

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA
For Thursday, December 12th, 2013

- I. Call to Order** (5:30 p.m. at the CBJ Assembly Chambers.)
- II. Roll** (Greg Busch, John Bush, Tom Donek, Bob Janes, David Logan, Mike Peterson, Budd Simpson, Scott Spickler, and Kevin Jardell).
- III. Approval of Agenda**

MOTION: TO APPROVE THE AGENDA AS PRESENTED.
- IV. Approval of October 31st, 2013 Regular Board Meeting Minutes and November 8th, 2013 Sub-Committee minutes.**
- V. Public Participation on Non-Agenda Items** (not to exceed 5 minutes per person, or twenty minutes total time).
- VI. Items for Action.**

- 1. Statter Harbor Passenger For Hire Facility/FY15 CBJ Marine Passenger Fee Request Decision.
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING

- 2. CBJ Marine Passenger Fee Priority List
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING

VII. Items for Information/Discussion.

- 1. DNR Conveyance of Submerged Lands

VIII. Committee and Board Member Reports

- 1. Operations/CIP Committee Meeting – Cancelled

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For Thursday, December 12th, 2013

2. Finance Committee Meeting – December 10th, 2013

3. Member Reports

X. Port Engineer's Report

XI. Harbormaster's Report

XII. Port Director's Report

XIII. Assembly Liaison Report

XIV. Committee Administrative Matters

a. OPS/CIP Committee Meeting – January 23rd, 2014

b. Finance Committee Meeting– January 28th, 2014

c. Board Meeting – January 30th, 2014

XV. Adjournment

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I. Call to Order.

Mr. Donek called the Regular Board Meeting to order at 5:32 p.m. in the Assembly Chambers

II. Roll Call.

The following members were present: Tom Donek, Bob Janes, Kevin Jardell (via telephone), David Logan, Mike Peterson, Budd Simpson, and Scott Spickler.

Also present were the following: Carl Uchytel – Port Director, Dwight Tajon – Harbormaster, and Loren Jones- Assembly Liaison.

Absent: Greg Busch, and John Bush.

III. Approval of Agenda.

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

Motion was approved with no objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the September 26th, 2013 Regular Board Meeting Minutes were approved as presented.

V. Public Participation on Non-Agenda Items –
Bruce Weyhrauch, Juneau, AK

He said he is just here to thank harbor staff, Mr. Uchytel, and Mr. Gillette on their work for the Fisherman's Memorial. Harbor staff hands out applications for deceased fisherman and they also assist with keeping the memorial clean.

Special Item

Mr. Uchytel presented Mr. Tajon with a plaque for over 25 years of service and read a letter with his accomplishments. This was Mr. Tajon's last Board meeting as Harbormaster.

VI. Items for Action

1. Mt Roberts Tram Appraisal from Goldbelt

Mr. Janes said he needs to recuse himself from this action item.

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Mr. Uchytel said at September's Board meeting, the Board passed a Motion to accept the Horan methodology as outlined in Section 6 of the lease setting the base rent of the Mt. Roberts aerial tramway at 10% of the appraised market value plus royalties and invoice Goldbelt accordingly. The direction given to Docks & Harbors staff was to invoice Goldbelt using the appraisal by Horan. Since the Motion, Reliant has prepared an unrestricted appraisal for Goldbelt. This appraisal was presented to the Finance Committee on Tuesday and now the question is what to do with the Motion passed by the Board in September. Since the meeting on Tuesday, CBJ Law says the motion should stay in affect, but the Board should take action tonight to enter into good faith negotiations with Goldbelt in pursuing a determination. In the packet is a recommended motion that does that;

The Port Director and assigned Board members commence good faith negotiations with Goldbelt to reach a fair market value between the results of the Horan & Company (Dated March 9, 2012) and Reliant advisory services (Dated October 15, 2013) appraisals.

This doesn't replace the motion from September, but directs the Port Director and members of the Board to negotiate and move the process along.

Board Questions –

Mr. Donek said this has been a struggle. This motion won't take September's motion off the table, but gets staff moving in the right direction.

Mr. Peterson asked Mr. Uchytel if the motion limits the negotiations to the two appraisals?

Mr. Uchytel said this motion is to get the lease payment figured out first before the lease language is amended. Comingling them may be ineffective. He said his preference is to get the lease payment figured out first, and then move on to the lease language. Changing the lease language will be very time consuming because it will have to go to all the Boards again and the Assembly.

Mr. Logan asked what the Finance Committee recommended to do?

Mr. Donek said the Finance Committee had a motion to rescind the motion passed in September, but CBJ Law came back and said that was not necessary. The motion basically said the Board is accepting the Horan methodology and an invoice was going to be sent, but there was no timeline for the invoice to be sent. Mr. Donek asked Mr. Jardell to repeat his motion passed at the Finance Committee.

Mr. Jardell said he couldn't remember the exact wording in the motion, but he wanted the motion to pass on to the Board that the Committee is in

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support of whatever needs to happen with the last motion to able to move forward with negotiations from the two appraisals. Mr. Jardell said CBJ Law has said the last motion doesn't need to be amended.

Public Comment-

Bob Loiselle, Juneau, AK

He said it appears to him that the base rent value that could be established by either the Horan appraisal or the Reliant appraisals is only one component of the dispute. There is still the royalty rent issue and the appropriate percentage to apply against the value to determine the base rental amount. Goldbelt is hoping to conduct negotiations that would be more inclusive rather than just trying to determine which appraisal to use between the two appraisals.

Mr. Peterson asked if there was enough information through previous discussions that the lease would be able to be renegotiated.

Mr. Loiselle said that depends on the parameters of the negotiations. The ability of Docks & Harbors just sending a bill is more complex than just arriving at a base rental amount. Goldbelt is proposing an alternative for the Board to consider and would consider any alternatives the Board is interested in. Just sending a bill is just determining the base rental amount.

Paul Swanson, Juneau, AK

He said the two appraisals are not apples to apples comparisons, but apples to oranges.

Board Discussion/Action

Mr. Donek said the purpose here is to get negotiations started. He said he understands Mr. Uchytel's position to want to negotiate separately, but he also understands Mr. Loiselle's position to open it up. He said his concern is he doesn't want to leave here tonight restricting the negotiation process. He said he would like to opened it up so when the sub-committee and Mr. Uchytel get together to negotiate, if they need to do something different, they don't have to come back to the Committee and ask permission first.

MOTION By MR.LOGAN: THAT THE PORT DIRECTOR AND ASSIGNED BOARD MEMBERS COMMENCE GOOD FAITH NEGOTIATIONS WITH GOLDBELT TO REACH A FAIR MARKET VALUE, LEASE RATE, AND TERMS.

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Mr. Jardell said his concern with this motion is that we need to negotiate a fair market value. He said he appreciates the lease items that Goldbelt would like to look at in addition. He would not want to have negotiations from 10% to 8% be a part of influencing what the fair market value is outside of just determining the fair market value of the property. Negotiations over fair market value should be true to try to ascertain what the negotiators think a fair market value is, and come to an agreement on it. He would like Goldbelt to come back with a plan. Why the rent should be figured from 10% to 8% He said he needs a justification or a reason to go to 8% and for reducing the royalties. He said he would not like to negotiate the retail issue without offering public input from the business community. He doesn't mind flexibility to discuss Goldbelt's other issues, but they should be brought back to the Board for more discussion.

