CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA
For Thursday, May 25th, 2017

I. Call to Order (5:00 p.m. in the CBJ Conference Room 224)

II. Roll (John Bush, Weston Eiler, Bob Janes, David Lowell, Robert Mosher, David Seng, David Summers, Budd Simpson, and Tom Donek)

III. Approval of Agenda

MOTION: TO APPROVE THE AGENDA AS PRESENTED.

IV. Approval of March 30th, 2017 and April 27th, 2017 Regular Board Meeting Minutes and May 13th, 2017 Strategic Retreat Minutes.

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

VI. Consent Agenda- None

VII. Unfinished Business - None

VIII. New Business

1. Transportation Network Companies (TNC)
   http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20132&session=30
   Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: FOR THE PORT DIRECTOR TO BEGIN NEGOTIATIONS WITH ANTICIPATED TNC TO MANAGE DOWNTOWN FACILITIES CONSISTENT WITH EFFORTS TO IMPROVE SAFETY/EFFICIENCY AND COLLECT REASONABLE FEES FOR DOCKS & HARBORS.

2. Parking Agreement with Marine Exchange of Alaska
   Presentation by the Harbormaster

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING.

IX. Items for Information/Discussion

1. Marine Park to Taku Dock Urban Design Plan
   Presentation by the Port Engineer and Corvus Design

   Board Discussion/Public Comment

2. Navy USS O'KANE Visit
   Presentation by the Port Director

   Board Discussion/Public Comment

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Thursday, May 18th, 2017
2. ~~Finance Committee Meeting- Thursday, May 18th, 2017~~ CANCELLED
3. Member Reports
4. Assembly Lands Committee Liaison Report
5. Auke Bay Steering Committee Liaison Report

XI. Port Engineer's Report

XII. Harbormaster's Report

XIII. Port Director's Report

XIV. Assembly Liaison Report

XV. Board Administrative Matters

a. Ops/Planning Committee Meeting – Wednesday, June 21st, 2017 at 5:00pm

b. Finance Committee Meeting – Thursday, June 22nd, 2017 at 5:00pm

c. Board Meeting – Thursday, June 29th, 2017 at 5:00pm

XVI. Adjournment

CBJ DOCKS AND HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, March 30th, 2017

I. Call to Order

Mr. Donek called the Regular Board Meeting to order at 5:00pm in the CBJ Assembly Chambers.

II. Roll Call

The following members were present: John Bush(via telephone), Weston Eiler(arrived at 5:08pm), David Lowell, Robert Mosher, David Seng, David Summers, Budd Simpson, and Tom Donek.

Absent: Bob Janes

Also present were the following: Carl Uchytil – Port Director, Gary Gillete – Port Engineer, David Borg – Harbormaster, and Robert Palmer – Assistant Municipal Attorney for CBJ.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Approval of January 19th, 2017 Docks Fee Review Committee Meeting Minutes, February 23rd, 2017 Regular Board Meeting Minutes, and March 8th, 2017 Harbor Fee Review Committee Meeting Minutes.

Hearing no objection, the January 19th, 2017 Docks Fee Review Committee Meeting Minutes, February 23rd, 2017 Regular Board Meeting Minutes, and March 8th, 2017 Harbor Fee Review Committee Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items - None

VI. Consent Agenda - None

VII. Unfinished Business

1. Public Hearing for Regulation Changes to the Potable Water Fee (05 CBJAC 15.050), Grid Usage Fees (05 CBJAC 20.100), and Pump Use Fees (05 CBJAC 20.120)

Mr. Uchytil said on page 20 of the packet is the summary of the regulation changes that have been introduced to the Board and staff conducted the 21 day notice and we have received no comments. This is the last chance for public input before it is sent to the Assembly for final action.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MR. SIMPSON: TO APPROVE PROPOSED REGULATION CHANGES AND RECOMMEND THE ASSSEMBLY TAKE ACTION TO ADOPT AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Bid Award – Aurora Harbor Phase II
http://www.juneau.org/harbors/documents/FinalBoardMemo-DH17-021BidAward-3-29-17.pdf

Mr. Gillette said the award information is a separate memo to the Board packet because the memo was so large. It is posted on our website along with a letter from Northern Construction Services (NCS) who was the low bidder. Staff opened bids on February 8th and NCS was the apparent low bidder and February 9th the posting notice went out. Staff did receive a letter of intent to protest the bid from Trucano Construction, but on February 14th another letter was received to withdraw the intent to protest. NCS had a sub-contractor report for the bid but did not list a sub-contractor for pile driving which meant they would be performing the work themselves. Additional information was requested to verify they had the ability, equipment and people to do the work. Staff received the information and reviewed it and determined it was sufficient to conclude that they had met the contract requirements to perform the work. They did list three other sub-contractors for other work on the project which were Harri's Plumbing & Heating, Anderson Brothers Electric and JW Bean. The bid award was brought to a Special Board meeting on March 17th and there was a number of questions. Trucano Construction brought up an issue that they were not fully paid for the sub-contract work they performed in Phase I of Aurora Harbor. Staff verified that NCS submitted the paperwork that said all sub-contractors were paid with the exception of a disagreement with final payment for Trucano Construction and closed out Aurora Harbor Phase I. At the March 17th meeting, Trucano testified that he has not been paid in full, and the Board members heard from a representative of the carpenters union that NCS is in proceedings with the Alaska Department of Labor (ADOL) regarding davis bacon wages on a project from Sitka. Staff has been looking into this and asked NCS about the issue. Numerous letters have been submitted regarding the issue. Mr. Uchytil contacted the deputy commissioner at the ADOL today, and Docks & Harbors is not able to obtain any information on this issue because it is still under investigation. However, in speaking with staff at ADOL, they indicated that they have not reached the debarment finding in this process yet, and they are typically able to work out the situation and not debar a company. Staff's concern is that if the bid is awarded and in the middle of the project they are debarred, the work could stop. However, given the information we have today, it is highly unlikely for debarment and the process could continue for a lengthy time. At this time, staff believes there is nothing substantial to warrant rejection of the bid and NCS has provided all the information requested.

Board Questions

Mr. Eiler asked Mr. Gillette to explain on what type of previous large projects has there been a prescreening for qualifications from a bidder on their ability to perform.

Mr. Gillette said he has been with the department for eight years and this has only been done with the cruise ship berth project. The uniquiness about this project is that the pilings are in the 4' range which is much larger than the typical 18" to 24"piling size, and there was numerous soil issues and some of the piling required drill anchors.

Mr. Uchytil said Docks & Harbors is required to award to the lowest bidder per the CBJ City charter.

