase III of the Aurora Harbor project.

Ms. Derr asked if there has been any upswing in crime or complaints during the brief time the seasonal security employee has been gone.

Mr. Etheridge stated he missed two weeks of his patrolling due to an injury. The first few nights back he had to chase four people away from the harbor. There had been a bit of an upswing when he first came back, but it's settled back down. The weekly JPD report showed no increases from them.

XIV. Assembly Liaison Report

Ms. Woll stated she is the new Docks & Harbors Assembly Liaison after the Assembly reorganization meeting on Monday. Her family currently has five boats and are committed users of CBJ Docks & Harbors. The Assembly has been on a break during the election period. The Assembly did pass two pieces of legislation submitted by this Board. The resolution supporting full funding of the \$11.5 million of the state of Alaska Municipal Harbor Facility Grant in the FY2023 state capitol budget. Also, the ordinance appropriating the \$24,000 as funding for security enhancements.

Ms. Woll said on Wednesday at the Assembly Finance Committee meeting one of the agenda items will be the Managers proposal for the use of the Marine Passenger Fees.

Board Questions None

XV. Board Administrative Matters

- A. Assembly Committee-of-the-Whole, Monday, November 1st, 2021
- B. Board Strategic Retreat – Friday, November 5th & Saturday, November 6th, 2021
- C. Finance Sub-Committee Meeting – Tuesday, November 9th, 2021
- D. Ops Planning Committee Meeting – Wednesday, November 10th, 2021
- E. Board Meeting – Thursday, November 18th, 2021

Board Questions None

XVI. Adjournment – The meeting adjourned at 6:21 pm.