Mr. Logan said he agrees with a lot of what Mr. Jardell said, but this could keep going back and forth endlessly. He said there should be trust in the team chosen to negotiate and move forward, then bring it back to the Board.

Mr. Simpson said he agrees with Mr. Jardell's comments, but doesn't see the motion by Mr. Logan preclude that. He said he is in support of the motion. Other concerns can be addressed within the authority granted here.

Mr. Peterson said the original motion recommended by Mr. Uchytel feels very confining and will probably end up in the same situation currently. He said he supports Mr. Logan's motion to have broader negotiations.

Mr. Donek said he has a concern of the Board micro-managing what Mr. Uchytel and the sub-committee does in the negotiations. He said he would like it opened up for broader negotiations.

Mr. Logan reread his motion.

THAT THE PORT DIRECTOR AND ASSIGNED BOARD MEMBERS COMMENCE GOOD FAITH NEGOTIATIONS WITH GOLDBELT TO REACH A FAIR MARKET VALUE, LEASE RATE, AND TERMS.

Motion Passed

Mr. Donek said Mr. Busch will form a sub-committee to negotiate with Goldbelt.

2. Department of Homeland Security Grant Award.

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Mr. Uchytel said Mr. Tajon was successful in acquiring approval of a DHS Port Security Grant for the amount of \$100,000 with 25% matching funds from Docks & Harbors for the purpose of downtown security camera's and new radio recapitalization. At the Ops/CIP Committee meeting Mr. Tajon provided a thorough background of the grant, associated costs, and the actual grant letter itself. Mr. Uchytel said he recommends the Board approve the matching grant provided by DHS for \$100,000 and forward to the Assembly for final approval.

Board Question

Mr. Peterson asked if there was sufficient amount of money in the Docks enterprise fund.

Mr. Uchytel said yes.

Board Discussion/Action

MOTION By MR. SIMPSON: TO ACCEPT THE DHS GRANT AWARD OF \$100,000 FOR SECURITY EQUIPMENT AND AUTHORIZE THE EXPENDITURE OF \$29,550 FROM THE DOCKS ENTERPRISE FUND FOR DOCKS & HARBORS MATCHING SHARE AND ASK UNANIMOUS CONSENT.

Motion Passed.

3. 2014 Board and Committee Meeting Schedule

Mr. Uchytel said in the packet is a schedule for the 2014 Committee and Board meetings. This is just formalizing what the staff has prepared for next year's meetings.

Mr. Janes said as a new member, he finds himself late for the Committee meetings and early for the Board meetings. Why are the times for the meetings different and is it confusing for the public? Is there a reason the Committee meetings are at 5:00 pm and the Board meetings at 5:30 pm?

Mr. Spickler said he made the recommendation to move the 7:00 pm Board meeting to the 5:30 pm time to enable more people to attend. He said he originally asked for 5:00 pm or 5:15 pm, but settled on 5:30 pm.

Mr. Janes asked why the Committee meetings don't move to 5:30 pm also? All being at one time might make it more clear to the public.

Mr. Donek said traditionally the Committee meetings were at 5:00 pm and then the Board meeting just moved to 5:30 pm.

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Mr. Logan said he would like them all to start at 5:30 pm.

Mr. Peterson said it makes no difference to him whether it is 5:00 pm or 5:30 pm. He would take the recommendation from staff.

Mr. Simpson said the time doesn't matter to him, but he does like the idea to keep all the meetings at the same time.

Mr. Jardell said he can do either one, but he prefers 5:30 pm.

Mr. Uchytel said the argument when this was discussed a year ago from the public was that the Assembly meets at 7:00 pm and that gave adequate opportunity for the public to attend. That was why the Board meetings were previously scheduled for 7:00 pm. Staff would probably say 5:00 is just more convenient, but we serve the public so the question is, "what best serves the needs of the public"?

Mr. Jones mentioned a variety of different meetings that started at a variety of different times.

Mr. Uchytel asked the Board if they wanted to wait to decide on this item until after the November Board meeting when there will be a work session on the Docks & Harbors by-laws. During the work session, any new changes can be incorporate in the by-laws.

Mr. Donek suggested to take no action on this tonight. This will be taken up during the by-laws work session.

NO MOTION

VII. Items for Information/Discussion - None

VIII. Committee and Board Member Reports

1. Operations/CIP Committee Meeting –October 24th, 2013

Mr. Simpson reported the Committee;

- Endorsed the DHS security grant that the Board acted on here.
- Considered acquiring the net float barge at the Auke Bay Loading Facility. The Committee declined to take action on the purchase which meant that Docks & Harbors does not desire to move forward with the purchase due to the poor condition of the barge.
- There was a request from some members of the Commercial fleet for an expansion of the circumstances for free moorage at Statter Harbor for turning in fish to tenders. No action was taken so that meant the Committee did not endorse the request.

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Mr. Logan said the Committee discussed expanding this to tenders that sell to Juneau fish processors. Staff will come back with an explanation on who the credit will apply to, and what information will be needed to determine that the Commercial fisherman qualifies for the credit.

2. Finance Committee Meeting – October 29th, 2013

Mr. Donek reported the Committee had two/hour long appraisal presentations from the appraisers who performed the appraisals on the Mt Roberts Tram.

He said the Committee was given a spreadsheet on the 16B project. He asked Mr. Uchytel to explain the spreadsheet.

Mr. Uchytel said the spreadsheet was prepared by the Finance Director, Mr. Bob Bartholomew. This has to do with the bonding for the 16B project. As the project has been refined, there have been cost increases for a variety of reasons. One was the requirements imposed by the Planning Commission for the conditional use permit. Essentially, the Finance Director has some approval for \$29 million to go out for revenue bonds. He is concerned with what the actual bids come in at that he may have to go back to the Assembly and ask for an adjustment for his authority to get more bonding for the project. There is more than adequate funds available in the foreseeable future with the port development fees to cover the project, but because there has been an increase by \$4.4 million he will have to go back to the Assembly for approval. Mr. Uchytel said Mr. Bartholomew has offered to brief the Board on what the plan is for retiring the bond debt.

Mr. Uchytel said the other item that was discussed at the Finance Committee was the Cultural Preservation Lease. Mr. Uchytel hired an appraiser to provide an appraisal which came in at \$713,000, and Goldbelt challenged the appraisal because in the lease it states the rent will be based on assessed value. Mr. Uchytel said he was provided a decision memo from Mr. Bartholomew that the Assessor has assessed the value of the tidelands property at the Seadrome building at a rate of \$680,030. What that will mean to Goldbelt is their current rent rate will go up to \$68,003 annually.

3. Member Reports

Mr. Peterson said he was not able to attend the last Lands Committee meeting. The next Lands Committee meeting will be November 18th.

IX. Port Engineer's Report –

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Mr. Gillette said his written report is in your packet along with a couple photos on the current projects.

The Cruise Ship Terminal Staging area project is all torn up. Crews are working away on it, and it is still on schedule.

The Taku Dock improvements project has the main demolition completed. Trucano Construction has pulled off the decking and put down the sub deck getting ready for concrete. They will start driving piles tomorrow. According to their schedule they are a week ahead of time.

