CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, October 30th, 2014

I. Call to Order.

Mr. Logan called the Regular Board Meeting to order at 5:33 p.m. in the CBJ Assembly Chambers

II. Roll Call.

The following members were present: Tom Donek, Bob Janes, Mike Peterson, Budd Simpson, Scott Spickler, David Summers, and David Logan.

Absent: John Bush and Greg Busch

Also present were the following: Carl Uchytil – Port Director, David Borg-Harbormaster, Gary Gillette – Port Engineer, Amy Mead – CBJ Municipal Attorney, and Jerry Nankervis –Assembly Liaison.

III. Approval of Agenda.

Mr. Uchytil requested to move #3 Salmon Creek Development lease agreement on the Consent Agenda to Unfinished Business #1.

MOTION By MR. DONEK: 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 September 25th, 2014 Regular Board Meeting Minutes were approved as presented.

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 – none

1. STATTER HARBOR FUNDS TRANSFER

Recommendation: That the Assembly adopt an appropriation ordinance to transfer $800,000 from the Harbors fund balance to the Statter Harbor CIP account.

2. CATHODIC PROTECTION FUNDS TRANSFER

Recommendation: That the Assembly adopt an appropriation ordinance to transfer $500,000 from the Docks fund balance to the Cruise Ship Berth Enhancement CIP account.

MOTION By MR. DONEK: TO APPROVE THE CONSENT AGENDA #1 and #2 AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

VII. Unfinished Business

1. SALMON CREEK DEVELOPMENT LEASE APPRAISAL

Mr. Uchytil said he presented the Salmon Creek Development Appraisal to the Finance Committee on Tuesday. Only the first 10 pages of the document was presented to the public. In the appraisal it was listed on page two recommending the rent at $12,500 for the 1.83 acre lease. The Finance Committee accepted that rate and forwarded that to the Board for approval. Based on the direction from the Finance Committee, Mr. Uchytil said he was doing research and discovered that page two in the appraisal from Horan & Company had an error. The actual recommended lease rent is $11,957.25, $.15 per sq/ft, which is what they currently pay. Staff is modifying what the Finance Committee agreed to, but we are asking the Board to approve a lesser amount. The question the Finance Committee had was what the comparable properties were, and also what the fee simple value of this lease was? The comparable properties are attached in this packet. Mr. Uchytil said he spoke with Mr. Horan and he said typically tideland leases do not have fee simple value. Based on a possessory interest value, however as stated in the Appraisal, the possessory interest in the land is $155,500. With tideland properties they work with comparable with other like properties. In this case, the valuation and professional opinion of the appraiser, indicated there should be no change from the 2009 appraisal. The Board can either accept the appraisal with the corrected recommended rent rate or he could get another appraisal.

Board Questions

Mr. Peterson asked when would the next appraisal be completed?

Mr. Uchytil said it should be every five years. This was originally a state lease that was transferred to CBJ in 2001. This was a 35 year lease with the state with no increase for the first 25 years and appraisal every 10 years after that. Now this lease has expired, a new lease with CBJ needs to be crafted in accordance with CBJ ordinances with lease review every five years.

Mr. Logan asked what Mr. Uchytil recommended?

Mr. Uchytil said he recommends to accept the lease rent at $11,957.25 annually and move forward with drafting a new lease, which will come back to this Board for final approval.

Public Comment

Dennis Watson, Juneau, AK - He said with this rent being based on comparables, next review time, the same comparables will be used so this will never go up. How does that work? He does not feel that some of these leases are current with lease values.

Board Discussion/Action

Mr. Logan said he has the same concern as Mr. Watson. He would like to break the cycle. He would like to figure out an alternative instead of just simply repeating the review with the same comparables. This will just continue in a large circle with a never ending coming back at the same point. He would like to figure out how to assess the true market value.

