CBJ DOCKS & HARBORS BOARD

REGULAR BOARD MEETING MINUTES

For Thursday, April 28, 2011

I. Call to Order.

Mr. Preston called the Regular Board Meeting to order at 7:00 p.m. in the Assembly Chambers.

II. Roll Call.

The following members were present: Tom Donek, Kevin Jardell, Cheryl Jebe, Don Etheridge, Greg Busch, Eric Kueffner, Michael Williams and Jim Preston.

Also present were the following: John Stone – Port Director, Ruth Danner – City & Borough Assembly Liaison and Dixie Hood – Parks & Recreation Advisory Board Liaison

III. Approval of Agenda.

Mr. Stone requested to move

Items for Information/Discussion

1. Storis Museum Ship Update

before the Items for Action, and add another Item for Action.

2. Appropriation of Dock Retained earning to the Cruise Ship Dock CIP

MOTION by MR. ETHERIDGE: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection,

March 31, 2011 Regular Board Meeting Minutes were approved.

April 7, 2011 Special Board Meeting Minutes were approved.

V. Public Participation on Non-Agenda Items.

None

VII. Item for Information/Discussion.

1. Storis Museum Ship Update.

Joe Geldhof, Juneau, AK, said he was speaking on behalf of the Storis Museum, a non-profit entity in Alaska. The Storis Museum is wanting to relocate the Storis ship to Juneau Alaska. They are in the process of obtaining the title for this vessel. This is non-controversial and there is no indication from Congress that there will be any issue and they will authorize transfer of the Storis to the Storis Museum in 2012. The Storis Museum looked at several different locations, but they want to have it in Juneau. Juneau has a strong Coast Guard community to help maintain the vessel. The Storis Museum has looked into putting it on dry land, however the best location is downtown incorporated into the new waterfront plan. The Storis Museum is asking at least to consider keeping open the option to having the vessel. The Storis has to be on a floating dock and it would be ideal to have it on the back side of the floating docks that Docks and Harbors is already working on in the plan. Mr. Geldhof said he can do a written request that amplifies the Storis Museum's request if the Board wanted that. He said location

is very important for this vessel. He understands there has been some concern on having the vessel locked in to that location. He believes that there has to be some way for barges or pile drivers to access he other docks from the water side and he said there has to be a creative way to allow marine vessels to get in.

Mr. Williams wanted to know the length and width of the vessel.

Mr. Geldhof estimated it is 235' x 40' vessel.

Mr. Kueffner wanted to know where the ship is located now.

Mr. Geldhof said the Maritime Administration has control of the vessel and it is moored in Sasoon Bay.

Mr. Kueffner asked if it could move on its own.

Mr. Geldhof said it probably could but it would be towed with the Comanche which is a Museum vessel tug. He discussed the plan to get the vessel to Juneau and its different stops along the way.

Mr. Busch asked what he meant when he said Juneau has a strong Coast Guard community to help maintain the vessel.

Mr. Geldhof said there is no intention of asking the Federal Government for any money. It would be retired Coast Guard that have general interest of a maritime nature.

Mr. Busch asked what role is Docks and Harbors going to play in this or is CBJ helping with maintenance or take over of this vessel.

Mr. Geldhof said it is essential that the museum maintain the Storis without any public funding. The only consideration the Storis Museum would ask is to pay the non-profit rate for the use of the facility that Docks and Harbors manage. He said this is a great platform and should last for another 15 to 20 years. This is going to add a value added attraction to the waterfront that Docks and Harbors manages.

Mr. Jardell said Mr. Geldhof said this would not be with any expectation of public funding, but if we spend funds to accommodate you, isn't that public funding?

Mr. Geldhof said yes, but in the course of doing the work at the point your at now and designing for a dual use, it is not really additional cost.

Mr. Jardell asked if it cost more money to accommodate the potential for this vessel, aren't you asking for public funding?

Mr. Geldhof said if it is possible to design the floating dock to get a dual use with no additional cost and create an opportunity. He said he does not see this is asking for public funding.

Mr. Jardell said he would like to have the Storis Museum put its request in writing. He wants a real business plan in writing so he can see exactly what is being asked.

Mr. Geldhof said he would be glad to put this in writing. He said even if the Storis is not in that location, how is the existing waterfront going to be maintained if there is no access from the waterside?

Ms. Danner said she wanted to know two things in the written proposal.
1. How often would the Storis have to be moved out for maintenance?
2. What about the thruster wash from the big ships, she would be worried about damage.

