CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Thursday, February 19th, 2015

I. Call to Order The Finance Committee Meeting was called to order at 5:00 p.m. in the Assembly Chambers.

II. Roll Call The following members were present Greg Busch, Tom Donek, Mike Peterson, and Scott Spickler.
Also present: Carl Uchytil – Port Director, Teena Scovill – Administrative Officer I

III. Approval of Agenda.
MOTION: BY MR. GREG BUSCH TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

IV. Public Participation on Non-Agenda Items - None

V. Approval of January 27th, 2015 Finance Committee Meeting Minutes.
MOTION: BY MR. MIKE PETERSON TO APPROVE THE JANUARY 27TH MEETING MINUTES AS PRESENTED AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

VI. Consent Agenda

A. Public Requests for Consent Agenda Changes - None
B. Committee Member Requests for Consent Agenda Changes - None
C. Items for Action

1. Appropriation Ordinance and Funds Transfer for Douglas Harbor
   Presentation by the Port Engineer

RECOMMENDATION: That the Assembly approve an ordinance appropriating $67,145.08 of interest revenue to CIP account H51-084 and transferring $46,391.84 from H51-084 to H51-085 for the Old Douglas Harbor Rebuild project.

MOTION: BY MR. MIKE PETERSON TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

VII. Unfinished Business

1. ~~Harbor Code of Conduct~~
~~Presentation by Port Director~~
~~Board Questions~~

~~Public Comment~~

~~Board Discussion/Action~~

~~**MOTION: TO BE DETERMINED AT THE MEETING.**~~

VIII. New Business

1. Biennial Budget Preparation & Submission
   Presentation by Port Director

Mr. Uchytil presented the Biennial Budget. He advised we are in the second year of this biennial cycle. Mr. Uchytil recognized Ms. Teena Scovill for the preparation of the Biennial Budget. This budget needs to be approved by the City Assembly every year in April. The City Finance Department needs the budget ahead of time in the end of February. The budget includes the Docks Expenditures and Revenues and the Harbors Expenditures and Revenues. About 93% of our monies go to our fixed costs such as personnel, operating expenses, bonds and 7% of our monies can be adjusted.

Ms. Teena Scovill advised the most glaring issue is the increase in Harbor Contractual Services. We had increased unexpected expenses for power pedestals needed at Statter Harbor ABLF for $36,000 and the Walk Down Ramp at Statter Harbor for $20,000.

Board Questions
Mr. Greg Busch asked if we are meeting our revenues to fulfill the bond requirements.

Ms. Scovill answered she would check with our CBJ Accountant, Sam Muse, to make sure we are meeting those requirements.

Mr. Uchytil also answered we will have a windfall with the back pay from the Goldbelt Lease which will ensure we meet the bond requirements for 2015.

Mr. Peterson asked what the FY16 increased revenues in the future budget attributes to.

Ms. Scovill answered it is from expected increased lease revenues.

Mr. Peterson asked what the Contingency amount is.

Mr. Uchytil answered it is an alternate expense coding account due to multiple staff not always coding expenses correctly. We have amounts set aside for expected maintenance for vehicles and equipment in our budget for both Docks & Harbors. It was asked if we could create a separate maintenance fund for these future expenses. CBJ Finance Director is checking on this for the future and this could be a CBJ standard.

Public Comment - None

Board Discussion/Action - None

MOTION: BY MR. GREG BUSCH TO FORWARD THE PROPOSED BIENNIAL BUDGET TO THE BOARD FOR APPROVAL AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

IX. Items for Information/Discussion.

1. Strategic Retreat Planning
   Presentation by Port Director

Mr. Uchytil stated the Strategic Off-Site Retreat Planning meeting is scheduled for Saturday, March 7, 2015 from 9:00am – 1:00pm. The annual meeting is an opportunity to discuss future projects and trends in the harbors. We will have maps with the number of slips at each harbor, waitlists, launch permits, fishing vessels, and other information we can compile. If the board has any requests for the information needed for this retreat we can try and provide that as well.

Mr. Donek asked if you can provide a list of ideas of future projects from the staff.

Mr. Uchytil answered the downtown area has its own master plan with the 16B project and the Sea Walk coming to fruition. Statter Harbor has its master plan that has been approved and we have the Douglas Harbor project moving forward. The Douglas Harbor plan should be re-evaluated. The 2007 plan had larger stalls but we may want to re-build in kind. One thing we should look at is the area from the Douglas Bridge to Norway Point as one big master plan. North Douglas Boat Launch needs discussion on what can be done there. After that we need to brain storm for future ideas like maybe exploring Fisherman's Bend for a possible future location. We will need to replace the Auke Bay Breakwater eventually which could be rebuilt with possible additional mooring opportunity. The four hour meeting should be focused on a higher level of planning. We have 3.5 Million dollars in our Harbor Funds and what we can do with it is a good place to start with master planning.

