CBJ DOCKS & HARBORS BOARD

**REGULAR BOARD MEETING MINUTES**

**For Thursday, April 29, 2010**

## I. Call to Order.

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

## II. Roll Call.

The following members were present: Mr. Donek, Mr. Jardell, Ms. Jebe, Mr. Kueffner, Mr. Mehrkens, and Mr. Preston

The following members were absent: Mr. Wostmann and Mr. Etheridge.

Also present were the following: Mr. Stone – Port Director, Mr. McLeod – Administrative Officer, Mr. Benner – Harbormaster and Ms. Hood – Parks & Rec. Liaison.

## III. Approval of Agenda.

Mr. Stone moved action item #8 to #1 on the agenda.

**MOTION by Mr. Jardell: TO ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED.**

**The motion passed without objection.**

## IV. Approval of Previous Meeting Minutes.

Ms. Jebe said there were a few minor grammatical changes to be made to the previous meeting minutes and they had been given to the Committee Secretary.

**MOTION by Ms. Jebe: TO ASK UNANIMOUS CONSENT TO APPROVE THE MINUTES FROM THE REGULAR BOARD MEETING HELD MARCH 25, 2010 AS AMENDED.**

**The motion passed without objection.**

## V. Public Participation on Non-Agenda Items.

Chip Thoma, Box 21884, Juneau AK 99801

Mr. Thoma said the Legislature recently passed SB312 which gave Juneau a very adequate head tax starting next year at $13 per head. This is a wonderful opportunity for Juneau to get these docks built and complete the Seawalk. It would be a good idea to anticipate some opposition from industry on these projects.

## V. Public Participation on Non-Agenda Items (continued).

Marion Hobbs, 35000 Glacier Hwy, Juneau, AK 99801

Mr. Hobbs is the owner of the Yankee Cove Transport Facility. He asked why the Auke Bay loading facility did not have to comply with the regulations his facility did when fueling vessels. It appears that anyone can drive down and fuel at the Auke bay Facility without those requirements.

Mr. Stone said the City must comply with the same Coast Guard regulations that a private dock would. Fueling at the ABLF must be scheduled in advance and there is currently only one operator that can fuel down there.

Mr. Benner said we have or own spill containment equipment at the facility as well as a Seapro container.

Mr. Hobbs also asked how Goldbelt or Kensington can work out of Echo Bay. Who received the permits and what were the conditions of those permits.

Mr. Stone said we issued Kensington Commercial Use Permits with a whole variety of conditions.

Mr. Hobbs said Kensington operating out of Echo Cove effects his business because that facility was not intended for commercial use and also not in Kensington's original transportation plan. This operation directly effects his business and his ability to pay his tideland leases.

Mr. Preston said the Echo Cove Commercial use Permit is temporary and due to expire May 7, 2010.

## VI. Consent Agenda

1. PND Consultant Services to Prepare Concept Plans and Cost Estimates for Expansion of the Taku Fisheries Dock.

**MOTION by Mr. Williams: TO APPROVE FEE PROPOSAL FOR PND ENGINEER IN AN AMOUNT NOT TO EXCEED $5000 TO PREPARE DESIGN CONCEPTS AND COST ESTIMATES FOR EXPANSION OF THE TAKU FISHERIES DOCK AND ASK UNANIMOUS CONSENT.**

**The Motion Passed without objection.**

**VII. Items for action.**

1. FDC Feasibility Study for Cold Storage Facility.

The FDC provided a proposed work plan for the Cold Storage Feasibility Project.

Glen Haight, 1514 Ling Ct, Juneau AK 99801-FDC Member

Mr. Haight gave an overview of the proposed work plan and answered some questions previously asked by the Board. He said the initial request for funding to Northern Economics for the update of the Feasibility Study from 1998 is estimated at $25,000.

