CBJ DOCKS AND HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, January 25th, 2018

I. Call to Order

Mr. Donek called the Regular Board Meeting to order at 5:01 pm in CBJ Room 224.

II. Roll Call

The following members were present: Weston Eiler, Don Etheridge, David Lowell, Mark Ridgway, David Seng (via telephone), Budd Simpson, and Tom Donek.

Absent: Bob Janes, and Robert Mosher

Also present were the following: Carl Uchytil – Port Director, Dave Borg – Harbormaster, Gary Gillette – Port Engineer, and Robert Edwardson – Assembly Liaison

III. Approval of Agenda

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

Motion passed with no objection.

IV. Minutes from the November 30th, 2017 Regular Board Minutes.

Mr. Simpson requested a change on page 9. He said in the meeting he requested the roll call vote and the reason for that request was so his abstention could be shown specifically. He would like his name listed with the members that voted but shown he abstained from voting.

Hearing no objection, the November 30th, 2017 Regular Board minutes were approved as amended.

V. Public Participation on Non-Agenda Items – None

VI. Consent Agenda – None

VII. Unfinished Business-

1. Public Hearing – Regulation Change 05 CBJAC 40.065 Anchoring Out Requirements.
Mr. Uchytil said this has been publically noticed in the newspaper as required. At the last meeting, a Board member requested to be provided a map of the potential anchoring locations managed by Docks & Harbors. Mr. Uchytil showed a map of the anchoring locations. This regulation is modeled after the DNR rules for their tidelands and is needed to protect our interests. Mr. Uchytil pointed out in the regulation that one day without a permit is allowed, but anything over that up to two weeks is required to have a permit. There is no fee or proof of insurance required for the two week timeline. He said on Page 14 of the packet, between 14 and 90 days which falls under long term permit, requires a $100 application fee as well as the vessel owner must show they have sufficient insurance coverage for recovery of the vessel if it should sink. If this is approved tonight it will move forward to the Assembly on February 12th.

Board Questions –

Mr. Ridgway said he didn't see anything that talked about commercial applications?

Mr. Uchytil said this regulation applies to all vessels.

Mr. Etheridge asked if this regulation includes the fish packers that sometimes are there for more than 24 hours?

Mr. Uchytil said this applies if they are there for more than one day. They will be able to anchor for up to 24 hours.

Mr. Etheridge asked if they would need to come in for a permit every week if they anchored on the Douglas side for more than 24 hours?

Mr. Uchytil said yes as written if it is on our tidelands.

Public Comment –

Dennis Watson, Juneau, AK 99801
He said this regulation is long overdue and liked the amount of work on this regulation. He said he has a concern as a boat owner and a citizen of Juneau that the short term permit is far too permissive. Someone will be allowed with any size vessel for two weeks to be on CBJ tidelands without having to provide anything including insurance. He believes that is a bad precedence to set. He said you won't see a 24' bay liner out there unless it is a live-aboard. He said Docks & Harbors is putting themselves at risk financially and it does not make sense to him. That would be the same as saying you don't have to have insurance for two week on a car when you own it.

Board Discussion/Action

Mr. Ridgway said in the paragraph "The Port Director may attach other reasonable terms and conditions as necessary to protect public health, safety, and welfare". He asked if it is anticipated what the reasonable terms might include?

Mr. Uchytil said a vessel from out of town who is transient is not currently required to have insurance. The regulation is acknowledging "long term" is a greater risk.

Mr. Ridgway said if a vessel shows up not in good condition and wants a "short term" permit, you could apply the reasonable term as "no".

Mr. Borg said paragraph (3) on page 15 covers all vessel concerns.

Mr. Etheridge asked where the yachts will be able to anchor out if they can't anchor near the bridge?

Mr. Uchytil said where they currently anchor is not a problem.

Mr. Borg said they aren't typically anchored long, it is just until room on the IVF is available.

Mr. Etheridge said there are times there is no space for the large yachts and he doesn't want to tell them they can't anchor out and run them out. They do spend money in our town.

Mr. Donek asked what does the work "near" mean?

Mr. Borg said not in navigable waters.

Mr. Donek suggested to have staff create a map that shows the anchoring out locations.

MOTION By MR. SIMPSON: TO APPROVE NEW REGULATIONS PERTAINING TO ANCHORING ON DOCKS & HARBORS SUBMERGED LANDS AND RECOMMEND THE ASSEMBLY ADOPT SAID LEGISLATIONS & ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Modification to Urban Design Paln adopted November 30th, 2017

Mr. Eiler said he wanted to disclose he has a new job with the University of Alaska doing State Government relations but in between the old and new job he waited tables over the holiday and one of the owners of the restaurant is a tenant in the waterfront area in discussion.

Mr. Uchytil said he received a request to not designate the area in the plan specifically for the Juneau Memorial because that may be too prescriptive at this point. It may be better to asterick that area to be able to allow consideration for other public purposes in that location.