Public Comment

Doug Trucano, Juneau, AK (Owner of Trucano Construction)
He said he was the sub-contractor in Phase I of Aurora Harbor with NCS and has not been paid for the work he did in Phase I. In Docks & Harbors spec book it says the sub-contractor will be paid within 30 days of paying the prime contractor and the prime contractor will pay within eight days of them being paid and that was a year and a half ago. This is a very bad situation and he has been told Docks & Harbors can't even enforce their own regulations and force the prime contractor into paying Trucano Construction. He said he knows the employees working for NCS that worked in the Trucano Yard were not getting paid the Davis Bacon wages. This is the same thing they did in Sitka and NCS is in violation of the Davis Bacon act. He is also unsure how they can be a supplier and a contractor? If you are a contractor you have to do 40% of the work. They did not do 40% of the work in Juneau. He would like some answers before the bid is awarded. If Docks & Harbors puts information in the spec books, it should be enforceable or should not be included in the specs. If Docks & Harbors can't enforce the specs, the City should be liable to pay the money owed to Trucano Construction.

Ronald McCormick, Junction City, Oregon (Owner of Northern Construction Services)
He said on page 33 of the packet is a letter he prepared in advance of coming to Juneau to answer questions and concerns from the Special Board meeting.

Kris Diamond, Douglas, AK (Carpenters Union Local 1281 representative)
He said it was his understanding on the Sitka project NCS is being investigated by the ADOL for bringing employees to Alaka after actively advertising for employees to come to Alaska and work as carpenters on a prevailed wage project for $18.00 per hour. He has also learned from Mr. Trucano that NCS had three carpenters assembling docks and putting bull rails on and decking in his yard and then they would transport the floats to Aurora Harbor. He said he spent an hour and a half going over certified payroll at the Port Office and there is no record of any certified payroll for those three people. That is wage theft and worker misclassification. This is an epidemic running rampid across this country and NCS is performing this right here in our City. This is taking jobs and money away from people who are struggling right now with the economy turning down. NCS is paying employees $18.00 an hour for a job that should be paying prevailing wages at $67.00 per hour which is well worth that rate for the work. A local Company can't compete with a company that is cheating and bringing people in from out of state and pay them substandard

wages. The fact that Trucano Construction hasen't been paid when it has it in the spec book which is like a contract. He recommends to rebid this or award it to the next lowest bidder.

Ronald McCormick, Junction City, OR

He said his company Superior Forest Products has two d.b.a.'s. One is Alpine Lumber and Building products which munufactures floats and docks as part of their activity. Northern Construction Service is another d.b.a. and it is strickly construction in the State of Alaska. He said he is unsure who the three employees are that Mr. Diamond is referring to, but it is not uncommon for Alpine employees to be sent to Alaska if there is a problem with a product. He said we have been in business since 1998 on Prince of Whales Island as a sole proprietorship and we bid out our first job in 1999 which was a seaplane float. Not one time have we had any trouble with the ADOL, a union, or any kind of accusations like this. We have never even been in a court until this project. He said his company's integrity is important in what they do and the products made by his company. A project is not left until it is completed correctly. He said NCS has not knowingly done anything wrong and stay within the spirit of the law and the letter of the law all the time. He said he does have a disagreement with Trucano Construction. They agree to disagree at this time but is hopeful it can get resolved before mediation or arbitration.

Mr. Lowell asked what has been the nature of the projects since 1998?

Mr. McCormick said the construction was started in 1999 and the first project was a seaplane float and from that built a boardwalk in Bethal, seven snow removal equipment building across the interior of the state, a two year project in Kipnuk, and several other Alaska Communities. We have been suppling floats since 2010 and primarily on the Canadian market.

Mr. Lowell asked how many of the prior projects had pile driling operations performed?

Mr. McCormick said he sub-contracts out work and performs their own work, which ever makes him the most competitive is what his company will offer to do.

Mr. Bush asked if he has employees that work for both Alpine and NCS?

Mr. McCormick said yes.

Mr. Bush asked if it was a large percentage of the employees?

Mr. McCormich said no. He said NCS does have an issue with ADOL, we could have paid them $130,000 and the issue would have been solved, but there is a difference in opinion. The issue is there are employees that are Alpine employees constructing the floats five miles away and the only reason they are being constructed here is because they can't be transported. Normally they are constructed and assembled in Seattle and shipped to Alaska on a barge all in one piece. The Sitka floats were 16' wide so we prefabricated the floats in Oregon and shipped them and finished the assembling at Halibut Point. He believes the ADOL has bad information about the project NCS was doing and was mischarachterized and NCS is currently trying to get a hearing to explain the implications.

Mr. Bush commented that the change in this situation was only that the floats were too large to ship and they needed to be assembled in Alaska.

Doug Trucano, Juneau, AK
He said the prime contractor is required to do 40% of the work on a project. If Alpine Lumber is the supplier, he would like to see how NCS did 40% of the work because Trucano Construction did almost all the work on Phase I right down to their trucking. In Sitka, Tamico did all the pile driving and there again if Alpine Lumber is the supplier he does not believe NCS did 40% of the work on that project either.

Ronald McCormick, Junction City, OR
He said his understanding of the 40% includes purchases such as piling and floats and that is all part of the prime contractors contribution to the 40%. That is no different than Trucano Construction purchasing floats from Mathews Lumber which counts toward his 40% on a project.

Board Discussion/Action

Mr. Summers asked Mr. Palmer if this Board is required to award this bid to this contractor because he is the lowest bidder? Could the Board do something other than award this bid?

Mr. Palmer said the Board could do something different. The Board is put in an awkward position. On one hand you have an ordinance that describes the Port Director as the purchasing officer for a project and the Port Director has issued a notice that identifies NCS as the apparent low bidder. The notice went out and that notice technically goes to the Assembly for the formal recommendation for this project. The Board does get to review work done by the Port Director and can also make a recommendation if you choose to. There is a fine balance for this project. Mr. Trucano, who is the number two bidder, is asking to do something different than the Port Directors recommendation. That puts the Board and the CBJ in a precurious position if the Assembly does something different than what the Port Director recommends because Mr. Trucano did file a notice of intent to protest and the protest is the legal mechanism to challenge the notice to award made by the Port Director. However, Mr. Trucano withdrew the protest and at this time Mr. Trucano does not have a legal right to challenge the award of this project. He waived his right and it is important because what is being asked from the Board should not be asked. The Port Director and staff has done a reasonable inquiry and has reached out to ADOL, has had communication with Doug Trucano, has opened their books pursuant to the public records request and has been completely transparent and has still deemed NCS the apparent low qualified bidder for this project pursuant to the City Charter. If the Board wants to do something different they can, but there could be significant legal exposure if the Board decided not to award to NCS. There would also need to be a clear explanation as to why the Board is doing a different recommendation than the Port Director.