Mr. Uchytil said the process based on CBJ appraisal is that you have a certified appraiser do the work and he does not believe it is within the Board authority to say they don't like a recommended rent rate and try to come up with another number. It is the Appraiser's work that sets these rates. The Appraiser looks at all different market forces, tourism, and economic development in Juneau. The task for the appraiser is to find the fair market value in the community.

MOTION By MR. SPICKLER: TO APPROVE THE SALMON CREEK DEVELOPMENT LEASE APPRAISAL WHICH SETS THE ANNUAL LEASE RENT AT $11,957.25 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Extension of Juneau Port Development lease

Mr. Uchytil said the Juneau Port Development lease expires today. There are several requirements in the lease that are very important aspects of the lease and he went on to read on Page 5, (4)(a)& (b):

4. Lease payments and adjustments –

(a) Lessee agrees to pay City annual lease payments for the leased premises. A qualified appraiser shall establish the lease payments and the appraisal shall consider the value of comparable lands in the same or similar areas. When establishing the lease payments, the appraisal shall not include the value of the improvements made by lessee pursuant to this lease. The appraisal shall also take into consideration encumbrances that existed upon the Leased Premises on the effective date of the Lease, such as mineral claims, environmental contamination, and access issues. The appraiser shall not value areas of the Leased Premises that are not developable or that are made available for public use under this Lease, such as waterfront parks and seawalks. Lessee agrees to pay for all appraisal costs required to establish the annual lease payment under this subsection.

(b) Lessee shall submit the initial appraisal to City before the harbor facility to be constructed by lessee on the Leased Premises is opened for occupancy. The first annual lease payment will be due to the City one year after the date the Harbor facility is open for occupancy. The first Lease payment will be calculated to include retroactive annual lease payments beginning with the effective date of this Lease through one year after the date the harbor facility is opened for occupancy. Subsequent annual Lease payments shall be due at the end of the calendar year (December 31) following the year the first annual lease payment is due. City agrees to offset the lease payments under this section with credits that are approved under Appendix B, Section 3 (23) of this lease.

Page 6, (5)(a),(b),(c),& (d).

5. Authorized use of leased premises –
(a)The lease agrees to use the Leased Premises to plan, design, engineer, permit, finance, construct, sub-lease, and operate a full-scale harbor marina complex, together with uplands commercial marine-related facilities, a public park, and all of the related amenities necessary for the operation of these facilities and improvements.

(b) Lessee shall be responsible for obtaining all necessary permits and approvals that may be necessary for Lessee's development of the Leased Premises.

(c) 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. The site plan, conceptual design, cost estimates, and construction plan and schedule for the development of the Leased 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 writing by the parties. If Lessee does no have the permits in place within 36 months after the effective date of this Lease, the Lease shall terminate; provided, Lessee may request in writing 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 by the Port Director.

(d) Lessee agrees to complete construction and commence operation of the harbor facilities and amenities within 48 months after Lessee has been issued all the permits and approvals necessary to start construction. If Lessee does

not complete construction and commence operation within this 48 month period, the Lease shall terminate; provided, Lessee may request in writing to the Port Director that city extend this 48-month period if Lessee makes a showing satisfactory to City that it will complete construction and commence operation of the harbor facilities and amenities with all due diligence and cannot meet this 48-month deadline for reasons beyond its control. The time period of any such extension shall be decided by the docks and Harbors Board; any extension must be in writing by City.

Mr. Uchytil said this lease was signed in 2007 and has been extended for two years twice. This is a seven year process with the expectation of having a Harbor built this year (2014).
Mr. Uchytil said the other issue with this lease has been mineral rights on Page 11. The CBJ attorney has concluded that the mineral rights and the lease are two separate entities and we don't need to address any concern about valid and existing mining claims.
Mr. Uchytil talked about options for the Board to consider. He read on page 13, (6)(A),(B),(C), & (D).

(6)Cancellation and Forfeiture

(A) The Lease, if in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by Lessee and City,.

(B) City may cancel the Lease if it is used for any unlawful purpose.