Mr. Gillette said Docks & Harbors did not get the federal tiger grant for the Marine Services Center. Not getting that money meant Docks & Harbor will probably not participate financially in that project unless we can find other monies. The Alaska Marine Exchange is moving forward. They have spoken with the Mayor and the City Manager about a lease. The Alaska Marine Exchange is looking at leasing the under the bridge property and developing a building at that location. They would like Docks & Harbors to commit to be a tenant in the building, so the money that would be rent for that space would allow the Alaska Marine Exchange to leverage for a \$500,000 loan toward the building. With those funds, a loan from Rasmussen foundation, a grant, and state passenger fees, they are optimistic they will have the funds to move forward with design and possibly start the building as early as next fall. The other part of that site is the park, the whale sculpture, and the seawalk. Those projects are handled through CBJ Engineering, but are on a much slower schedule because of funding. Docks & Harbors staff will continue to work with the Alaska Marine Exchange to know what is going on and make sure the building is designed to meet staff needs if we are going to be a tenant.

The Aurora Harbor 65% design has two issues that need a decision.

- One would be the combined power and light pedestal. There are a lot of good reasons to go with this, but staff is still looking into the cost.
- The other issue is the safety ladders. Staff has decided that the safety ladders need to be in all the Harbors, and is investigating a portable type safety ladder. The plan is to move forward and develop a safety ladder that would work on the Statler Harbor new floats, then that safety ladder could be modified to fit the other harbors.

The Cruise Ship Berth project bids and qualifications are due November 12th. Staff will have a week to review the qualifications to see who is qualified to do the project. The bid opening is November 19th. This will come to the Board on November 21st, and scheduled to go to the Assembly on November 25th.

Another element for the Cruise Ship Berth Project is the RFP for the Construction Administration Inspection due November 26th. The Committee members to evaluate this RFP consists of, Loren Jones – Assembly Member, Mike Peterson – Board Member, Erich Schaal – Deputy Port Engineer, Carl Uchytel – Port Director, and Gary Gillette – Port Engineer. The Committee will

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meet on December 6th to put together the scores and then determine if oral interviews are needed.

Mr. Peterson asked Mr. Gillette where the mitigation process is with SEAL trust?

Mr. Gillette said SEAL trust is reviewing the price again and looking at comparable properties in Haines that meets the environmental qualifications. If this is accepted by the Coeur, the price could be less than the Commercial waterfront property in Juneau.

Mr. Spickler asked what is happening with the PLA issue?

Mr. Uchytel said with the new CBJ Attorney, Ms. Mead, things have changed. Previously, there was a process that John Hartle was the approver for all PLA's. Ms. Mead has taken a different read on how the PLA process is implemented and she will not be approving the PLA's. The process that Ms. Mead has been directed to do from either the Assembly or the City Manager is that she will come up with a resolution that provides an outline for how a PLA's process will move forward in the future. With the changing of the CBJ Attorney, there is no direction.

Mr. Logan asked where that leaves Docks & Harbors?

Mr. Uchytel said as directed by the motion of the Assembly, Mr. Gillette and himself met with the trade unions. Mr. Gillette evaluated that meeting and made a recommendation to Mr. Uchytel. Mr. Uchytel said he took the evaluation and sent a cover letter to the Assembly, copied the Board, Ms. Kiefer, and Ms. Mead. He has not received any request for any course changes at this point.

X. Harbormaster's Report

Mr. Tajon said there was a sailboat that sank yesterday afternoon and was notified by the Coast Guard. The owner is being responsible and working on raising the boat. The Fisherman's Terminal Dock Project at Aurora Harbor is completed. The new electrical is now being installed and staff is shoring up utility chases that have deteriorated over the years.

XI. Port Director's Report

Mr. Uchytel said Mr. Gillette has been doing a great job on the Cruise Ship Dock Berth project that has taken constant care for the last year. Everyday there is something that needs attention. Other projects that are also going on is the RFP for the Inspection Services, Aurora Harbor 65% design review, and start the efforts for the Statter Harbor boat launch design next week.

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Mr. Uchytel said Mr. Tajon did a great job on putting together the four pending impounds that were abandoned vessels.

Mr. Uchytel said he declined the application he received from a food vendor to use Docks & Harbors property for the 2014 season. There needs to be a full public process on this topic and there is not enough time with all the other projects moving forward.

Mr. Uchytel said he decided not to assign a term contract from the RFP for dive services. Due to the insurance requirements all of the local divers did not meet the requirements in the RFP. Divers will be called in on an as needed bases like we have in the past.

Docks & Harbors supervisors have attended two meeting so far for strategic planning efforts. These efforts are to look toward a mission statement, vision, and core values. The goals and objectives are in the coming months. He said he would like to have a retreat for the Board members to figure out what is it that the Board should be doing as far as providing guidance and what are the goals as an enterprise .

XII. Assembly Liaison Report-

Mr. Jones said he will be the Docks & Harbor Liaison again for the coming year. The Assembly met Wednesday in a retreat and had a lot of discussion about goals and objectives, CIP projects, and Federal State funding lists.

Some of these have been consolidated and all of them are part of the State of Alaska capital requests. In terms of the dock projects, they are part of the list that went before the State for the Capital projects, but have been dropped down in prioritization. There is already grant money set aside for this project, and until the Tier I grant is completed, there can't be any additional funds. There will be more discussion on this at a later time.

XIII. Committee Administrative Matters

- a. Operations/CIP Committee Meeting – Next meeting is November 14th, 2013 in the Assembly Chambers at 5:00 p.m.
- b. Finance Committee Meeting – Next meeting is November 19th, 2013 in CBJ Room 224 at 5:00 p.m.
- c. Board Meeting – Next meeting is November 21st, 2013 in the Assembly Chambers at 5:30 p.m.

Mr. Peterson said he will not be able to attend the Finance & Regular Board meeting.

XIV. Adjournment

The regular Board Meeting adjourned at 6:50 p.m.

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SUB COMMITTEE MINUTES
For Friday November 8th, 2013

I. Call to Order.

Mr. Spickler called the Sub Committee meeting to order at 12:30 p.m. in the Assembly Chambers.

II. Roll Call.

The following members were present: Michael Peterson, Tom Donek, and Scott Spickler.

Also Present Carl Uchtyl – Port Director

III. Approval of Agenda

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

Motion passed.

IV. Public Participation on Non-Agenda Items – None

V. Item for Action

1. Mr. Roberts Tram Appraisal Process

Mr. Uchtyl said he would like to determine today what the committee's goals are, milestones, how to move forward with the greatest efficiency, and a solution all can live with. Docks & Harbors must follow the Open Meetings Act requirements. Goldbelt is in attendance and therefore we have an open and willing negotiator. There are currently two unrestricted appraisals that negotiations will be based on. The question is, "what is the best way to coordinate negotiations".

Committee Questions - none

Public Comments/Questions

Bob Loiselle, Golbelt Inc.

Mr. Loiselle said Goldbelt is open to whatever process the committee deems to be appropriate. He said they do understand the constraints to the Open Meetings Act, however, these meetings can be called into Executive Session for the purpose of negotiations on items that would not be appropriate to discuss in public. Mr. Loiselle said trying to negotiate in an open session would be just about impossible, if not impossible.

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Mr. Peterson asked if Docks & Harbors did decide to go into an Executive Session, could we do so without objection on Goldbelts part?

Mr. Loisel said Goldbelt wouldn't object, but CBJ legal could decide if the Executive Session was appropriate. He said from their perspective, the productive way to proceed would be in a closed session all sitting around a table.

Mr. Spickler said in matters of personnel or finances, the different Boards can go into Executive Session for discussions.

Mr. Donek said CBJ legal did give direction that the sub-committee could only enter into Executive Session for finance and personnel discussion. If financial information needs to be discussed with Goldbelt, can the sub-committee enter into Executive Session with Goldbelt representatives?

