CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, August 27th, 2015

I. Call to Order.

Mr. Donek called the Regular Board Meeting to order at 5:00p.m. in CBJ Room 224.

II. Roll Call.

The following members were present: John Bush, Tom Donek, David Lowell, Robert Mosher, Mike Peterson, Budd Simpson, David Summers, and Tom Zaruba.

Absent: Robert Janes

Also present were the following: Carl Uchytil – Port Director, and Jerry Nankervis – Assembly Liaison.

III. Approval of Agenda.
Mr. Uchytil said Mr. Lockwood requested to move his Unfinished Business action item (2. Juneau Port Development) to Items for Information/Discussion.

Mr. Donek said Mr. Lockwood will be #1 under Information/Discussion.

Mr. Uchytil also wanted to add a Special order of business after Public Participation.

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

Motion was approved with no objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the July 30th, 2015 Regular Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items –
Mr. Gary Parker, Juneau, AK
He said for the last five years he has had a neighbor's cat in Douglas Harbor coming down to his boat defecating and urinating on his boat. He has brought it to the owner's attention each year and the owner just laughs and doesn't take it seriously. He saw Dave Borg the Harbormaster this spring when his boat was full of cat excrement after being gone all winter. Mr. Parker said Mr. Borg said there was nothing he could do because there was nothing in regulation to deal with cats, only dogs, and he needed to go to Animal Control. He contacted the owner again and brought him to his boat and showed him the pictures of the cat on his boat and the owner asked what he was suppose to do? Mr. Parker said he has a cat himself and keeps the cat on a leash. He said he went to

Animal Control and showed them pictures of the cat in his boat, but not defecating. The Animal Control people said the owner of the cat could get a ticket or a stern talking to. Mr. Parker said he suggested the owner receive a stern talking to and make him understand this is not tolerable. He said he came back after being gone for almost three months and the cat urinated again on the boat which is worse because of the stink. He went to Animal Control again and they informed him that he needed to catch the cat in the act with photo date stamped pictures. Mr. Parker is asking the Board to amend or change the regulation to include cats as well as dogs.

Mr. Donek asked Mr. Uchytil to talk to Mr. Borg about this problem.

Special Order of Business –
Mr. Uchytil read a letter from the Territorial Sportsman Inc. writing to express thanks to the Docks & Harbor staff for the work done during this years salmon derby. There was a special recognition in the letter to Dave Borg, Bob Clauder, and Doug Unruh.

VI. Consent Agenda - None

VII. Unfinished Business –
1. 35% Design Review & Budget – Douglas Harbor
Mr. Donek said this plan has been through the various Committees, and the current plan is going to cost more than the funds available. He requested Mr. Uchytil to explain how Docks & Harbors could pay for this project.

Mr. Uchytil said currently in the Douglas Harbor CIP account is about $5 Million. This is $2.9 Million from a deferred maintenance bond, and a $2 Million harbor grant fund. Additionally, Docks & Harbors has $3.6 Million in our fund balance which is from the excess every year when our revenue exceeds our expenditures. This builds up and is used to fund Capital Improvement Projects. The CBJ Finance Department has projected about $500,000 of operating in the black for the Harbors through FY20. Mr. Uchytil said looking at the $3.6 Million fund balance, and following the Board recommendations at the Strategic Board Retreat, he would like to recommend holding $2 Million for a Harbor Grant program for Aurora Harbor which is a match to the State's $2 Million. He said given the State's financial woes, and this being classified as a Tier II program, he does not see Docks & Harbors being successful to receive this grant. The remaining monies from the Aurora Harbor Phase I project will be used to fund a comprehensive master plan for the area from Bridge Park to Norway Point. The master plan for Statter Harbor may be able to be funded from marine passenger fees or docks funds because it is a for-hire float to mitigate the congestion. The other project to fund from the retreat was to secure uplands staging for the cruise ship area and that would be appropriate use of marine passenger fees or dock funds.