(C) If Lessee shall default in the performance or observance of any of the Lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or any of the provisions of this code, and should the default continue for thirty calendar days after service of written notice by City without remedy by Lessee of the conditions warranting default, City may subject Lessee to appropriate legal action including, but not limited to, forfeiture of the Lease. No improvements may be removed by Lessee or other person during any time lessee is in default.

Mr. Uchytil said this means that if the Board elects to do this, Juneau Port Development will be issued a letter giving them 30 days to comply with the terms of the lease, or it will be terminated.

(D*) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of City, with the approval of the Assembly, constitute grounds for cancellation.*

Mr. Uchytil said if the Board believes Juneau Port Development has not made substantial use of the land, the Assembly will have final approval for forfeiture under that clause.

Mr. Uchytil asked what the Board want to do with the lease that is expiring today? Extend it, cancel it, or find other opportunities to make this work? Mr. Uchytil said he was also directed from the Finance Committee to research the status of pending permits to build a Harbor facility. The US Army Corps of Engineers General Permit is the only permit on file for Juneau Port Development. If that mined material is used for the beneficial purpose of creating uplands, in this case for a marina, the discharge would then be an activity regulated by Section 404 of the Clean Water Act, which has not been applied for. According to Section Manager, Storm Water & Wetlands Wastewater Discharge Authorization Program Division of Water, Alaska Department of Environmental Conservation:

- Sampling of the dredge material prior to placing in an uplands location is required. This will determine if a solid waste permit or contaminated sites authorization, or if the material can be of beneficial reuse.
- Assuming the dredge material is clean, other permitting would depend on the area of land disturbance in the upland location subject to erosion. If the land disturbance is greater than an acre, then an additional authorization under the Construction General Permit (CGP, AKR100000) and a storm water pollution prevention plan (SWPPP) would be required. The placement of the dredged material in the upland location is independent of the mining operation. If the dredge material is not clean, then further coordination with the ADEC Solid Waste and Contaminated Sites programs would be required.
- According to the CBJ Community Development Director, action for the project to receive a Conditional Use Permit is predicated on City Engineering approving a grading permit.
- According to CBJ Engineering, AMEX Mining submitted Grading Permit BLD20140397 which was returned to Mr. Howard Lockwood on July 15, 2014 and again on August 8th, 2014 stating in its review " The application as presented is incomplete and does not meet the requirements of Title 19.12 Grading and Drainage".

Mr. Uchytil said answering the question from Tuesday, there are several permits that are still outstanding that Juneau Port Development will still be required to obtain prior to conducting a dredge and fill operation in pursuit of building a harbor facility.

Board Questions-
Mr. Janes asked what the yearly lease amount is paid to Docks & Harbors?

Mr. Uchytil said zero lease rent on this property until one year after the harbor is constructed based on an appraised value of the unimproved tideland. It would be roughly $.15 per sq/ft.

Mr. Peterson asked if this property was ever surveyed?

Mr. Uchytil said no.

Mr. Peterson asked if it was in the terms of the lease to be Juneau Port Developments responsibility to provide a survey?

Mr. Uchytil said yes. He said Mr. Lockwood thinks he has provided a sufficient survey, but there is not a survey plat of the property. Mr. Uchytil read the part of the lease for this requirement on page 4, 1(c).

1. Description of Property

(c) Lessee agrees to provide City with a survey plat showing the exact boundaries and a legal description of the Leased Premises, including all recorded easements within the Leased Premises, and all easements identified by City as needed by City for its operations and activities at the Juneau Wastewater Treatment Plant. Lessee will provide this survey plat and legal description to City no later than 24 months after the effective date of this Lease. The survey plat shall also show the boundaries and area of lessee's proposed development and public use areas. Upon acceptance of the survey plat and legal description by City as satisfactory, this survey plat and legal description shall replace the survey contained in Exhibit A to this lease; a Revised Exhibit A with the new survey plat and legal description of the Leased Premises shall be attached to this Lease and this Lease shall be amended accordingly.

Mr. Uchytil said we do not have this survey map with the legal description of the lease premises.

