

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

I. Call to Order

Mr. Etheridge called the meeting to order at 5:00pm in the CBJ Assembly Chambers.

II. Roll Call

The following members were present: Weston Eiler (arrived at 5:05pm), Mark Ridgway, David McCasland, James Becker, Bob Wostmann, Budd Simpson, and Don Etheridge.

Absent: Bob Janes

Also present: Carl Uchtyl – Port Director, Dave Borg – Harbormaster (via telephone), Matthew Creswell – Deputy Harbormaster, and Mary Becker – Assembly Liaison.

III. Approval of Agenda

Mr. Uchtyl requested to add a Special Order of business after public participation.

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

Motion passed with no objection.

IV. Approval of Thursday December 20th, 2018 Regular Board Meetings Minutes.

Hearing no objection, the December 20th, 2018 minutes were approved as presented.

V. Approval of January 23rd, 2019 Special Board minutes

Hearing no objection, the January 23rd, 2019 minutes were approved as presented.

VI. Public Participation on Non-Agenda Items - None

Special Order of Business –

Mr. Uchtyl said Docks & Harbors received a Public Sector Vocation Service Award (service above self-award) from the Rotary Club on Monday being recognized for our participation in the Maritime Festival, providing yellow fence for Brewfest, efforts with the Territorial Sportsman's Salmon Derby, and the donation of the gangway which was used by the Rotary in support of a civic project in Lemon Creek.

VII. Consent Agenda –

- A. Pubic Requests for Consent Agenda Changes – None
- B. Board Members Requests for Consent Agenda Changes – None
- C. Items for Action

- 1. Additional Seasonal Port Harbor Officer and Port Harbor Technician FTE

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES

For Thursday, January 31st, 2019

RECOMMENDATION: TO RECOMMEND AN ADDITIONAL 0.5 FTE HARBOR TECH AND 0.5 HARBOR OFFICER STAFF INCREASE BE PROVIDED TO THE DOCKS ENTERPRISE FOR THE 2019 SEASON.

2. Channel Construction Barge Loading Facility

RECOMMENDATION: THAT THE BOARD APPROVE THE REQUEST OF GASTINEAU LANDING LLC TO CONSTRUCT IMPROVEMENTS ON CBJ TIDELAND LEASES LOT 2 ATS 7 AND ATS 1503.

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

Motion passed with no objection.

VIII. Unfinished Business - None

IX. New Business

1. People's Wharf Lease – Square Foot Extension

Mr. Uchtyl said this was discussed at the Operations Committee last week and the Committee recommended this be brought to the Full Board. He said he did invite Ms. Reecia Wilson to attend the meeting tonight. Ms. Wilson sent an email pointing out, when discussing the use permit for Mr. Heumanns request a year ago, the Board established a work group to work on guidance for future leases. Mr. Uchtyl said the work group consisted of Mr. Simpson, Mr. Janes, and Mr. Donek, and on page 32 and 33 in the packet is the group's efforts on the Policy. On page 33 is the draft policy and he read it to the Committee.

Committee Questions

Mr. Eiler asked why a working draft of the proposed policy was being brought up at this time because it has not been reviewed before any Docks & Harbors Committee, or discussed by the full Board.

Mr. Etheridge said this was to give an outline on what was discussed with Mr. Heumann's use permit request in 2018 and the outcome from those discussions.

Mr. Uchtyl said the Operations Committee requested information on all the downtown waterfront leases Docks & Harbors manages and he provided a presentation on those leases. He said the last two years Mr. Heumann was given a Use Permit for the requested 62SF area from Docks & Harbors and a permit from the City Manager for the 400SF area in the right of way. Mr. Uchtyl said the Use Permit Mr. Heumann received the last two years is not an appropriate permit for long term permits for providing property and should move toward a lease if the Board wants to allow the use of this area again this year. Two years ago the area Mr. Heumann requested to use was appraised. This was for seasonal use so he was required to remove anything on that 62SF area after the season. Mr. Heumann paid for the appraisal, was required to pay a \$5,000 bond, and obtain a conditional use permit. At the same time, the City Manager took the right of way permit

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

to the Assembly to create a license in rights of way for food and beverage service which was just extended until 2021. Last year Mr. Heumann's request was for the same size area as 2017 so the same appraisal was used for the use permit. Now in 2019, Mr. Heumann is asking for an additional 227SF area to his previous 62SF permit area.

