

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA
For Thursday, November 29th, 2018

- I. Call to Order** (5:00 p.m. in the CBJ Assembly Chambers)
- II. Roll** (Weston Eiler, Bob Janes, Mark Ridgway, David McCasland, Dan Blanchard James Becker, Bob Wostmann, Budd Simpson and Don Etheridge).

III. Approval of Agenda

MOTION: TO APPROVE THE AGENDA AS PRESENTED.

IV. Approval of October 25th, 2018 Board minutes.

- V. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total time).

VI. Consent Agenda –

- A. Public Requests for Consent Agenda Changes
- B. Board Members Requests for Consent Agenda Changes
- C. Items for Action

- 1. Approval of the 2020-2025 Capital Improvement Project (CIP) List
Presentation by the Port Engineer

**RECOMMENDATION: TO APPROVE THE DOCKS & HARBORS 2020-2025
CAPITAL IMPROVEMENT PROJECT (CIP) LIST.**

- 2. Annual Report to the Assembly
Presentation by the Port Director

**RECOMMENDATION: TO APPROVE THE ANNUAL REPORT TO THE
ASSEMBLY.**

MOTION: TO APPROVE THE CONSENT AGENDA AS PRESENTED.

VII. Unfinished Business - None

VIII. New Business

- 1. Docks Fund Transfer of \$2M into the Downtown Waterfront Improvement Project
(Archipelago Project)
Presentation by the Port Director

Board Questions

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA (CONTINUED)
For Thursday, November 29th, 2018

Public Comment

Board Discussion/Action

MOTION: TO RECOMMEND THE CBJ ASSEMBLY APPROVE A TRANSFER OF \$2M FROM THE DOCK FUND TO THE DOWNTOWN WATERFRONT IMPROVEMENT PROJECT (ARCHIPELAGO PROJECT)

IX. Items for Information/Discussion

1. Statter Harbor Phase IIIA - Delay
Presentation by the Port Director

Board Discussion/Public Comment

2. Port Seasonal Staffing Increase
Presentation by the Harbormaster

Board Discussion/Public Comment

3. FY20 Marine Passenger Fee Request
Presentation by the Port Engineer

Board Discussion/Public Comment

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday, November 14th, 2018
2. Member Reports
3. Assembly Lands Committee Liaison Report
4. Auke Bay Steering Committee Liaison Report

XI. Port Engineer's Report

XII. Harbormaster's Report

XIII. Port Director's Report

XIV. Assembly Liaison Report

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA (CONTINUED)
For Thursday, November 29th, 2018

XV. Board Administrative Matters

- a. Ops/Planning Committee Meeting – Wednesday, December 12th, 2018 at 5:00pm
- b. Board Meeting – Thursday, December 20th, 2018 at 5:00pm

XVI. Adjournment

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, October 25th, 2018

I. Call to Order.

Mr. Etheridge called the Regular Board Meeting to order at 5:02 p.m. in the Assembly Chambers

II. Roll Call.

The following members were present: Weston Eiler, Bob Janes, Mark Ridgway, David McCasland, James Becker, Bob Wostmann, Budd Simpson, and Don Etheridge.

Absent: Dan Blanchard

Also present were the following: Carl Uchytel – Port Director, David Borg-Harbormaster, Matt Creswell – Deputy Harbormaster, and Mary Becker – Assembly Liaison

III. Approval of Agenda.

Mr. Uchytel recommended to move the Archipelago LLC coordination update to after Items for Information. He said Emily Edenshaw with Central Council Tlingit and Haida was going to present on the Immersion Center but she went into labor so she will not be presenting tonight. The update on the Lumberman will not be available until the November meeting.

MOTION By MR. SIMPSON: TO APPROVE THE AGENDA WITH MR. UCHYTIL'S RECOMMENDATION AND ASK UNANIMOUS CONSENT.

Motion was approved with no objection.

IV. Approval of September 27th, 2018 Board Minutes.

Hearing no objection, the September 27th, 2018 Regular Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items –

Sandy Williams, Douglas, AK

He said he is here to discuss the Douglas Boat Harbor. When the public participation came out many years ago, there was discussion on landscaping and beautification in the project. The Douglas Community understood there was difficulty obtaining the permits for dredging and that delayed the project along time. The Corps of Engineers ended up doing the dredging and that should have left enough money to be able to do the beautification. We would like some beautification with flowers and

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Mr. Etheridge said he remembers before he got off the Board the first time, the permitting was over \$2M and that is where the funds to finish this project went.

Mr. Janes said he wants to see this finished because this was brought forward and promised to the public.

Mr. Ridgway asked what the permitting was for?

Mr. Etheridge said it was the permitting for the disposal of the dredged material.

Mr. Etheridge said we will keep this on our radar.

VI. Consent Agenda

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

1. CCTHITA Cultural Immersion Center

RECOMMENDATION: TO SUPPORT CENTRAL COUNCIL TLINGIT AND HAIDA INDIAN TRIBES OF ALASKA PLAN TO RAZE THE FORMER ORE HOUSE BUILDING THROUGH A CONTROL BURN EXECUTED BY CAPITAL CITY FIRE AND RESCUE.

2. Board Calendar Planning 2019

RECOMMENDATION: TO ADOPT PRESENTED CALENDAR YEAR 2019 SCHEDULE AND DIRECT STAFF TO SCHEDULE ALL MEETINGS IN ASSEMBLY CHAMBERS SUBJECT TO AVAILABILITY.