Board Questions -
Mr. Donek said he didn't see it as that nailed down and could move it somewhere else.

Mr. Ridgway agreed that it could move somewhere else if needed.

Mr. Eiler asked staff to elaborate on the need for the motion.

Mr. Uchytil said there could be reluctance from the Assembly to approve the plan as is with the USS Juneau Memorial location marked out.

Public Comment – None

Board Discussion/Action

MOTION By MR. ETHERIDGE: TO AMEND THE URBAN DESIGN PALN TO REFLECT THE AREA DESIGNATED USS JUNEAU MAY BE USED FOR OTHER PUBLIC PURPOSES AND ASK UNANIMOUS CONSENT.

Mr. Simpson said he abstained from participation on this topic.

Motion Passed with no objection.

IX. New Business

1. Auke Bay Marine Station – Capital Investment Needs
   Mr. Uchytil said Docks & Harbors received the quit claim deed for this property which is approximately two acres of the northern end of the former marine lab. Staff went out with a RFI looking for potential lease tenants. We have acquired this great location but we didn't have a lot of interest to lease this area. The Troopers are interested in dock space for their vessel the Enforcer. The value isn't in the uplands, but having access to the water. He said he

would like to spend money to make a 100' dock using the poly pipe floats that Docks & Harbors already has and affix it with anchors. This would give us additional 200' of moorage which would relieve some of the congestion in Statter Harbor. It could be available to the Charter Operators. In the current condition of this property, that would be the best use. Staff has contacted Mr. Moeser who is our part time employee who has designed this type of float before to start work on this. The float could be a short term solution and after the passenger for hire float is built, it could be used as a net float in another location. The ask from the Board is to set up a $200,000 CIP. The float would be $150,000 and the other $50,000 would be used on other things necessary for costs associated wtih monitoring and operations of this location. He said he is looking for the best use of this facility.

Board Questions -
Mr. Eiler asked what condition the buildings are in on the uplands? What is UAS doing with their portion of this property?

Mr. Uchytil showed the dividing line of the property on parcel viewer on the GIS page. He showed the buidings that are in poor condition and need to be tore down and what ones will stay. He said UAS is planning on tearing down the existing main building on their property and building a new one in 18 months.

Mr. Simpson asked if the $150,000 was for the anchoring system since we already have the floats?

Mr. Uchytil said we have the poly pipe floats but they need to be decked over. We also have two anchors.

Mr. Etheridge asked if the fish house could be used for a net house or storage?

Mr. Uchytil said it is currently office space and there was discussion of moving the Port Office to the fish house.

Mr. Eiler asked if the Fish House is manageable as an office? Can it be leased as is?

Mr. Uchytil said there is a lot of office space and no one has come forward with interest to lease this space. The value of this location is the access to the water. If we do move forward with the 100' float, that may attract tour companies that operate boats.

Mr. Ridgway asked what the maintenance expense will be for the subsurface utilities?

Mr. Gillette said that level of detail has not all been worked out. We will work with UAS during the tear down of their building and we do have an agreement to share the cost of some of the utility relocations.

Public Comment –
Paul Swanson, Juneau, AK
Additional dock space is a plus. Will it have water and power? He agrees this space will be good for the Commercial Charter Operators. They need water because one of the main complaints now is that they do all their wash down at the fuel dock and other people can't get

fuel. If this is designated for Charter Operators will they have to pay year around moorage like the rest of and hot berth it in the winter when they are not using it?

Board Discussion/Action

Mr. Eiler said he is interested to hear a long term plan for the uplands with the expansion of the Harbor plan. He recommended for near or short term to do social networking to find interested businesses to lease this area.

Mr. Uchytil said the Assembly did sign the Resolution of Support for the FRC's to come to Juneau and this area would be a good facility for them. He asked Mr. Gillette to work on a rendering for the uplands with a FRC maintenance support building to show the Coast Guard future possibilities.

Mr. Ridgway suggested to continue to look for a long term tenant.

Mr. Donek said the focus on this location is the access to Statter Harbor. This is the first step.

Mr. Gillette said if there are no short term tenants, to cut expenses, the buildings could be shut down until we are ready to move forward with a plan.

Mr. Uchytil said the current dock is 120'. He said he was hesitant about encouraging the Troopers to come because we have a UAS MOA agreement with this property that guaranteed 30 LF on either side for UAS research vessels. He did meet with Mr. Watt and Chancelor Caufield and the Chancelor realizes bringing the Enforcer to Juneau is two FTE's plus the support that comes with it. It is economic opportunity and he did not push back. Mr. Uchytil said he would not be able to guarantee 30' and 87' on a 120' float. He said the Chancelor was willing to work with Docks & Harbors. The additional float will help accommodate this.