**Public Comment**

Dave Hanna, 11495 Mendenhall Lp. Rd., Juneau, AK 99801

Mr. Hanna said he owned several acres of industrial property in the Lemon Creek Area next door to Alaska Seafood Processing. Mr. Hanna and the owner of Alaska Seafood have talked about using his property for a gear storage facility and a cold storage. There seems to be a demonstrated need, we need to skip the study and get the ball rolling on this project.

Mr. Mehrkens asked what size facility Mr. Hanna would be starting with and if it would have the capability to expand.

Mr. Hanna said he already had a building on site that is roughly 40ft by 60ft that could be converted to cold storage in several weeks. The building could be expanded another 1,400 sq. ft. in the back.

Mr. Mehrkens asked if Mr. Hanna had all the D.E.C. permits required for fish processing and if he had met with the FDC.

Mr. Hanna said as far as the permits, this facility could be an expansion of Alaska Seafoods which is adjacent to the property and they have all the permits and he had not yet met with the FDC to discuss this project. We have already determined there is a need for the cold storage and we are just trying to get some commitments from the two major processors in town to use the facility before we can afford to move forward.

There was discussion between Board Members and most agreed the Feasibility Study did not seem necessary. It appears there is established need and interest in a cold storage facility in Juneau.

Mr. Mehrkens made a recommendation that the FDC work together with potential cold storage developers and come back to the Board with a different proposal for funding.

**VII. Items for action (continued)**

Mr. Preston welcomed new assembly member, Ruth Danner, to the Docks and Harbors Regular Board Meeting.

2. Amendment to Docks and Harbors Regulation – Storage Fee Discount for Reserved Moorage Patrons. (Public Hearing)

Mr. Kueffner said this is a proposal to reduce the storage fee from $ .50 per square foot to $ .25 per square foot for persons holding reserved moorage. The discount would be limited to one personal item up to 200 square feet. Any additional items being stored by the moorage holder would be charged at the regular rate of $ .50 per square foot.

**MOTION by Mr. Kueffner: TO PROPOSE AN AMENDMENT TO THE HARBORS FEE REGULATIONS ADDRESSING STORAGE FEE DISCOUNTS FOR RESERVED MOORAGE PATRONS AND FORWARD TO THE CITY ATTORNEY FOR PRESENTAION TO THE ASSEMBLY AND ASK UNANIMOUS CONSENT.**

**The Motion Passed without objection.**

3. Consultant Services to Perform a Depth Survey of Selected Areas at the CBJ Cruise Ship Dock.

Mr. Williams said it has been about ten years since a survey has been done of the areas where the cruise ships dock. The cruise ship industry would like an updated survey. We have received some bids for this project. R& M Engineering came in with the lowest bid at $8,500 for this project.

**MOTION by Mr. Williams: TO APPROVE A CONTRACT TO R&M ENGINEERING IN THE AMOUNT OF $8,500 TO PERFORM A DEPTH SURVEY OF SELECTED AREAS AT THE CBJ CRUISE SHIP DOCKS AND ASK UNANIMOUS CONSENT.**

**The Motion Passed with 6 Board Members in favor and 1 opposed.**

4. Place Temporary Surfacing at Select Locations at Marine Park to Resolve Potential Safety Issues.

Mr. Williams said we have some surface areas in Marine Park that have become a hazard from settlement. This is a heavy foot traffic area in the summer and could be a liability. The repairs are a little more complex than just applying some quick dry cement. Rebar needs to be applied under the cement so the repaired areas will settle even with the existing surface.

**MOTION by Mr. Williams: TO APPROVE A SUPPLIMENTAL AGREEMENT WITH ADMIRALTY CONSTRUCTION FOR REPAIR OF CONCRETE SURFACING AT MARINE PARK IN TWO LOCATIONS FOR SAFETY REASONS AND ASK UNANIMOUS CONSENT.**

**The Motion Passed without objection.**

**VII. Items for action (continued)**

5. Transfer $22,237 to Close Out CIP Account H3654-69 Harbors AW Restroom Construction. Funds to be transferred to CIP Account H354-85 Harbors Deferred Maintenance.