Public Comment

Howard Lockwood, Juneau, AK – He said he is the manager of Juneau Port Development and the owner of AMEX Mining. He said this has been a long process to get to this stage of the lease and it would be a shame to cancel the lease now. He said the property was surveyed in 1925 and again when the City took the municipal grant for ATS 556A. This survey is recorded and on record at the Docks & Harbors office. He went on to describe the project in a power point presentation.

Mr. Logan stopped Mr. Lockwood and said that the Board is aware of the project and in support of it, but specifically the Board needs to know if you have met the conditions of the lease, and whether you have the necessary permits to move forward?

Mr. Lockwood went on and described the project. He said he has a general purpose dredge permit issued in 2012 that is good until 2017. This permit allows for dredging using a floating dredge devise and in order to qualify for this, you need to be producing gold and silver. This is the only permit that will allow work to be done in the very beginning, and this is the permit that he will dredge with. He said none of the waste will go on City property but on submerged and tidelands and not uplands. It would be impossible to take the waste and put it on uplands property because it is not allowed. The first phase cleans the beach and dredges and fills the beach to plus 22. He said Mr. Trucano will work on the area and get it ready for dredge and fill. He said all of this work will be done at no cost to the City and no cost to Docks & Harbors. The mining interests will pay for all of it. If Juneau Port Development does not go ahead with the harbor, AMEX Mining would do the first fill and pay the cost of that, then we would pay the cost of engineering a containment wall and create a fill to plus 27 to utilize that area for an access. That would be under AMEX Mining control until they decided to vacate the mineral reservation and mining claims. At that point, when those two things are vacated, it reverts back to the City. Until they are vacated, it stays under the control of the mining interests. He went over the schedule for the project, and went on to describe the rest of the project.

Board Discussion/Action

Mr. Janes asked if the way the snow dump went in if there is liability to the City from the investors for this project?

Mr. Lockwood said yes. The snow dump was placed against notice from the mineral interest. They violated the access to the mineral assets belonging to the State of Alaska. The snow dump was also placed without a conditional use permit. If there was a conditional use permit, all of this would have been taken care of years ago.

Mr. Logan asked Mr. Uchytil if Mr. Lockwood met the conditions of the lease?

Mr. Uchytil said no, there has not been due diligence in securing the permits needed to build the harbor.

Mr. Logan asked Mr. Lockwood if he feels he has met the conditions of the lease?

Mr. Lockwood said he has spent 14 years trying to get this project to work and has faced every problem. He has been working on an area that is unusable in any manner and has turned it into an asset for the City. This is a very complicated project and has been all done privately with no cost to

the City or tax payers. This project is ready to go depending on the Boards decision.

Mr. Logan asked Mr. Lockwood again if he feels he has met the conditions of the lease?

Mr. Lockwood said yes he does.

Mr. Logan asked Ms. Mead if Mr. Lockwood has met the conditions of the lease?

Ms. Mead, who is the CBJ Municipal Attorney, said she does not know the status on the required permits or where Mr. Lockwood is in that process. If Mr. Lockwood does not have the development permits in place to move forward, than that would be a failure to meet the conditions of the lease.

Mr. Simpson asked if there was anything in CBJ Code that would prevent this Board from issuing a new lease or a license if the existing lease were to end or be terminated according to its terms.

Ms. Mead said no. Normally in the leases there is a renewal preference that this could fall under and it could be noted that the current lease terms were not meeting the situation and then work out a new process.

Mr. Simpson asked Mr. Uchytil if he has been approached by other interested parties wanting to lease this property?

Mr. Uchytil said he was approached by a fuel company to install a fuel dock at the little rock dump. His recommendation to this company was to contact Mr. Lockwood to see if they could work out a deal. There was also interest about four years ago before the first extension to develop a zipline type attraction from the top of Mt. Robert Tram to the Little Rock Dump. There is a possibility that if it was advertised, there could be more.

Mr. Logan said he knows there is more interest in that area.

