

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

I. Call to Order

Mr. Eiler called the meeting to order at 5:00pm in the CBJ Assembly Chambers.

II. Roll Call

The following members were present: Don Etheridge, Bob Janes, Budd Simpson, David McCasland, Bob Wostmann, Christopher Dimond (via phone), and Weston Eiler.

Absent: James Becker and Mark Ridgway.

Also present: Carl Uchtyl – Port Director, David Borg – Harbormaster, Matthew Creswell – Deputy Harbormaster, Loren Jones – Assembly Member, Jennifer Mannix – CBJ Risk Manager, George Schaaf - Director of Parks and Rec, and Michele Elfers – Deputy Director of Parks and Rec.

III. Approval of Agenda

MOTION BY MR. ETHERIDGE: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items

Erik Wiseman – Douglas, Alaska

Mr. Wiseman said he lives on a boat in Douglas Harbor and he is here petitioning the Board to make a few changes to that harbor. He has lived in several communities in Southeast Alaska including Prince of Wales, Ketchikan, and Petersburg. He said the facilities in Juneau are outstanding. They are well maintained and the personnel are exemplary both in their performance and their attitude on the floats and in the office. We've had an increase in crime in Douglas Harbor. We've had break-ins to boats, break-ins to cars, and gas thefts in the parking lot. Mr. Wiseman is asking to have cameras and lighting in the parking lot, cameras on the floats, and cameras in the storage area. Also, the wind gets so strong in Douglas that sometimes it picks up rocks and breaks windows in vehicles. If it were paved that wouldn't happen. There's a process that's a little more economical than paving and results in a paved type surface and it's called oiling. He doesn't know if that can be done so close to the water but those are his requests. One problem that was mentioned by staff is a lot of overhead for people monitoring cameras. There are sophisticated cameras now that have motion detection and varying degrees of sensitivity. If you have to have personnel come in every day and look through a bunch of these clips it would be expensive. He recommended having it be event driven. If there is a report of a boat being broken into, someone can then look through the clips of the motion detection for that time frame only. That would cut down on a lot of

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

the overhead. The police don't have much to work with when we call them. If we had these cameras, the harbor could submit the footage to the police. People are smart enough to wear hoodies and disguise themselves, but if you have the parking lot data and the data from the floats, then you may see them leaving in a certain vehicle. These cameras would be really helpful. Another problem mentioned by staff was that if the footage is viewable publicly on the internet, that would be an easier way for crooks to monitor your comings and goings. We don't want to do that. The Harbor Department did an excellent job replacing the floats, dredging the harbor, and extending the parking lot. Cameras would be a minor percentage of that cost and he really thinks it would improve things. Mr. Wiseman presented the Board with 27 letters from Douglas Harbor residents and patrons requesting cameras and paving at Douglas Harbor.

Eran Jenkins – Juneau, Alaska

Mr. Jenkins said he works for Goldbelt. He has installed dozens of cameras in the last few years and he can help with design or implementation on a volunteer basis. There are many different types of systems with different costs. He's noticed over the years that the cost of installation roughly matches the cost of the camera. He said it would not be that difficult to put cameras down there. Cameras are great but signs seem to have an effect too. People buy fake cameras and put up big signs that say "Security Camera in Use" and a lot of times that's enough of a deterrent and the burglars will skip that spot. Mr. Jenkins said if he can help he will.

V. Approval of Wednesday, February 20th Operations/Planning Meetings Minutes

MOTION By MR. ETHERIDGE: TO APPROVE THE FEBRUARY 20TH, 2019 OPERATIONS/PLANNING COMMITTEE MEETING MINUTES AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

VI. Consent Agenda - None

VII. Unfinished Business

1. People's Wharf Lease Amendment #2

Mr. Uchytel directed everyone's attention to page 15 in the packet. That is the existing lease agreement that we have with Bill Heumann for his building, People's Wharf. Over the last couple of years what's in blue have been use permits that we've issued to Mr. Heumann who subleases to Tracy's Crab Shack. This past December the Board gave direction to move forward at the request of Mr. Heumann to add the additional space on page 16. We're moving from use permits to the actual lease. Amendment #2 would add 705 square feet to Bill Heumann's lease. It would be seasonal from mid-April to mid-October. Part of the process is to have it appraised. Horan and Company appraised it and came up with a value of \$14,805 or \$21 per square foot. Mr. Uchytel has been working with the Law Department to get the language finalized. Tonight he would like to move forward with an acceptance of the appraisal and then hopefully by next Thursday we'll

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

have the language crafted and approved through Law to bring forward to the Board for Lease Amendment #2.