Mr. Williams said we have completed the AW Restroom project and would like to close out the CIP and move it into the deferred maintenance account.

**MOTION by Mr. Williams: TO REQUEST THE ASSEMBLY APPROVE TRANSFER OF $22,237 FROM HARBORS AREA WIDE RESTROOMS CONSTRUCTION CIP TO THE HARBORS DEFERRED MAINTENANCE CIP AND ASK UNANIMOUS CONSENT.**

**The motion passed without objection.**

6. Review and Approval of Recommendations Contained in the Uplands Operations Analysis Report.

Mr. Stone said the packet includes two diagrams after the transfer request memo. There is Also a detailed report that goes through all the measurements we conducted, the study we did, and the public hearings. As a result of these measures, the engineers have generated two physical improvement recommendations. Mr. Gillette would like to get approval from the Board to carry this through to the Assembly to get approval to move forward with the project. We would like to increase B-Zone parking from 4 spaces to 6 and there will be a loss in public parking so that will be a sensitive issue for the Assembly. We are also altering Manila Square so we do not have pedestrians walking through traffic which has been a tremendous safety hazard. The budget for this project is an estimated 1.7 million.

Ms. Danner asked to make sure the Filipino Community has input as far as moving the memorial at Manila Square.

**MOTION by Mr. Williams: TO REQUEST THE ASSEMBLY APPROVE THE UPLAND IMPROVEMENTS CONTAINED IN THE UPLANDS OPERATIONS ANALYSIS REPORT FOR THE CBJ CRUISE SHIP DOCKS CONTINGENT UPON THE FILIPINO COMMUNITY APROVAL AND ASK UNANIMOUS CONSENT.**

**The motion passed without objection.**

7. ABCLF Phase 2 PND Fee Proposal.

Mr. Stone said as you know we were awarded the 3.64 Million Tiger Grant. The assembly is in the process of appropriating that grant at their May 17, 2010 Meeting. On May 10, 2010 the Grant administrator will be in town to sign the Grant with the Mayor. This proposal will be the actual bid documents for the Grant and we would like to have this at the same Assembly Meeting so they can approve the Grant award and the bid to do the design.

**VII. Items for action (continued)**

The proposal for Final Design and Bid Phase Services estimated cost is $122,470. We would do a time and materials contract not to exceed that amount.

Mr. Jardell asked since we are in a hurry to complete this project, was this more efficient to just do an add on contract or should we have gone out to competitive bid.

Mr. Stone said quite a bit of this work has already been designed so there is a savings there. They are basically using the previous design work and adding to it. This also has to be approved by the Assembly because it is over $100,000.

**MOTION by Ms Jebe: TO RECOMMEND THE ASSEMBLY APPROVE A CONTRACT WITH PND, INC. IN THE AMOUNT NOT TO EXCEED $122,470 FOR THE PURPOSE OF PREPARING BID DOCUMENTS AND PROVIDING ASSISTANCE DURING THE SOLICITATION PROCESS TO ACCOMPLISH THE WORK SET OUT IN THE TIGER GRANT FOR THE AUKE BAY LOADING FACILYTY, FUNDING PROVIDED BY THE TIGER GRANT AND ASK UNANIMOUS CONSENT.**

**The motion passed without objection.**

8. Summer Harbor Moorage Promotion.

Mr. Jardell said last year we adopted a regulation that allows us to do moorage promotions. We would like to run a moorage promotion at the beginning of the summer to encourage patrons with small vessels to keep their boats in the water. We have two promotions to consider, both are limited to vessels with a maximum LOA of 27". The Finance Committee decided to limit the promotions to the downtown harbors only.

1. Purchase a 2010 Annual launch Ramp permit, buy two months of moorage during June for downtown and get one month free.

2. Buy three months moorage for June, July, and August and get a 5% discount off the published moorage rate plus two day permits to use a CBJ launch ramp to launch and retrieve your boat. If you pay by Friday, May 28, moorage is good from Friday, May 28 through Monday, September 6, 2010.