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

Motion passed with no objection

VII. Unfinished Business

1. Archipelago LLC Coordination & Update

Mr. Simpson said he recuses himself from this item.

Mr. McCasland said he also recuses himself from this item.

Mr. Uchytel said Mr. Bob Kuhar and Mr. Alan Grinalds from Augusta, Georgia have been here meeting with staff and other members of the public as well as elected officials. There was a good meeting yesterday with Mr. Kuhar, Mr. Grindalds, the City Manager, the City Attorney, and the Deputy City Attorney on the Purchase and Sales Agreement and we are making

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excellent headway. The agreement is being redrafted between the Archipelago LLC and the Deputy City Attorney's office. The timeline to move forward is November 13th when this will go in front of the Planning Commission. This will be a review to see if it is consistent with Title 49 and other Ordinances. On November 19th there will be a Committee of the Whole meeting where Docks & Harbors staff will brief the Assembly on the public portion development of the Archipelago project and answer questions. On November 26th, the Assembly will introduce the Purchase and Sale Agreement as well as funding strategy to pay for the project. At the December 17th Assembly meeting is where the Assembly will take action. Staff has had discussions with PND and have been very focused on getting the project completed in a timely manner. To save time, one option staff is looking at is for Docks & Harbors to order material ahead of awarding a contract to a general contractor. As early as mid-December we would go out with a materials contract to purchase steel pilings and rebar such that it would be delivered to Juneau for a contractor to start as early as May or June 2019. We are currently approaching 65% design of the project and plan to have final design and bid documents ready to advertise early February. At the 35% design review, the construction cost was estimated to be \$16M. Assuming all goes well; the public portion of the project could start in May or June. Once the contractor mobilizes, it will be a year's worth of work to drive piles because we will have to work around fish windows (April 15th to June 15th). Once our portion is completed, Archipelago LLC will use that area as laydown to construct their buildings. Mr. Kuhar and Mr. Grinalds will brief the Board on their side of the development.

Board Questions

Mr. Eiler asked when the Purchase & Sales Agreement comes back into play?

Mr. Uchytel said this will go back in front of the Assembly on November 26th for Ordinance introduction.

Mr. Grinalds, Director of Real Estate for Morris Communication who is the owner of the Archipelago lot.

He said the intent for tonight is to provide an update on the planning and design for the private portion of the Archipelago development. He showed a power point presentation that showed the property lines and design drawings. He said working with the City will make this a great development. Project completion target is 2021 for the uplands commercial construction.

Mr. Wostmann asked what was the vision regarding the incubator to foster microbusiness.

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Mr. Grinalds said looking at the retail development we don't want a lot of brick and mortar buildings where you have to enter into one of the retail or restaurant space in order to have that experience. We currently have several small businesses on our property and we think there will be space for a number of those businesses once this development is complete located outside the main buildings.

Mr. Ridgway asked if there is parking for the businesses and how many new businesses will fit in this 13,000 SF? Has the impact of parking been discussed with the City?

Mr. Grinalds said there is no parking on the Archipelago site for retail.

Mr. Uchytel said this area is in a fee in lieu of zone. Archipelago will pay a fee in lieu of parking which is in code.

Mr. Grindaldis said in the 13,000 SF space, there will be a need for a great tenant mix. The space sizes could be 800 to 2500, but it is unknown at this time.

Public Comment-None

Board Discussion/Action

No Action taken

VIII. Items for Information/Discussion

~~1. LUMBERMAN Update~~

2. Cultural Immersion Center – Architectural Planning Documents

Mr. Uchytel said Ms. Edenshaw was not able to make it tonight. He showed renderings from Jensen Yorba Lott for the Immersion Park. They plan to be in business by 2020.

Board Discussion/Public Comment

Mr. Ridgway asked if the AJT building would be razed also?

Mr. Uchytel said no.

Mr. Ridgway asked if they provided plans for wastewater and well water because they both have issues at that site?

Mr. Uchytel said yes, they are going to a well system.

Mr. Ridgway asked if this was going to be operated seasonally.

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Mr. Uchytel said they intend to have people there year around.

Mr. Ridgway asked what implications the buildings will have if they default on the lease? Do we then own the improvements?

Mr. Uchytel said typically leases are written that if someone defaults a lessee can remove all improvements but if they don't, it reverts back to the property owner.

Mr. Wostmann asked how long the lease is for?

Mr. Uchytel said it is 35 years with an option for another 35 years.

3. Amalga harbor Fish Cleaning Station

Mr. Uchytel provided the Amalga Harbor Fish Cleaning Float presentation that he gave to the public on October 22nd. At Amalga Harbor there is a two lane boat launch. It is a fairly shallow and narrow harbor. Staff has received complaints that people take too long to clean their fish. Staff is trying to come up with a solution without doing harm. Docks & Harbors has a cooperative agreement with Fish & Game and we had our part time Engineer employee do a study. Staff thought the best solution was to build a fish cleaning station that would be anchored outside the harbor. People coming in could stop and clean at their leisure then come in to the basin and haul their boats out. Fish & Game said they would not support a remote fish cleaning station. The only option left was to expand the boarding float which would be a 75' x 12' extension. There should be room for up to four cleaning stations. Fish & Game will provide \$280,000 and anything above that will be Docks & Harbors responsibility. We hope to have this in place by May 2019.