MOTION By MR. ETHERIDGE: TO APPROVE CIP FUNDING IN FY18 FOR THE AUKE BAY MARINE STATION AND ASK UNANIMOUS CONSENT.

Motion Passed with no objection.

X. Items for Information/Discussion

1. Archipelago Development Update –

Mr. Gillette said in the packet is the Horan Appraisal for this area. The first page is a summary and shows the Uplands appraised value at $275/SF and the Tidelands at $55/SF. This was sent to Morris and they are reviewing it. The idea was to have the value so the appropriate exchange could happen with the current values. Another part of this plan is the bus staging area and staff is moving forward to determine what exactly is needed. PDC has been hired to engineer the site plan to accommodate the size of vehicles requested and make sure there is enough turning radius to get in the parking spaces. Staff did research on the current B-zone users and the largest B-zone vehicle is 24' long and carries 16 or 17 passengers. To get better information, we met with the bus operators and we found that several of these companies have busses that are 25' long and can carry 22 passengers. Because of the current regulation that has 18 passengers as the determination that it is a A-zone, these are A-zone busses. The thought is to be able to have the 25' bus in this parking

area that holds the 22 passengers and it will increase the capacity by 30% and not have a huge impact on the size of the lot. Giving this information to PDC to work with they determined that there would be 15 spaces for the 25' busses. This information was given to Morris and they are looking at how that would impact the building layout in their design. There is a little room for negotiation so they can maximize what they want and we can get what we want as well. The procurement of this area has not been determined yet. Morris is proposing to build it all and then sell it to the City. Mr. Gillette said he is unsure that is allowed in our procurement rules and it would also need to be approved by the Assembly. Docks & Harbor is also prepared to build on our portion if it is not allowed.

Board Discussion/Public Comment –

Mr. Lowell asked the reason for the angle parking reverse of what is standard?

Mr. Gillette said the parking is standard but the entry to the lot is different.

2. Joint Meeting with Assembly -

   Mr. Uchytil said he wanted to have the Board members start thinking about this meeting. The two topics of most interest to the Assembly is the Archipelago lot and the Fast Response Cutters, encouraging the Coast Guard to home port in Juneau. Are their other topics the Board members want to discuss with the Assembly?

   Board Discussion/Public Comment –

   Mr. Eiler suggested to be prepared to explain the situation with the Lumberman.

3. Budget Submission Update

   Mr. Uchytil said with personnel, interdepartmental fees and insurance, there is not a lot of room to make bold changes to the budget. Pages 67 to 74 in the packet is the expense and revenue budget sheets and he went over some of the highlights of Docks and Harbors budgets. He will need this approved at the February Board meeting.

   Board Discussion/Public Comment –

   Mr. Ridgway asked what the rent was for under Docks budget?

   Mr. Uchytil said the Port Directors office at the Seadrome building.

   Ms. Larson said also the parking for the Port seasonal employees in the Library parking garage.

   Mr. Uchytil said he requests to add $100,000 to the contractual services on the Harbors FY18 budget. Staff has impounded 12 derelict vessels and they will be crushed by our term contractor Trucano Construction and taken to the dump. Another thing is the Lumberman may be in our possession in the near future and he wants to be prepared if it happens.

   Mr. Donek recommended to bring this back to the next OPS/Planning Committee meeting in February and then the Board meeting in February.

Paul Turinsky, Douglas, AK
He said he is the Owner of Chum Fun Salmon Charters. He said he has a permit to use the dock by the haterchery in the summertime and he takes a about five people at a time. He said the dock is dilapidating. He uses his own pressure washer to clean it so it is not a safety hazard. He has also installed rod holders for not only his customers but the public to use so the rods are not laying on the deck. He would like to see in this budget money allotted for the dredging. On negative tides the dock goes dry and it is getting warped. This is a great facility for the public and locals. He is the only business owner that uses it at all in the summertime. This is a great dock to teach younger kids to fish like he taught his kids to do as a life long Alaskan. It would be a shame to not keep the dock up and useable. In building this budget this should be considered.

Mr. Uchytil said the estimate to dredge in this area is approximately $250,000. The Board goes through the project priorities every year and it hasn't risen high enough to take action. There are more needs and wants than available funds. This dredging needs to be done.

Mr. Gillette said this was a State of Alaska float and given to the City to manage.

Mr. Simpson said this is a float that has an expense to fix but isn't a revenue generator.

Mr. Uchytil said Chum Fun does pay to use the dock.

Mr. Turinsky said he brought 1500 people across the dock last year.

Dennis Watson, Juneau, AK
He said he likes to see the bad debt go down, but he noticed that it doesn't specify if it is Docks or Harbors. He will assume it is Harbors. He said the boom truck has not been used very much and is wondering why it is still on the books.

Mr. Uchytil said the bad debt is under Harbors.