VI. Items for Action

1. Resolution in Support of Continuing Federal Funding for the Army Corps of Engineers Civil Works Program.

Mr. Stone said in the packet is a couple examples of the resolution, one from Kodiak and one from Alaska Association of Harbormasters and Port Administrators. This went before the CIP committee and they recommended the board ask the Assembly to adopt a resolution on this subject matter. The Army Corp of Engineer is experiencing funding cuts, and what Docks and Harbors is asking is for the Army Corp of Engineer to come up with a system that assures that there is still some funding directed toward small navigation projects in the western states. Mr. Stone said the Kodiak resolution example is more clear, and there would be a similar draft written for the Assembly.

Board Questions
None

Public Comments
None

Board Comments

Mr. Etheridge said it was an excellent idea to send in this resolution. We need a program that is aimed toward the small harbors. He said the Kodiak example was more clear and to the point at what we want to do.

Mr. Kueffner and Mr. Williams agreed.

MOTION by MS. JEBE: TO REQUEST THE ASSEMBLY ADOPT A RESOLUTION SUPPORTING CONTINUED FEDERAL FUNDING FOR THE CIVIL WORKS PROGRAM IN THE U.S. ARMY CORPS OF ENGINEERS SO THEY CAN CONTINUE TO PARTICIPATE IN THE PLANNING, DESIGN, CONSTRUCTION, AND MAINTENANCE OF SMALL NAVIGATION PROJECTS IN THE PACIFIC OCEAN DIVISION AND TO FORWARD THE RESOLUTION TO THE ALASKA CONGRESSIONAL DELEGATION AND THE ARMY CORPS OF ENGINEERS MODELING THE KODIAK RESOLUTION AND ASK FOR UNANIMOUS CONSENT.

Motion passed without objection

2. Appropriation of Dock retained earnings to the Cruise Ship Dock CIP

Mr. Stone said this was requested by Craig Duncan the Finance Director. He would like the Board to approve a recommendation that the Assembly appropriate four million dollars from the Dock retained earnings to the cruise ship dock CIP that is consistent with the finance plan. He wants to get an ordinance in front of the Assembly next month that would appropriate that four million dollars.

Board Questions
None

Public Comments
None

Board Comments/Deliberation
None

MOTION By MR. KUEFFNER: TO REQUEST THE ASSEMBLY TO APPROPRIATE FOUR MILLION DOLLARS FROM THE DOCKS RETAINED EARNING FUND TO THE CRUISE SHIP DOCK CIP FUND AND ASK UNANIMOUS CONSENT.

Motion passed without objection

VIII. Committee and Board Member Reports.

1. Operations Committee Meeting- April 19, 2011

Ms Jebe said there were two main items on the agenda.

1. Juneau Youth Sailing request for lease – the director is looking into doing a five year lease and seeing what is necessary to do so.
2. Portable toilet service – the current contractors came and talked and the Committee decided to not move forward with this.

Doug Mertz attended the meeting representing Russell Peterson for his request on his boat the Seal. The Committee is looking into a resolution on the Seal so it could be put in a location where he can continue construction and have his slip hot berthed so he can go back to that slip after construction.

The Committee is still doing research on a reserved moorage rental agreement.

Mr. Benner gave a report on the maintenance and said OSHA walked through the facilities and gave a good report. May 27th is customer appreciation day. June 10th is a barbecue for Mr. and Mrs. Stone. Impound and boat auction is on July 13.

Mr. Kueffner said he would like to know if warning tickets could still be considered. He would like this put on the operations agenda.

Mr. Etheridge said he checked into what Mr. Peterson said in his testimony that the motor vessel Perseverance was not living up to the rules. He checked and it left 18 times last year. Already this year it has left three times. The Tagish is no longer in the harbor system.

Mr. Preston said Mr. Peterson is suggesting he is going to be leaving the harbor before the deadline.

2. CIP/Planning Committee Meeting – April 21, 2011

Mr. Donek said the Corp funding resolution, the Storis and the cruise ship dock CIP funding were discussed at the Committee and discussed here tonight.
There was a port customs building update, the committee received a tour of the building and it is a very nice asset to the waterfront.
Mr. Donek reported Mr. Gillette said there is money left over in the Tiger grant for the Auke Bay loading facility. Mr. Gillette is looking into using that money for a 45 ton hydraulic trailer.

3. Finance Committee Meeting – Cancelled

4. Member Reports.

Mr. Etheridge said Docks and Harbors is still in the running for funding in the capital budget that is in the senate, five million in the proposed budget for the two floats at Statter Harbor and ten million for the dock expansion.