Board Questions –
Mr. Zaruba asked what is the dollar amount for the added items in the Engineer's estimate?

Mr. Gillette said those items were added after the public comment period. Making the berths a little wider and extending them out a foot, which will extend the end walks, and make the end float 12x76 instead of 10x76. He doesn't have the dollar amount tonight, but he can get it.

Mr. Donek wanted Mr. Gillette to explain financially how Docks & Harbors would be able to fund this project.

Mr. Gillette went over his report on page 32 in the packet. The difference between timber glulam floats and timber and polytube floats are under $200,000, and the difference between timber and polytub floats w/retaining wall is under $400,000. However, the last option with retaining wall will give more useable space.

Mr. Donek said the Timber Glulam floats are off the table because we are too far in the project to change after we chose the polytub floats.

Mr. Peterson asked Mr. Gillette the life expectancy of the polytub floats?

Mr. Gillette said he doesn't know exactly, but the design is for 50 years.

Public Comment - None

Board Discussion/Action
Mr. Donek said one item identified as an added alternative could be the approach dock and new gangway.

Mr. Gillette said the items needed for the gangway come up to $505,000.

Mr. Donek said the additional gangway is something that could be completed later if the bids came in too high. The other thing to do is to take the approach dock out and add a retaining wall.

Mr. Gillette said if the retaining was left out, it would be $585,350 less. However, the overall project is higher. This will also add area for parking.
Mr. Zaruba suggested to leave the southern fingers off A float as an added alternative as well and just have side tie for the larger vessels in that area.

Mr. Donek asked what the need for larger vessels to be able to moor in Douglas in the winter time?

Mr. Uchytil said his experience is vessels don't want to be in Douglas Harbor in the winter. Mr. Uchytil said the answer to Mr. Zaruba's earlier question is the added items after the public comment period dollar value is approximately $60,000.

Mr. Donek said the Board can only choose one added alternative.

Dennis Holloway, Harbor Officer, said Douglas Harbor in the summer time in it's original configuration is well used. In the winter time, no one wants to be there. By turning A float into a side tie area will be defeating all space you are trying to achieve. You will only have about four spaces versus 15 to 30. He said he is on the docks every day and to eliminate a gangway will be a mistake because this is a big space. This is a community project that should have been done 10 years ago.

Mr. Gillette said you can leave fingers off, but there will be additional cost when you want to add them because it isn't simple.

Mr. Bush asked if the Board could move this forward without having a determination on the total funding?

Mr. Gillette said when staff goes out to bid, we need to know if we have enough money to award the basic bid. This needs to be approved by the Board and then it goes to two Assembly meetings. This will take time.

Mr. Donek asked when is this scheduled to go out to bid?

Mr. Gillette said the end of the year.

Mr. Donek said he would like the Board to decide how to fund this tonight.

Mr. Simpson said he originally suggested to eliminate the fingers but for the little savings, it isn't worth it. Could there be savings by moving the gangway one way or another? Obviously there is savings by eliminating it all together, but that is a long way to walk. He doesn't like the current location which is in a dirt place with no real parking around it and not really a good set up. PND looked at extending the bulk head, and if it is built like shown in the PND drawing, it would mean we can't do the extension because the approach dock would be in the way. We can't make the parking any better as much as we should. He said he is concerned that we are building something that is necessary but not sure this is totally right. Mr. Simpson said he still recommends to move this forward.

Mr. Zaruba said having the ramp as the added alternative makes sense.

Mr. Peterson asked how much is added to the Harbor fund annually?

Mr. Uchytil said approximately $500,000.

Mr. Peterson asked Mr. Gillette with Statter Harbor only having one ramp how long it would take to fix this if something went wrong?

Mr. Gillette said it is new so he hopes nothing goes wrong. The reason there is only one gang ramp is because it meant redoing the whole area by the work float and that would have been cost prohibitive at that point. However, the long range goal is to get another ramp.