Mr. Uchytil said the boom truck was purchased with a TIGER grant with the thought it would help move the commercial fisherman crab pots around. It was intentional to say this would only be used on Docks & Harbors property and wouldn't compete with other boom truck operators in the community. That limits the use. The issue is that we have it but we can't give it back.

Mr. Gillette said we can't sell it. If we sell it we will have to pay the Federal Government back whats left after depreciation.

Mr. Uchytil said it was used to install the Acquileans.

4. Review of Regulations Pertaining to Leases

Mr. Uchytil said there are some leases coming up for review and he went over the process with the Board. He said there could be lease holders not happy with their increase come to the Board next month.

Board Discussion/Public Comment –

XI. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday December 13th, 2017
   Mr. Simpson reported the Committee discussed the Policy Statement that was discussed tonight and it will require more work. The other item was the Little Rock Dump site being used as an alternative to the Norway Point site.

2. ~~Finance Committee Meeting~~ CANCELLED

3. Member Reports - None

4 Assembly Lands Committee Liaison Report-
Mr. Eiler said the Lands Committee will meet on Monday which will be their first meeting since December 4th. The primary purpose is reviewing public comments on the proposal regarding swap or conveyance of Indian Point uplands.

Mr. Uchytil said the tidelands are owned by CBJ.

5. Auke Bay Steering Committee Liaison Report- None

XII. Port Engineer's Report

Mr. Gillette's written report is in the packet. One of the highlights is a row of Boat Shelters has been moved to the new floats in the Aurora Harbor Project and making progress. They are a little behind but they are catching up.

XIII. Harbormaster's Report –
Mr. Borg reported

- The Coast Guard did a comprehensive clean up of the vessel the Lumberman last week. They removed a little over a 1,000 gallons of waste water sludge/oil and 275 gallons of heating oil hidden away in a compartment. They also removed 32 8D batteries. Mr. Bord said he has had no contact with the owner of the vessel. The vessel the Ellen C is still tied up outboard of the Lumberman. He said he is still waiting on an official report from the Coast Guard.
- There was an all hands 24 hour hazwoper training for staff. This is a response level for hazardous material clean up.
- The seasonal hiring is going to be around February 5th. There are four Harbor Technicians seasonal, two Harbor Officers seasonal, and three Administrative Assistants seasonal.
- Mr. Creswell has been working with building maintenance looking at all the facilities at the Auke Bay Marine Station. Staff is having temperature sensors installed to be able to monitor remotely.
- The Airport provided a box blade for Docks & Harbors loader which is a huge improvement with the snow plowing at Statter Harbor. Plowing time has been cut from six hours to about an hour.

XIV. Port Director's Report

Mr. Uchytil reported;

- There are two bids currently being advertised, one is for Harris Bathrooms with the bid opening day February 6th and one is for cathodic protection at Marine Park with the bid opening day January 31st. Mr. Uchytil asked the Board members availability for February 7th, 8th, or 9th for a 20 minute Special meeting for the bid award for these projects and move to the Assembly on February 12th.

  The Board decided February 8th at Noon

- The Fast Response Cutter Liberty will be leaving Juneau soon and there may not be a replacement. The Coast Guard is not intending for the new FRC's to come to Juneau. Mr. Uhytil said when he is in DC he will take that opportunity to meet with the Coast Guard to explain Juneau's position.

- He said he is also working with NOAA trying to get a research vessel the Rainier from Oregon to come to Juneau.

XV. Assembly Liaison Report –

Mr. Edwardson said moving forward with the urban design plan after the next meeting sounds ambitious. There was a considerable list of things the Assembly wanted to see as far as adjustments to the urban design plan and a lot of those things will be complicated. One of the complicated things is the land exchange and that is the centerpiece of this area. Depending on the answer to that could pivot and change the answers to a lot of things that fan out from there. He said the leases represent the value of the people's land and the value of the land represents the people's investment paying off on what they are provided. Not raising prices on leases doesn't make sense because law makers of all levels of government already decided that there is going to be price adjustments and in this case it is every five years.

Mr. Edwardson asked if there was anything the Board wanted from the Assembly?

Mr. Ridgway said he would like input from the Assembly on the lease Policy the Board is working on. He asked what the impacts to the community would be overtime for not finding space for additional busses.

Mr. Eiler recommended to discuss how derelict vessels have been handled, the amount of vessels, and how much time staff has been spending on these vessels.

Mr. Donek said the Policy is not in a publication state.

XVI. Board Administrative Matters

a. Joint Board/Assembly Meeting – Wednesday, January 31st, 2018 at 5:00 pm

b. Ops/Planning Committee Meeting – Wednesday February 14th, 2018 at 5:00pm

c. Board Meeting – Thursday, February 22nd, 2018 at 5:00pm

XVII. Adjournment – The regular Board Meeting adjourned at 7:09 pm.