Committee Questions

Mr. Eiler clarified that the action item before the committee this evening is to approve a lease amendment which reflects the new appraisal. The revised lease agreement would then be before the Board at a future meeting.

Mr. Uchytel said that is correct. There is some discussion with the CDD Director about whether there will be additional use permits required. There is potential for other Planning Commission type activity, so Law is sorting that out.

Mr. Eiler asked if this appraisal has been shared with the lessee?

Mr. Uchytel said Mr. Heumann is sailing, but he receives email from Mr. Heumann periodically and Mr. Heumann does have this appraisal available to him.

Mr. Simpson asked Mr. Uchytel to clarify if this amendment incorporates the existing areas that are under lease or permit so it's all one thing or is it piecemeal from the others?

Mr. Uchytel said it includes the use permits that the Board has given the last two years, it's under one lease agreement and based on the discussions he's had with Mr. Heumann and how Mr. Horan appraised this, it would be seasonal in use, not for expansion of his building, but only for outdoor seating. This is very limited in scope. A couple years ago the Assembly passed a resolution in support of outdoor beverage and food services in rights of way. That's how 400 linear feet was accounted for the last couple years, through an outdoor permit from the City Manager's Office. Moving forward, the City Manager has authorized us to manage that portion of the right of way under this lease agreement.

Mr. Janes asked how the proposed lease amount compares with the CBJ lease that already exists per square foot?

Mr. Uchytel said everything in red on page 25 of the packet is appraised at \$21 per square foot.

Mr. Janes asked if the \$14,805 is for the entire area, both parcels?

Mr. Uchytel said that is correct.

Mr. McCasland asked when this lease would be approved? Tourism is starting soon.

Mr. Uchytel said assuming the Docks and Harbors Board approves this and approves the language that Law is working on, he'd like to bring it before the Assembly on April 1st.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Mr. McCasland asked if that would be the final say?

Mr. Uchytel said a lease amendment only requires one Assembly meeting, so the only other hurdle could be if the Planning Commission has to approve it.

Public Comment

Tracy LaBarge, owner of Traci's Crab Shack - Douglas, Alaska

Ms. LaBarge thanked the Board for the work they've done on this for the last two or three years. She would like to keep the lease agreement open for amendments in the future. She would like to be open year-round but she wouldn't need seating during the winter, she would just need one propane tank.

Committee Discussion/Action

**MOTION By MR. ETHERIDGE: TO APPROVE PEOPLE'S WHARF
TIDELAND LEASE AMENDMENT #2 FOR AN ADDITIONAL 705 SF AT A
RATE OF \$14,805 PER YEAR AND ASK UNANIMOUS CONSENT**

Mr. Eiler object, and asked staff if the lessee has confirmed receipt of the lease amendment?

Mr. Uchytel said he has sent it to Mr. Heumann. He has not asked if Mr. Heumann agrees with the amount.

Mr. Eiler clarified that by approving this appraisal, the Board is not precluding future actions on the proposed amended lease.

Mr. Uchytel said that is correct. Mr. Uchytel got an email from Mr. Heumann today. Mr. Uchytel told him we are waiting on some language from Law and he asked for two days to review it. He will have an opportunity to see the language plus this lease rent proposal.

Mr. Eiler withdrew his objection and the motion passed with no objection.