Mr. Uchytel said he could call CBJ legal, but he does not believe so.

Mr. Donek said he would like Mr. Uchytel to find out for sure because he would like to be able to sit around a table and just discuss this issue.

Mr. Uchytel called Ms. Mead and she did not answer.

Mr. Peterson asked if the sub-committee could sit in a more relaxed setting to discuss negotiations with Goldbelt?

Mr. Donek said this is the format for the meetings.

Committee Discussion/Action

Mr. Peterson asked if there was anything more that needs to be added to the list in the letter dated October 8th, 2013?

Mr. Duncan said yes, it would be lack of legal access which would then be #8 discussion item.

Mr. Peterson read all of the discussion items on the letter dated October 8th,

1. Appraisal Methodology
2. Base Rent
3. Royalty Rent
4. Adjustment Period
5. Use of Premise
6. Public Restrooms
7. Effective Date of Rent Adjustment
8. Lack of Legal Access

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Mr. Loiselle said this agenda would not have to be strictly adhered to, but it was just a suggestion. Things could come up that neither side thought about previously. This is just a starting point.

Mr. Uchytel called Ms. Mead again, and she answered.

Mr. Uchytel asked Ms. Mead if it is appropriate for the sub-committee and Goldbelt to enter into Executive Session, or can the sub-committee ever move into Executive Session for the purpose of negotiating the Tram lease rent dollar amount?

Ms. Mead provided an explanation and said the sub-committee would not be allowed to enter into Executive Session following the Open Meetings Act.

Mr. Spickler said the sub-committee was trying to deformatize the negotiation process and just talk one on one about the issues in front of us.

Ms. Mead said there is nothing that prohibits one representative from Docks & Harbors to discuss the issues with Goldbelt and bring the discussions back to the sub-committee for full discussion.

Mr. Peterson asked if there were constraints if the sub-committee decided they wanted to dispense with the formalities of the Assembly settings and just sit around a table for discussions?

Ms. Mead said Docks & Harbors could have the meeting wherever, but it still needs to be publically noticed and follow the requirements of the Open Meetings Act.

Mr. Uchytel said the Assembly Chambers meets the ADA accessibility and the other advantage of being in the Assembly Chambers is the recording ability.

Mr. Duncan asked if it was possible for Mr. Uchytel and one member of the committee to meet with Goldbelt in a private setting and bring the discussion back to the sub-committee for full discussion.

Mr. Spickler said yes, and that may be the way to move forward. He said today he was hoping to identify an appraisal number and have discussions on that number. There has to be a number between Goldbelts appraisal and Docks & Harbors appraisal that would work with the art of compromise. Then the sub-committee could tackle the other items of the lease.

Ms. Mead was no longer needed for questions.

Mr. Donek said he would like Mr. Uchytel and one member of the sub-committee to meet with Goldbelt for negotiations and then bring the information back to the sub-committee for discussion.

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Mr. Loiselle said Goldbelt would agree with that. If the requirement is to meet with the full committee in open session, it would be better to meet in room 224 with the large table setting.

Mr. Uchtyl said there is a recorder in that room also, but was not available today.

Mr. Loiselle said Goldbelt learned about this meeting yesterday morning, and has not had enough time to prepare for formal negotiations. They would like more notice and be better prepared. He said when the two appraisers did their presentations of their appraisals, the point was raised that there is now a new comparable, the archipelago property sale. Mr. Loiselle said he asked his appraiser to incorporate that property sale into their appraisal, and that should be available soon for the sub-committee to review.

Mr. Peterson asked if Goldbelt or their appraiser thinks the archipelago property would make a difference in the appraisal on the value of your property?

Mr. Loiselle said he is not sure.

Mr. Spickler asked if Tuesday of next week would work for a meeting with Goldbelt with the updated appraisal?

Mr. Duncan said that the appraisal may not be completed by that time, but the other items in the letter could be discussed.

Mr. Spickler asked for a volunteer from the sub-committee to work with Mr. Uchtyl and Goldbelt.

Mr. Peterson volunteered.

Mr. Spickler said now a meeting needs to be scheduled that is convenient for all in a one on one dialog. Discussions can be brought back to the sub-committee and then recommendations can be forwarded to the regular Board following the Open Meetings Act guidelines.

Mr. Peterson asked if it would be more productive to talk about the lease first and then the appraisals, or come up with a figure that is determined within the two appraisals and then work within whatever terms that are going to be renegotiated within the lease? The sub-committee needs to come up with an agreement on how that will be approached. He said to be conducive to success, he suggests to have an agreement that nothing discussed will be decided until everything is decided.

Mr. Loiselle said he would agree with nothing decided until everything is decided. The appraised value is only one component. There are other items that still will come into play like what is the appropriate percentage to apply to the appraised value to

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come up with the base rental. Does royalty rent still apply, and if so, how does it apply? Other items for discussion is access, retail space, bathrooms, the time between rent adjustments, and a number of other things that Goldbelt has asked for consideration. Coming up with a reasonable value for the property would be a good starting point.

Mr. Spickler said settling on an appraisal should be the priority. If there is not an agreement on a number, then there would be a third appraiser, and this could take a lot more time.

Mr. Loiselle said he agrees with that.

Mr. Peterson said he will be out of town until November 30th.

Mr. Spickler said to Goldbelt to let Mr. Uchytel know when the updated appraisal is completed with the new comparable, and another member could sit in on negotiations with Mr. Uchytel and Goldbelt to continue to move the process along.

Mr. Donek said by the time the updated appraisal is received and distributed, Mr. Peterson will probably be back.

Mr. Uchytel said one of the concerns from the full Board was with entering into negotiations, there needs to be a rational repeatable reason for negotiated changes, (ie; 10% to 8%). The reason is so nothing is subject to public scrutiny and other lease holders don't come back and want their lease renegotiated.

Mr. Donek said that is a concern of his as well. This needs to be handled the same as all the other leases.

Mr. Spickler said that is what Mr. Uchytel has been recommending to have consistency and a method for all the leases.

Mr. Uchytel said deliberating on the nine points to renegotiate the lease is going to take several Assembly actions and will be a long process and take a long time. If a lease rent could be negotiated today, that would complete the review process and then we could move into renegotiating the lease with amendments.

Mr. Donek said the sub-committee's direction is to negotiate the lease amendments mutually agreeable by Goldbelt. Docks & Harbors is looking out for their interest and Goldbelt is looking out for their interest. The amendments will then go to the Assembly and then it would be up to the Assembly to send to their various sub-committee's.

Mr. Uchytel said Docks & Harbors is still the manager of the lease and believes we will have to move the amendments through the various committee's.

CBJ DOCKS & HARBORS BOARD
SUB COMMITTEE MINUTES
For Friday November 8th, 2013

Mr. Loiselle said there is only one tram in town and he is not sure how much Goldbelt's lease has bearing on other leases in town. He would like the amendments to go to the Assembly for a final action so the changes can be permanent, and not like the changes made in 2006 that they thought were permanent but there wasn't the appropriate Assembly action to make them permanent. If both sides interests are protected, he doesn't see any problem with negotiations. Mr. Loiselle said Goldbelt has a broader view than just plugging new numbers in the existing lease because that is just not working for them anymore.

Mr. Peterson said this is only one lease, but ramifications would be throughout the Docks and Harbors leases. This needs to be a well thought out process to come up with a compromise and move forward.

Mr. Uchytel said his concern with the Assembly is there is nine people that would require a reason for a change in the lease. There needs to be a compelling reason why any action needs to be taken on this existing lease.