Mr. Donek said Docks & Harbors is $1 Million short for the Douglas Harbor project, and we are taking in $500,000 extra each year. If we were to go with the bulk head fill, that will take two years of the Harbor reserve funds.

5:51 Mr. Summers requested a 5 Minute recess.

5:55 back in session.

MOTION By MR. SIMPSON: TO APPROVE THE 35% PLAN AND DIRECT STAFF TO MOVE FORWARD AS PRESENTED WITH THE ADDED ALTERNATE OF EXTENDING THE BULK HEAD TO THE POINT WHERE THE APPROACH DOCK AND GANGWAY ARE NOW AND TO COMPARE THOSE TWO PLACES AND POSSIBLITIES AND AUTHORIZE CONSISTENT TRANSFER OF $1.3 M FROM FUND BALANCE TO ENHANCE THE AVAILABLE FUND FOR THE PROJECT. (PND version #2)

MR. SIMPSON ASKED FOR A VOTE

John Bush – Yes
David Lowell – Yes
Mike Peterson – Yes
Budd Simpson – Yes
David Summers – Yes
Tom Donek – Yes
Tom Zaruba – No
Robert Mosher – abstain

Motion passed 6 yes – 1 no.

VIII. New Business - None

IX. Items for Information/Discussion

1. Juneau Port Development
   Howard Lockwood, Manager of Juneau Port Development LLC
   Mr. Lockwood showed a power point presentation (which is in the packet) on the entire Harbor Project final development plan for ATS 556A, as it is today. He will come back to the next Board meeting as an action item to request approval of the plan concept as presented.

   Mr. Peterson asked if Mountain Star Gold company he talked about in his presentation was going to help finance this Harbor project?

   Mr. Lockwood said yes, and he said you can look that up on the internet. Mr. Peterson asked how much more money does Mountain Star Gold need to put into this project before there will start to be a return?

   Mr. Lockwood said Mountain Star Gold is on a verbal commitment to move forward based on several different things he could explain in detail. If the Harbor doesn't move forward, the work will still continue but it will be different. He said they are in the process of putting $1Million in his bank account with a $3 Million collateral pledge.

   Mr. Uchytil said Mr. Lockwood has had this lease in place since 2008. He read on page 48 of the packet 5 (c) of his lease:
   "Lessee agrees to obtain and have in place the permits and approvals necessary to start construction of the harbor facilities and amenities listed in subsection (a) of this Section 5 within 36 months after the effective date of this lease (which would have been 2011). The site plan, conceptual design, cost estimates, and construction plan and schedule for the development of the Lease Premises will be presented to the Port Director and the City Docks & Harbors Board for review and approval prior to the commencement of any construction, unless otherwise agreed in wiring by the parties. If lessee does not have the permits in place within 36 months after the effective date of this Lease, the Lease shall terminate; provided, Lessee may request in wiring to the Port director that city extend the 36 month planning and permitting period if Lessee makes a showing satisfactory to City that it has pursued the planning and permitting for its development of the harbor facilities on the Leased Premises with all due diligence and cannot meet this 36-month deadline for reasons beyond its control. Any extension to this 36-month period must be approved in writing b the Port Director".
   Mr. Uchytil said we are now on the second extension, the first was for two years, and the second was for one year expiring in October. Mr. Uchytil said in June Mr. Lockwood was sent a letter reminding him the lease will expire

on October 31st. Juneau Port Development has to secure the necessary permits to construct a large scale harbor facility on the Juneau Waterfront. The Permits may include, but not limited to a Corps of Engineers section 404 permit, Alaska Department of Environmental conservation sampling plan for dredge materials , land disturbance is greater than an acre requires additional authorization under the construction general permit and storm water pollution prevention plan, CBJ Engineering grading permit, and CDD conditional use permit. Mr. Uchytil said the above five permits are needed before Mr. Lockwood would be issued any more extensions.

Mr. Lockwood said that is your interpretation of the lease and not the lease itself.