IX. Committee and Board Member Reports

1. OPS/Planning Committee Meeting – Wednesday October 17th, 2018

Mr. Eiler reported the committee discussed;

- Razing the old Thane Ore House
- Board & Committee calendar items
- A lengthy discussion on the Lumberman
- The future of Board strategic planning

2. Member Reports – Mr. Etheridge said our Senator is very interested in the Lumberman and pushing DNR to do something with it.

3. Assembly Lands Committee Liaison Report – Mr. Eiler said the Lands Committee met on Monday but he was not able to attend. This meeting

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was put in the paper. They had a lengthy discussion on the purchase of Pocket park which is located next to Gastineau Apartments.

4. Auke Bay Steering Committee Liaison Report-None

- X. Port Engineers Report – Mr. Gillette’s report is in the packet
Mr. Uchtyl said there was a pre-construction meeting with Purcell Painting & Coatings which is a company out of Tukwilla, WA. They are going to sand blast and recoat Marine Park retaining wall. They will mobilize on January 7th and be completed by March. This is a \$260,000 project.

XI. Harbormaster’s Report

Mr. Borg reported;

- Jeremiah Cryts who was a long time seasonal employee was hired to replace Dennis Holloway.
- Staff will work on a couple of projects at Echo Cove.

Mr. Etheridge asked about the vehicle that has been at the Douglas Harbor for over 2 years that Mr. Williams was referring to.

Mr. Borg said it is a van owned by a live aboard and it does run, is operational, and has a permit. He said he assumes the construction material Mr. Williams was talking about was the gangway.

Mr. Uchtyl said we have also allowed Streets Department or other contractors to store their material but we will typically get something in return.

XII. Port Director’s Report

Mr. Uchtyl reported;

- There has been email exchange with the Corps of Engineers. They are excited with our excitement that staff thinks we will be able to move forward with Aurora Phase III in a year from now. They are planning to invest \$6M in dredging and replace the breakwater timbers.
- Staff applied for three BUILD grants and successful applicants will be announced by December 19th.
- The permits for Statter Harbor Phase III has turned poorly again. It does not look good for getting the permits by the end of the year. It is worrisome at this point.

Mr. Becker said assuming the drive down float is approved, how quickly are you going to be able to put the money into the project and proceed.

Mr. Uchtyl said he is unsure.

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XIII. Assembly Liaison Report-

Ms. Becker reported –

- The Committee of the Whole had discussion on the marijuana onsite smoking proposal.
- More discussion on smoking because Alaska passed senate bill 63 which makes Alaska virtually a smoke free state. The state extended the distance from the door to 20 feet. The discussion was to not accept the whole States bill but change ours with what we like and pass an ordinance.
- The Hatchery resolution was discussed and it was decided to wait and take no action.
- In Lands, the proposal from Deck Hand Dave's to purchase Pocket Park was not approved. The application and fee was returned and he was directed to work with Parks & Recreation because they manage that land.
- Juneau Compost provided a proposal to lease the property behind Home Depot for a compost business. The motion passed in support of this business.
- October 1st to April 30th is Air Quality monitoring season in the Valley. The discussion about this topic was on ways to notify the public.

XIV. Board Administrative Matters

Mr. Etheridge appointed Mr. Becker as Docks & Harbors Fisheries Committee Chair and asked for volunteers to be on this Committee.

Mr. Eiler, Mr. Wostmann, and Mr. Ridgway volunteered.

- a. Operations/Planning Committee Meeting – Next meeting is November 14th, 2018 at 5:00 p.m.
- b. Board Meeting – Next meeting is November 29th, 2018 at 5:00 p.m.

Ms. Larson asked what dates they wanted for the 2018 December meetings.

The Board decided;

OPS Committee December 12th

Regular Board December 20th

XV. Adjournment

The regular Board Meeting adjourned at 6:32 p.m.

SIX-YEAR DEPARTMENT IMPROVEMENT PLANS

<u>Division</u>	<u>Project</u>	<u>Priority</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>Future</u>
Docks & Harbors									
Docks									
	Dock Waterside Safety Railings	1		\$ 2,000,000					
	Deck Over at People's Wharf	2		\$ 4,000,000					
	Shore Power at Cruise Ship Berths	3							\$ 25,800,000
Docks Total:			\$ -	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ 25,800,000
Harbors									
	Aurora Harbor Rebuild-Phase III	1	\$ 4,000,000						
	Annode Installation Matching Funds - Harris, Douglas	2	\$ 300,000						
	Auke Bay Passenger for Hire IIIB - Cost Share	3	\$ 690,000						
	Cost Share w/ ACOE - Statter Breakwater Feasibility	4	\$ 500,000						
	Juneau Fisheries Terminal Development	5	\$ 25,000,000						
	Marine Services Center	6	\$ 25,000,000						
	Auke Bay Non-Motorized Coastal Transportation Link	7	\$ 12,500,000						
	North Douglas Boat Ramp Improvements	8		\$ 5,000,000					
	Auke Bay Net Repair Float	9		\$ 300,000					
	Aurora Harbor Dredging	10		\$ 350,000					
	Wayside Float Maintenance Dredging	11		\$ 350,000					
	Aurora Harbormaster Building and Shop	12							\$ 3,000,000
	Douglas Harbor Uplands Improvements	13							\$ 2,000,000
	Statter Harbor Shop/Garage/Storage Facility	14							\$ 1,500,000
	Fish Sales Facility/Seaplane Float	15							\$ 1,000,000
	Taku Harbor Stockade Point Float Replacement	16							\$ 300,000
Harbors Total:			\$ 67,990,000	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ 7,800,000
Docks & Harbors Total:			\$ 67,990,000	\$ 12,000,000	\$ -	\$ -	\$ -	\$ -	\$ 33,600,000
6 Year Improvement Totals:			\$ 67,990,000	\$ 12,000,000	\$ -	\$ -	\$ -	\$ -	\$ 33,600,000