Public Comment – None

Board Discussion/Action

Mr. Peterson said this Board has every right and reason to terminate this lease. The Board hears the Port Director say there is no survey on record, but Mr. Lockwood says there is. This is a set up for conflict. It is difficult to come up with a fixed fee for Mr. Lockwood to pay on a property that hasn't been surveyed. Mr. Peterson said that Mr. Lockwood talks about no cost to the City and no cost to the Board, however he would suggest there has been enormous cost to the City in terms of staff time given to this project. With

that all being said, he said he is still not prepared to terminate this lease. He is in support of extending this lease two more years.

Mr. Janes said there are a lot of reasons to say no, but there are also reasons to say yes. He is in support of extending the lease for two years, but recommended to set bench marks that he will have to meet.

Mr. Donek recommended to extend the lease also, but to set guidelines.

Mr. Logan said he is against extending the lease and thinks it should be terminated. He would like to see a new lease drawn up with tighter requirements and a year timeframe.

Mr. Simpson said he was the one that brought up creating a new lease, but according to Ms. Mead that starts the process over and it sounds like we don't have to do that to get what we need which is more clarity and additional terms all of which could be conditions of the extension. The Board could direct the Port Director to give more clarity on what is needed and a shorter term extension with bench marks.

Mr. Summers asked if the lease could be extended and add more terms.

Ms. Mead said the lease terminates today so there needs to be an action item today. One way to proceed would be to extend the lease for 30 or 60 days to allow for an amendment entered into and agreed to by Mr. Lockwood. The amendment could change the lease in anyway the Board deemed necessary to allow both goals to be accomplished.

Mr. Donek asked if there is an extension, would there also need to have stipulations if he just wants to see the process that is spelled out in the original lease followed. Does that require an amendment or just a letter from the Port Director?

Ms. Mead said if there are terms to change in the lease, than that would require an amendment. If you are just extending the lease and spelling out the permits Mr. Lockwood has to provide in the next two years, that can be done in a letter from the Port Director.

Mr. Lockwood said the two year extension, and having Mr. Uchytil spell out the permits he wants should give him enough time to push this project forward.

Mr. Logan recommended extending the lease 18 months to miss the holiday season.

There was more discussion on the how long to extend the lease.

Mr. Donek said the requirements are already in the current lease. He recommended to just extend the lease and have Mr. Lockwood come back at the end of the extension and report his progress.

Mr. Logan asked Mr. Uchytil his recommendation for the extension time?

Ms. Mead said anything put in the letter will come back to the Board at the end of the extension for the Boards final decision. The extension can be any time frame the Board decides.

Mr. Uchytil said he will do what the Board wants him to do, but essentially the Board is directing him to be the project manager for Juneau Port Development and hold Mr. Lockwood accountable for getting the permits in place and he has not been successful with that for the last three years. This is basically the same as telling a staff member what he needs to do.

MOTION By MR. PETERSON: TO EXTEND THE LEASE FOR ONE YEAR AND CALL THE QUESTION.

Mr. Logan wanted to clarify that it is only an extension and no other stipulations.

Mr. Peterson said that is correct. It is all spelled out in the current lease what permits he needs. Mr. Lockwood can come back in a year and report on his progress.

Motion passed for a one year extension by majority vote.

Mr. Donek said Mr. Uchytil should write the one year's extension and have nothing more to do with the lease for the entire year.

VIII. New Business

1. Statter Harbor Bid Award

Mr. Gillette said in the packet is the posting notice for bids for the Statter Harbor two lane launch ramp and associated parking. There were three bidders with the apparent low bidder being Miller Construction with the bid of $11,212,800. Mr. Gillette said he recommends this is forwarded to the Assembly for the low bid approval.

Mr. Logan said this was heard at the Finance Committee meeting and the Committee recommended to approve that bid.

Board Questions –

Mr. Simpson asked why the Special meeting was cancelled that was scheduled specifically to approve this bid if the Board is requested to approve this now.

