

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 12th, 2013

I. Call to Order.

Mr. Busch called the Regular Board Meeting to order at 5:30 p.m. in the Assembly Chambers

II. Roll Call.

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

Also present were the following: Carl Uchytel – Port Director, and Gary Gillette – Port Engineer.

III. Approval of Agenda.

Mr. Busch wanted to add #2 to Items for Information, The assignment of the Auke Bay Area Steering Committee Liaison.

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

Motion was approved with no objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the October 31st, 2013 Regular Board Meeting Minutes and November 8th, 2013 Sub-Committee minutes were approved as presented.

V. Public Participation on Non-Agenda Items –

Cameron Burns, North Douglas, AK

He said he is here to find out what the plan is to deal with the tourism situation at Statter Harbor for bus drivers. A temporary plan was put together by Doug Ward with Dolphin Tours. There was a lot of good ideas in the plan and five companies and harbor management signed off on it. For the bus drivers that followed the plan, the problem greatly improved for the last three weeks of the season. The plan was just a stop gap for last summer and Statter Harbor still needs improvement. Other problems still need to be addressed. He wants to know if the harbor staff is working on a new plan and when the public will have input into the new plan? He attended a board meeting in late August to address this problem, and since then, he has been waiting to hear about meetings to resolve the problems. He said trying to find out what the Board is doing and the Committee's are doing is almost impossible. He said the City website is really bad. He has seen no notices or heard or seen a sign of a new

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plan. He said tourism is really about customer service. He said a lot of things can make a tour fall apart, weather, bus break down, ship comes late, but the tour can still be successful if the services and the company does everything to make it right. This is where Harbor staff at Statter Harbor drops the ball. He said he has been driving tourists into Statter Harbor for over 15 years and the harbor staff has never become part of the “lets sell Juneau as part of the best place in the world team”. Instead of feeling welcome at Statter Harbor, you almost feel like the harbor staff wished the tourists and the busses really weren’t there. He would like to know what is being done to rectify this and if employees are being trained to deal with drivers, guides, and tourists in a professional manner. Mr. Burns wanted to know if they are going to be part of the team this year to make this all work? Are there going to be physical changes to deal with the bus traffic? The new season is fast approaching and driver training starts in mid March. It would be great to have a plan in place to train the new drivers to and let them know what to expect. Mr. Burns said there are major personnel problems at Statter Harbor.

Mr. Busch said this will be addressed in the spring after the new Harbormaster is hired. Docks & Harbors is in an interim phase until the new passenger for hire facility is built. The new facility will include the bus handling issues. Until then, the bus handling will be dealt with on a per season basis.

Mr. Burns asked when the temporary solution for next summer will be discussed.

Mr. Busch said the schedule has not been made yet, but will be made this winter.

Mr. Simpson recommended to put this issue on the OPS/CIP meeting so the bus drivers with concerns on this issue can attend.

Mr. Busch recommended to send this to the OPS/CIP meeting in January and make sure to get a notice out to all the tour operators and bus handlers that use Statter Harbor.

Mr. Burns said it would be nice if the Harbor personnel had something to present for a solution.

Mr. Uchytel said Docks & Harbors did have an after season meeting in October that was publically noticed and placed in the Tide Line. There was discussion about what went right and what went wrong. One of the employees that worked at Statter Harbor, and had a confrontation with Mr. Burns, is no longer

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employed by Docks & Harbors. Recruitment for the new Harbormaster is underway. The other part of the bus parking solution is Doug Ward. Mr. Uchytel said Doug Ward has come forward and said he would act as the TBMP initiative at Statter Harbor. Mr. Uchytel said he will reengage the supervisor at Statter Harbor to work with Doug Ward and the other companies that use Statter Harbor to improve the bus situation. The short term solution is the Statter Harbor launch ramp that is at 35% design currently. This phase of the Statter Harbor project will greatly improve the functionality and safety of the parking. There is a lot going on and the Docks & Harbor staff is engaged.

VI. Items for Action

1. Statter Harbor Passenger For Hire Facility/FY15 CBJ Marine Passenger Fee Request Decision.

Mr. Uchytel said at the Finance meeting on Tuesday there was an action item for the FY15 passenger fee proceeds which goes to the City Manager who elects how the \$5 million dollar head tax is apportioned. At the meeting, seven items were for consideration. The Finance committee directed Mr. Uchytel to pull the Statter Harbor passenger for hire facility and put as a separate item for tonight's meeting so there could be discussion on the appropriateness bringing this item forward. There is concern this item may not merit consideration for the marine passenger fees. Mr. Uchytel said Ms. Mead was not available to discuss this tonight, but he asked her to do a quick review of the Statter Harbor passenger for hire facility request to see if this was legally defensible as a marine passenger fee proposal. Mr. Uchytel said that she said it depends. Ms. Mead sent an e-mail response which quoted Mayor Bortello that he sent in an e-mail to the Assembly in 2012. The e-mail cites the Maritime Transportation Security act which states "no taxes, tolls, operating charges, or fees, shall be levied upon or collected from any vessel or water craft or from its passengers or crew except for reasonable fees charges on a fair and equitable basis that are;

- a. Used solely to pay the cost of a service for a vessel or water craft.
- b. Enhance the safety and efficiency of interstate and foreign commerce.
- c. Do not impose more than a small burden on interstate or foreign commerce.