FY20 CAPITAL IMPROVEMENTS									
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<u>Enterprise</u>	<u>Division</u>	<u>Priority</u>	<u>Project</u>	<u>Funding Source</u>	<u>Amount</u>
<u>Docks & Harbors</u>					
	Harbors				
		1	Aurora Harbor Rebuild - Phase III	ADOT Grant/Harbor Funds	\$4,000,000
		2	Anode Installation Matching Funds - Douglas Harbor	Harbor Funds	\$140,000
		3	Anode Installation - Harris Harbor	ADOT Grant/Harbor Funds	\$250,000
		4	Auke Bay Passenger For Hire IIIB - Cost Share	Harbor Funds	\$690,000
		5	Cost Share w/ ACOE - Statter Breakwater Feasibility	Harbor Funds	\$500,000
		6	Juneau Fisheries Terminal Development	BUILD Grant	\$25,000,000
		7	Juneau Marine Services Center	BUILD Grant	\$25,000,000
		8	Auke Bay Non-Motorized Coastal Transportation Link	BUILD Grant	\$12,500,000
				Harbors Total Funding:	\$68,080,000



Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: Port Director
To: Assembly
Thru: (1) Docks & Harbor Board
(2) City Manager
Date: November 9th, 2018
Re: FY2018 Review - Docks & Harbors Operations

1. In accordance with 85.02.045, Docks and Harbors Board shall, no later than November 30 each year, provide the assembly with a written review of docks and harbors department operations during the preceding fiscal year.

2. The FY18 end of year financial report suggest the department is fiscally sound:

	Harbor Enterprise	Docks Enterprise
Revenue	\$4,374,735	\$1,964,484
Expenditure	\$3,702,155	\$ 1,663,167 ¹
FY18 Net	\$672,580	\$301,317
Fund Balance	\$ 895,149	\$ 4,009,076

3. The number of cruise ship passengers who arrived to the Port of Juneau continues to increase:

	2013	2014	2015	2016	2017	2018
Large Cruise Ships ²	940,447	944,239	965,731	992,092	1,046,587	1,118,897
Small Cruise Ships	5,459	10,216	11,426	8,727	8,658	9,729
Total	945,906	954,455	977,157	1,000,819	1,055,245	1,128,626

4. Docks & Harbor has been engaged in several capital improvement projects in the course of FY18.
 - a. Aurora Harbor Rebuild (Phase II) - complete. This \$4M project replaced E, F & G main floats and required the contractor to relocate the boat shelters in the performance of the work. The project was funded with Harbor funds and a \$2M ADOT Harbor Grant. The initial work was completed under budget which allowed Docks & Harbors to amend the contract for installation of zinc anodes throughout Aurora Harbor as a preventative maintenance measure.
 - b. Statter Harbor Phase III (For Hire Commercial Float and associated uplands). This effort remains delayed as we are applying for an Incidental Harassment Authorization (IHA) permit.

¹ Does not include \$200,000 transfer into CIP project for Downtown Waterfront Development

² Revenue producing cruise ship passenger data only which is less than the total passenger embarkation

Within the past two-years, newly enacted NOAA National Marine Fisheries Service guidelines are requiring additional permitting and monitoring in waters in which protected marine mammal species are present. We are hopeful that all permits will be secured in December 2018 to allow for award of the first phase (dredging/rock removal/retaining wall) early this winter.

5. Other ongoing CIP planning efforts include:
 - a. Downtown Waterfront Improvement (\$23M)
 - b. Marine Park Retaining Wall Cathodic Protection (\$260K)
 - c. Aurora/Harris Harbors maintenance dredging coordination with USACE (\$6M)
 - d. Aurora Harbor Phase III (\$4M)
 - e. Amalga Harbor Launch Ramp Extension (\$280K)
6. Docks & Harbors completed several important but relatively unheralded projects in FY18:
 - a. Downtown Seawalk Safety Improvement (\$450K)
 - b. Statter Harbor Breakwater Safety Improvement (\$110K)
 - c. Taku Harbor Maintenance (\$125K)
 - d. Harris Harbor Restroom Recommissioning (\$120K)
 - e. Auke Bay Float Extension (\$210K) – placed into service in August
7. In July, Docks & Harbors submitted three federal BUILD (Better Utilizing Investments to Leverage Development) grant applications:
 - a. \$25M for Marine Services Yard
 - b. \$25M for Juneau Marine Fisheries Terminal
 - c. \$12M for an elevated “bay-walk” between Statter Harbor and ABMSDocks & Harbors has been unsuccessful each of the past 4 years when applying for a \$3M “TIGER” grant to expand the downtown Juneau Fisheries “crane dock”.
8. With the new hire of the downtown Harbor Operations Supervisor in April, the Harbor enterprise is fully staffed for the first time since 2016. Over \$125K was spent addressing derelict vessels in the harbors in FY18. The derelict tug LUMBERMAN remains on ADNR managed lands but Docks & Harbors remain in dialogue with stakeholders.
9. The Port Director has met senior level NOAA officials with the goal to encourage homeporting NOAA vessels in Juneau.
10. In January, Docks & Harbors acquired 2-acres of the former NOAA Laboratory through a quitclaim deed from General Services Administration. Docks & Harbors successfully encouraged the Alaska Trooper Vessel ENFORCER to relocate to Juneau from Ketchikan. We continue to seek tenants for the four vacant buildings at the Auke Bay Marine Station. Two dilapidated buildings have been razed since acquisition of the property. As mentioned above, an 100-foot float extension was added to the existing 120-foot float and we hope to mitigate some charter vessel congestion in Statter Harbor with this extension.
11. In FY18, two Docks & Harbors employees received state awards. Port Engineer Gary Gillette was recognized by the Alaska Municipal League as the Municipal Employee of the Year. Harbormaster Dave Borg was recognized by the Alaska Association of Harbormasters and Port Administrators as the Harbormaster of the Year. Juneau will host the Alaska Association of Harbormaster and Port Administrators annual conference in September 2019.
12. The fee schedule for FY18 is attached as enclosure (1).
13. The Board looks forward to a joint meeting with the Assembly in the very near future.