Mr. Preston said that Ms Jebe requested she no longer Chair the Operations Committee meeting, and he has asked Mr. Busch, who was vice-chair to be the Chair for the remainder of the term.

Mr. Kueffner said he was asked to send a response to an e-mail the Board received from Margo Waring. She requested the Board keep historic vessels in a historic place. He asked what the actual request was. She was thinking to group some historic vessels together and have some signage. She named the Seal and the Princeton Hall and would ask about other vessels. Mr. Kueffner said it was a very vague request and wanted more information.

IX. PRAC Representative Report.

Ms. Hood handed out a letter from the PRAC to the Board. She read the letter to the Board.

Ms. Danner said it seems like the PRAC letter is asking to keep open the open space until there is a need for designation that has already been specified. The building is an important step in securing the passenger fee in order to have a component to attract tourists to allow us to use tourist dollars. If you are asking the property to be more dedicated to something, Docks and Harbors has not discussed that yet. It will be a long time before the building will be built.

Ms. Hood in terms of deciding on the design for the seawalk she wants to make sure there is more green space to be used for recreational space.

Mr. Preston said Docks and Harbors does not have anything to do with the funding for the Seawalk. This is a separate allocation and the Assembly made it clear that the Seawalk is being built by the Engineering Department and maintained afterward by PRAC.

Ms. Danner said the PRAC letter is really questions for the Assembly.

X. Port Engineer's Report.

Mr. Gillette's report was included in the packet.

XI. Harbor Master's Report.

Mr. Benner was on vacation.

XII. Port Director's Report.

Mr. Stone said all the seasonal staff are back and working on getting everything on line for the summer.

He said Craig Duncan wanted to have John Hartle make sure it was acceptable to use the proposed funding for DeHart's repairs given to the Board at the last meeting. John Hartle received confirmation that the proposed funding was appropriate on Tuesday. Account codes were set up with the finance department, and Mr. Tajon has started on the DeHart's repairs that were approved by the Board.

Mr. Jardell wanted to know about the contingency to having Risk Management look at the DeHart's facility.

Mr. Stone said he walked DeHart's facility with Tim Allen at Risk Management. Mr. Stone said he is going to write Mr. Allen a memorandum outlining what repairs Docks and Harbors is proposing to do to minimize risk. Mr. Stone said Mr. Allen liked the Boards idea to move patrons out of DeHart's in the winter and felt that was another good way to minimize risk and will expect the Board to follow through with that.

Mr. Stone said Auke Bay Loading Facility construction is moving forward.

Mr. Etheridge wanted to know the outcome of the meeting on Douglas Harbor.

Mr. Stone said the person with the EPA that was doing the permitting has revised some of the test data he was using that would classify whether the material was hazardous or not due to new mercury testing in the last two years. It has been revised to our benefit. The latest is they are reconsidering in water disposal without a cap again. The Douglas Harbor is at 120 times less mercury than what was initially proposed. It will be July before the Corp of Engineers can start again with this permitting.

Mr. Etheridge wanted to know when Mr. Stone thought the permitting would finally go through.

Mr. Stone said probably by the end of the summer. There has been more progress in the last month than the previous three years.

Mr. Stone said the Auke Bay Launch Ramp permitting meeting that was held in Anchorage went well. They were hopeful they could get a FONSI (finding of no significant impact) out by the end of the summer. Then the Corp of Engineers permitting will probably happen in the fall.

Mr. Etheridge asked Mr. Stone if he looked into the Statter Harbor required permitting.

Mr. Stone said he thinks it can be under the nationwide permit plan, which is just a notice to the Corp of Engineers.

XIII. Assembly Liaison Report

Ms. Danner said the Finance Committee moved the CIP funding for FY12 on to the Assembly for approval. It included appropriation of the State marine passenger fees and the port development fees which will be used for 16B.

XIV. Committee Administrative Matters.

1. Operations Committee Meeting – May 17, 2011
   5:00 p.m. at the Aurora Harbor Office

2. CIP/Planning Committee Meeting – May 19, 2011
   5:00 p.m. in the CBJ Assembly Chambers

3. Finance Committee Meeting – May 24, 2011
   5:00 p.m. at CBJ Room 224

4. Regular Board Meeting – May 26, 2011
   7.00 p.m. in the CBJ Assembly Chambers

XV. Adjournment.

The Regular Board Meeting adjourned at 8:12 p.m.