Mr. Etheridge asked if Docks & Harbors is allowed to authorize use of this area because it is part of a City right of way?

Mr. Uchytel said he did have a discussion with the Law Department and the cleanest way to honor this request is to do an amendment to Mr. Heumann's lease and Docks & Harbors would be able to allow the use of the right of way portion of the request. The lease amendment would need to also go through the Assembly for final approval. He said if this is a lease amendment, Mr. Heumann asks this only pertain to Tracy's Crab Shack and if she moves to a different location that his lease amendment be able to go away at that time.

Mr. Ridgway wanted clarification that the entire area requested, even the right of way area, would be in the lease amendment.

Mr. Uchytel said yes to make it easier for all.

Mr. Wostmann asked how many leases Docks & Harbors manages that are in right of ways?

Mr. Uchytel said none.

Mr. Wostmann asked if Mr. Heumann has an existing lease currently or has this all been permits up to now?

Mr. Uchytel said he has an existing lease for 476SF.

Mr. Wostmann clarified that this request is for the entire requested area put into one lease.

Mr. Uchytel said yes.

Mr. Eiler asked if the open area in front of Diamonds International is leased?

Mr. Uchytel said no.

Mr. Ridgway wanted to know the motion passed at the last Operations Committee.

Mr. Uchytel said he did not have the exact motion.

Mr. Ridgway asked in terms of the draft lease policy and our current leases on the waterfront, are any of these seasonal leases?

Mr. Uchytel said no, this use permit is the only thing seasonal.

Mr. Ridgway asked if Mr. Heumann's use permit was seasonal?

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Uchytel said the use permit is a limited permit and it is seasonal.

Mr. Ridgway asked if the use permit was for one calendar year?

Mr. Uchytel said the use permit that has been used is not for long term and not the correct way to use this type of permit.

Mr. Ridgway asked if this was a portion of a year permit or year around. He asked if the draft lease policy would affect any of the existing leases?

Mr. Uchytel said he has not looked at that.

Mr. Ridgway stated in the current right of way permit with the City Manager it allows alcoholic beverages and questioned if that would be an issue with Docks & Harbors leasing this area?

Mr. Uchytel said he is unsure.

Public Comment-

William Heumann, Juneau, AK

Mr. Heumann said he wanted to clarify that the right of way along the side of his building was not there when he purchased the building. When he rebuilt his building he wanted to have side entrances so the City dedicated this right of way to allow for the side entrances into his building. He said if the outside seating, the City Manager's right of way permit, is wrapped into the lease amendment than that will have to be payed year around. He recommended the amendment should only be in affect with the occupancy of Tracy's Crab Shack. He also recommends working on the draft lease policy again and have that in affect. He said Tracy's Crab Shack is a considerable benefit to the Juneau Community. Tracy has a famous entity, hires a lot of employees, and pays a lot of taxes to the City. It would be a shame to put her out of business because the key thing to this is the propane tanks. There is nowhere else to put them because they cannot be in a right of way.

Mr. Ridgway asked Mr. Heumann if there was any written agreement or written documents that would be specific to his request for the right of way beside his building?

Mr. Heumann said there was no agreement but there could be staff reports as to why the right of way was created.

Mr. Eiler asked if Mr. Heumann objected to moving into a more formalized lease?

Mr. Heumann said it would give more clarity and he would not have to come ask on an annual basis.

Committee Discussion/Action

Mr. Wostmann stated that Tracy's Crab Shack is a very successful operation and has been a part of the Juneau Community for a long time. This is an important criteria and he said he recommends finding a way to make this request work.

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Eiler said the Board's decisions should be agnostic as to the ownership of individual businesses and leases. It should be based on what is best for the Community of Juneau.

Mr. Ridgway said to be able to repeat equity in the process, the Board needs to be agnostic. There is still the question with impacts on accepting responsibility for leasing the right of way. If the Board does accept taking on the right of way and moving this forward, he recommends having something in the lease giving the Board the ability to go back and review this portion of the lease at a later time. He also recommends forming an ADHOC Committee to work on the lease policy that was started last year and finish it.