#

Encl: (1) FY2018 & FY2019 Fee Schedule

Presented by: The Manager
Introduced: November. 26, 2018
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2018-11(S)

An Ordinance Appropriating to the Manager the Sum of \$11,000,000 as Funding for the Downtown Waterfront Improvement Project; Funding Provided by Cruise Passenger Vessel Excise Tax, Port Development Fees, Marine Passenger Fees Fund's Fund Balance, and Dock Fund's Fund Balance.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of \$11,000,000 as Funding for the Downtown Waterfront Improvement Project.

Section 3. Source of Funds.

Cruise Passenger Vessel Excise Tax Revenue	\$5,000,000
Port Development Fund's Fund Balance	\$2,800,000
FY19 Port Development Revenue	\$ 900,000
Marine Passenger Fees Fund's Fund Balance	\$ 300,000
Dock Fund's Fund Balance	<u>\$2,000,000</u>
Grand Total	\$11,000,000

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2018.

Beth A. Weldon, Mayor

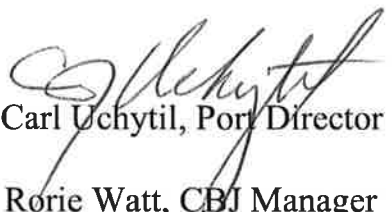
Attest:

Elizabeth J. McEwen, Municipal Clerk



Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax


From: Carl Uchytel, Port Director

To: Rorie Watt, CBJ Manager

Copy: Mila Cosgrove, CBJ Deputy Manager

Date: December 19, 2017

Re: FY19 MARINE PASSENGER FEE REQUEST

1. Attached, for your consideration, is a list of FY19 Marine Passenger Fee projects requested by CBJ Docks and Harbors. This list was reviewed by the Docks & Harbors Board at its December 13, 2017 OPS/Planning Committee of the Whole meeting.

2. Please contact me or Port Engineer, Gary Gillette, with any questions.

#

Encl: FY19 Docks & Harbors Marine Passenger Fee Request

CBJ Docks and Harbors Board FY2019 Marine Passenger Fee Request

Area Wide Port Operations

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the docks enterprise.

The Board has established a number of fees to generate revenues from users of the assets. The Board has calibrated these fees to assure the overall revenue generated by the enterprise equals the overall cost of running the enterprise.

Many of the uplands assets are used by entities which it is not possible, feasible, or acceptable to charge fees. As a result, users paying fees are subsidizing users that do not pay fees. The services provided to these users are area wide in nature benefiting the general public and cruise ship passengers of private docks. As part of this fee request, the Board identified services that are area wide in nature.

Board identified the following services:

1. Year round maintenance and monitoring of Marine Park.
2. Maintenance and operation of public parking at the Columbia Lot and seasonal public parking at the Steamship Wharf Plaza and the Visitor's Center Lot.
3. Maintenance and operation of unrestricted pedestrian access along the waterfront at the public docks.
4. Maintenance of tour operators Vendor Booths.
5. Maintenance and operation of shuttle drop-offs and pick-ups in the CBJ loading zone that are used by all cruise ship terminals in Juneau.
6. Providing area wide port security.
7. Billing and collecting CBJ area wide fees for all docks.

The Board reviewed its FY18 budget and apportioned expenses associated with these services. Based on its review, it estimates that about 9% of the annual docks budget is attributable to area wide services.

Marine Passenger Fee Funds Requested (FY19): \$154,100

Benefits: This approach is supported by the cruise ship industry since it is more equitable than raising dockage fees. This approach meets the intent of the marine passenger fee since the services benefit all cruise ship passengers, not just the passengers at the public docks. This approach allows the Docks and Harbors Board to direct part of the dock lease revenues to the much needed rebuild effort of the small boat harbors reducing the need for fee increases at the harbors.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request

Port-Customs and Visitor Center Buildings Maintenance Support

Project Descriptions: The Port-Customs and Visitor Center buildings are located on the downtown Juneau waterfront, an area that serves over one million cruise ship passengers each year. Docks and Harbors, an enterprise fund, is responsible for costs associated with operating the Port-Customs and Visitor Center Buildings. Expenses include all utilities (water, sewage, electrical, alarm monitoring) and facility support (parking lot, plaza, snow removal, janitorial and general maintenance). The two buildings comprise approximately 4450 square feet in area. Maintenance costs are estimated at \$2.50 per square foot per month equaling \$133,500.