Mr. Donek said Mr. Lockwood has a letter that he needs to answer. He wants this to come back to the September Board meeting and have answers to Mr. Uchytil's letter. He would like it earlier rather than later.

Mr. Lockwood said he would do that.

2. PCC Conference

Mr. Uchytil said Docks & Harbors is hosting the Pacific Coast Congress Conference in September that consists of Harbormasters from California, Oregon, Washington, British Columbia, and Alaska.

Mr. Donek asked what the full registration for this event is?

Mr. Uchytil said $300.00 and they are expecting about 50 Harbormasters.

3. CBJ Emails for Empowered Boards
Mr. Uchytil said CBJ is making a move that all Empowered Board member's use CBJ email system. Part of this is the Open Meetings Act, and the ability to recover emails. Docks & Harbors already started this because there were some public emails that wanted the private emails for the Board members and he said he wouldn't give that information out so he created a Juneau.org for the Board members. Currently he has been sending the Board information to the Juneau.org email, but he is also blind copying to the Boards personal emails also. CBJ wants to get away from using any personal emails and only use the CBJ one. Another reason is you may be more relaxed in your personal emails, but when you use the CBJ one you know you are conducting official CBJ business.

Mr. Donek asked if he will still blind copy the personal emails?

Mr. Uchytil said not much longer.

Mr. Nankervis said another part of this is to not do reply all because it would be conducting business and would be in violation of the Open Meetings Act. Conducting business on the Juneau.org emails is the safe way to go.

Mr. Peterson asked if these emails were monitored by the City Clerk?

Mr. Uchytil said no. The concept is once you go to the server, you give up your privacy. Also unless you save your emails to another area, after 90 days the emails will be deleted.

Mr. Donek asked when this takes affect?

Mr. Uchytil said immediately.

Mr. Nankervis said the account isn't monitored, but recoverable.

Mr. Uchytil said there is also a telecommunication policy that will need to be signed by all the Board members.

X. Committee and Member Reports

1. Operations/Planning Committee Meeting – Wednesday August 12th, 2015
   Mr. Simpson reported the Committee heard;
   - The Fritz Cove access issues – There are two legitimate but opposing point of view. The Committee decided to put a lockable openable gate at the ramp access. This will still be accessible for kayaks and smaller non-trailered vessels.
   - The 35% Douglas Harbor Design
   - Mr. Summers made motions to address at a future meeting relating to relationships between Harbor staff and Harbor Patrons.

2. Finance Committee Meeting – Thursday August 20th, 2015
   Mr. Peterson reported the Committee heard;
   - The 35% Douglas Harbor Design
   - Appointed the Finance Committee Vice-Chair – David Lowell

3. Member Reports – None

XI. Port Engineers Report –
Mr. Gillette reported;
- Statter Harbor is still on schedule and moving forward.
- The Cruise Ship Berth project begins September 16th.
- Aurora Harbor is in the final close out.

- The Corps of Engineers has received proposals for dredging Douglas Harbor.
- The Auke Bay Loading Facility will be transferring to the boat yard functions on September 1st. Staff is going through the process to select a term contract architect to design the building.
- Working on a RFP for the master plan efforts for the area by Aurora and Harris.

Mr. Lowell asked if Docks & Harbors has a financial obligation for the Corps of Engineers dredging project?

Mr. Gillette said no. The PND's estimate for this dredging is $4 Million. The Corps has set aside $6 Million. If the Corps of Engineers did not pay for the dredging this project would not be moving forward.