**MOTION by Mr. Jardell: TO APPROVE SUMMER MOORAGE PROMOTIONS, EXCLUDING STATTER HARBOR AS RECOMMENDED BY THE FINANCE COMMITTEE AND ASK UNANIMOUS CONSENT.**

**The motion passed without objection.**

## VIII. Items for Information/Discussion.

1. Aurora E-23 Boat Shelter Sale.

Mr. Kueffner said there are two parts to the obligation if you own one of these boat shelters. The first part is if you intend to sell you need to notify the Board and the second part is to give the Board first right of refusal before you sell. The Board has never exercised the option to purchase one of the boat shelters mostly because we do not have the money to purchase them.

We have been given notice that Ann Kennedy will be selling the Boat house E-23 in Aurora on behalf of the James F. Kennedy estate. We have given notice that we will not be purchasing the boat shelter.

2. Project Labor Agreement-Port Customs Building and Visitor's Center.

Mr. Stone said the Port customs and Visitor Center project has an estimated construction cost of $7,465,570. and is generally comprised of two projects: the infill dock areas and two small buildings. This project has been advertised for bids that were due on May 20, 2010. The bid date has been postponed until further notice to address the issue of including a Project Labor Agreement (PLA). The City Assembly has expressed support of PLAs on large projects and the practice of the Engineering Department has been to consider PLAs on a project by project basis.

There are 10 criteria to assess if a PLA is required for a project. For each project that is large, the city does an analysis to determine whether or not the project is bid with a PLA. The City has only done this analysis about 10 times previously. We have done a lot of our dock work without PLAs.

Mr. Williams asked if there was a contractor in the community that could complete this project.

Mr. Stone said there was a local contractor that could complete the job and to the extent we can, we try and design facilities that can be bid on by local contractors even if the project has to be divided up. We probably could not include a local bidders preference in this project because there is a State Grant involved.

Mr. Donek asked what authority the Board had in the decision to include or not to include a PLA in this project.

Mr. Stone said he was not sure yet, but it seems there is some flexibility. We could review the previous findings to determine what extent we have authority in this decision.

## VIII. Items for Information/Discussion.

### Public Comment

Doug Trucano-Owner of Trucano Construction

Mr. Trucano said he would hesitate to bid on a project that had a PLA. Including a PLA is not good for the local community because an outside contractor will bring in outside labor. Including a 5% local bidder's preference is a better way to get local contractors.

He said all his employees are local and if he won a bid with a PLA, his employees would have to join the union to work for him. They would have to pay the union dues and it would be a substantial loss in pay for them with no benefits. He has employed union employees in the past but they have all come from out of town.

Mr. Preston asked if a PLA was included if Mr. Trucano would bid on the project.

Mr. Trucano said he may not bid on the project if a PLA was included because there is a lot of Marine work out there right now and this project would be less enticing with the PLA.

Bill Shattenberg-Owner of Anchor Electric

Mr. Shattenburg said including a PLA in a project harms local workers. Unions can still bid on Job's without a PLA. He said he maintains a full benefit package for his non-union employees and his employees will not sign a union agreement. He would not bid on a job that included a PLA. He has worked on jobs in the past that had PLA's on them and some of the labor had to come from out of town.

Mr. Stone gave a recap of the 10 criteria used to asses if a PLA should or should not be included in a project.

Mr. Jardell said we should focus on the number of jobs Docks and Harbors has done without a PLA and the quality of work we have received. He thought we should move forward and do the analysis and not postpone sending the project out to bid.

## IX. PRAC Representative Report.

Ms. Hood said she appreciated having a place on the meeting agenda and she spoke in favor of labor unions. She said she was involved in the planning process for the original improvements to the Auke Bay Launch Ramp Project and she was disappointed by the final concept plan. The PRAC is very interested in this project including some park areas and a more unique developement.

## IX. PRAC Representative Report(continued)

Mr. Stone said the transition out at the Auke Bay Launch Ramp Project has really been heartbreaking. Because of the change in the 2009 Mitigation Rule, it has severely limited where fill can go and what that area can be used for. The waterfront areas can be used for activities only considered water dependant.