Marine Passenger Fee Funds Requested (FY19): \$133,500

Project Review: The Port-Customs Building was completed in May 2011 with the Visitor Center completion in June 2012. The project which included the buildings, infill dock construction, covered shelters, landscaping and plaza cost approximately \$9M and was funded with Marine Passenger Fees. The Port-Customs Building is occupied by the US Customs and Border Protection (CBP) and Docks and Harbors staff. CBP claims to be exempt from any costs associated with their operations within a port. The Visitor Center Building is occupied by the Juneau Convention and Visitor Bureau (JCVB), a non-profit organization for the purpose of supporting cruise passenger inquiries. The JCVB budget does not support maintenance of the building. This leaves the Docks enterprise funds fully exposed to the costs of maintaining and servicing these buildings.

Benefits: By establishing a Port-Customs and Visitor Center Buildings maintenance fund Docks & Harbors can better manage and maintain the properties entrusted under their responsibilities. Passenger fees were granted for this purpose in FY2013 through FY2018.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for all ongoing maintenance and operating expenses of these two buildings and associated upland support facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request

CBJ Parks & Recreation Landscape Maintenance Services

Project Descriptions: Docks & Harbors managed property includes the downtown waterfront from the Taku Dock to Merchant's Wharf. The landscaping has been maintained by CBJ Parks & Recreation seasonal staff for several years out of the CBJ general fund. Flowers, flower pots, trees, shrubs and grass along Marine Park, Cruise Ship Terminal and Alaska Steamship waterfront are meticulously planted and groomed in an admirable fashion. Beginning in FY15, Docks & Harbors was directed to fund this maintenance out of the Docks Enterprise budget.

Marine Passenger Fee Funds Requested (FY19): \$45,000

Project Review: The requested amount has been developed by a CBJ Parks & Recreation algorithm based on requirements to propagate plant and maintain the vegetative cover, new seedlings, plants and flowers.

Project Time-Line: This project would be an interdepartmental transfer from Docks & Harbors to CBJ Parks & Recreation.

Maintenance and Operation Responsibility: Commencing in FY15, Docks & Harbors has been assigned sole responsibility for maintaining the greenery along the CBJ owned waterfront, including outside parking lot facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request**

Weather/Current Monitoring System Operations & Maintenance

Project Descriptions: This funding would provide annual operations and maintenance for valuable real time weather and water current information to mariners that access the downtown Juneau waterfront including the four cruise berths (private and public) and the Taku Dock (serving Taku Fisheries). The system provides wind and current monitoring sensors at various locations to offer real time information for navigation purposes. The system disseminates via a phone app, internet, or other public media commonly available to mariners in the immediate area.

Construction of the system was phased beginning in 2014 with final completion in 2016 for full use by the 2017 cruise season. The requested funding would provide annual operations and maintenance of the system for continued assistance to mariners in the Juneau harbor.

Marine Passenger Fee Funds Requested (FY19): \$30,000

Project Review: The requested amount has been developed by Marine Exchange of Alaska based on projected annual and periodic operational expenses and anticipated maintenance of the system.

Project Time-Line: The system has been fully functional since the 2017 cruise ship season.

Maintenance and Operation Responsibility: Maintenance for operational costs (electricity, equipment calibration, etc.) would be the responsibility of Docks and Harbors through a contract with Marine Exchange of Alaska.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request**

Franklin Dock Tug Support

Project Descriptions: This on-going commitment arose during permitting of the new CBJ owned cruise berths project. The issue raised was that on certain days when environmental conditions such as wind and current there was potential to limit safe dockage of ships at the Franklin Dock. As a condition of the permit and subsequent agreement with the Franklin Dock, the city would pay for tug assist services.

Marine Passenger Fee Funds Requested (FY19): \$30,000

Project Review: Tug assist services have been used over the course of the season to assist ships to dock at the Franklin Dock. As a ship approaches the dock and the Captain believes tug assist may be needed a call would be made to a contract tug that is available in the port. The tug would stand by while the ship approaches the dock. If assist is needed the tug would maneuver into place to assist the ship. The charges paid by this fund are at two rates: a call-out and standby rate and an assist rate. The Port Director's office manages this fund and pays invoices for the tug assist services rendered during the season.

Project Time-Line: This project is on-going on an as needed basis.

Maintenance and Operation Responsibility: CBJ Docks and Harbors maintain a tracking and payment system to manage the need of tug assist. Maintenance and operating expenses of the management of the program is covered within the funds sought.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request**

Corrosion Protection for Marine Park Sheet Pile Wall

Project Descriptions: The existing metal sheet pile wall is in need of new protective coating. The existing coating would be cleaned and prepared for receiving a new coating. The new coating would be applied and protected during curing. The new coating would protect the steel components of the wall from corrosion by salt water and thereby extend the life of the facility.

Marine Passenger Fee Funds Requested (FY19): \$150,000

Project Review: An inspection of the wall was performed by Tinnea and Associates, experts in cathodic protection. It was determined that the existing sheet pile wall had lost significant material of its protective coating. This project is designed and ready for bidding as soon as funds are available.