XII. Harbormaster's Report – Mr. Borg was not present

XIII. Port Director's Report –

Mr. Uchytil reported;

- Staff received three proposals for the Thane Ore House. There will four staff and two Board members on the selection panel.
- There are pile jacking issues at Taku Harbor – PND is working on a solution.
- There has been concern with moving forward with 16B without providing for electrification. There is a task order for consulting with the national experts that do this professionally to make sure we are not doing something that could financially hurt us in the future. AEL & P says there will not be sufficient power to provide for the Cruise Ship Berths for 10 years and Juneau Hydro Power says they are building a power plant and will have excess capacity starting 2017.
- There is a $100,000 FEMA Grant that we are executing this month for cameras and radios for the Port.
- Aurora Phase I project is closing out.
- Staff is submitting an application for funding for Phase II of Aurora Harbor.
- Harri's Commercial Marine (Auke Bay Boat Yard Lease) is moving to the Auke Bay Loading Facility. Docks & Harbors is bringing a Sea Lift representative to give some training to Jeff Duvernay.
- There are design efforts for placing grates over the openings in the breakwater at Statter Harbor.
- Working on installing safety ladders at Statter Harbor and the new Aurora Harbor

- Fish & Game doesn't like the idea of having the Amalga Fish Cleaning float a remote fish cleaning station. They are asking to look at expanding the existing float.
- Docks & Harbors seasonal employees last day is September 25th.
- Manson Construction will be mobilizing on September 16th. They are requesting to use Douglas Harbor parking lot to store some of their pilings. Abby's Kitchen restaurant proposal would not likely happen until next summer. He said he will move forward with allowing Manson Construction to use the Douglas Harbor area.
- Docks & Harbors selected Parkeon, through a consultant, which is one of the three largest parking companies to take the place of Aparc after they went bankrupt. There have been some issues with Parkeon where some patrons at Statter Harbor have been charged multiple times when they pay for a transaction. Parkeon is still working out these issues.
- Staff will meet with the tourist and charter operators sometime in September before the end of the season.
- Staff is currently working on getting a survey for the Icy Strait which is a Harbor vessel at the ABLF. The intent is to put this on CBJ's public surplus site.
- The old Douglas log boom breakwater is on the public surplus site now with a minimum bid for $1,000.
- The MOA's to mitigate the loss of the Horton lot during construction are all secured and will provide parking next spring.
- GCI's quote for cable TV in Aurora Harbor is $137,000. They see no cost benefit to put this in, but they would do this if Docks & Harbors provided funding. Mr. Uchytil said we will not move forward with providing cable TV lines.

XIV. Assembly Liaison Report –

Mr. Nankervis reported at the Assembly meeting on August 10th,

- The Assembly appropriated $650,000 to the Manager for the housing first project of the $1.5 M already committed earlier in the year. Funds were provided by the lands development fund CIP.
- $3 Million was put toward the Salmon Creek secondary disinfection process which is the State of Alaska DEC grant money.
- Modified the lands use code as it relates to child and daycare facilities in an attempt to try and promote future investment in that business in town.
- $133,000 for the Statter Harbor Launch ramp was approved which was the AEL &P power pole issue.
- Approved the regulation changes pertaining to the ABLF and Statter Harbor parking and Staff Labor fees.

- The Fisherman's Memorial was suing CBJ to stop the 16B project and the Superior Court has turned them down, however, it might be taken to the next level.

XV. Board Administrative Matter

a. Assignment of Docks & Harbors Board Standing Committees Finance Chair- This was taken care of at the Finance Meeting.

Mr. Donek said Mr. Mosher will be on the Finance Committee and the Harbor Fee Review.

b. Operations/Planning Committee Meeting – Wednesday September 16th, 2015 – Cancelled conflict with PCC conference

c. Finance Committee Meeting – Thursday September 17th, 2015 – Cancelled conflict with PCC conference

d. Board Meeting – Thursday September 24th, 2015
Mr. Donek recommended to look at other dates in September for this meeting.

Mr. Simpson recommended to poll the Board Members to see when they could attend.

e. Harbor Fee Review Meeting – Mr. Donek said this will start again in October.

f. Docks Fee Review Meeting – Mr. Donek said this will start again in October.

XVI. Adjournment - The regular Board Meeting adjourned at 7:14 p.m.