Mr. Wostmann said this request is for a very successful business in the Community but the Board needs to come up with something as a basis for "policy" which will allow a standardized process for how the Board deals with these issues if they come up again. He said he does not believe the Board is ready to take action tonight but more work needs to be done for clarity on how this solution will be put together.

Mr. Ridgway said he would like a motion to direct staff to develop the actual lease language to provide Mr. Heumann his ask and have that portion of the lease be very cancelable. If there is a public need for that property of the right of way, or serving alcohol on the right of way that Docks & Harbors is now in control of becomes an issue, the Board could cancel the lease. He recommends the Board work on a "policy" that captures all the different leases already in existence.

Mr. Uchytel said he is hearing there is consensus with the Board to have staff work on the lease language with the Law Department which is also acceptable to Mr. Heumann and bring the draft lease back to the Board.

Mr. Etheridge commented to have no motion tonight but to have Mr. Uchytel work with the Law Department on the lease language and bring back to the Board.

Mr. Eiler asked whether a lease amendment is achievable for the upcoming tourism season while still allowing Mr. Heumann to make necessary?

Mr. Uchytel said as the lease amendment is moving forward, maybe the Law Department would be acceptable to another Use Permit. Mr. Uchytel asked the Boards interest in re-engaging in work on the "policy" statement?

Mr. Etheridge asked for volunteers to be on the lease "policy" sub-committee.

Mr. Ridgway volunteered. He requested staff look into the Assembly motion from when the right of way was approved.

NO MOTION

2. LUMBERMAN

Mr. Uchytel said from the Committee of the Whole meeting with the Assembly, Docks & Harbors was instructed to be more assertive with resolving the Lumberman issue. In the packet on page 54 is a letter to the Attorney General which is a step that is authorized with the passage of SB92 that allows a municipality to report a violation of AS 30.30 to

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

the Attorney General. This begins the process for adjudicating the final resting place of the Lumberman. There are members in the audience from DNR. The position of the State is that they are not funded to remove and demolish the Lumberman. The question before the Board is if Docks & Harbors wants to step out and assume that role. With the recent changes in SB92, it does allow municipalities and law enforcement officers to take action on derelict vessels. This can be done if consistent with the will of the Board.

Committee Questions

Mr. Simpson asked what the ask is in the letter?

Mr. Uchtyl read the chapter of AS30.30 that related to derelict vessels. The language that allows Docks & Harbors to be proactive is in AS30.30.150. A State agency, Municipality, or Peace Officer may impound a derelict vessel subject to this chapter.

Mr. Simpson asked if the criminal conduct here would be the current owner, Matson, would be found guilty of abandoning the vessel on State Lands.

Mr. Uchtyl said that is correct.

Mr. Simpson asked if that finding was made, is that when the vessel could be forfeited or impounded as part of the penalty.

Mr. Uchtyl said yes.

Mr. Simpson asked if the person has to be found and convicted of that or is there a section that implies to the many abandoned vessels that you don't know who that is.

Mr. Uchtyl said whether this gets adjudicated by the Attorney General or not, there are other avenues to pursue to impound.

Mr. Simpson recommended to be more specific of the ask in the letter to the Attorney General to have them impound the vessel so they move forward on that part of this task.

Mr. Uchtyl said even though CBJ Law is recommending sending this letter, there is low expectation the Attorney General will take this for action and staff may be better off pursuing other avenues given under SB92 to allow us to impound.

Mr. Simpson said pursuing the criminal process could take another three years so staff needs to do the impound part without the criminal part. He recommends a more specific ask in the letter.

Mr. Uchtyl asked how long staff should wait to hear back from the Attorney General before pursuing other avenues for impound?

Mr. Simpson said that is unknown.

Mr. Etheridge asked Mr. Uchtyl for Docks & Harbors other options?

Mr. Uchtyl said the Board could put money in our budget toward the Lumberman to impound and demolish it, write a letter to DNR asking their position to address the

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Lumberman, or meet with the Juneau Delegation to have them put together a legislative grant for the demolition of the Lumberman. These things are highly unlikely going to happen and there are no good answers here. The reason there has been no action is because nobody wants to touch it because once you do, you own it and responsible for six figures in addressing it.

Mr. Wostmann asked if there was any agency under current law having the direct authority to impound the vessel.

Mr. Uchtyl said his understanding is Docks & Harbors has the authority to impound it now.