Project Time-Line: Procurement would begin upon receipt of funding.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for ongoing general maintenance expenses. The work of this project is beyond normal wear and tear and needs dedicated funding to complete this work.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request**

Visitor Information Kiosk Replacement

Project Descriptions: The Visitor Information Kiosk serves cruise ship passengers needing information about Juneau. It is located in a strategic location near one of the two city owned docks that support the cruise industry. The current kiosk has exceeded its design life. The facility does not meet ADA standards, has inadequate heating, and does not provide adequate shelter for patrons. This request would provide funding for construction of a new kiosk facility. The need for replacement was validated in the 2017 Marine Park to Taku Dock Urban Design Plan.

Cost Estimate: \$150,000

Marine Passenger Fee Funds Requested (FY19): \$150,000

Project Review: The Juneau Convention and Visitors Bureau (JCVB) requested that a new kiosk be provided which would offer a more user friendly facility and address safety and comfort concerns of volunteers. The current facility was moved from the Marine Park area when the Alaska Steamship Wharf was expanded for bus staging. The current Visitor Kiosk does not meet ADA requirements for visitors or volunteers using the facility. CBJ Docks and Harbors received \$25,000 for design of the Visitor Kiosk through FY18 Marine Passenger Fees.

Project Time-Line: This project would begin the construction phase upon allocation of funding. The design of the project is underway.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request**

Cruise Ship Uplands Staging Area

Project Descriptions: This project would be located in the downtown area near the cruise dock, an area that serves over one million cruise ship passengers each year. The project entails identifying and procurement of available Downtown lands necessary to accommodate additional staging areas required to accommodate the larger post-Panamax sized cruise ships and greater passenger counts.

Marine Passenger Fee Funds Requested (FY19): \$100,000

Project Review: The Cruise Ship Terminal Staging Area, completed in spring 2014, greatly improved the efficiency and safety of the parking and embarkation in support of the cruise industry. However, due to geographic limitations and finite available land, new property must be pursued to ensure facilities are available to support increased passenger loads in the coming decade. The efficient management of future cruise ship land based needs will require securing adjacent uplands to the cruise ship berth.

Project Time-Line: The project would be planned and designed once procurement of lands is accomplished.

Maintenance and Operation Responsibility: This project is to procure land available for future Docks enterprise initiatives.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request**

Downtown Restrooms

Project Descriptions: The project would be located along the downtown Juneau waterfront, an area that services approximately one million cruise ship passengers each year. The project consists of constructing new restroom facilities at a location south of the Library/Parking Garage.

Marine Passenger Fee Funds Requested (FY19): \$500,000

Project Review: This project has been brought forward at the request of the Assembly to address the lack of adequate restroom facilities in the downtown waterfront area. The CBJ Docks and Harbors Board approved the Marine Park to Taku Dock Urban Design Plan which identifies a new restroom facility in the vicinity of the main Visitor Center and along People's Wharf.

Project Time-Line: This project would begin the construction phase upon allocation of funding. Funding for design was received in FY18 and is currently underway.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2019 Marine Passenger Fee Request

TWIC Security System at Cruise Berths

Project Descriptions: The City and Borough of Juneau and the private owners of cruise ship berths in the Port of Juneau provide waterside and shoreside security per requirements of the federal government through the Homeland Security Act. Each year, in excess of 1 million cruise ship passengers arrive in Juneau.

The proposed security system would be a joint operation through a cooperative agreement between the private berth operators and CBJ Docks and Harbors. The new security regulations require Transportation Worker Identification Credentials (TWIC) be checked when port workers enter the security zone at each cruise ship berth. The system is comprised of wireless hand-held TWIC readers that transmit the information to a central computer server that automatically check an individual's status of registration within the TWIC program. The server is continually updated to identify individuals that are not allowed access, whose cards may have expired, or other restrictions. If an individual has no TWIC card they must be escorted by a TWIC card holder to enter the secure zone.

The passenger fee request is to purchase up to six hand-held TWIC readers (one for each berth and one for spare). In addition the funds would be used to contract with Marine Exchange of Alaska to host the computer server that receives and transmits the appropriate information for allowing or denying access to security zones. This proposal will meet program requirements to comply with TWIC standards and program specifications.

The purpose of the private and publically owned berths working together on this endeavor is to save funding as well as having a comprehensive security system throughout the port. The cooperative arrangement will eliminate duplicate infrastructure and services to comply with this federally mandated program.

Marine Passenger Fee Funds Requested (FY19): \$120,000

Project Review: The Port of Juneau will be required to have these TWIC readers by 23 August, 2018 in order to be in compliance with USCG regulations.

Project Time-Line: These readers will be purchased upon allocation of funding to be fully operational by August 2018.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

