

CBJ DOCKS AND HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, June 22nd, 2017

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, Bob Janes, Robert Mosher, David Seng, David Summers, and Tom Donek.

Absent: John Bush, David Lowell, and Budd Simpson.

Also present were the following: Carl Uchtyl – Port Director, Gary Gillete – Port Engineer, David Borg – Harbormaster, and Mary Becker – Assembly Liaison.

III. Approval of Agenda

Mr. Donek wanted to add a brief recognition of the new Board Member just after approval of the minutes.

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

Motion passed with no objection.

IV. Minutes from the May 13th, 2017 Strategic Retreat Minutes, and the May 25th Regular Board Minutes.

Hearing no objection, the May 13th Strategic Retreat Minutes and the May 25th Regular Board minutes were approved as presented.

Mr. Donek welcomed Mr. Etheridge and Mr. Ridgway the two new Board members term starting July 1, 2017, and thanked Mr. Summers for his time on the Board.

V. Public Participation on Non-Agenda Items – None

VI. Consent Agenda –

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

1. Bid Award – Cruise Ship Berth Safety Improvement Project

RECOMMENDATION: THAT THE ASSEMBLY AWARD A CONSTRUCTION CONTRACT TO ALASKA COMMERCIAL CONTRACTORS IN THE AMOUNT OF \$364,900 FOR CRUISE SHIP BERTH SAFETY IMPROVEMENTS.

2. Affirmation of the 2004 Long Range Water Front Plan – Area B (Subport)

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RECOMMENDATION: THAT THE DOCKS & HARBORS BOARD REAFFIRMS ITS SUPPORT OF A GOLD CREEK-LIKE MARINA CONSISTENT WITH THE 2004 LONG RANGE WATERFRONT PLAN.

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

Motion passed with no objection

VII. Unfinished Business- None

VIII. New Business - None

IX. Items for Information/Discussion

1. Transportation Network Companies (TNC) Update

Mr. Uchytel said as of today the two known TNC's have not filled out their sales tax so they should not be operating at this time. He said a few day's ago staff met with Uber to address concerns with the geography of the port area. The concern is the transportation flow on South Franklin could be interrupted due to the narrow street. The Uber representatives gave reasonable assurance they will not be stopping along South Franklin to pick up passengers and can operate with the proposal of picking up or dropping off in the taxi zone in the Columbia Lot (Tram Lot). Other ideas provided to the Uber representatives were to use the Coast Guard area of Whittier street to stage awaiting fares. Drew Green, the representative for the AJ Dock was very accommodating to find a staging area at that location. Mr. Uchytel said he also proposed a \$1.00 entrance fee everytime an Uber driver came into the Columbia Lot to drop off or pick up an individual. He is awaiting a contract from the Uber Representatives with that language. He has not had a meeting with the other known TNC which is Lyft, but the Airport Manager will be having one soon. He said he or Dave Borg will have a meeting with a Lyft representative and encourage them to use the same TBMP practices and the same proposed entrance fee of \$1.00. He said this has a potential to work.

Board Discussion/Public Comment

Mr. Eiler said he does not have a conflict with this item, but he works for a State Senator that helped shepherd legislation to bring TNC's to Alaska. He has talked to CBJ Law and he does not have a material or financial connection and so no conflict of interest. He provided a clarification to what Mr. Uchytel said. He said his understanding on sales tax requirements is that the responsibility falls under the individual drivers similar to an independent contractor.

Mr. Summers said he just signed up to be a Uber driver and is not aware of him having to do sales tax reporting.

2. Statter Harbor Phase III – Fuel Float

Mr. Uchytel showed a map of Statter Harbor stage III project. He said staff has been discussing if there should be a fuel dock on the passenger-for-hire float. Staff issued a Request for Information to the fuel providers which asked for their interest in which three companies responded: Crowley, Delta Western, and Petro Marine. In discussing the pro's and con's of establishing a fueling station at this location, the biggest concern is to do so to do no harm. With the vessel traffic at the