VIII. New Business

1. Amending the CBJ Codes Related to Planning Commission Review of CBJ Real Property Transactions

Loren Jones, CBJ Assembly Member – Juneau, Alaska

Mr. Jones said there is a memo from Law on page 59 in the packet. He has asked permission from the Assembly to look at the process by which leases are approved. In general, the Assembly is approached from the Manager or from Lands regarding leases. Over the past six months, he has observed the Planning Commission putting conditions on leases which he thought the Assembly had already established conditions for. What

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

this ordinance would do, if it ever gets introduced, would be to replace every mention of the Planning Commission related to leases with the Lands Committee. Basically what it does is it keeps the disposal of land via leases within the hands of the Assembly and the Assembly Committees as opposed to going before the Lands Committee for their approval, going to the Assembly and getting their approval for the Manager to negotiate, then going to the Planning Commission, going back to the Lands Committee, then to the Assembly. This would just eliminate the step of going to the Planning Commission. He told the Committee when they took a look at this that he would bring it to the Docks and Harbors Board and the Planning Commission before the Assembly takes it up at a Committee of the Whole meeting and before they decide whether the Assembly would actually introduce the ordinance for hearing.

Committee Questions – None

Public Comment

Dennis Watson – Juneau, Alaska

Mr. Watson asked what about allowable uses and special uses of property that would require approval by the Planning Commission? If it goes through the Lands Committee and it comes back to you, and you go ahead and approve the lease, what happens when you are asked how you allowed that transaction to go through if the intended use doesn't comply with City ordinances?

Mr. Jones said this is only dealing with the lease of the land. If a lease is approved and then what gets put on that property requires a conditional use permit, the lessee still has to go through that process with the Planning Commission.

Committee Discussion/Action

Mr. Simpson said anything that tends to clarify and simplify these processes is a good idea, so he would support this.

MOTION By MR. MCCASLAND: TO SUPPORT PROPOSED ORDINANCE CHANGES PERTAINING TO THE PLANNING COMMISSION REVIEW OF PROPERTY TRANSACTIONS AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Budget Supplemental

Mr. Uchytel said Harbormaster Borg and Supervisor of Port Operations Scott Hinton gave a presentation last October asking for two additional Port Seasonal Employees. That was approved in January, so now we just need to increase our FY19 Docks budget for the additional \$35,000 we anticipate this will cost for April, May, and June. The Board has already approved the bodies, this is just approving the budget for those bodies.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Committee Questions

Mr. Janes asked if these appropriations come out of our general fund? Are they associated with docking fees or anything like that?

Mr. Uchytel said our FY19 Docks budget is built around revenues collected from the moorage fees, port maintenance fees, loading zones, and vendor booths. There are also some marine passenger fees in there. This just gives us the authority to spend a little more which reduces the amount of revenue that will go into our Docks fund balance on July 1st.

Public Comment- None

Committee Discussion/Action

MOTION By MR. JANES: THAT THE FY2019 DOCKS BUDGET BE INCREASED BY \$35,000 THROUGH THE SUPPLEMENTAL PROCESS AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. Proposed Insurance Change to Regulations

Mr. Uchytel said Jennifer Mannix, CBJ Risk Manager, sent him an email a few weeks ago saying there are some changes we should make in our regulations pertaining to insurance. He asked her to come in and talk to the Board. We'll bring this to the Assembly at the appropriate time in the future.

Ms. Mannix said there are an array of different commercial use permits issue by the CBJ from departments such as Docks and Harbors and Parks and Rec. We are not very consistent with how we handle insurance. She would like to make the insurance requirements more consistent across all of our CBJ facilities. She doesn't think the regulation is the place to specifically prescribe what type of insurance should be required and definitely not the limits. We should have a standard requirement but depending on the use and depending on the proposed type of permit she thinks it should be flexible. A lot of this language makes the regulation more general, then she can work with staff to come up with specifics for each type of permit. The prescribed insurance language "public liability coverage" is not always what is appropriate and we're not requiring the correct type of insurance depending on the type of activity. For instance, for vessels for hire, that doesn't really cover anything related to a charter boat. We need to change that. Public liability isn't what we want for loading zone activity either. We want to see the auto coverage, and we're probably getting that through the JPD permitting process. We need to clean the specific permit requirements up, and she doesn't think the regulation is where that should be done, she wants to make the regulation more generic.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Committee Questions

Mr. Wostmann asked how a member of the public who wants to run a charter boat would find out what his insurance requirements are going to be if it's not spelled out?