Mr. Simpson asked if the bid preparation costs are the remedy to the aparant low bidder or are there other potential damages or legal issues if this is not awarded?

Mr. Palmer said if the City awards to someone other than the lowest qualified bidder, we are typically liable for bid preparation costs. Each case may be different and he is not sure exactly everything that could be in a claim that CBJ could be responsible to pay.

Mr. Lowell said his understanding of the costs incurred on this bid was for procurement of equipment necessary to perform certain work elements of the project.

Mr. Donek asked Mr. Palmer that under City Charter, does the Board even have an option other than to award to the lowest bidder?

Mr. Palmer said the City Charter does limit the way we do public improvement contracts and it specifically states the City has to award to the lowest qualified bidder. Our contracts allow staff to deem what qualified means, and after that it is the lowest bidder.

Mr. Eiler asked if there has been other times the City has done a qualification analysis post bid opening?

Mr. Palmer said he is not aware of a Board or the Assembly doing its own responsibility qualification analysis. However, there are provisions as what has occurred in this contract to date where the purchasing officer, or in this case, the Port Director, can reach out to the apparent low bidder (NCS) and ask them to provide sufficient insurances they have the labor skills, ability and equipment to do the project. This is a checks and balance even if there isn't a prequalification.

Mr. Gillette said in the last eight years there was only one other, and it was the recent Statter Harbor launch ramp facility. The contractor is Miller construction who didn't have an asphalt paving sub-contractor. Under these same provisions, they were asked to show their labor skills, ability, equipment. The information they provided they didn't have the paving equipment but they planned to get the equipment and a permit. With the information Miller's provided, we deemed them not qualified. They went back and listed a sub-contractor so they were awarded the bid, but ended up doing the work themselves anyway and we are currently in the process of working out that issue. This is the only other time staff checked qualification before this time. NCS did not do pile driving previously so that is why we wanted to know if they could perform the work. With all the information NCS provided, it appears they are qualified to perform the work on Phase II of Aurora Harbor.

Mr. Eiler asked if the question on the Statter Harbor project were asked after the award?

Mr. Gillette said it was after the Assembly approved the award but not after the contract was signed.

Mr. Uchytil said in the Statter Harbor bid award, Miller's did provide a sub-contractor that had experience in paving so the contract was signed under the assumption another contractor was going to perform the work.

Mr. Mosher commented that we have a qualified low bidder determined by staff.

Mr. Simpson said the Board is not qualified to adjudicate the dispute and claims presented here. He said he would hate to award a bid that achieves the low bid on the back of local workers and subcontractors by underpaying or failing to pay them. On the other hand, NCS has presented a thorough defence of their position such that it is impossible to tell who is right in this situation. They have a pending matter with ADOL and a lawsuit or arbitration with Mr. Trucano that will adjudicate whether they owe more money. The clear path to this agenda item is awarding the bid to the lowest bidder which keeps the Board and the City out of trouble.

Mr. Donek said we have a low bid and there was challenge raised. Staff did look into the challencge and responded to it and there are no grounds found to disqualify the lowest bidder. We are in a postion to do nothing.

MOTION By MR. SENG: TO RECOMMEND AWARD OF CONTRACT # DH17-021 (REBUILD OF AURORA HARBOR PHASE II) TO NORTHERN CONSTRUCTION SERVICES FOR $3,452,060 AND ASK UNANIMOUS CONSENT.

Mr. Bush called for a roll call vote.

Mr. Bush – No
Mr. Donek – Yes
Mr. Lowell – Yes
Mr. Mosher – Yes
Mr. Eiler – Yes
Mr. Simpson – Yes
Mr. Summers - No
Mr. Seng - Yes

Motion passed 6 yes, 2 no.

5 Minute break at 5:56 pm

6:03 back in session.

VIII. New Business

1. FY17&18 Budget

Ms. Larson said we are in the first year of this budget process which was adopted in April of 2016. With the Boards approval this will be presented at the Assembly Finance Committee on April 12th. During this budget process the FY17 actuals are projected as well as changes to the FY18 budget. Ms. Larson went over a power point presentation.

Mr. Uchytil said we will be asking the Board to approve the seperate Docks & Harbors budgets.

Board Questions

Mr. Donek asked if the Harbors budget is meeting the debt revenue ratio?

Mr. Uchytil said yes.

Public Comment - None

Board Discussion/Action

MOTION By MR. SUMMERS: TO APPROVE THE FY17 & FY18 BUDGET AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Land Use Master Plan – Norway Point to Bridge Park
http://www.juneau.org/harbors/documents/DRAFTMasterPlanSummaryMarch27.pdf

Mr. Gillette said this was a separate attachement. This is the final product from several meetings and public review. He said if there are changes that the Board wants to make they can be addressed before the final draft is published. Staff hopes this has been reviewed enough that everyone understands it and concurs with the direction. Mr. Gillette said he believes this is a really good document and could help with getting funding for this project showing that we have such a plan. This shows a good vision for the future. Staff would like this approved by the Board and recommend to the Assembly it be adopted as an official plan of the City.

Board Questions-
Mr. Simpson said he thought working on this master plan was a good process. He requested to edit any Yacht Club reference to being located under the bridge.

Mr. Gillette said he will correct that.

Public Comment-
Mr. Donek said to include the Yacht Club letter on page 81 of the packet under public comment.

Mr. Simpson said the letter is supportive of the concept and represents 180 members.

Board Discussion/Action-
Mr. Seng asked why are items that were discussed and not added to the plan listed in the document?

Mr. Gillette said the document shows that those things were identified early in the research and through the process it was decided against doing some suggested things because there was a higher and better use.

Mr. Eiler said he likes the document and if adopted and presented to the Planning Commission and the Assembly can be viewed as a generational document something to look at in the future. It is important to be aware of what is being proposed and to have this type of a document, but also caviat that with is this the direction we want to go with our community currently in an economic recession. He questioned if the expansion of the marine service yard was appropriate with the

economic times because Juneau is also competing against two main ports that have larger travel lifts that were largely financed by state funds or other funds that operate below market value. The marine service yard is over $30M and should be looked at to see if it can be justified.