Mr. Uchytil said because of insufficient funds, staff wanted to make sure there was no way to cut back on the project before bringing it to the Board. Upon review with staff and PND, there is nothing that can be removed from the project because of the requirements set forth from the Planning Commission for vegetative cover, bump outs and stairwells leading to the tidelands to decrease the cost of this project. Moving forward, staff is asking the Board to approve this bid.

Public Comment – None

Board Discussion/Action

MOTION By MR. DONEK : TO RECOMMEND THE ASSEMBLY APPROVE THE BID AWARD FOR STATTER HARBOR LAUNCH RAMP TO MILLER CONSTRUCTION IN THE AMOUNT OF $11,212,800 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

----------BREAK----------

Mr. Simpson left the meeting.

IX. Items for Information/Discussion

1. Electrical Boat Charging Facility Requirements at Statter Harbor
   Bob Varnes, Juneau, AK, Robert.varnes@acsalaska.net – The request tonight is for the Harbor Board to consider designating a charging area for the use of commercial electric vessels to recharge in Auke Bay. Eventually he would like charging areas at Aurora and/or Douglas Harbor also. Charging stations are not required, but a modified reconfiguration of the existing plugs would be. TREC is going to be bringing a small fleet to Juneau that will use electricity for fuel. The first vessel estimated time of arrival to Juneau is spring of 2015. Mr. Varnes said his company will consider reasonable expense reimbursement for the power reconfigurations and would probably pick up that expense. The electricity requirements are one 120V/30A receptacle and two standard 240V/50A receptacles. He said his Company's mission is to provided unique and sustainable customer experience by combining innovation, technology and renewable resources. He said he commissioned the design of an eco marine and sea mammal friendly vessel to quietly operate with minimal wake and zero carbon emissions. The design is complete and they are getting closer to construction. We are also documenting the data to inform commercial and recreational operators of the efficiency, fiscal benefits, environmental benefits of electric power, as well as demonstrate the consumer demand for such alternatives. We want to work to develop research, retail, and

consulting opportunities. We are hoping the data will promote the clean energy alternatives for recreational and commercial marine applications, reduce carbon emissions, and operator expense. We also want to educate others from what we have learned. At 70% down in charge, the vessel would take eight to ten hours to charge. The vessel to be constructed is 50' with an 18' beam with 144V motors. This vessel will run eight hours at 7.5 knots and still have a 30% power reserve. Capacity will be 47 passengers and three crew members. The vessel will have wind generators and also solar panels. He showed a picture of the vessel and described the different areas on the boat. There will be approximately a 75% cost savings for run time with this vessel compared to fueled vessels. Construction should start in January and finished in the first week in April. Sea trial should start in April and the vessel should be in Juneau May of 2015. The following winter we would start on the next vessel with the expectations to have a total of four.

Mr. Uchytil said the issue before the Board is, what is the precedence for a slip at Statter Harbor that would only be used by a certain class of vessel?

Mr. Logan asked if this would actually be four slips because there would be zero chance of rafting out with this type of vessel?

Mr. Varnes said the boats don't necessarily need a charging station like a car, but they do need available power. When the vessel comes in after 8 hours, there will still be a 30% reserve. He said he is looking for an area to designate for this vessel, and TREC would pay to reconfigure the power to accommodate the vessel.

Mr. Logan said he is concerned about designating a single use slip in Auke Bay because that harbor is already beyond capacity.

Mr. Janes commented that the vessel charging areas should be looked into more to add to the different harbors to promote the electric use.

Mr. Peterson asked if new wiring would need to be run to support this?

Mr. Uchytil said new feeders and new transformer.
Mr. Peterson asked if the preference would be closer to shore?

Mr. Vanes said that would be the preference.

Mr. Peterson asked is there a space close to shore that could be designated solely for this purpose?
Mr. Uchytil said there could be a spot in the horse shoe area. This is where the feeder runs currently. The thought is it would be a boat charging station and not specifically for Bob Varnes. Mr. Uchytil said TREC can't pay

for this and gift it to the City according to the CBJ attorney. There would have to be some other arrangement. Docks & Harbors installs it and charges an amount to be able to recapitalize after a few years.