Ms. Mannix said she would like to propose a certain level of insurance. She's talked to one of the insurers we've seen on several permits to ask about common limits and common coverages. For charter boats, it would be protection and indemnity coverage and she thinks it would be great to suggest standard requirements. She has a number in her head that would be a good minimum coverage but she would like to get input from the permittees and make sure that's a reasonable coverage. She thinks companies should have a minimum coverage. There is a lot of exposure when you take a lot of clients out over the summer, but she would like to be able to run it by the tour operators that work with Docks and Harbors every year and then make it standard.

Mr. Janes said as a permit holder of several CBJ permits for trails through Parks and Rec and with Docks and Harbors, it seems to him that they have a very clear vision of exactly what they're paying all the time. Is she saying what she wants to do is adjust the rates for a for-hire vessel? He already knows what's there and he's assuming everyone else does too. Are there operators that just don't pay insurance? What are we trying to accomplish?

Ms. Mannix said the vessel for-hire requirement is a good example. Right now it says we're requiring public liability coverage. For a vessel for-hire, that public liability coverage would likely not cover anything that happens on the water for that boat. It really only covers them until they get on the boat. She is not sure the insurance we're requiring is serving our intended purpose. What she is wanting to do is tailor the insurance requirement to the type of permit making it a standard limit and a standard requirement, not a moving target, and making sure that everyone knows about it before the next season so there is plenty of time and so we can make sure it is appropriate for everyone who is getting these permits.

Mr. Janes said he is still confused. He knows exactly what the insurance requirements are through CBJ as an operator. He does not understand what Ms. Mannix is trying to accomplish. What difference would it make for him or any other operator? Maybe there are renegade businesses but that's more of a policing situation.

Mr. Wostmann said as a former charter boat operator, he has some experience in this area. His concern is similar to Mr. Janes'. He really needs to know what his costs are up front. If you're going to make specific requirements, particularly on the amount of insurance he needs, how much of a deductible he's allowed to have, etc., he needs clarity up front before he can make a business commitment. He asked if she envisions each year having a publication available that says in 2020 (for example), insurance requirements for charter boats are going to be as follows so he can take that to his broker and find out how much it's going to cost him?

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Ms. Mannix said what she would foresee is setting, for example, a \$500,000 limit for marine protection and indemnity insurance requirement for a vessel to get a passenger for hire permit. She envisions setting that requirement sometime this summer or fall assuming the regulation is changed, if it's not then we wouldn't, and she wouldn't imagine revisiting it every year. She thinks we would keep it for some time so that it's a standard requirement for a reasonable period of time and giving lots of notice.

Mr. Wostmann asked if this is something he could find on the CBJ website someplace? How would that information get to him so he can have it in a timely fashion?

Ms. Mannix said right now it is in the permit application. She is looking at how we handle it in other public use types of permits. It's not prescribed in the regulation, it's prescribed on the permit application. She would imagine we would put it on there as soon as we were allowed to make that change and then it would remain constant and we would give lots of notice before we changed it, that's very important. She doesn't want this to be changed yearly. An insurance limit can stay the same for awhile.

Mr. Wostmann said a lot of these requirements are not chosen by the operators, they are dictated by financial institutions so Ms. Mannix may want to speak to the lenders as well.

Public Comment - None

Committee Discussion/Action

Mr. Janes said what he would like to see is a spreadsheet that shows what is now, and what it might become at our next available meeting. We could compare these two scenarios and make a more educated decision about where we're headed. He doesn't feel like he knows where we would be heading if he were in support of this right now.

Mr. Eiler clarified the process, inquiring whether these proposed regulations go to the Assembly for approval or whether the Board has authority to enact them directly. Is the Board being asked to endorse a concept proposal or dive in on creation of regulations?

Mr. Uchytel said regulations require Assembly action. At this time we need to coordinate more with other entities in CBJ, Parks and Rec for example, to make sure they are all lined up similarly. We will work in the coming months to answer some of the questions.