Mr. Donek said this is the first step. He agrees that a lot of the things in this document may not be feasible economically today, but we don't know what tomorrow is going to bring. This document is not saying this is exactly what we are going to do, but this gives us a guidline for people who come to us with a proposed use.

MOTION By MR. SIMPSON: TO APPROVE THE NORWAY POINT TO BRIDGE PARK MASTER PLAND AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. Shorepower access fee (05 CBJAC 30.010)

Mr. Borg said these fees have been through all the Committee meeting and can answer questions.

Board Questions - None

Public Comment- None

Board Discussion/Action

MOTION By MR. LOWELL: TO USE 80% MAX USAGE IN CALCULATION FOR DAILY POWER USE AND ROUND PRICE PER DAY COLUMN UP TO THE NEAREST FULL DOLLAR ON ALL IN THE CHART AND TO ADOPT THE CURRENT SUMMER AND WINTER MONTHLY SHOREPOWER ACCESS FEES WITHOUT CHANGING THE RATES, DELETE THE SENTENCE IN 05 CJBAC 30.010 SHOREPOWER ACCESS FEES SUBSECTION (b) *(With approval of the Docks and Harbors Department, a person may use a 50 amp service and be assessed a 30 amp fee provided the service is current limited to 30 amps),* AND ADD A COST ADJUSTMENT PROVISION TO TRACK INCREASES IN THE COST OF OUR RATES IMPOSED BY AEL&P ON AN ANNUAL BASIS SUBJECT TO REVIEW BY THE BOARD.

	Volts	amps	KW per hour	KW per day	Cost per KW from AELP	% of realistic max usage, per day	Price per day	Rounded rate	current
3 phase 100 AMP	208	100	36.0256	864.6144	0.124	0.8	$85.77	$86.00	$48.00
3 phase 60 AMP	208	60	21.61536	518.7686	0.124	0.8	$51.46	$52.00	
3 phase 100 AMP	480	100	83.136	1995.264	0.124	0.8	$197.93	$198.00	$120.00
1 phase 30 AMP	120	30	3.6	86.4	0.124	0.8	$8.57	$9.00	$7.20
1 phase 50 AMP	208	50	10.4	249.6	0.124	0.8	$24.76	$25.00	$24.00
1 phase 20 AMP	120	20	2.4	57.6	0.124	0.8	$5.71	$6.00	$4.80

Motion passed with no objection.

4. Daily Commercial Launch Permit.

Mr. Borg said this is to establish a daily commercial launch ramp permit so people that are not normal commercial users the ability to use the work zone at the ABLF. At this time someone would have to pay the $250.00 annaul rate if they wanted to use that area. He doesn't see a huge use, but this gives another option.

Board Questions - None

Public Comment- None.

Board Discussion/Action

MOTION By MR. MOSHER: TO ADOPT STAFF RECOMMENDATION FOR AN ABLF DAILY COMMERCIAL LAUNCH RAMP FEE OF $30.00 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

5. Alignment of the Facility Security Plan with Title 85

Mr. Uchytil said he attended Facility Security officer training. This is for our regulated facilities which is the cruise ship docks and certain times at the Auke Bay Loading Facility. It is required that we have a FSO (which is Dave Borg), within our ordinance and Title 85 there is a reference to our Facility Security plans that require all plans to be submitted and approved through the Board. That is not the language the Coast Guard enacting these regulations wanted to happen. This is not correct and he wants to clean it up. He is asking the Board to delete this portion and staff will start the 21 day public notice process. The Docks & Harbors Facility Security Plan is managed and maintained by the Harbormaster Dave Borg who is the Facility Security Officer. The information in the plan is consider Sensitive Security Informaiton (SSI) and is not something publically provided and only on a need to know basis.

Board Questions - None

Public Comment- None.

Board Discussion/Action

MOTION By MR. EILER: TO APPROVE THE DELETION OF 85.02.045 (F) AND DIRECT STAFF TO COMMENCE THE REGULATION CHANGE PROCESS & ASK UNANIMOUS CONSENT.

Motion passed with no objection

IX. Items for Information/Discussion

1. Annual Moorage CPI Adjustment

Mr. Uchytil said page 87 in the packet has the FY18 moorage rates. We have the option to not adjust moorage rates and are automatic unless the Board takes action. Last year the pecent change

was .04%. The rate adjustment would be two cents on the downtown monthly moorage rate and because this is less than five cents, there is no CPI adjustment for this Fiscal year.

Board Discussion/Public Comment

Mr. Donek said last year we did not make the rate increase but we also tied the two rates together. Meaning downtown and Statter Harbor rates are raised that same based on the downtown rate, but if we keep having these low inflation rates, we will not be raising the rates. One thing we should have added was to review the rates every five years by looking at the accumulative rate and make an adjustment from that. This should go back to OPS to look at changing to adjust the rate based on the accumulative CPI for the last five years.

Mr. Eiler agrees and asked if the Board didn't raise at a time when there was an increase?

Mr. Uchytil said last year Statter Harbor would have been increased by $.05 but it wasn't raised by the Board. The other thought is that it could go up a lot if it is only looked at every five years and the partrons may not take it well.

Mr. Donek suggested to send this to OPS for discussion.

2. Statter Harbor Parking Lot Reconfiguration

Mr. Gillette said in page 90 of the packet we are working to reconfigure the former truck and trailer angle space to provide single vehicle spaces. He showed on the map where the dumpsters and the recycle bins will be located and ADA spaces. On page 93 of the packet shows the area that will be designated for bus staging to drop off and pick up passengers. This will be similar to how Phase III will be set up and the bus drivers will be used to it by the time Phase III is completed. This will separate the users and be more safe, efficient and relieve congestion. Staff is making these changes this year to increase the parking on the Harbor side and make the offloading of passengers safer.

Board Discussion/Public Comment

Mr. Donek suggested to have a golf cart for people with mobility issues.

Mr. Borg said the bus drivers are allowed to drop off people with those situation at the top of the gangway.

3. Appraisal Process/Methodologies

Mr. Uchytil said this was a request from Mr. Summers a few month ago on what is the process for Docks & Harbors appraisals and why we use comparabiles primarily as opposed to other methodology. Mr. Horan's letter is in the packet on page 93.
Mr. Horan provided an overview of his letter and some slides on a power point.

Board Discussion/Public Comment

Mr. Eiler asked if depreciation and large scale assets were factored in on the Tram lease?

Mr. Horan said the depretiation would impact improved properties but generally it doesn't impact raw land.