Mr. Spickler asked if Mr. Varnes needed to start in Auke Bay?

Mr. Varnes said Auke Bay had the highest margins, with downtown his second choice. He said he would accept downtown before it was off the table.

Mr. Spickler asked if any private business have been contacted for this charging area.

Mr. Varnes said he has not.

Mr. Logan suggested to take this to the next Ops/CIP meeting and the Harbor Fee review meeting to see what fees to charge for recapitalization.

X. Committee and Board Member Reports

1. OPS/Planning Committee Meeting – Cancelled
2. Finance Committee Meeting – October 28th, 2014
   Mr. Spickler reported everything discussed at the Finance Meeting was discussed here tonight. Also, Mr. Peterson and Mr. Uchytil have had ongoing dialog with Goldbelt on the Mt. Roberts Tram lease and will report back in a month.
3. Harbor Fee Review Committee Meeting – September 30th, 2014
   Mr. Donek reported the Committee discussed the Passenger-for-hire fees. There was no decision on a fee change at this time.
4. Port Fee Review Committee Meeting –
   Mr. Logan reported the Committee discussed the vendor booth fees and talked about a different system, but there was nothing decided. There was general consensus that modification of the system is warranted.
5. Member Reports –
   Mr. Peterson reported the Lands Committee meeting scheduled for October 27th was cancelled and he is unsure of the next scheduled meeting time.
   Mr. Logan reported there will be a couple of Auke Bay Steering Committee meetings while he is out of town and was wanting to know if someone could attend to represent Docks & Harbors?

XI. Port Engineers Report – Mr. Gillette said his report is in the packet. He also showed slides showing the progress in Aurora Harbor and slides on the Cruise Berth Project floats being constructed by Manson Construction.
Mr. Peterson asked what is the Archipelago's property improvements project awaiting Board direction listed on the back page of his report?

Mr. Gillette said this area could be used for connecting the seawalk, amenities, and a potential restroom location.

Mr. Logan suggested to move this to the OPS/CIP meeting.

XII. Harbormaster's Report -Mr. Borg reported four impounds have been processed with an auction scheduled for November 19th.
He said he issued a letter yesterday to a derelict vessel in Douglas and the owner will have ten days to remove it.
He said the walk down ramp covering at Statter Harbor was installed unsatisfactorily. He is working on getting this fixed.
Norway Point is completed and operational.
Secon will redo the asphalt at North Douglas launch ramp tomorrow. The first product applied was not to staff's satisfaction.
Harris grid waterline and the sealift have both been winterized.
He said he is working on the Code of Conduct and will have a draft for the next OPS/CIP meeting.
Sara Boyd was hired as the new Administrative Assistant I at Aurora Harbor.

Mr. Janes asked if there was any research for alternative speed bumps at Statter Harbor.

Mr. Borg said the speed bumps from Statter will be placed in the Harris parking lot and alternative speed bumps will be looked at for Statter Harbor.

XIII. Port Director's Report - Mr. Uchytil said he has drafted letters to adjacent property owners in the Auke Bay area asking to consider entering into a license or lease agreement to offset the loss of the Horton lot parking for the next 18 months.

XIV. Board Administrative Matters

a. Operations/Planning Committee Meeting – Next meeting is November 13th, 2014 in the Assembly Chambers at 5:00 p.m.
b. Finance Committee Meeting – Next meeting is November 18th, 2014 in CBJ Room 224 at 5:00 p.m.
   Mr. Peterson said he will need to phone in on the November 18th and December 9th meetings.
c. Board Meeting – Next meeting is November 20th, 2014 in the Assembly Chambers at 5:30 p.m.
   Mr. Peterson said he will miss the November 20th meeting, but will phone into the December 11th meeting.

XV. Adjournment - The regular Board Meeting adjourned at 7:39 p.m.