Mr. Wostmann said he would like to support the opinion of Mr. Janes and express that he is uncomfortable at this point accepting the changes as proposed without having a better understanding of how this is going to be implemented from the perspective of the user.

Mr. Uchytel said in our permits that we issue, this liability coverage requirement is currently the same whether you're operating a whale watch with 40 people, driving a pedicab, or selling tours in a booth. The question is whether that makes sense or not. What Ms. Mannix is trying to do is get the CBJ family aligned so we're not all doing

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

something different. There is no need to have a motion tonight, but it's something that we should address.

NO MOTION.

IX. Items for Information/Discussion

1. Juneau Bike Share Program

Mr. Uchytel said the Alaska Club in Anchorage would like to come to Juneau and set up a bike share program. If you've ever been to Boston or Seattle, they have these bike sharing programs. Typically they're done with an App, and you can rent a bike for a certain amount of time. The Alaska Club coordinated a meeting with Docks and Harbors, Parks and Rec, and Kirby Day. They would like to start this summer. They're looking at approximately 25 bikes throughout the waterfront. They would provide helmets, locks, and information about where to go. There are people that come off the ships that are looking for activities. They think there might be people that would rent the bike, ride out to the glacier and come back. The AJ Dock already has a bike share program there now. It's very simplistic. Somehow you get a key, ride a beach cruiser type bike, then when you drop it off you line it up and leave the key in a drop box. What the Alaska Club is looking to do is have an App which allows you to unlock it. Which could also let the operator know when a bike needs serviced. This is not without issues, yet. The Law Department is working on a dockless vehicle ordinance. If you go down to Seattle or Portland they have these motorized scooters that are dockless so they are littered throughout the City. That is what the Assembly wants to address as early as April 1st. We'd have to resolve some of the issues with this proposal. There was a teleconference first, then an Alaska Club representative from Anchorage came down and met with Matt Creswell, Scott Hinton, Michele Elfers, George Schaaf, and Kirby Day. Kirby Day is on board. Mr. Uchytel presented the locations along the seawalk where the Alaska Club would like to put bikes: near the wedding cake, on the AS approach dock which we would be totally against, near the visitors center, near the library, and down by the Franklin Dock. Notwithstanding what the Assembly does with the dockless vehicle ordinance, at the meeting Matt, Michelle, and Scott came up with some other ideas. This goes back to whether we should allow commercial use along the seawalk. Docks and Harbors staff has reservations about adding more bikes to the seawalk. Parks and Rec has flexibility in managing recreational use permits, but that might be something we would need to manage in the form of a lease if we thought it was the right thing to do.

George Schaaf, Director of Parks and Rec

Mr. Schaaf said this has been a pretty dynamic proposal the last few days. Earlier today he had a meeting with the City Manager and the City Attorney talking about the dockless vehicles and the Assembly is probably going to be considering an ordinance that will put a temporary moratorium on micro-mobility devices which could capture things like bike shares as well. Right now Parks and Rec are in a holding pattern pending Assembly action and further direction from the City Manager's Office.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Mr. Uchtyl said he would like to eventually bring a bike share program to Aurora, Harris, and Douglas Harbors so our patrons that come into town could ride a bike to Foodland, get groceries, and bring them back. He'd like to make it work if it can be done in a safe and smart manner.

Committee Discussion/Public Comment

Mr. Wostmann said he has some experience with this and some fairly substantial reservations. He was in Seattle last week, walking down Ballard Avenue in the evening and he must have seen 75 lime colored bikes littered around every intersection. Some were neatly parked and some were lying in the middle of the road. While we are not talking about nearly as many bikes as they have in Seattle, he thinks there is a real potential for this becoming a maintenance problem. Without a rigorous and enforceable process for the operator to collect those bikes and redistribute them, it really becomes a nuisance. We have a relatively limited amount of space with a lot of people walking through it and if we've got bikes littered around it could turn into a real issue.

Mr. Etheridge asked if that would be a lease and if so, wouldn't it have to be a competitive lease?