Mr. Summers said because Docks & Harbors properties are so unique and different and we are an enterprise Board, can we seek an alternative process to finding out the value of our land and are we doing the best job on behalf of the people of Juneau for the highest and best use? He recommended having a competitive or comparative bid process for appraisal bid awards.

Mr. Uchytil said comparables are the most desired methodology.

Mr. Horan said if the thought is to have a different appraisal methodology or a way to manage the appraisal process in a way to maximize the return on your property, CBJ does have a regulation in place currently if a lease holder is not in agreement with an appraisal provided by CBJ, the lease holder can get another appraisal. In this process it was determined that the other appraisal didn't include the correct methodology and the playing field wasn't the same. He is not clear how using a competitive appraisal process to maximize the return to the citizens on these assets. You don't want to discourage entrepreneur incentive coming to town and you want a mix of businesses. He would discourage a highly competitive bidding process.

4. Auke Bay Marine Station – Lease update

Mr. Gillette said there were two applicants, Docks & Harbors and UAS. GSA told staff to work with UAS to divide the property. In the packet starting on page 100 is a memorandum of agreement with a map showing the line where the property will be divided. This has now been submitted to UAS to respond to.

Mr. Uchytil said there is a shared cost with UAS and Docks & Harbors which is for the surveying in preparation of a driveway which is $220,000.

Board Discussion/Public Comment

X. Committee and Member Reports

1. Harbor Fee Review Committee Meeting- Wednesday, March 8th, 2017
   Mr. Simpson reported the Committee discussed the shorepower access fee and the daily commercial launch ramp permit.

2. Specail Board Meeting – Thursday, March 16th, 2017

3. ~~Finance Committee Meeting- Thursday, March 23rd~~ CANCELLED

4. Operations/Planning Committee Meeting- Wednesday, March 29th, 2017
   Mr. Simpson reported the Committee reviewed the shorepower access fee, the daily commercial launch ramp permit, and the security plan.

5. Member Reports- None.

XI. Port Engineer's Report

Mr. Gillette said his written report is in the packet.

XII. Harbormaster's Report

Mr. Borg reported:

- Staff has been getting ready for the start of the summer season and the seasonal staff returns April 3rd.
- There are two broken cranes that staff has S.E. Industrial working on. A hydraulic issue on one and a motor issue on another. We hope to have those repaired by the end of next week.
- The Galatia/Crystal Dawn has been moved to be destroyed.

Mr. Eiler asked how Docks & Harbors is proposing to enhance customer service?

Mr. Borg said we have customer service training scheduled for all Docks & Harbors employees.

XIII. Port Director's Report

Mr. Uchytil reported

- Last year there was a woman from Anchorage hired to do customer service training for Docks & Harbors . This year we asked her to come back and do a half day refresher on customer service.
- The Miller hearing for the Statter Harbor Phase II launch ramp facility was yesterday and staff believes Miller construction was required to use the sub-contractor for paving and they indicated they would at the time of bid award. The hearing officer was the City Engineer Roger Healy. Staff provided our position and Millers attorney provided their opinion and Roger Healy will render a decision.
- Tomorrow is another hearing. He is the hearing officer for the aledged violation of a vendor booth permittee. The hearing is at 4:00 pm tomorrow afternoon. He recommends the Board not attend. Ms. Larson will be representing what she believes to be the violations of this vendor booth permittee. The vendor lawyer is already in town that will provide their postion. Mr. Uchytil said he will provide the impartial hearing officer position on what he believes to be the right answer and render a written decision. If he renders a decision unfavorable to the vendor booth permittee, they have the option to appeal the decision to the Board.

- The boat shelter expo event is planned for Wednesday May 17th. An invite will go out to boat shelter owners as well as local contractors that can assist in boat shelter repair needs.
- There are three ribbon cutting ceremonies in May.
  May 5th – the Cruise ship dock project at noon.
  May 19th - the Statter Harbor phase II launch ramp project
  May 26th – the Mike Pusich Douglas Harbor

- The next planning document is the Urban plan which is from Taku Dock to Bridge Park. This project will start in April.

XIV. Assembly Liaison Report - None

XV. Board Administrative Matters

a. Stategic Retreat – Saturday, April 1st, 2017 at 9:00am – Cancelled
Mr. Simpson recommended to have a survey monkey to find out the best date.

Mr. Uchytil asked if this should be done over two days or just one.

Mr. Simpson recommended to do this in one day.

b. Ops/Planning Committee Meeting – Wednesday, **April 19th** at 5:00pm

c. Finance Committee Meeting – Thursday, **April 20th, 2017** at 5:00pm

d. Board Meeting – Thursday, **April 27th, 2017** at 5:00pm

XVI. Adjournment – The regular Board Meeting adjourned at 7:54pm.

CBJ DOCKS AND HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, April 27th, 2017

I. Call to Order

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

II. Roll Call

The following members were present: John Bush, Weston Eiler, Bob Janes, David Lowell, Robert Mosher(via phone 5:25pm), David Seng, Budd Simpson, and Tom Donek.

Absent: David Summers

Also present were the following: Carl Uchytil – Port Director, Gary Gillete – Port Engineer, David Borg – Harbormaster, and Matthew Creswell – Senior Harbor Officer.

III. Approval of Agenda
Mr. Uchytil asked to add a special order of business.

MOTION By MR. JANES: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Minutes from the March 30th, 2017 Regular Board Meeting will be on the May 25th, 2017 agenda.

V. Public Participation on Non-Agenda Items –
Mr. Becker, Juneau, AK
He said he is here to ask the Board to consider taking over the Fisheries Development Committee. He also wants to discuss the Bridge Park to Norway Point Study. Priority one was to put the haul out facility in at the Yacht Club area. He said he would like to recommend to continue that as a number one priority with looking at the needs for the Juneau area. This would be the quickest return on CBJ's investment. There are a lot of large vessels that would use this area.

Mr. Janes asked what would taking over the Fisheries Development Committee entail?

Mr. Becker said it would be dealing with issues that some of which Docks & Harbors is already taking on. There may be cold storage issues come up and you would need to have a group of fisherman come in to discuss and participate on this item. He doesn't want to lose the momentum that the Fisheries Development Committee has had, but when there is nothing to do it is falling apart.

Mr. Janes asked if this should be a special Committee?

Mr. Becker said yes. He said on another point, he was at an event last Sunday at the Yacht Club and it was very crowded. The parking lot was completely full. When the Yacht Club is moved, there needs to be better parking to accommodate a large crowd.

Mr. Uchytil said in the packet is a list of Docks & Harbors projects that are going to be discussed at the Stategic Retreat on Saturday. He believes Mr. Becker to say from the Fisheries Development Committee perspective, the Marine Services build out is a number one priority.