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launch ramp and the use by charter vessels, there is a narrow area and the vision is that it would not be a public fuel float but limited to only charter operators. If we only limit to the charter operators, constraints are being put on the management operation of this fuel float. With that thought, is it in Docks & Harbors best interest to move forward with a fuel station? The existing Petro Marine fuel float has a lease/license arrangement. Petro Marine had the right of first refusal from the DeHart Marinasale to construct a fuel float in the new Statter Harbor. They pay a throughput fee of \$.05 per gallon. Docks & Harbors gave them the license to run fuel lines to the tanks that Petro Marine owns. This relationship is a contractor owned and contractor maintained concept. There are various options for a fuel station in the area for the passenger-for-hire float that could be worked out over the coming months. The more pressing question moving forward with the design is if Docks & Harbors should put fuel lines in now and it was decided to put a fuel float in, this would be one thing out of the way. PND would need to know very soon whether to design fuel lines in the float. Mr. Uchytel said the recommendation he made last night to the OPS/Planning Committee was that we should not move forward with a fuel station in the new passenger-for-hire float. He did have a meeting and invited the passenger-for-hire companies and only one company attended. Tonight he is recommending not to make the fuel line a design requirement.

Board Discussion/Public Comment

Mr. Eiler asked where Docks & Harbor is in the timeline for Statter Harbor phase III project?

Mr. Gillette said now that we have funding for this project staff wants to move forward expeditiously. Staff is negotiating with PND the services and scope of their work. It is important to make a timely decision.

Mr. Eiler said he would be more interested to know more about the industries' interest in a fuel station?

Mr. Summers asked if this was finished without the fuel line, what is the cost to retrofit these lines? What time a year was the meeting held for the operators to come and show interest for the fuel station?

Mr. Uchytel said two weeks ago.

Mr. Summers asked if maybe the operators were just busy and that is why they didn't attend?

Mr. Uchytel said there is really no time that is perfect.

Mr. Summers asked about the Petro Marine lease?

Mr. Uchytel said this is a 35 year lease with a \$.05 throughput fee and the fee is adjusted every seven years based on the Anchorage CPI.

Mr. Eiler asked 35 years from when?

Mr. Uchytel said 2013.

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Mr. Donek said someone needs to show him there is a need for this fuel station? As to do with the design, his thought is to at least put in the chases and minimize future cost if it is decided to add later.

Mr. Janes said he concurs to add the chases for adding a fuel station in the future. The biggest issue with fueling is when the fishing fleet is in. He said his captain's have waited about 45 minutes to fuel at the end of a day. He suggested to prepare for future growth.

Mr. Mosher said he doesn't see a need right now.

Mr. Uchtyl said if a fuel station is not added here, there is a potential for a fuel station to be added in the Auke Bay Marine Station when that area is developed.

Dennis Watson, Juneau, AK

Spending money that is specialized is not in the best interest of the City. Another thought is the current Coast Guard cutter is going to be moving from Juneau in a couple of years and the new cutter is not going to fit. That location could be used for a fuel dock in the future. He said he noticed this is on the Planning Commission agenda and he asked if the fuel dock was part of the application? If it is, is staff going to move forward with approval to put it in or is staff going to remove it off Docks & Harbors request?

Mr. Gillette said leave it on. If it is approved, there is no requirement to build it just authorization to build it.

Mr. Watson said a conditional use permits do have a timelines on them.

Ms. Becker, Juneau, AK

She asked if Docks & Harbors can have the authority to open a gas station? Is it discriminatory to say only certain boats can fuel at the proposed fuel station?

Paul Swanson, Juneau, AK

He said he doesn't have a problem with having more than one fuel station at Statter Harbor, but dictating who can use it and selling it at a higher price is not something he wants to get into. He heard complaints that the whale watch boats come in and do wash down on the current fuel float and ties it up. If there is water and power at the new passenger-for-hire float that would save time at the fuel float. He said he is against a self service gas station. He asked if the 6-pack operators will be using the new passenger-for-hire float?

Mr. Janes said he recommended to add in more wash down areas and waste opportunity on the new passenger-for-hire floats that would take care of a lot of issues at the fuel dock.

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Thursday, June 21st, 2017

Mr. Donek said the items talked about at the OPS/Planning meeting were discussed here tonight. The other item was the Live-aboards at Statter Harbor and the live-aboard meeting at the Yacht Club. These items will come up in a future OPS/Planning meeting.

2. Finance Committee Meeting –CANCELLED

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3. Member Reports-

4. Assembly Lands Committee Liaison Report- Mr. Eiler said their meeting was held on June 12th. CBJ Lands Department is looking into the possible purchase of a vacant lot adjacent to the Aurora Arms Condominium in order to provide access to City property that is outside the hazard zone.