Mr. Wostmann asked if the Board chooses to fund this, could staff move forward and have it demolished?

Mr. Becker asked if the owner could vacate the Lumberman?

Mr. Uchtyl said someone could go find the owner and have him sign the vessel over to us and we could take care of it.

Mr. Becker recommended to have people bid on this and maybe find someone that sees some value and drags it out of here.

Mr. Uchtyl said it is required in Ordinance to calculate the money owed in moorage, impound, and admin fees, and then the owner has the right in a hearing to challenge whether the impound process was done correctly. After impound, we wait 20 days and then have an auction for that vessel. The minimum bid is the money owed, but Docks & Harbors is not allowed to keep the money for moorage. The Lumberman has never been in the Harbor system, so there is no moorage owed but even if there was, it would revert back to the owner after auction. Most of the vessels impounded have no value and are demolished and taken to the dump.

Mr. Ridgway stated there is an Ordinance in existence that allows Law enforcement to impound motor vehicles, but do they also have the right to impound vessels?

Mr. Uchtyl said he would look into that?

Mr. Wostmann asked if the Lumberman is impounded, what do we do with it?

Mr. Uchtyl said somebody might find a use for it and be able to pull it up somewhere to deal with it. If Docks & Harbors needs to deal with it, he would engage with more of the salvage individuals to see what they would do. It could be taken in at high tide to the Little Rock Dump where they cut up the M/V Challenger a few years back. He said Homer uses pneumatic float bags at a high tide with an excavator type tow to bring vessels on shore to have them cut up and removed or recycled. He said he was told DNR received a quote for the Lumberman; the quote was to tow it to Hoonah, haul it out and have it cut up in Hoonah.

Mr. Wostmann asked where staff is planning to put the Lumberman when it is impounded. Staff needs to make sure it doesn't sink while it is under our control. Is there

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

a dock to put it at and put pumps on it so it doesn't sink? Does Docks & Harbors have a means of not creating a bigger problem than we already have?

Mr. Uchytel said leaving it at the current location is a good location.

Mr. Wostmann commented that if it breaks loose and goes the wrong direction it could be bad.

Mr. Uchytel said staff has had discussions on different locations to tie the Lumberman up, but there is no other location for this vessel other than the uplands at the Little Rock Dump.

Mr. Eiler asked who owns the anchor that was installed to secure the Lumberman?

Mr. Uchytel said DIPAC furnished an anchor?

Mr. Becker asked why DNR is unable to impound and dispose of this vessel?

Mr. Simpson said Docks & Harbor was instructed by the Assembly to take care of this. There have already been back and forth discussions with DNR, but they don't have funding and neither does Docks & Harbors but someone has to deal with it.

Mr. Eiler said staff should find the most cost effective means of disposal, and then determine how to pay for it including asking the Assembly to share the cost.

Mr. Ridgway asked if Mr. Uchytel needed approval from the Board to send this letter?

Mr. Uchytel said if the Board gives staff direction we will move forward with the Board request.

Mr. McCasland asked if staff received an offer to remove the Lumberman?

Mr. Uchytel said we heard through DNR they went out for a quote and received one quote for \$200,000 to have the Lumberman towed to Hoonah and cut up.

Mr. McCasland asked if \$200,000 would relive us of all responsibility?

Mr. Uchytel said if it can be done for \$200,000? Docks & Harbors would be bound by the lowest qualified bidder in a firm fixed price process. It may make sense to be descriptive on disposal or just have it removed from CBJ Tidelands and disposed of in accordance with all State, Federal, and local laws.

Mr. Becker said he heard the \$200,000 Hoonah quote, but did not talk to Mr. Tonsguard. He said he knows Mr. Tonsguard has broken up boats at his location on Channel Drive before. He said he talked to the guy in Hoonah with the lift and he is not sure that the lift can lift the Lumberman so taking the Lumberman to Hoonah needs more research.

Mr. Etheridge commented that the Lumberman has no engine in it.

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Ridgway asked if staff has looked into an estimated cost for disposal of the Lumberman?

Mr. Uchytel said no, staff has been using the \$200,000 estimate from DNR. However, after we start the process for removal, we also need to get the requirements from DEC for asbestos and lead paint removal.