Mr. Peterson asked what date in December would work?

Mr. Loiselle said he will work on getting the updated appraisal and then work on a date to get together for discussion. He said Goldbelt would also like to get this moving forward and off dead center.

VI. Adjournment

The sub-committee meeting adjourned at 1:09 p.m. with no objection.

December 10th, 2013 Finance Meeting Motion

Mr. Busch requested to have the Statter Harbor Passenger For Hire Facility as a separate item on the Regular Board Agenda before the CBJ Marine Passenger Fee FY15 Priority List so this item could be added to the FY15 Marine Passenger Fees request if the Board decided to do so.

MOTION By MR. JARDELL: MOVE TO APPROVE THE FOLLOWING LIST AND REQUEST FOR FY15 CBJ MARINE PASSENGER FEES

1. Area Wide Port Operations
2. Port-Customs and Visitor Center Buildings Maintenance Support
3. Downtown Restrooms
4. Future Cruise Terminal Staging
5. Downtown Pay Phones
6. Visitor Information Kiosk Replacement

AND ASK UNANIMOUS CONSENT.

Motion passed with no objection



Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: *Carl Uchytel*
To: Carl Uchytel, Port Director
Via: Docks & Harbors Board
Date: Dock & Harbors Finance Committee
Re: December 6th, 2013
FY15 CBJ MARINE PASSENGER FEE PROPOSAL

Each year, the CBJ Manager solicits requests from CBJ Departments and local industry for CBJ Marine Passenger Fee proceeds. Approximately \$5M is collected through a local Marine Passenger Fee for each passenger arriving in Juneau. Using a formula, the CBJ Manager allocates approximately \$1.4M to the general funds of CBJ to offset the costs associated with the cruise industry. The remaining amount is distributed by the CBJ Manager on competitive basis to CBJ Departments and local industry.

For FY14, Docks & Harbors received the following Marine Passenger Fees:

- \$154,100 Docks & Facilities Operations
- \$133,500 Port-Customs Building & Visitor's Center Maintenance
- \$75,000 Real Time Monitoring & Communications System (meteorological data for cruise ship berths)
- \$7,700 Downtown Payphones
- \$60,000 Electrical Winches – Cruise Ship Terminal

Enclosure (1) is the proposed Docks & Harbors list for FY15 in prioritized order. Enclosure (2) was the CBJ Manager's recommended FY14 Passenger Fee Proceed list.

#

Docks and Harbors Board FY2015 Marine Passenger Fee Request

Area Wide Port Operations

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the docks enterprise.

The Board has established a number of fees to generate revenues from users of the assets. The Board has calibrated these fees to assure the overall revenue generated by the enterprise equals the overall cost of running the enterprise.

Many of the uplands assets are used by entities which it is not possible, feasible, or acceptable to charge fees. As a result, users paying fees are subsidizing users that do not pay fees. The services provided to these users are area wide in nature benefiting the general public and cruise ship passengers of private docks.

For the past several years, the Board has offset this subsidy with revenues from leases of property along the downtown Juneau waterfront. Faced with crumbling infrastructure in the small boat harbors and the inability to raise harbor fees without profound impacts to its users and the community, the Board has elected to redirect lease revenues of parcels along the waterfront from the Docks Fund to the Harbor Fund. In effect, revenues from these leases had been subsidizing area wide users of the docks enterprise facilities. As part of this initiative, the Board Identified services that are area wide in nature and not specific to users of the CBJ Docks.

Board identified the following services:

1. Year round maintenance and monitoring of Marine Park.
2. Maintenance and operation of year-round public parking at the Columbia Lot and seasonal public parking at the Steamship Wharf Plaza and the Visitor's Center Lot.
3. Maintenance and operation of year-round unrestricted pedestrian access along the waterfront at the public docks.
4. Maintenance of tour operators Vendor Booths
5. Maintenance and operation of shuttle drop-offs and pick-ups in the CBJ loading zone that are used by all cruise ship terminals in Juneau.
6. Providing area wide port security.
7. Billing and collecting CBJ area wide fees for all docks.

The Board reviewed its FY13 budget and apportioned expenses associated with these services. Based on its review, it estimates that about 9% of the annual docks budget is attributable to area wide services.

**Docks and Harbors Board
FY2015 Marine Passenger Fee Request**

Area Wide Port Operations (Continued)

Marine Passenger Fee Funds Requested (FY15): \$154,100

Benefits: This approach is supported by the cruise ship industry since it is more equitable than raising dockage fees. It also avoids the need to raise fees during the economic recession.

This approach meets the intent of the marine passenger fee since the services benefit all cruise ship passengers , not just the passengers at the public docks.

This approach allows the Docks and Harbors Board to direct part of the dock lease revenues to the much needed rebuild effort of the small boat harbors reducing the need for fee increases at the harbors.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

Docks and Harbors Board FY2015 Marine Passenger Fee Request

Port-Customs and Visitor Center Buildings Maintenance Support

Project Descriptions: These two buildings are located on the downtown Juneau waterfront, an area that serves nearly one million cruise ship passengers each year. Docks and Harbors, an enterprise fund, is responsible for costs associated with operating the Port-Customs and Visitor Center Buildings. Expenses include all utilities (water, sewage, electrical, alarm monitoring) and facility support (parking lot, plaza, snow removal, janitorial and general maintenance).

Marine Passenger Fee Funds Requested (FY15): \$133,500

Approximately 4450 sq feet (building area) @ \$2.50/sq feet/month = \$133,500

Project Review: The Port-Customs Building was completed in May 2011 with the Visitor Center completion in June 2012. The project which included the buildings, infill dock construction, covered shelters, landscaping and plaza cost approximately \$9M and was funded with Marine Passenger Fees. The Port-Customs Building is occupied by the US Customs and Border Protection (CBP) year-round and Docks and Harbors staff from April to October. CBP claims to be exempt from any costs associated with their operations within a port. The Visitor Center Building is occupied from April to October by the Juneau Convention and Visitor Bureau, a non-profit organization for the purpose of supporting cruise passenger inquiries. The JCVB budget does not support maintenance of the building. This leaves the Docks enterprise funds fully exposed to the costs of maintaining and servicing these buildings.

Benefits: By establishing a Port-Customs and Visitor Center Buildings maintenance fund Docks & Harbors can better manage and maintain the properties entrusted under their responsibilities. Passenger fees were granted for this purpose in FY2013 and FY2014.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for all ongoing maintenance and operating expenses of these two buildings and associated upland support facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**Docks and Harbors Board
FY2015 Marine Passenger Fee Request**

Statter Harbor Passenger For Hire Facility

Project Descriptions: The Statter Harbor Master plan identifies four significant components that would be phased over time as funding is available. These components are as follows: Phase I - repairs to existing moorage, removal of DeHart's floats and fuel dock, and replacement of moorage and fuel dock; Phase II - construction of a new 2-lane launch ramp and upland parking facility; Phase III - replace existing launch ramp with new boat haul-out and kayak launch ramp; Phase IV - construction of a new passenger for hire float and uplands bus staging area to serve cruise ship related whale watching and fish chartering operators. Phase I was completed in May 2013; Phase II is in the final design process and scheduled for construction in fall 2014; Phase III would begin once Phase II is completed. Phases II is fully funded based on current cost estimates and Phase III is partially funded with expectation for full funding by construction in 2016.