Special Order of Business -
Mr. Uchytil said Doug Unruh is retiring and read a letter of appreciation for his 15 years service to Docks & Harbors.

VI. Consent Agenda - None

VII. Unfinished Business

1. Public Hearing for Regulation Changes to the Dockage Charges (05 CBJAC 15.030), Reservation Change Policy (05 CBJAc 15.035) and Loading Permit Fee (05 CBJAC 15.080)

Mr. Uchytil said these are three regulation changes that the Board previously approved. This went out for the 21 days public notice and received no comments. This is the public hearing required by CBJ. Page three of the packet are the changes.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MR. SIMPSON: TO APPROVE THE PROPOSED REGULATION CHANGES AND RECOMMEND THE ASSSEMBLY TAKE ACTION TO ADOPT AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. People's Wharf – Use Permit

Mr. Uchytil said on Tuesday the Use Permit for Tracy's Crab Shack went through the Planning Commission and was approved. The Board action tonight is to approve the use of the portion of the People's wharf that you have previously approved. If this is approved tonight by the Board, Mr. Heumann and I will sign a use permit and rent will be $144.00 per month.

Board Questions –
Mr. Simpson asked if the $22 per sq/ft is a lease rate appraisal for the year?

Mr. Uchytil said on page 29 in the packet is the Horan appraisal summary which ends up being $144.00 per month.
Public Comment - None

Board Discussion/Action

MOTION By MR. BUSH: TO APPROVE SEASONAL USE OF A PORTION OF THE PEOPLE'S WHARF FOR TEMPORARY FOOD SERVICES AS PRESENTED AND SIGNED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

VIII. New Business - None

IX. Items for Information/Discussion

1. Navy USS O'KANE Visit

Mr. Uchytil said the USS OKANE is a destroyer from Honolulu and is going to make a port visit in Juneau. They will be at anchor from May 13th to May 18th and he is coordinated a welcoming committee to welcome them to Juneau. There is also an Adopt a Sailor program on the CBJ website for Juneau people to welcome the sailors.

Board Discussion/Public Comment

2. Strategic Retreat

Mr. Uchytil said in your packet on page 61 is a list of projects that the Board will review and decide where Docks & Harbors will put their efforts for the coming year and decades. It is a variety of different projects, not in any order, and the Board can think about prior to the meeting. The list provides the cost, source of funding and if there is match or grant opportunities. It is also separated by Harbors or Docks projects.

Board Discussion/Public Comment

Mr. Janes asked how does reopening of the Harris restrooms dove tail with the Harbor waterfront plan?

Mr. Uchytil said staff talked to our term contract holder Behrend's Mechanical and Jensen Yorba Lot for the Harris Restrooms estimate. This is a short term fix that will show good will.

Mr. Lowell asked if other items can be added to the list?

Mr. Uchytil said yes.

Mr. Donek recommended to not limit the Board to items on this list but to brainstorm and come up with other projects that would benefit Juneau.

Mr. Lowell wanted North Douglas Master Planning added to the list.

Mr. Donek said if any Board member wants something added to the list to send an email to Mr. Uchytil.

2. Alaska Clean Harbor

Mr. Creswell said 11 months ago staff came and asked for an adoption of a resolution to start the process to getting certified for Alaska Clean Harbors. There was some great strides made last summer and throughout the fall. A lot of requirements were cocmpleted and litature about the program was printed. Alaska Clean Harbors provided nice signage for our Grids and approach docks. The biggest hurdle has been the sewage regulation that is on line to be adopted. The last Clean Harbors requirement is a fish waste management plan which will be an internal memo. We are about 95% complete on the mandatory requirents and we need to be at 100%. We are at 65% to 70% on the optional requirements which we need to be at 80%.

Board Discussion/Public Comment

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday, April 19th, 2017 CANCELLED

2. Finance Committee Meeting – Thursday, April 20th, 2017 CANCELLED

3. Member Reports- None.

XI. Port Engineer's Report

Mr. Gillette said his written report is in the packet.

Mr. Eiler requested to bring the big spreadsheet with several years out timeline to the strategic retreat.

Mr. Simpson asked if the dispute between Trucano and the Aurora Harbor contractor is resolved?

Mr. Uchytil said he does not know if it has been resolved.

Mr Janes said it has not been resolved yet.

XII. Harbormaster's Report

Mr. Borg reported:

- The Port is ready for the first ship.
- The old boat yard area at Statter Harbor has been made ready for the busses that drop off cruise ship passengers for the whale watching tours.
- The old lift was moved out of the way and have an approved view plane.
- There has been some concrete work being redone at the new launch ramp. Staff has received a lot of good feed back on the new launch ramp.
- He has offered free parking to the 2017 Thunder Mountain High School graduating class. They will park at the new launch ramp facililty and will be picked up by a Limo and will come back to get their vehicles by midnight after Prom.
- There was a 30' sailboat close to sinking over the Easter weekend. The vessel is out of the water now and sitting at the Aurora parking lot behind the dumpster.
- He said he is working between Aurora and Statter Harbor offices.
- He was contacted by DEC water quality. In the past it was standard practice to dump snow at the Yacht club over the edge. Docks & Harbors was reported for this and told to cease and desist that practice. The snow can only be dumped in the parking lot and not over the edge and that is why the Yacht Club parking lot filled up. There are three individuals that use that area for a snow dump and we will notify them to make alternative arrangements for their snow dumping.
- He said he is no longer allowing storage in the Yacht Club area due to the vandalism and adding to the crime rate. He has given everyone using the storage to remove their items by May 1st.

Mr. Lowell asked if people are trying to park in the Auke Bay School to avoid paying for parking at Statter Harbor?

Mr. Borg said he did have someone ask if they could park at the bus barn and have free parking. He told them Docks & Harbors only allowed that for two years and will need to check with the bus barn.