Mr. Schaaf said Parks and Recreation can issue special use permits for different kinds of commercial uses. They can impose restrictions and conditions on those permits and calculate the fees on a case by case basis. It is at the Director's discretion to issue those permits. They allow us to respond to proposals that we couldn't foresee in ordinance or regulation.

Mr. Etheridge asked if Parks and Rec would issue the permits to use Docks & Harbors' dock space and charge for that?

Mr. Uchtyl said potentially, right now it's just an idea.

Mr. Etheridge asked if we are going to be stumbling over bikes?

Mr. Uchtyl said he is aware of the situation with the lime bikes, but one alternative he is aware of in Boston are docked bikes. You have to take them and put them into a dock to end your rental. If that's the direction the Assembly goes with this ordinance, we might be able to say if the Alaska Club is serious about doing this, these are the conditions they have to play by. When he had the teleconference one of the things he found interesting from the Alaska Club was that in the summer they have an excess labor pool that they think they can use to drive their initiative. They have the personnel to chase bikes and deal with it.

Mr. Janes said he knows Ms. Elfers has a lot of experience with the seawalk because she was involved with it for many years. Mr. Janes rides his bike down there a lot. Even with

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

his skills, he has come close to running over some people on that dock. There are times when it is just mayhem. As this grows and becomes potentially more busy, is it possible to put a 5 foot marked bike lane on the inside of the seawalk that would keep most pedestrians off of it?

Ms. Elfers said that's a really good idea. When we first started building the seawalk in 2005, in our seawalk code we have 16 foot width as our standard dimension. At the time, that seemed like a perfectly appropriate width. Now, looking back, you put in some benches, add a few more larger cruise ships, and it's probably too narrow. We have started to increase the width of the seawalk. Of course that costs money so have you to balance that, but we've found that with the number of people it's pretty busy and 16 feet might be too small. Another thing we've always envisioned on the seawalk is that there is multi-use. We've always envisioned biking. She's actually surprised we haven't had a proposal like this until now. As the seawalk increases in its connectivity, which Overstreet Park has really done, it's made it connect to Douglas, and as we get all these pieces in front of Marine Park and Merchants Wharf people are going to want to ride it. Once you have that connectivity we're going to see a lot more different types of use. Whether or not anything happens with this proposal, it's great for conversations like this. How are we going to accommodate use between Docks and Harbors, Parks and Rec, and all the people that want to use it in different ways? This is going to be an ongoing conversation and we should look, as we're designing future sections, at width and possibly accommodating a bike lane.

Mr. Eiler questioned the wisdom of having the seawalk area be the location for this type of pilot program. He inquired about the capacity Park and Rec Department might have at areas such as Marine Park or Pocket Park. He suggested that the city should look at making the parking garage multi-modal, or at least think about how that structure could be augmented to accommodate services such as this.

2. North Douglas Launch Ramp

Mr. Uchytel presented the drawing on page 74 of the packet. It's an idea of what we could do out at North Douglas. We told PND what we wanted, they brought back a sketch, we said no, we want it bigger. This one has 100 truck and trailer spots. It's 350,000 cubic yards of fill. It's nothing more than thinking about the future or thinking about how to bring amenities to our user groups. PND put a number together of \$20 million. The caveat is we have \$7.5 million in rock that would come from a local quarry. There is a possibility that something could be worked out with the Kensington Mine so that number could go down quite substantially. He's shared this drawing and has not heard back from the manager at Kensington. He has also sent it to ADF&G folks that have given us grants in the past and asked what the chances are for future funding. It's a big idea. We can bring it up at a future Strategic Planning session, but there is nothing to move forward at this time.

Committee Discussion/Public Comment

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Mr. Simpson asked if Mr. Uchytel knows how much the State gets from that federal sport fishing equipment excise tax? It seems we have gotten some grants out of that for launch ramps before.

Mr. Uchytel said we got \$115,000 for Taku Harbor repairs last year. If we can make it work we're going to get \$280,000 for the Amalga Harbor Fish Cleaning Station, we got \$3.5 million for the Auke Bay Launch Ramp. There is money. He doesn't know if there is a cap or how they apportion that money from the federal government.