Phase IV has no funding in place thus the construction schedule is dependent upon funding availability. The Passenger for Hire facility includes installation of a boarding float, gangway, dredging, and uplands passenger loading zone to service cruise ship passengers embarking on marine based tourism activities. Staging for these activities currently are conducted at Statter Harbor where the facilities are incapable of providing safe and efficient service. The current situation causes extreme congestion and greatly detracts from the local resident's ability to fully utilize the Don Statter moorage facility. The funds requested would allow for design and permitting activities to move forward.

Marine Passenger Fee Funds Requested (FY15): \$800,000

Cost Estimate: \$5.4M

Funds Previously Secured: None

Funds Needed but Not yet requested: \$4.6M

Project Review: The project is part of the Docks and Harbor Board's approved Statter Harbor Master Plan which has been supported by the voters in three special sales tax ballots (2005, 2007, 2012).

Project Time-Line: The schedule for the proposed Passenger for Hire Facility is dependent upon funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use Harbor operations funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**Docks and Harbors Board
FY2015 Marine Passenger Fee Request**

Downtown Restrooms

Project Descriptions: The project would be located along the downtown Juneau waterfront, an area that services approximately one million cruise ship passengers each year. The project consists of constructing new restroom facilities on a dock structure located on the recently purchased Archipelago property south of the Library/Parking Garage.

Cost Estimate: \$500,000

Marine Passenger Fee Funds Requested (FY15): \$500,000

Project Review: This project has been brought forward at the request of the Assembly to address the lack of adequate restroom facilities in the downtown waterfront area.

Project Time-Line: This project would begin design phase upon allocation of funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**Docks and Harbors Board
FY2015 Marine Passenger Fee Request**

Future Cruise Terminal Staging

Project Descriptions: This project would be located in the downtown area near the cruise dock, an area that serves approximately one million cruise ship passengers each year. The project entails identifying and procurement of available Downtown lands necessary to accommodate additional staging areas required to accommodate the larger post-panamax sized cruise ships and greater passenger counts.

Marine Passenger Fee Funds Requested (FY15): \$1,000,000

Project Review: The Cruise Ship Terminal Staging Area, scheduled for completion in spring 2014, greatly improves the efficiency and safety of the parking and embarkation in support of the cruise industry. However, due to geographic limitations and finite available land, new property must be pursued to ensure facilities are available to support increased passenger loads in the coming decade. A strategic approach to the management of future cruise ship requirement will require securing adjacent lands to the cruise ship berth.

Project Time-Line: This project has not been fully developed.

Maintenance and Operation Responsibility: This project is to identify and procure land available for future Docks enterprise initiatives.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

Docks and Harbors Board
FY2015 Marine Passenger Fee Request

Downtown Pay Phones

Project Descriptions: To meet telephonic communications demands from cruise ship passengers and cruise ship crew, CBJ has established a requirement to maintain pay telephones in the downtown corridor.

Cost Estimate: \$7700

Marine Passenger Fee Funds Requested (FY15): \$7700

Project Review: This requirement has been developed at the request of CBJ Leadership to meet a lack of available telephones. In FY12, Docks & Harbors spent \$7755 from Docks operating funds to support this need.

Project Time-Line: This requirement is current and expected to persist indefinitely.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Teena Scovill, Administrative Assistant or Carl Uchytel, CBJ Port Director 586-0292.

**Docks and Harbors Board
FY2015 Marine Passenger Fee Request**

Visitor Information Kiosk Replacement

Project Descriptions: The Visitor Information Kiosk serves cruise ship passengers needing information about Juneau. It is located in a strategic location near one of the two city owned docks that support the cruise industry. The current kiosk has exceeded its design life. The facility does not meet ADA standards, has inadequate heating, and does not provide adequate shelter for patrons.

Cost Estimate: \$150,000

Marine Passenger Fee Funds Requested (FY15): \$150,000

Project Review: The Juneau Convention and Visitors Bureau requested that a new kiosk be provided which would offer a more user friendly facility and address safety and comfort concerns of volunteers. The current facility was moved from the Marine Park area when the Alaska Steamship Wharf was expanded for bus staging.

Project Time-Line: This project would begin the design phase upon allocation of funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

MEMORANDUM

CITY/BOROUGH OF JUNEAU
City & Borough Manager's Office
155 S. Seward St., Juneau, Alaska 99801
Kim_Kiefer@ci.juneau.ak.us



Voice (907) 586-5240
Fax (907) 586-5385

DATE: March 4, 2013
TO: Assembly Finance Committee
FROM: Kimberly Kiefer *KAK*
City and Borough Manager
SUBJECT: FY14 Passenger Fee Proceeds Recommendations

Based on our latest projection of 975,000 passengers expected to visit this summer, the amount of revenue available in FY14 is anticipated to be \$4,800,000. Attached is the only comment received during the public comment period. I am recommending that the proceeds be divided between operations and capital projects as follows:

OPERATIONS

Identified Government Operations

\$1,400,000

Project Description

On May 10, 2000, the Assembly Finance Committee approved a formula that reflects cruise ship passenger impacts on specific government services and is used to determine an amount of Marine Passenger Fee (MPF) proceeds to be used in support of identified government operations. In 2003, a full cost analysis, reviewed by the NorthWest CruiseShip Association and evaluated by Elgee, Rehfield and Mertz, LLC, determined this formula provided a fair and accurate assessment of costs. The formula has not been adjusted since its initial creation.

Capital City Fire/Rescue (CCFR) Air Medevac Support

\$25,000

Project Description

This funding is an offset for unrecoverable costs incurred by the Fire Department for the air medevac program in response to medical events involving cruise ship passengers or crew. This past year, there were 27 medical transports by helicopter in response to situations involving cruise ship passengers or crew. On average, CCFR only recovers 36% of the total costs from patient billings.

Bartlett Regional Hospital Support

\$54,460

Project Description

This funding is to cover additional hospital staff hired during the summer. BRH hires a dedicated part time case manager in the summer to service the logistical and financial needs of cruise ship passengers, they have increased overtime in the emergency department, and they contract with a passenger liaison to interface with the cruise ship industry and to expedite cruise ship passenger patient care.

Non-Profit Air Medevac Support

\$50,000

Project Description

Airlift Northwest, a non-profit ambulance transport service, was founded in 1983 to provide air ambulance service to Southeast Alaska. According to Airlift Northwest, the requested amount is to offset unrecoverable costs related to transport of cruise ship passengers and crew from Juneau this past year.

Tourism Best Management Practices Support

\$15,000

Project Description

This provides funding for printing, public notices, advertisements, and a contractual amount for Juneau Convention and Visitors Bureau (JCVB) staff to provide support to the Tourism Best Management Practices (TBMP) effort. TBMP is a voluntary industry-managed program, designed to provide services to vessel passengers and address impacts, including safety issues, of tourism on local residents. The JCVB administers the program with funding provided by Marine Passenger Fee proceeds.

Crossing Guards

\$128,000

Project Description

The purpose of this program is to facilitate safe traffic flow in the downtown area, encourage pedestrians to stay on the sidewalks, increase pedestrian safety, and control the crossing locations where summer pedestrians can cross the streets. This will fund part-time seasonal crossing guards during the summer visitor season. This funding also provides for some limited equipment purchases, general training, scheduling, and deployment of the crossing guards. This program is currently administered by the Juneau Convention and Visitors Bureau.