5. Auke Bay Steering Committee Liaison Report – Mr. Janes said no report

XI. Port Engineer's Report

Mr. Gillette said his written report is in the packet and he also handed out an updated flow chart that Mr. Eiler requested and went over the report with the Board.

XII. Harbormaster's Report

Mr. Borg thanked Mr. Summers and Mr. Bush for their service to Docks & Harbors and welcomed Mr. Etheridge and Mr. Ridgway to the Board. He invited the new members to take a tour of the Harbors with him.

Mr. Borg reported –

- The seaworthy test - there were approximately 45 vessels between E and M floats in Aurora Harbor due to take this test, 17 of the vessels passed the test, 12 will be doing the test in the next couple weeks, 2 patrons removed their vessels from the harbor. The rest are edging on a possible impound process due to lack of cooperation to do this seaworthy test. This is a necessary process and may cost Docks & Harbors money, but it is cleaning up the Harbors. Another 18 vessels in the other harbors have had seaworthy tests and passed. Harbor Officer Dennis Holloway has been the main lead on this testing and is doing a fantastic job.
- Next week notices will go out to all the boat owners that will be impacted by the harbor construction. Staff is actively moving vessels asking them to move into their temporary stalls during the construction.
- The re-configured commercial bus parking area at Statter Harbor is working smoothly and a lot less congestion.

XIII. Port Director's Report

Mr. Uchytel reported;

- Ms. Jennifer Shinn has been promoted to the Administrative Assistant III position.
- He said he received a complaint and voicing concerns about the M/V Seal using the docks space and blocking passage, and fire code safety. The M/V Seal is making progress on his renovation efforts on his boat. He said he communicates with his legal counsel when there are issues that need to be addressed. He said he also met with the fire marshall and the assistant fire marshal and explained the citizen complaint and they didn't know what code violation they would be able to site. They did go by and see what they could see in plain view. The M/V Seal owner is actively working on his vessel so he does have solvents and paints.

Mr. Eiler asked what rules are in place currently for working on your boat in the harbor?

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Mr. Borg said we have a level of what is allowed. He said in this instance the boat owner went beyond what was agreed to. He had constant communication with the vessel owner and this complaint issue is resolved. This owner is taking good steps to make his vessel safe.

- Mr. Uchytel gave an update on the affirmation on the Gold Creek-like marina. There is an offer on the Mental Health Trust property and that was made by a developer in town. It was an offer plus 20% which is what is customary for a Mental Health Trust. The developer has not heard anything from the Mental Health Trust. The developer had a meeting with the City Manager to try to have the Assembly write a resolution encouraging the Mental Health to sell that property. Part of the vision of that developer is to build a small boat harbor, as envisioned in the 2004 long range waterfront plan, along Egan Drive on tidelands managed by Docks & Harbors.
- The Presidents Infrastructure projects – The Governor asked for shovel ready projects – Mr. Uchytel said the two projects he submitted is the Auke Bay Marine Station application and the land use master plan from Norway Point to Bridge Park.
- He also submitted a summary to encourage the Corps of Engineers to develop a floating breakwater at Auke Bay Marine Station and this basically informs the federal delegation there is a potential project in their district.
- Next month for the 50/50 Municipality Harbor Grant program staff will submit Douglas Harbor and Harris Harbor. The ask will be for \$250,000 for zinc anodes.
- The Lessee for the boats yards is in arrears and he has been sent a letter.

XIV. Assembly Liaison Report –

Ms. Becker report –

- The Assembly approved The Bridge Park to Norway Point master plan (\$8M to \$100M) and the Auke Bay Marine station (\$2M to \$23M) projects to be submitted to the Governor for the Presidents Infrastructure program.
- From the \$47M collected for the 1% Sales tax Docks & Harbors submitted the Aurora Harbor Rebuild phase II (\$7M) and Douglas Harbor paving (\$2.5M).

Ms. Becker said she received a request from someone about the fence between the library and the dock. It is not high enough and the homeless people are crawling over it and it needs to be higher.

Mr. Uchytel explained where the fence is located and said it is not Docks & Harbors responsibility.

XV. Board Administrative Matters

- a. Ops/Planning Committee Meeting – Wednesday, July 19th, 2017 at 5:00 pm
- b. Finance Committee Meeting – Thursday, July 20th, 2017 at 5:00 pm
- c. Board Meeting – Thursday, July 27th, 2017 at 5:00pm

XVI. Adjournment – The regular Board Meeting adjourned at 6:19 pm.