Mr. Ridgway asked if the \$200,000 estimate included abatement of asbestos or lead paint.

Mr. Uchytel said he is guessing no.

Mr. Becker said if Docks & Harbors starts a precedence, more and more boats are going to be abandoned.

Mr. Eiler seconded Mr. Becker's comments, and expressed concern with Docks & Harbors' increased association by securing an anchor to the Lumberman if this comes down to who is going to pay for the disposal of this vessel. He suggested orchestrating a group effort so disposal of the vessel is not solely a cost for Docks & Harbors.

Public Comment-None

Committee Discussion/Action

Mr. Etheredge said he does not want to set precedence either but he believes Docks & Harbors already has set precedence with all the vessels we have already taken and destroyed. The Assembly gave Docks & Harbors direction to do something with this vessel.

MOTION By MR. SIMPSON: TO INITIATE PROCEEDINGS TO IMPOUND THE VESSEL.

Mr. Simpson said this will demonstrate that we are moving forward with doing something. While the impoundment process is taking place, we can figure out what we are going to do with it after it is impounded. This will give Docks & Harbors legal control to either auction it off or find somebody who can dispose of it.

Mr. Eiler objected for comment. He said once Docks & Harbors moves the vessel, we also might lose any hope of other organizations helping with the disposal. Mr. Eiler removed his objection.

Mr. Ridgway objected for comment. He said he is cautious to move forward with impounding the vessel with no plan and not having a real disposal cost. Once staff gets a disposal cost, the Board can then decide what project will need to be cancelled to dispose of this vessel and plan for the removal. Mr. Ridgway removed his objection.

Mr. Wostmann suggested a friendly amendment to the motion.

The Board is directing staff to initiate impoundment **and at the same time the Board is asking staff to prepare a budget for the total project and bring that back before the Board before the impoundment becomes final and the Board would have the opportunity to decide on the best budget and give the final yes or no on the matter.**

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Simpson accepted the amendment. He said he did not intend for the vessel to be moved from the current location and not finalize impoundment until we know the next step after we hear our options.

Mr. Wostmann asked for a point of clarification, he said he also wanted it in the motion **that staff should bring this back to the Board before final action but also with the best estimate of cost that is achievable by that point in time.**

Mr. Simpson accepted the addition to the motion.

Mr. Etheridge asked if that was a friendly amendment.

Mr. Wostmann said yes.

The Amendment passed with no objection.

Motion passed.

Mr. Ridgway asked if anyone contacted the Naval Undersea Warfare Center?

Mr. Uchytel said not to his knowledge.

3. FY2019 and FY2020 Budget Cycle

Mr. Uchytel said we are on a two year biennial budget. The process is the Assembly adopts the FY19 budget and approves the FY20 proposed budget. Finance asks staff every year at this time to look at our current year and adjust where we need to adjust and to also make any changes to the FY20 proposed budget which will be adopted by the Assembly in June.

Mr. Uchytel said the Docks budget is on page 56 to 59 in the packet and went over the Docks budget specific changes;

- Docks salaries include the two additional seasonal .50 FTE's approved by the Board. He said even though staff requests changes to the adopted and approved budgets in this format, there still needs to be a supplemental request which requires Assembly approval based on the additional request.
- Docks revenue is predicted to exceed the projected actuals for FY19 and FY20.

Ms. Larson said included in the Docks revenue are the two Waterfront Vendor Permits that were not renewed this year and if we don't receive other interested parties we could be down \$60,000 in revenue from what is projected.

Committee Questions

Mr. Wostmann asked to explain what interest in Lawson is?

Mr. Uchytel said Lawson is an accounting system the City uses and the interest is on our fund balance.

Mr. Ridgway asked what the Interdepartmental costs are?

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Uchytel said that is payment to other city departments, Law, Finance, Clerk, HR, and MIS for services rendered to Docks & Harbors.

Mr. Wostmann questioned the increase in the travel and training and the safety program budget.

Mr. Uchytel said for travel and training there are two employees that will need to renew their Facility Security Officer training and one employee will be attending an Intermediate Marine Manager training offered by the Association of Marina Industries in Florida which will be approximately \$5,000.

Mr. Creswell explained the safety budget increase was due to additional employees and change in employees because those employees will need to be outfitted with PPE and safety items.