Downtown Foot/Bike Patrol

\$87,000

Project Description

This provides additional foot and bike patrol presence by Juneau Police Department (JPD) officers in the downtown area during the summer. JPD's presence is important to ensure the safety of visitors, provide assistance and direction, and mitigate problems that can occur between some of the regular downtown locals and summertime visitors. These officers are regular police officers that volunteer for this duty during their off-duty hours and retired police officers, as

seasonal employees, to patrol the downtown area during the summer. Downtown patrol is currently supplemented with additional, time limited, grant funded positions. This allows the requested funding to be reduced. When the grant funds end the cost for this service will increase.

Downtown Restroom Maintenance

\$75,000

Project Description

This provides contractual services (labor and materials) required to clean the public restrooms in City Hall, Steamship Plaza, and the new Downtown Transportation Center, seven days a week, six times per day, for five months during the summer.

Restroom Cleaning and Maintenance – AJ Juneau Dock, LLC (does not include landscaping)

\$15,000

Project Description

This provides funding for restroom cleaning and maintenance supplies for cruise ship passenger public restrooms located at the AJ Dock.

Restroom Cleaning and Maintenance – Franklin Dock Enterprises, LLC

\$15,000

Project Description

This provides funding for restroom cleaning and maintenance supplies for cruise ship passenger public restrooms located at the Franklin Dock.

Juneau Port Security and Short-Range Response Boat – AJ Juneau Dock, LLC

\$19,600

Project Description

The Department of Homeland Security awarded the AJ Dock with a port security and short range response boat that conducts port security patrols, at-sea deliveries to cruise ships in port (some items can not go across the docks for security reasons), is designed to accommodate medevacs, spill response, salvage operations, and on-scene support for emergency or law enforcement issues when ships are at anchor or at sea. This request is solely to cover the manning, maintenance, and operational expenses related to this vessel.

Port Security Guard, Security Training and Exercises – AJ Juneau Dock, LLC

\$26,000

Project Description

This is a request to fund a number of port security related expenses and projects. The training and exercise funding will benefit all regulated Juneau cruise ship passenger facilities. The AJ dock has been host to two large maritime security exercises. The AJ dock and other local facilities participate in annual security training. The annual request is usually \$44,000, however this year it has been reduced due to revisions in the annual requirements, thus reducing costs.

Downtown Cleaning

\$95,000

Project Description

Due to heavy summer use by visitors, the downtown sidewalks require extra cleaning and litter/garbage removal to keep them clean and safe. This funding provides for two summer employees to operate and maintain the sidewalk sweepers and empty downtown garbage containers.

Transit Public Bus Service

\$300,000

Project Description

Visitors heavily use local bus service during the summer, making it necessary to increase services in order to accommodate locals adequately in addition to summer visitors. The bus system provides a safe, efficient, and cost-effective way for visitors to visit other areas of Juneau beyond downtown. Our transit system is heavily subsidized.

Juneau Convention and Visitors Bureau (JCVB)

\$142,000

Project Description

The JCVB provides summer visitors with information, directions, and assistance. Program expenses include administrative support for training and supervision of 120 volunteers, managing the cruise ship terminal kiosk, and Centennial Hall information centers, a paid seasonal visitor information position, and printed materials.

Accessible Training and Trip Coordination (SAIL)

\$48,000

Project Description

SAIL will provide training addressing the safety and participation of people with disabilities. In addition they will provide information on accessibility, deliver appropriate equipment, and coordinate with local operators to provide safe and accessible experiences.

Seasonal EMS Transport Program

\$166,100

Project Description

CBJ provides ambulance transport service for cruise ship patients that need to be transported from cruise ships and/or Bartlett Hospital to the airport for medevac to Anchorage or Seattle. The demand for patient transport service increases considerably during the summer due to cruise ship patients and does create situations, on a regular basis, in which we do not have available staff to provide transport service when requested. Two years ago, the cruise ship industry reported delays of 15 minutes to an hour and a half being encountered approximately 33% of the time during the summer. This causes delays for the medevac flight crews, resulting in costs and complications with regard to personnel, aircraft, weather, scheduling, etc. This program was implemented two years ago and has proven to be very effective in resolving this problem. This funding pays for four temporary seasonal EMTs to work 12-hour shifts during the summer (May through September) to cover transports, other EMS calls as needed, and to participate in fire suppression

as an ancillary duty. It also pays for the replacement of consumable medical supplies used on board the ambulance and fuel costs directly related to cruise industry medical transports.

Downtown Ambassador Program

\$56,300

Project Description

Funding for this program supports two uniformed security officers that patrol the downtown area on foot from May through September. These security officers assist visitors with information, directions, and patrol the downtown area for loitering, panhandling, public intoxication, and other public nuisances potentially impacting summer visitors and local residents. With regard to public safety issues and infractions of the law, the security officers refer these issues to JPD to handle. This program is provided through a private contract administered by the Downtown Business Association.

Docks and Facilities Operations

\$154,100

Project Description

The Docks and Harbors Board has requested funding to offset the costs and impacts of providing area wide services and support to cruise ship passengers. The Board reviewed its budget and apportioned expenses associated with those services and estimated that approximately 9% of the annual docks budget, will be attributed to providing areawide service to cruise ship passengers.

Port-Customs Building Maintenance

\$133,500

Project Description

The Port-Customs building will be occupied by the Department of Homeland Security-Customs Border Protection year-round and Docks and Harbors staff from April through October. Funding for this project also includes support for the new Visitors Center, which will be managed by the Juneau Convention and Visitors Bureau. Docks and Harbors will be responsible for the year-round maintenance and operation of the facility, which includes all utilities, alarm monitoring, winter snow removal, janitorial, maintenance of the parking lot, and general maintenance of the facility.

CAPITAL PROJECTS

Waterfront Seawalk

\$983,140

Project Description

This project will provide funding to continue the design, examination of right-of-way issues, pedestrian access and safety, and construction of seawalk in accordance with the Waterfront Development Plan. Funding for construction of additional seawalk was a recommendation of the Planning Commission and was one of the top FY11 priorities of the Assembly.

Real Time Monitoring and Communications System

\$75,000

Project Description

This project would provide wind and current monitoring sensors at the various dock locations allowing for real time information for navigation purposes. The system would be broadcast over radio, internet, or other public media to be available to all cruise ships navigating in the immediate area.

Dock Entrance Atrium – AJ Juneau Dock, LLC

\$145,000*

Project Description

This project would provide funding for the design and partial construction of a permanent covered area for cruise ship passengers, providing a focal gateway to the facility where passengers and workers would be sheltered from inclement weather. The covered area would have a historical mining theme and an outdoor warming fireplace and provide a specific location to meet traveling companions or groups as well as receive local and tour information. Currently, this area is covered by an inadequate canvas tent that is due for replacement this year. The concept is to create an aesthetic park-type atmosphere outside the restricted dock area for interpretive and historical information with features that complement the AJ/Juneau mining heritage and Juneau's natural beauty. This area will remain open for community use year-round. * \$170,190 was funded last year, requesting an additional \$145,000 this year to complete the project

Security Lighting – Franklin Dock Enterprises, LLC

\$15,000

Project Description

Provide funding to install security lighting on the approach dock awning (covered area) to provide a continuous fully-lit section of passenger/pedestrian walkway along the secure and restricted area.

Dock, Piling, Electrical and Water Upgrades – Goldbelt, Inc.

\$217,000

Project Description

Provide funding to apply zinc, paint and cathodic protection to the dock and pilings. Install a new piling for gangway support and upgrade the potable water system and marine electrical system.