XIII. Port Director's Report

Mr. Uchytil reported:

- April 12th, the FY17 & FY18 budget was presented to the Assembly Finance Committee.
- Tuesday Docks & Harbors employees were given a three hour refresher customer service training.
- May ribbon cutting events –
  - May 5th - Cruise Ship Dock Project (Manson is providing food)
  - May 19th - Statter Harbor Launch Ramp
  - May 26th - Mike Pusich Douglas Harbor
- May 6th is the Maritime Fesitval – weather permitting it will be held on the AS float.
- May 6th the blessing of the fleet.
- May 17th is the Boat Shelter Expo. Local Contractors and Engineers will set up at the Yacht Club as vendors for the Boat Shelter owners to meet and improve their boat shelters prior to NCS mobilizing. NCS will probably mobilitize October 1st.
- AK Marine Exchange should have the current sensors for the downtown floats online.
- In June, staff plans to reengage the liveaboard community with a facilitator to discuss liveaboard regulation changes and fees.
- Miller is still working on concrete at the Statter Harbor Launch Ramp project. On March 29th there was a hearing to determine if Millers violated their contract by not hiring Secon to do the Asphalt work. May 13th is the deadline to render the decision. Staff is also working to close out liquidated damages of about $45,000 caused by additional fees to PND and Miller is claiming additional cost overruns for concrete and asphalt in the amount of $100,000.
- Staff held pre-season meetings with vendor booth permit holders, downtown transportation companies, and Statter Harbor user groups. He wants to get ahead of next years rates now and will be bringing the Statter Harbor rates to the next OPS/Planning Committee. He is interested in having just one rate for the users at Statter Harbor.
- Staff is moving forward with the design for Statter Harbor Phase III.

Mr. Janes asked about the legality of charging a permit fee on any facilitiy that was paid for by cruise ship passenger money.

Mr. Uchytil said we are still collecting passenger fees on the cruise ship berths and it doesn't go away just because it is built. We still have costs to run the facility.

Mr. Eiler asked about the hearing on the vendor booth permit?

Mr. Uchytil said staff believed Capital City Sightseeing was in violation of their permit because of their association with Juneau tours. Juneau Tours was represented by a lawyer. He said he was convinced enough even though they don't meet the spirit of the regulation. When the regulation was written, it was done so that 11 businesses would be sole propritors operating each booth. The reason the language was put in regulation was for fear Princess or Holland America companies

would come in and buy up all the permits and squeeze out the locals. He was persuaded enough to believe Juneau Tours has use agreements with four different booths and handle all the administrative operations within the language of the regulation. This is another item he would like to bring back to the Board to do away with this regulation if it is not enforceable.

Mr. Eiler said he was asked by a food vendor about the water piping going on by the parking garage and the Archipelago property. He asked if that was related to the Cruise Ship Berth project?

Mr. Uchytil said this is part of the water/sewer tie in for the Cruise Ship Berth Project. This is the last bit to tear up the ally way, pour concrete, and pave. We are close to wrapping this project up.

Mr. Uchytil said the Auke Bay Marine Station is getting close to finalizing the split in property.

XIV. Assembly Liaison Report - None

XV. Board Administrative Matters

a. Stategic Retreat – Saturday, May 13th, 2017 at 9:00am –

b. Ops/Planning Committee Meeting – moved to Thursday May 18th, at 5:00pm

c. Finance Committee Meeting – May meeting Cancelled

d. Board Meeting – Thursday, May 25th, 2017 at 5:00pm

XVI. Adjournment – The regular Board Meeting adjourned at 6:17pm.

CBJ Docks and Harbors Board
Strategic Retreat Minutes
Saturday May 13th 2017

I. Call to Order – Mr. Donek called the meeting to order at 9:10am in the CBJ Assembly Chambers.

II. Roll Call -
The following members were present: John Bush, Weston Eiler, Bob Janes, David Lowell, David Seng, David Summers, Budd Simpson, and Tom Donek)

Absent – Robert Mosher

Also Present were the following: Carl Uchytil – Port Director, Gary Gillette – Port Engineer, David Borg – Harbormaster, Teena Larson – Administrative Officer, and Mila Cosgrove – Deputy City Manager.

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

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total time) - None

V. Prioritization of Future Docks & Harbors Projects
Mr. Uchytil said the list in the packet is just a list and not prioritized.

Mr. Gillette talked about all the items on the list. Ms. Cosgrove helped the Board determine what projects are needed and what projects are wanted. The Board had much discussion on all the items on the list. The priority was decided as follows:

Projects currently in process
Archipelago/Waterfront/Design Planning
Statter Harbor Breakwater Feasibility
Statter Harbor Phase III
Miscellaneous 16B Improvements
Little Rock Dump Study

Marine Passenger Funds project priority list
1-Cathodic Protection Phase II
2-Archepelago Lot Procurement
3-Small Cruise Ship Berths
4-Seawalk Guard Rails

5-Electrification Cruise Ship Berths

Short Term Project Needs
1 – Statter Harbor Breakwater Deck Over ($100K)
2 – Taku Harbor Pile Jacking ($200K)
3 – Waterfront & Underwater Inspections ($100K)
4 – Archipelago/waterfront planning ($150K)

Future Projects priority Needs
1 – Downtown Harbors Zinc Anodes (10 votes)
2 – Aurora Phase III (8 votes)
3 – Harbor Office Replacement (6)
3 – ABMS Design (6)
5 – Taku Harbor Stockade Point & Walkway (2)
The Dredging Wayside float received 0 votes
Beneficial Use Aurora/Harris Maintenance dredging received 1 vote

Short Term Project Wants
1 –Harris/Aurora/Douglas Security ($100K)
1 – Dredge Aurora Slip A6/A8 ($400K)
3 – Lighting N. Douglas ($60K)
4 – Harris Harbor Bathrooms ($175K)
5 – Auke Bay Net Float ($200K)

Future Projects priority wants
1 – Douglas Harbor Paving/Landscaping (5 votes)
2 – Statter Harbor Phase IV (4 votes)
2 – Port Office Relocation (4 votes)
3 – Downtown Marine Services Expansion (3 votes)
3 – ABMS/Hagmeier Procurement (3 votes)
4 – Statter/ABMS Seawalk (2 votes)

Other Docks & Harbors Staff priority efforts
Seawalk MOA
Scheduling of ships @ City Docks
Maximize Funds - Tideland leases
Develop land use & marketing plan
Subport/Mayflower Island
Title 85 Review & Clean up
Harbor Sanitation

The committee asked Mr. Gillette to bring a plan for N. Douglas to the next OPS meeting.

Mr. Eiler recommended to have a Committee of the Whole review title 85.

Mr. Simpson recommended splitting the Douglas paving/landscaping into two phases.

The Committee requested to bring the 1% sales tax recommendations to a future OPS/Planning meeting.

VI. Board Members recruitment/appointment procedures to meet Docks & Harbors specific/unique needs.

Mr. Uchytil said this is being brought forward from Assemblyman Loren Jones. This project will help the Assembly better identify the skills needed to meet each Boards specific/unique needs. The Board is asked to discuss this topic over the next few months and respond to Mr. Jones Enterprise Board appointment process document. The goal for this work would be to implement these new recruitment/appointment procedures sometime after the June/July 2017 enterprise board appointment process.