Mr. Uchytel said staff estimated the safety equipment to be \$800 per seasonal hire and \$1200 per year around employee.

Mr. Eiler suggested that in the future, the Board might review the budget in aggregate figures to provide the big picture for members and the public. For instance, he suggested presenting Docks & Harbors revenue and expenses on a one-sheet.

Mr. Borg left the meeting at 6:42pm.

Mr. Uchytel said this is the budget in the minds of the Finance Department. It is not broken down like this when staff takes it to the Assembly to be adopted; it is the total revenues and expenditures.

Mr. Uchytel said the Harbor budget is on pages 60 to 63 in the packet and went over the Harbors budget specific changes;

- FY19 revenue will be about the same but FY20 revenue should see a slight increase.

Mr. Wostmann asked what makes up the Harbor bad debts?

Mr. Uchytel said it is uncollectible money that is sent to the CBJ Collections Department to try to collect. If this money is collected we see a small percentage of that money.

- FY19 and FY20 Harbor personnel expenditures are down from the amended budget.
- Travel and Training is up due to employees attending, Alaska Association of Harbormasters and Port Authorities (AAHPA) Conference, Pacific Coast Congress (PCC) Conference, American Association of Port Authorities (AAPA) Conference, American Institute of Architects (AIA) Conference, and UAS Harbor System training courses which employees are encouraged to attend.
- FY20 Contractual Services increase is due to adding IT support.

Public Comment-
Dennis Watson, Juneau, AK

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Watson asked what happens to the left over cash at the end of the year?

Mr. Uchtyl said when our revenues exceed our expenditures it rolls over into our fund balance.

Mr. Watson pointed out he has not seen the fund balance at any of our meetings.

Mr. Uchtyl said it is in the budget book the Assembly approves every year.

Mr. Watson pointed out the land lease revenue is higher in FY18 then what is projected in FY19 and FY20. He said everything he has seen regarding land leases has increased.

Mr. Watson asked if the bad debt in the budget is the anticipated bad debt or actual?

Mr. Uchtyl said five years ago we didn't write anything off and it artificially raised our revenue, but since then staff has been working on writing off the bad debt which gives a more accurate picture of our revenue.

Committee Discussion/Action

Mr. Eiler suggested the Board should review our current leases and revenue, with an eye for what tideland assets we have that aren't leased.

Mr. Etheridge commented that if any of the Board members have interest in putting the Finance Committee back together for the budget review that can be done.

Mr. Wostmann said reviewing the budget line by line in a Sub-Committee meeting would enhance the quality of review, but suggested to not have so much detail at the Board level.

Mr. Etheridge said he would put together a Finance Committee for budget review.

Mr. Becker asked if this format was mandated by the Assembly?

Mr. Uchtyl said this is what the Finance Director gives Docks & Harbors to update our budget numbers. He said the amount of discretionary money in the budget is less than 25%.

Mr. Becker said on other Boards he serves on with their budget items there is an arrow indicating up or down on particular budget items that increase or decrease.

Mr. Wostmann said the reports he produces show the different % changes.

MOTION By MR. SIMPSON: TO APPROVE THE AMENDED FY2019 AND FY2020 BUDGETS AS PROPOSED AND FORWARD IT TO THE ASSEMBLY FOR THEIR APPROVAL AND ASK UNANIMOUS CONSENT.

The motion passed with no objection.

- X. Items for Information/Discussion**
1. CLIA Lawsuit

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES

For Thursday, January 31st, 2019

Mr. Uchytel said staff was tasked with sending Marine Passenger Fee requests to the City Manager by the end of the year. The City Manager has not posted the list yet. Because of the Judge Holland ruling our budget could change to reflect the appropriateness of funding from the Marine Passenger Fees. He said we collect about \$2M in Docks funds and about \$1.5M is directly related to the ships which are moorage fees and Port Maintenance fees. The other \$500,000 collected is loading zone and vendor permits revenue. He stated one possible change in the budget would be to pay for crossing guards with the non-ship related revenue.

Mr. Uchytel said the Archipelago public part of the project is moving forward. The Assembly agreed that the expenditures of monies for that project are service to the vessel. We also received a letter from CLIA that said they will not object to expenditures for the Archipelago development on the public portion.