Ms. Mead said she would need more information to see if this proposal would merit her support. This was put on the agenda tonight so the full Board could discuss this item.

Board Questions – None

Public Comment- None

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Board Discussion/Action

Mr. Simpson said looking at other things the passenger fees have been used for, this fits about as well as most of the other projects that have used those funds. He said if City legal sends an opinion that this is an inappropriate use of the funds, this item could be pulled at that time. He said he would like to try to get some passenger fees to move this project forward.

Mr. Donek said he sees both sides to receiving the funds. He sees this as not any worse than other requests, but he also does not want anyone to appeal this request as inappropriate use of the marine passenger fees. He liked Mr. Jardell's request to take this off the list until this is part of a plan. What portion of the cost for the Statter Harbor Passenger for hire facility is to benefit the cruise ship passengers? This would put Docks & Harbors at a more defensive position. Right now it looks like the whole project is being funded with the marine passenger fees, with no other funds going into it. Mr. Donek said he recommends to take it off the list until a formula is figured out on how much this will be used by the cruise ship passengers.

Mr. Jardell said he needs to be able to justify sending this to the Assembly. He said he will not support this as is.

Mr. Peterson said he also will not support this as is.

Mr. Busch said he has concerns. This project needs to get funded, but not in this current format. He also does not support moving this forward.

MOTION By MR.DONEK: TO LEAVE THE STATTER HARBOR PASSENGER FOR HIRE FACILITY OFF THE CURRENT FY15 MARINE PASSENGER FEES REQUEST LIST AND ASK UNANIMOUS CONSENT.

Mr. Logan was opposed.

Mr. Donek asked what the objection was?

Mr. Logan said the definition for using the marine passenger fees is essentially whatever you want to make it. Supporting \$7,700 for pay phones out of marine passenger fees, than anything that has a tourist walk by it can be defended for the use of the fees.

Mr. Simpson said he initially took Mr. Logan's position, but has been persuaded by the discussion with the understanding that Docks & Harbors is going to develop a rational around this request, and get an actual opinion from the City attorney whether this is doable. He said also show how this project will be funded, partly with marine passenger fees and partly with other

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funds. He said his shift in position is to not take off the list, but to do more homework before this goes on the list, and then push this forward.

Mr. Donek said this FY15 list is due soon. There will not be time to complete the work and still get this request on this fiscal year list. This should be revisited for the FY16 request list.

Mr. Janes said he does not want to lose the momentum on this request. He would like to see the Statter for Hire Facility built sooner than later with the issues and problems at Auke Bay. There is a need for this facility and he would like to see this move forward with stronger language and details on the combination of funding for this project.

Mr. Uchytel said the payphones proximity to the docks makes it more palatable for the use of the marine passenger fees. The City Manager has made it a requirement to keep the payphones for the cruise ship passengers and crew. One could make the argument the only reason to maintain payphones is for the cruise ship passengers and crew coming to Juneau. The payphones do get used. The Finance committee requested to find out the use of the payphones and Ms. Scovill called the provider, but they did not have that information.

Mr. Busch called the vote. He said this would be to leave the Statter Harbor Passenger For Hire Facility request off the next agenda item.

MOTION PASSES 5 VOTES TO 4 THAT THIS ITEM IS NOT PUT ON THE FY15 LIST.

Mr. Busch said this item is an important item and will need further action.

2. CBJ Marine Passenger Fee Priority List

Mr. Uchytel said in the packet is six items for consideration. The Finance Committee prioritized them at the meeting as follows;

1. Area wide Port Operations
2. Port Customs & Visitor Center Building Maintenance Support
3. Downtown Restrooms
4. Future Cruise Terminal Staging Area
5. Downtown Payphones
6. Visitor Information Kiosk Replacement

Board Question – None

Public Comment - None

Board Discussion/Action –

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Mr. Spickler asked what size the kiosk is going to be? He said that is a lot of money for a kiosk.

Mr. Gillette said it would be replacing the kiosk by the Library doors. It is more than just a kiosk because it houses people providing information. The current one does not meet ADA requirements and the heating system does not work. The plan would be to make this kiosk a little bigger structure, about 250 to 300 sq/ft. This would be with a larger roof and sidewalls so people can get out of the wind and rain. The current building is close to 30 years old. Mr. Gillette said at this point not knowing what will be the final plan, he figured \$400.00 per sq/ft and added multipliers for design and administration.