Security Training – Franklin Dock Enterprises, LLC

\$75,000

Project Description

This will provide training for security personnel to ensure compliance with the required Coast Guard security plan and for security costs during the season, as well as construction of a new booth for security personnel.

Security Camera Expansion – AJ Juneau Dock, LLC

\$30,000

Project Description

This would provide funding to purchase additional cameras to cover the entire dock. Grant funding received only provided partial funding.

Electrical Winches- Franklin Dock Enterprises, LLC

\$96,100

Project Description

This would provide funding to purchase and install five electrical winches on mooring bollards which currently do have a mechanical means of lifting ships mooring lines out of the water. The mooring lines are becoming increasingly larger and more difficult to manage by traditional manual means. This project would enhance ship and local labor safety.

Electrical Winches- AJ Juneau Dock, LLC

\$58,000

Project Description

This would provide funding to purchase and install three electrical winches on mooring bollards which currently do have a mechanical means of lifting ships mooring lines out of the water. The mooring lines are becoming increasingly larger and more difficult to manage by traditional manual means. This project would enhance ship and local labor safety.

Electrical Winches- Cruiseship Terminal

\$60,000

Project Description

This would provide funding to purchase and install three electrical winches on mooring dolphins which currently do have a mechanical means of lifting ships mooring lines out of the water. The mooring lines are becoming increasingly larger and more difficult to manage by traditional manual means. This project would enhance ship and local labor safety.

Downtown Pay Phones

\$12,700

Project Description

To meet telephonic communications demands from cruise ship passengers and cruise ship crew, CBJ has established a requirement to maintain pay telephones in the downtown corridor. Docks and Harbors and CBJ Administration maintain the existing downtown pay phones.

Tour Information Booth- Franklin Dock Enterprises, LLC

\$28,000

Project Description

Construction of a new tour information booth for excursion personnel to utilize to answer passenger questions and work with local tour operators out of the rain and weather on a daily basis. (much like what was approved/constructed for AJ Dock with Marine Passenger Fee funds in 2011)

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

Project	Status	Schedule	Contractor	Notes
Auke Bay Loading Facility - Phase I				
Auk Nu Cove Conservation Easement	In Progress		SEALTrust	Working with SEALTrust
Map and Meets & Bounds Description	In Progress		PND	
Auke Bay Loading Facility - Phase II				
Reporting	On-Going	Quarterly	Staff	Next report due Jan 31 (Oct, Nov, Dec)
Old Douglas Harbor Reconstruction				
Permitting	In Progress		ACOE	Working with Corps Anchorage
Dredging and Cap Design	In Progress		ACOE	Awaiting final design
Review of 2007 95% Drawings	In Progress		Staff	Awaiting Corps Permit
Final Engineering and Design	Hold		PND	Awaiting Corps Permit
Bid	Hold			Awaiting Corps Permit
Construction	Hold	TBD		Awaiting Corps Permit
Statter Harbor Launch Ramp				
Conveyance - DNR Property at Glacier Hwy	In Progress		R&M	Awaiting survey approval by DNR
DNR Tidelands Survey	In Progress			Awaiting survey instructions
Mitigation Proposal with SealTrust	In Progress		Staff	Awaiting information from SEALTrust
Final Engineering and Design	In Progress		PND	35% Design due Jan 30, 2014
Bid	Hold			
Construction	Hold		TBD	
Statter Harbor Moorage Improvements				
As-Built Drawings	In Progress		PND	
CT Staging Area Improvements - Phase I				
As-Built Drawings	In Progress		PND	
CT Staging Area Improvements - Phase II				
Construction	In Progress	Oct 2013	Miller Const. Co.	Complete Spring 2014
Taku Dock Modifications				
Construction	In Progress	October 15, 2013	Trucano	Complete February 1, 2014
Port of Juneau Cruise Berths				
1% for Art	Hold		Staff	Pending bid opening
Bid	Hold			Awaiting DNR conveyance
Board Approval of Bid				
Assembly Approval of Bid				

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

RFP for Vibration Monitoring Services	Hold			
RFP for CA/Inspection Services	Hold			Awaiting DNR Conveyance
Port-Customs-Visitors Buildings				
As-Built Drawings	In Progress		JYL	Due by Mar 2014
Cathodic Protection Replacement				
Final Engineering and Design	In Progress	Winter 2013	Tinnea	Reviewing 95% design drawings/cost estimate
Aurora Harbor Re-Build				
Final Engineering and Design	In Progress		PND	
95% Design Submittal	In Progress	Dec. 13, 2013	PND	
Bid Ready Documents		Jan 17, 2014	PND	
Bid		February 2014	PND	
Construction		Fall 2014		
Completion		Spring 2015		
Douglas Breakwater	Complete		ACOE	Awaiting final processing - CBJ Match Amount
Bridge Area - SeaWalk Planning	Hold			Coordination with Engineering
Alaska Marine Services Center	In Progress			Working with Alaska Marine Exchange
Shore Rep Booth for Cruise Docks	Hold			Awaiting Design and Cost Estimate
Statter Harbor Passenger For Hire Float	Hold			Awaiting Funding
Statter Boat Haul-Out/Kayak Ramp	Hold			Awaiting full funding
Juneau Fisheries Dock Replacement				
Electrical Installation	Complete		Anchor	Awaiting billing and close out
ADA Survey of Statter Harbor	In Progress		NorthWind	Awaiting draft report
Power Capstans at Cruise Dock				
Order Capstans	In Progress		Staff	Awaiting delivery
Design Pedestal and Electric	In Progress		PND	Awaiting Final Design
Capstan Install	Hold		Term Contract	Awaiting Final Design
Weather Monitoring System				Awaiting account set up
Douglas Harbor Pump Out Station or Boat	Planning			ADF&G Grant Funds
Periodic Maintenance Plan	Planning		Staff	
Archipelago Property Improvements	Planning		Staff	Awaiting Board Direction



Port of Juneau

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From: Carl Uchytel, Port Director
To: Docks & Harbors Ops/CIP Committee
Date: November 13th, 2013
RE: HARBORMASTER REPORT

Used Oil transfer pump cover box built
3 – 500 gallon used oil tanks removed from Thane storage area
Back storage yard clean up
Power wash Fisherman's Terminal Float
Concrete deck repairs at Fisherman's Terminal float
Equipment maintenance
Power cord poles built and installed at IVF
Plank repairs Aurora Harbor
Fire extinguisher lids fabricated and installed Douglas Harbor
Deck plates installed on Fisherman's Terminal float.
Non-skid paper installed on Fisherman's Terminal gangway; installed non-skid strip on bottom apron.
Used oil burner maintenance
Parking curb stops removed and stored at Harris south lot.
Norway point parking logs removed and stored for winter.
Water on Harris Grid shut down for winter
Water on Fisherman's Terminal crane area shut down for winter
Sander installed on flatbed truck – downtown
Impounded – F/V Kerry AK7914AK– Aurora Harbor
Impounded – AK1373AL – Douglas Harbor
Pulled 1 safety ladder at White Crane Dock due to unsafe condition.
Anchor Electric installed power cable and pedestals and transformer on Fisherman's Terminal
Rebuilt Fingers on Auke Bay B-Float
Removed boulders from Echo Cove
Secured Echo Cove bathroom for winter & removed garbage cans
Secured Amalga Harbor bathroom
Secured potable water Auke Bay C & D Floats for winter
Secured Auke Bay pump out station for winter
Repaired ABLF water line
Pulled Icy Strait
Secured vessels and adrift gear in Auke Nu Cove

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