2. ABLF Boatyard – Next Steps
   Presentation by Port Director

Mr. Uchytil stated we have gone to the planning committee to get our ABLF conditional use permit to allow boat yard repairs. It was approved. The JMS Boat Yard would be best used if we relocate it to the ABLF. We would need to meet with JMS to see if we can facilitate this re-location when we re-evaluate the lease in 2018. We should incur the re-location costs so we can build a structure we want and get approval from DEC.

Mr. Peterson asked if we would raise the lease amount for a new facility and if the vendor declines to move due to higher lease fees we may run the risk of not finding a tenant.

Mr. Uchytil answered with the existing layout of having the haul out and power in place we have a more efficient layout for a better facility for someone to manage. The structures we are thinking are similar to what is in Wrangell so people can work in a covered area.

Mr. Donek stated his concern is to make sure we are in a competitive situation when the lease comes up in 2018. It is in our best interest to own the property and equipment to have the option if needed to be able to lease to an alternate company.

Mr. Busch stated we should move forward making the ABLF the new location whether or not JMS wants to move. Then in 2018 we can be open for bids with a new lease at the ABLF since it is a much more appropriate location.

3. Thane Ore House – Update
   Presentation by Port Director

Mr. Uchytil stated we are making progress with the Thane Ore House lease. We are working with CBJ Law to notify the previous tenant that he is not entitled to any compensation for the building. We will advertise a Request For Proposals for any interested businesses to present their idea. It must include a plan, funding, and the people to make sure it is feasible and what their bid for a lease amount would be. The minimum lease rent would be $8,400.00. We could create a scoring system to pick the best proposal.

Mr. Donek stated he thinks we are on the right track.

Mr. Peterson stated he approves of this plan and he supports the proposal stating the high bid will not automatically be awarded the lease.

Mr. Uchytil stated we need to decide if it should be another restaurant or open to another business. We could demolish the building or wait and see if the new tenant could salvage the building for their use.

Mr. Donek stated we should keep the building unless it is a health hazard.

Mr. Uchytil stated the Thane Road Neighborhood Association asked if they will have a vote on what the new business would be. The answer is no but they could weigh in on the RFPs received.

4. Electric Boat Charging Station
   Presentation by Port Director

Mr. Uchytil stated we have an Entrepreneur that wants to bring a new Eco-Tour business with Electric Boats that would require a charging station in the Harbors. After researching it looks like the best location would be at Statter Harbor in the horse shoe mooring area near the ramp. He would need access two 50AMP and 30AMP service. The Harbor Board wants to support new business but the concern is the mooring spot being a transient area so we want to ensure we could still provide alternate mooring. We could make certain hours available for electric charging only and manage it that way so other vessels could use the area during off charging hours. We would need to establish the rates. In comparing our rates the recommended daily and monthly rates could be determined a few different

ways. Mr. Uchytil recommends charging him our daily power rates and he would also pay monthly moorage. We could charge him the monthly rate of $7.05 per foot per month as opposed to the reservation fee of $1.50 per foot per day. These vessels won't arrive until August or September.

Mr. Peterson asked can we do monthly or reserved fees for him if Statter Harbor is considered transient.

Mr. Uchytil answered yes that is how we operate now. You can be transient and pay monthly moorage.

Mr. Busch stated his only concern is if the slip is occupied by another vessel would he be able to charge elsewhere.

Mr. Uchytil answered there are other 50AMP pedestals in the transient areas but we do not have a plan B for him.

Mr. Peterson asked if he can run extension cords.

Mr. Uchytil stated the cable may be too big and He was not aware if he has generators for the electric vessels.

Mr. Spickler stated this will be a work in progress.

5. Juneau Fisheries Terminal
   Presentation by Port Director

Mr. Uchytil stated we've had an idea that goes back about six years to do a land swap and acquire the area adjacent to the Aurora Harbor Office. In that plan we would want to try and develop a greater commercial fisheries development in the area adding more benefits to the community. The University only wants to discuss land swap with the tideland area. Mr. Uchytil stated we are making progress. We can discuss more in our Stratetic Off-Site Retreat Meeting.

X. Staff & Member Reports - None

XI. Committee Administrative Matters.

1. Next Finance Committee Meeting- Thursday, March 19th, 2015.

XII. Adjournment.

The Finance Committee Meeting adjourned at 5:58pm.