Auke Bay Loading Facility - Phase II				
TIGER Grant Reporting - Annual	On-Going	Sept. 2019		Annual equipment depreciation report
Aurora Harbor Re-Build - Phase II				
Construction Administration - Inspection	Complete		PND	Closing out Contract
Final Completion	Complete		NCS	Closing out Contract
Zinc Anodes for Phase I and II	Complete		NCS	Closing out Contract
Statter Master Plan Phase III				
Army Corps of Engineers Permit	In Progress		PND	
Incidental Harrasment Authorization	In Progress		PND	
Eagle Permit	In Progress		Staff	Awaiting USFWS permit
CU Extension by Planning Commission	In Progress		Staff	
Phase III A - Blasting, Dredging, Retaining Wall				
Design - Bid Documents	In Progress		PND	
Construction Bid	Hold		TBB	
Construction	Hold	Winter 2018	TBD	Pending ACOE Permit
Phase III B - Float Installation				
Design - Bid Documents	In Progress		PND	
Construction Bid	Hold		TBB	
Construction	Hold	Fall 2019	TBD	
Phase III C - Uplands, Restrooms				
Design - Bid Documents	In Progress		PND	
Construction Bid	Hold		TBB	
Construction	Hold	Fall 2020	TBD	
Archipelago Property Procurement				
Funding	In Progress		Staff	Awaiting Assembly Approval
Purchase and Sale Agreement	In Progress		Staff	Awaiting Assembly Approval
Downtown Waterfront Improvements				
Geotech Report	In Progress		PND	Awaiting Final Report
Conditional Use Permit	Complete		Staff	Approved by Planning Commission
City Project Review - Use	Complete		Staff	Approved by Planning Commission
Flood Zone Exception	Complete		Staff	Approved by Planning Commission
City Project Review - Land Action	Complete		Staff	Approved by Planning Commission
Presentation to Assembly COW	In Progress	19-Nov-18	Staff	
Funding Ordinance Introduction	In Progress	26-Nov-18	Staff	
Purchase and Sale Ordinance Introduction	In Progress	26-Nov-18	Staff	
Materials Procurement	In Progress		Staff & PND	Preparing Bid Documents
Funding Ordinance Hearing	In Progress	17-Dec-18	Staff	

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

Purchase and Sale Ordinance Hearing	In Progress	17-Dec-18	Staff	
Army Corps of Engineers Permit	In Progress		PND	Preparing Application
Incidental Harrasment Authorization	In Progress		PND	Preparing Submittal Document
65% Design Submittal	In Progress	3-Dec-18	PND	
D&H 65% Design Review	Hold	10-Dec-18	Staff	
95% Design Sumittal	Hold	31-Jan-19	PND	
D&H 95% Design Review	Hold	7-Feb-19	Staff	
Final Bid Documents	Hold	7-Mar-19	PND	
Bid Opening	Hold	16-Apr-19	Staff	
D&H Board Approval	Hold			
Assembly Approval	Hold			
Notice to Proceed	Hold	7-May-19		
On-Site Construction	Hold	13-May-19	TBD	
Substantial Commpletion	Hold	24-Apr-20		
Final Completion	Hold	26-May-20		
Amalga Harbor Fish Cleaning Station				
Planning	Complete			Pursuing Float Option
Design	In Progress		PND	
Construction	Hold		TBD	Awaiting ADF&G Grant Documents
Aurora - Harris Harbors Dredging				
Dredging Activity	Hold	2019	ACOE	Awaiting final dates for work
Auke Bay Marine Station				
Subdivision	In Progress		Staff	Coordinate with UAS
Shared Costs with UAS	In Progress		Staff	Clarify with Nathan Leigh
Marine Park Sheet Wall Coating				
Construction	Hold		Purcell	Awaiting Contactor Schedule
Contract Administration & Inspection	Hold		Tinnea	Pending Construction Schedule
ADOT Grant Application - Harris Anodes	Hold		Staff/PND	Awaiting Legislative Action in 2019
LRD-Norway Point Ocean Data Study	In Progress		PND	Added wind study
Statter Breakwater Safety Improvements				
Phase II	Hold			
Sewage Pump-Out Improvements				
Douglas Barge	In Progress		Harold & John	Designing and Building Barge
Statter Winterization	Hold		Matt Creswell	Seeking Funding
Harris Winterization	Hold		Matt Creswell	Seeking Funding
D&H Managed Lands - Surveys				
ASLS 2013-15 - Uplands at Tee Harbor	Hold	2020	TBD	
ATS 1682 -DIPAC-Channel Construction	Hold	2020	TBD	
ATS 1690-NPS Dock at Indian Point	In Progress	2019	TBD	Preparing RFP

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

ATS 1691 - Adjacent to ABMS	In Progress	2018	PDC	Awaiting Prelim Plat Comments
ATS 1692 - North Douglas Boat Ramp	In Progress	2019	PDC	Preliminary Plat comments
ATS 1693-DIPAC Wayside Park	Hold	11-Jul-05	TBD	
ATS 1694-Tee Harbor Submerged Lands	Hold	2020	TBD	
ATS 1707 - Cruise Berths	In Progress	2018	DOWL	Awaiting CDD Comments
Archipelago Lot Easement	In Progress		Staff	May be moot if CBJ purchases land
Visitor Information Kiosk				
Final Design	In Progress	16-Nov-18	JYL	
Wayside Park Float				
Dredging as Float Grounds Out	Hold			Awaiting Funding
Taku Harbor Repairs				
Close Out of ADF&G Grant	Complete		Staff	Awaiting Reimbursement from ADJ&G
U.S. DOT "BUILD" Grant Applications				
Marine Services Center	Hold	18-Dec-18	Staff	Awaiting Awards Announcement
Fisheries Terminal	Hold	18-Dec-18	Staff	Awaiting Awards Announcement
Auke Bay Transportation Link	Hold	18-Dec-18	Staff	Awaiting Awards Announcement
N. Douglas Boat Launch Expansion Study				
Conceptual Design	In Progress		PND	
Aurora Harbor Re-Build - Phase III				
Phase IIIA - Demolition				
Design and Bid Documents	Hold		PND	
Phase IIIB - Dredging				
Army Corps of Engineers	Hold		ACOE	Awaiting design and funding
Phase IIIC - Float Installation				
ADOT Grant Application	Hold		Staff/PND	Awaiting Legislative Action in 2019