Mr. Spickler said he is having trouble with something that small costing that much money for what it is. He wanted to know why this request is coming from Docks & Harbors fund request and not JCVB?

Mr. Gillette said this may be high, but it is figured as project cost and not construction cost. This has not been designed or studied yet. JCVB has asked for Docks & Harbor to include this in the fee request list because this building does have a lot of problems. JCVB does not build or own their own facilities. They use Docks & Harbors facilities. The Visitor Center was built with marine passenger fees for their use.

Mr. Busch said JCVB could put in a request for fees to build this, but JCVB requested for us to include this in our request. The Finance Committee decided to put this on the list but at a lower request.

Mr. Janes said this kiosk is a big bang for the buck. It may be high, but when all the systems are installed it may not be. He said he has talked with some of the workers in the current kiosk and they said it is cold. This is completely manned by volunteer hours and is a good thing Juneau.

MOTION By MR. SPICKLER: TO ACCEPT THE FY15 MARINE PASSENGER FEE REQUEST LIST IN THE ORDER PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

VII. Items for Information/Discussion

1. DNR Conveyance of Submerged Lands

Mr. Uchytel said DNR has approved the preliminary document for the project. Once approved there is a 30 day comment period for the approval that ended on Monday. On Monday there was one comment received from

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Mr. Weyhrauch. Mr. Weyhrauch was also given the opportunity during the Committee of the Whole to speak. He is asked the Assembly for reconsideration of the conditional use permit that was issued last January. The Assembly elected to not take up the reconsideration of the conditional use permit. Since Monday, Mr. Gillette has been actively engaged with DNR encouraging them to expedite Docks & Harbors document. The feedback received is they will get to it when they can. They know it is important to the City and to Docks & Harbors, but they are understaffed. In the meantime, Mr. Gillette and himself will meet with legal tomorrow to move forward with a plan to open bids and a timeline. The good news is there is only one comment for DNR to respond to. This is a process that will play out favorably on Docks & Harbors behalf.

Mr. Logan asked if the hope is that Legal will give the go ahead to open the bids to be able to start the process.

Mr. Uchtyl said staff has some ideas to get approved through legal to vet the bid documents and a plan to move forward. Theoretically, the bid documents could be opened next week. The risk is not having the Board and Assembly support to award the contract, which would then result in a rebid. This is what we would like to avoid because it is not fair to the contractors who put time and effort into putting the bid together.

Mr. Simpson said this may take some time to get approved, but the likelihood of this not being approved is very remote.

2. The assignment of the Auke Bay Area Steering Committee Liaison
Mr. Busch said at a recent OPS/CIP meeting Mr. Hal Hart asked if a Liaison could be assigned to the Auke Bay Area Plan Steering Committee. Mr. Busch appointed Mr. Logan to be the Liaison. Their first meeting was December 4th. The next meeting will be a date to be determined in January. This Committee will be working on the Auke Bay Area Plan, and with Docks & Harbor project at Statter Harbor on going, it is good that we participate in this development.

VIII. Committee and Board Member Reports

1. Operations/CIP Committee Meeting –Cancelled

2. Finance Committee Meeting – December 10th, 2013

Mr. Donek said the Committee had two action items;

- Report on the Mt. Roberts Tram negotiation, and he asked Mr. Peterson to give his report.

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Mr. Peterson said he and Mr. Uchytel met with Goldbelt representatives, Mr. Loiselle and Mr. Duncan, on Tuesday Morning and they worked to identify parts of the lease that both parties are interested in discussing. This was a very cordial meeting and it lasted about two hours. The next meeting date has not been set yet because Goldbelt is waiting for the Archipelago property sale to be included in the Reliant appraisal. When this is available, Goldbelt will call Docks & Harbors staff and set up another meeting. Mr. Uchytel said everyone wants to move forward and get this resolved. Both sides have their own interests and hopefully this will move forward in a professional manner.

- FY15 Marine Passenger Fee Request – Mr. Donek said this was discussed here tonight.

3. Member Reports-

Mr. Peterson said the Lands Committee met on December 9th and there were no agenda items that pertained to Docks & Harbors. The next meeting is January 13th.