Committee Discussion/Public Comment-None

2. Cruise Ship Docks – Coast Guard Security Requirements

Mr. Uchytel said at the OPS Committee meeting, he commented that Docks staff may need to be increased due to additional security requirements. He had meetings with the Coast Guard Captain of the Port and he agrees that having an ID check to the Ships credential adds no more value to the overall security when it is being checked 150' away at another check point. Staff will need to be more vigilant in checking bags to make sure we are checking the required 5% of all bags coming through the checkpoint. Staff will continue to work with the Captain of the Port and continue to improve our security postures where it makes sense and at this point we will not need to add more employees.

Committee Discussion/Public Comment-None

XI. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday, January 23rd, 2018

Mr. Eiler reported the Committee discussed the Items for Information and the Consent Agenda items that were on tonight's agenda.

2. Member Reports – None

3. Assembly Lands Committee Liaison Report

Mr. Eiler said the Committee met earlier this month and discussed gravel pits and no Docks & Harbors issues.

4. Auke Bay Steering Committee Liaison Report – None

XII. Port Engineer Report- Mr. Gillette's report is in the packet.

Mr. Uchytel reported;

- Purcell Coatings is doing the blasting and painting on the Marine Park wall.
- The material procurement was awarded for the Archipelago project to Mike Sturrock with Island Contractors.
- Staff is looking forward to getting started on the Visitors Kiosk.

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 31st, 2019

Mr. Eiler asked about the status of the RFP for the Small Cruise Ship Moorage Study?

Mr. Uchytel said we received one proposal. The selection Committee will review the proposal. As long as they are qualified, staff will proceed to award the contract.

XIII. Harbormaster Report –

Mr. Creswell reported;

- Staff is preparing for the forecasted extra cold temperatures.
- Statter Harbor Staff re-treated the parking lots with CG90 salt and worked on slippery floats.
- The Downtown staff has been doing clean up around the Harbor and Norway Point.
- The Port Supervisor is getting ready for summer staff return. With the additional employees, we are hiring seven this season which closes on February 25th and we hope to do interviews the first week in March.

XIV. Port Director's Report –

Mr. Uchytel said he is the president of the Alaska Association of Harbormasters and Port Administrators and every year we have a Legislative fly in where we meet with Legislatures. We are expecting approximately ten Harbormasters and Port Directors from around the State to come on February 20th and 21st. As an association, our big issues are Harbor Grant funding and derelict abandoned vessels. He said he is also involved with the Alaska Professional Design Council (APDC) and this group is coming to talk about Engineering Architectural issues with the Legislatures in the first week of February. He said he will be out of country from February 21st to March 11th so he will not be at the next Board meeting but Gary Gillette will be there to answer questions.

XV. Assembly Liaison Report

Ms. Becker reported;

- The Amalga Fish Cleaning station has been sent to Public Works again.
- The PSA was approved to be signed by the Manager.
- The Assembly authorized \$11M for the Downtown Waterfront Improvement project.
- Bid Award to Island Contractors for the Materials Procurement for \$783,820.
- A \$2,000K was given toward the Visitor Information Kiosk replacement project.
- Bid Award to Island Contractors for the Visitor Information Kiosk for \$163,873.
- The Assembly approved a transfer of \$129,000 from the Visitor Kiosk to the Dock Security project.
- The Assembly approved \$170,000 for the Docks Security project.

Mr. Etheridge asked Mr. Uchytel where staff is with getting the Amalga Harbor project back out for public hearing?

Mr. Uchytel said Fish & Game will fund a consultant engaging in the public outreach for this project and staff is negotiating a task order for PND for that purpose. Staff wants

CBJ DOCKS & HARBORS BOARD
REGULAR BOARD MEETING MINUTES

For Thursday, January 31st, 2019

other alternatives looked at like uplands disposal, fish grinder, gut barge, and have the total cost associated with those solutions which would include labor costs.

XVI. Board Administrative Matters

a. Ops/Planning Committee Meeting – Wednesday, February 20th, 2019 at 5:00 pm

b. Board Meeting – Thursday, February 28th, 2019 at 5:00 pm

Mr. Etheridge appointed Mr. Wostmann as Chair, Mr. Ridgway as Vice-Chair and Mr. Eiler and Mr. Becker to the Finance Committee.

XVII. Adjournment – The meeting adjourned at 7:31 pm.