VII. Adjournment – The Strategic Retreat meeting adjourned at 2:45pm.

Marine Exchange of Alaska
www.mxak.org

Safe, Secure, Efficient and
Environmentally Responsible Maritime Operations
1000 Harbor Way, Suite 204, Juneau, Alaska 99801
Ph: (907) 463-2607 Fax: (800) 682-2898

April 18, 2017

Mr. David Borg
Harbormaster
City and Borough of Juneau
155 South Seward Street
Juneau AK 99801

Dear Mr. Borg,

The construction of the new Marine Exchange of Alaska (MXAK) building on Harbor Way, above Harris Harbor is proceeding well and we expect to have it completed in July 2017.

We've determined that one challenge we'll have with this new building is parking. Even though the building has a dedicated parking garage on its first floor, as well as additional dedicated parking in front of the building, we're concerned that we'll require additional parking for visitors, etc.

The intent of this letter is to formally request entering into a lease agreement with CBJ for four (4) parking spots in the south Harris Harbor parking lot, immediately adjacent to the new building. I have attached a graphic showing this lot and the four spaces I'm proposing to lease from the City. Our objective is to obtain dedicated use of these four spaces only during our normal business hours, Monday-Friday, 8:00a-5:00p. This will allow these spaces to be used for general harbor use during night and weekends, when we assume the need is greatest for parking at Harris Harbor.

I propose the following options for the Docks & Harbor's consideration when evaluating this request:

Option 1: A direct lease between MXAK and Dock & Harbors in the amount of $50.00 per space, per month for the four dedicated spaces shown in the attached graphic. My understanding is that this fee is similar to other harbor parking spaces that are currently leased to other organizations. We would be willing to negotiate the length and terms of this lease as necessary.

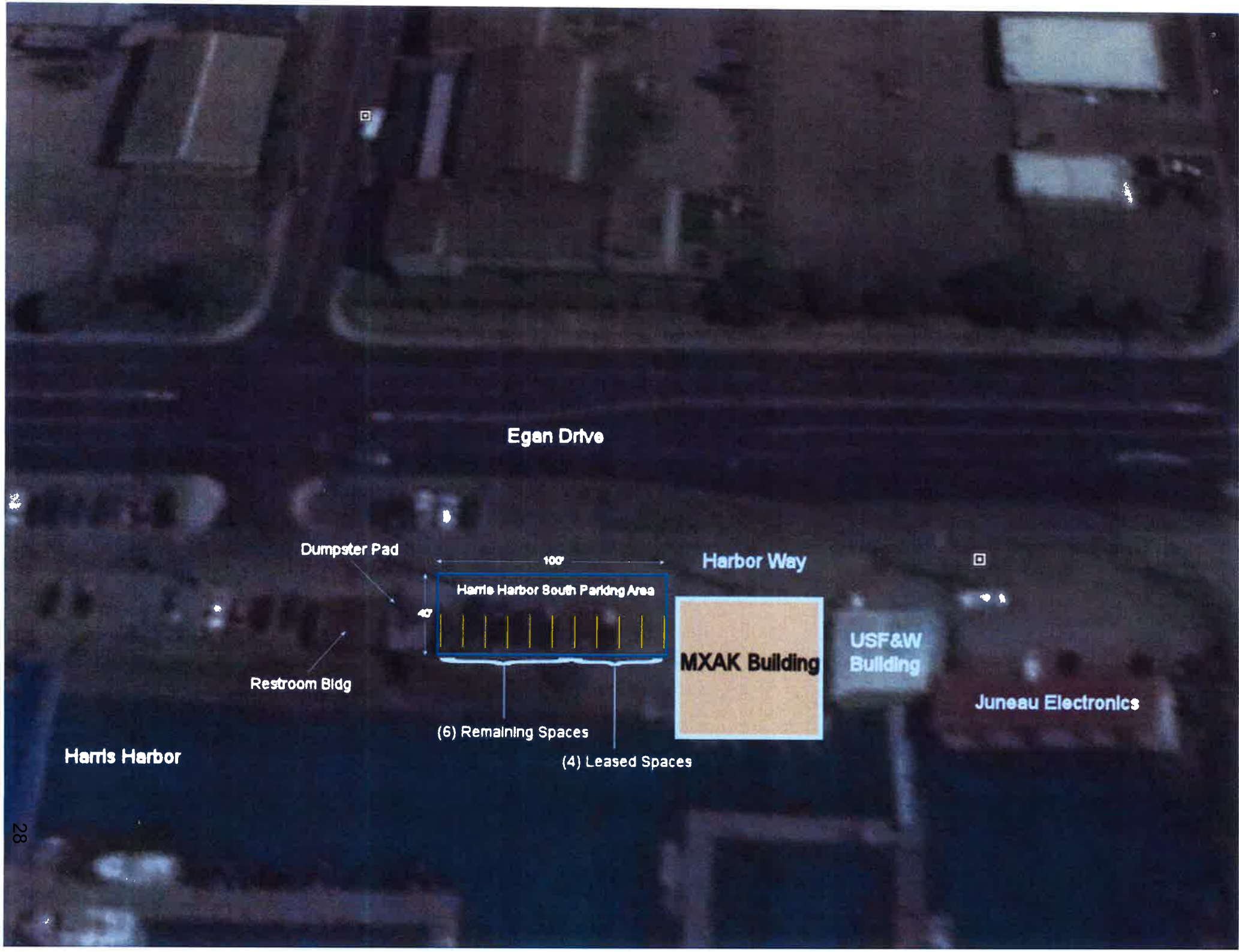
Option 2: The general contractor for our new building has provided an estimate $15000.00 to grade, prep, and pave this City-owned parking lot at the same time the paving is completed for

our new building. This estimate includes painting the lines for the parking spaces in this lot. This option would require MXAK to pave/line this lot at our expense, the cost of which would be applied to the final negotiated fee per space, per month.

Option 3: MXAK will forego dedicated parking and pay Docks & Harbors for four parking permits at a negotiated term and rate which would be valid for any non-reserved spaces in the Harris Harbor parking areas.

Sincerely,

Captain Edward E. Page, U.S. Coast Guard (Retired)
Executive Director
Marine Exchange of Alaska


Egan Drive
Dumpster Pad
100'
Harbor Way
Harris Harbor South Parking Area
40'
MXAK Building
USF&W Building
Juneau Electronics
Restroom Bldg
(6) Remaining Spaces
(4) Leased Spaces
Harris Harbor