Mr. Donek suggested a joint meeting between Docks and Harbors and the PRAC so that we can show the PRAC the transition to the current concept at the Auke Bay Launch Ramp Project.

## X. Committee and Board Member Reports.

1. Operations Committee Meeting- April 20, 2010.

Mr. Williams said items for information at the OPS Committee were: The Maritime Festival on May 22, 2010, TSA K9 units on the waterfront coming through S.E. Alaska, A parking issue and creating a Parking Committee for Docks and Harbors.

2. CIP/Planning Committee Meeting – April 22, 2010.

Mr. Williams said the CIP Committee discussed the following: Concept plans and cost estimates for the expansion of the Taku Fisheries Dock to accommodate two vessels, Depth surveys for the Port area, temporary fill for the ramp at the ABLF and a discussion of the Douglas Bridge Property.

3. Finance Committee Meeting – April 27, 2010.

Mr. Jardell said the items discussed in the Finance Committee but not on tonight's agenda were: Waterfront Sales Permit Holders changes in requirement to actively sell and limit to interest in only one permit, Trucano Tideland Lease increase appeal, a parking complaint from a Harbor Patron and a Revenue Report.

Mr. Mehrkens said this would be his last meeting as Docks and Harbors Board Member. His term is up in July and he will be gone the next couple months.

## XI. Assembly Member Report.

Ms. Danner said she was pleased to be invited to the Docks and Harbors Board Meeting and was favorably impressed with what she had seen. She would like to attend from time to time to gain a better understanding of D&H.

**XII. Administrative Officer's Report.**

Mr. McLeod said our budget was moved on through the Finance Committee on to the Assembly.

**XIII. Port Engineer's Report.**

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

**XIV. Harbor Master's Report.**

Mr. Benner said the blessing of the fleet will be at 10:00a.m. Saturday, May 1st, 2010 and the Twisted fish will be providing food and refreshments afterwards. There is a change to the events at the Maritime Festival. The Alaskan Brewing Company will be sponsoring a beer Garden and they will have their own insurance and section an area off for this event. Our first Cruise ship of the season will be in tomorrow and we will be having our first drill. The K9 units will be walking the Cruise Ship Docks. We will be having a customer appreciation day again this year on May 28th, 2010 from 11:00 to 1:00pm.

**XV. Port Director's Report.**

Mr. Stone said as you know the Capital Budget is done and now we are awaiting the vetoes. He was pleased that we did get the money for the Cruise ship dock. We will also get some Federal funds for the Auke Bay Launch Ramp project. We received an EPA response to Mr. Preston's letter and he was somewhat encouraged by the response. We are extending the comment period for the Auke Bay Launch Ramp EA.

**XVI. Committee Administrative Matters.**

A. Meeting Calendar for May 2010.

**Operations Committee Meeting – May 18, 2010**
5:00 p.m. at the Aurora Harbor Office

**CIP/Planning Committee Meeting – May 20, 2010**
5:00 p.m. in the CBJ Assembly Chambers

**Finance Committee Meeting – May 25, 2010**
5:00 p.m. at the CBJ Meeting Room #224

**Regular Board Meeting – May 27, 2010**
7.00 p.m. at the CBJ Assembly Chambers

**XVI. Committee Administrative Matters(continued)**

Mr. Preston said with the absence of Mr. Mehrkens, we will need to appoint a new CIP Committee Chair and Vice Chair as well as a Vice Chair for the OPS Committee.

Mr. Williams will be the new CIP Committee Chair and Mr. Donek will be the CIP Vice Chair. Mr. Jardell will be the new OPS Committee Vice Chair.

**XVII. Adjournment.**

**MOTION by Mr. Mehrkens: TO ASK UNANIMOUS CONSENT TO ADJOURN THE REGULAR BOARD MEETING.**

**The motion passed without objection.**

The Regular Board Meeting was adjourned at 9:29 p.m.