IX. Port Engineer's Report –

Mr. Gillette said his written report is in your packet. He said he would like to update the Board on the mitigation plan for Statter Harbor. Mr. Gillette said he spoke with Frank Rue with Seal Trust today. They are looking for land outside the Juneau commercial area. The charge is to find land with similar habitat value within the Juneau unit and the Juneau unit runs up Lynn Canal. Part of the problem is a lot of the area to fill is tidal flats and mud flats, and there is not much privately owned tide lands around. It is either already owned by the municipality or the State, and the State has already been very clear they are not going to transfer land to the City for mitigation. Seal Trust is looking land and their expectation is once they find land that is more rural than the waterfront commercial district it will be less expensive. They are working to try to bring the cost down for the land and still meet the intent of the permit. The other suggestion was to take a look at other City lands that we might already own that could be put under a conservation easement that might help protect an area adjacent to properties that have valuable habitat like eel grass. They are interested in helping Docks & Harbors out and getting through the permit process.

Mr. Uchytel said the opinion of the Docks & Harbors Board was heard loud and clear by Seal Trust.

Mr. Logan said when Docks & Harbors heard the original deal from Seal Trust, it was assessing the land value based on water front within the Auke Bay

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corridor. Now they are looking for land to purchase. If this is the case, why can't they just use assessed value of land within the Juneau corridor?

Mr. Gillette said it sounds like Seal Trust is looking for exact replacement land, tide flats that is in a waterfront commercial zone. Mr. Gillette said Mr. Rue said Seal Trust was engaging Charles Horan to do an appraisal of lands of the habitat type that Docks & Harbors is to replace. This would be the argument to the Corps of Engineers that Docks & Harbors will be replacing the habitat type and not the zoning. The purpose really is to replace and protect the habitat that we are impacting. Mr. Rue indicated this is the path that Seal Trust is taking and will be working with the Engineers to make sure they support that.

Mr. Logan said it could still be a fee in lieu, but they may use appraised land values for areas within the commercial waterfront.

Mr. Gillette said that is his understanding.

X. Harbormaster's Report

Mr. Uchytel said as the acting Harbormaster, last month's report is in the packet and can answer any questions. The recruitment is still out for the Harbormaster position and it will close January 17th.

Mr. Peterson asked if the removal of boulders from Echo Cove on the Harbormaster's report was done annually?

Mr. Uchytel said Docks & Harbors hired Miller Construction to place the largest boulders along the launch ramp to deter the beach access from ATV's lawless use. The boulders were moved by the ATV users and placed on the launch ramp in the way of boaters trying to launch their boats. Harbor staff had to go move them off the launch ramp again.

XI. Port Director's Report

Mr. Uchytel said in October, the president of AAHPA acknowledged Mr. Gillette as the Ports and Harbors Employee of the year. Mr. Uchytel read the citation. Mr. Uchytel said the online launch ramp permits were successful for the first year, and more permits were sold this year than last year.

Docks & Harbors is giving the option to patrons to go green. This is to receive their bills in an e-mail instead of a bill in the mail.

The Christmas boat lighting contest will be judged tomorrow and Saturday. Six are signed up so far.

Mr. Uchytel had Mr. Gillette show a video of the wave action against the poly propylene tubs. This is the design that will be used in Aurora Harbor.

Mr. Spickler asked Teena if there was a way to see what ramp the launch ramp permit holders are using?

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Ms. Scovill said that information is asked when they purchase an online launch ramp permit.

Mr. Logan said he went online and bought an online launch ramp permit. He did not like that he had to go to his e-mail to print his permit. He requested to have the permit printable just after purchase and not have to go to your e-mail to retrieve it.

Ms. Scovill said this is a work in progress.

Mr. Peterson asked Mr. Gillette what materials Docks & Harbors has to be used to replace the Marion Hobbs net float barge?

Mr. Gillette said Docks & Harbors has some Poly floats, which are big round poly pipes that have ends on them. Each poly float is two pieces that are connected with a structural plastic piece, and we have two floats. These are 50' long and approximately 15' wide. Docks & Harbors has a 65% drawing for a 50' x 50' net float, but we didn't have the money to move forward with this project. A similar project was done at Aurora Harbor using the poly floats and the deck over cost approximately \$50,000. Mr. Gillette said these floats are fairly light and would have concern with the wave action where the current net barge is located. This can all be looked at and get firm costs if the Board would like staff to look into it further.

Mr. Peterson said with the demand for the net float, and Marion Hobbs barge leaving, he didn't want this to be dropped. He would like this discussed at a later date at a OPS/CIP Committee meeting.

XII. Assembly Liaison Report- Absent

XIII. Committee Administrative Matters

- a. Operations/CIP Committee Meeting – Next meeting is January 23rd, 2014 in the Assembly Chambers at 5:00 p.m.
- b. Finance Committee Meeting – Next meeting is January 28th, 2014 in CBJ Room 224 at 5:00 p.m.
- c. Board Meeting – Next meeting is January 30th, 2014 in the Assembly Chambers at 5:30 p.m.

XIV. Adjournment

The regular Board Meeting adjourned at 6:40 p.m.