Mr. Simpson said for an Auke Bay sized project we're talking about real money so he's just wondering if there is a decent sized pot out there with the other state revenue problems, this is federal money coming in from outside and it's dedicated.

Mr. Uchytel said he will report back when Paul Cyr from ADF&G gets back to him. The good thing about ADF&G money is even though it comes from a state agency it's considered federal funds that we can leverage for DOT matching grant money. You can't typically match state money with state money for the DOT grant, but he thinks they consider this federal money so who knows. It's the first step in a long journey.

Mr. Eiler said it would be helpful to have a visual lay-over/comparison showing how this design changes the current boat launch facility. He questioned what went into the design. Is it a standing plan that staff have had on a shelf? Does it reflect any stakeholder or public comment about what should be featured in enhancements to the facility?

Mr. Uchytel said we have a document from 1983 that had a new boat harbor at this location. A few years back there was a Board member that thought we weren't doing enough for North Douglas. There deep water there presents challenges. We talked about bringing power for some lighting and got a quote for about \$50,000. There are people that are very passionate about North Douglas. There are probably people that will think this is out of scale, and we can have those conversations at the appropriate time. What really drove this was somebody mentioning to Mr. Uchytel that Kensington has more waste rock than they can use.

3. CLIAA Lawsuit Settlement

Mr. Uchytel said last Friday, the Assembly introduced the Settlement Agreement and they'll take public testimony this Friday at five o'clock. The settlement is in the packet. He thinks it's a good deal for CBJ and Docks and Harbors. The language in the resolution talks about an amicable solution. He gave kudos to the City Manager for staying the course even though he was pressured quite heavily to settle, he didn't want to do any harm to the other cruise communities. We recognize that tourism is a regional issue, it's not a Juneau issue, and there are things in the settlement that refer to having a practical resolution that doesn't harm other communities. The settlement doesn't place blame and it really talks about bringing the parties together. We are going to be more proactive with

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

the cruise lines themselves. For the most part Docks & Harbors deal with Drew Green and Kirby Day. Mr. Uchytel is going to draft letters to the CEOs of all the cruise lines and say when they come through to stop by and we'd like to show them what we're doing in the harbor. We'd like to be closer to the cruise lines. What the lawsuit really wanted was to remove and have declared unconstitutional the local head taxes- the port development fee and the marine passenger fees. That didn't happen. Basically the agreement says we can continue to spend the marine passenger fees to support the enterprise of the vessel. Prior to settlement, what CLIAA really didn't like was CBJ using head tax money for the general operations of the City. Every year there is about \$1.4 million that goes into the City coffers. The City provides CCFR, ambulances, police, streets, etc. and there is an overhead to it that's not easily identifiable. There will be an independent accounting study of whether it's really \$1.4 million that's being expended in support of the cruise vessels. The other thing you'll see in the settlement is they are creating some geographic boundaries. In Zone A we can basically do what we want as far as building and billing goes. In the shoulder areas, they want a little more input into what goes on in those areas. Statter Harbor is a go, they cemented in the agreement that it will move forward, but they want 25% of the funding to come from other sources. Barbara Sheinberg did a study that said 85% of everybody that walks down the dock at Statter is off a cruise ship so we had planned for a 85%/15% split, but they will only allow 75% of the funding to come from passenger fees. The other 25% will come from other sources that are yet to be determined. They're giving us \$450,000 from the lawsuit for Statter Harbor. We think the project is going to be able \$12 million, so we need to come up with about \$3 million. We probably have about \$1.2 million in that "other" bucket moving forward with the next phases of Statter. In our Dock Revenue source we have money that comes from loading zone fees for buses, pedicabs, vendor booths, etc. Mr. Uchytel's colleagues in CBJ think it's ok to use money that we collect from the vendors for the other funding source, so we are no longer tied to using "Harbor" money as part of the match out at Statter. We can use Dock funds, but they don't want us to be billing the ship for moorage and taking that money out to Statter.

Committee Discussion/Public Comment

Mr. Eiler said it would be wise for the Board to refresh our infrastructure needs and goals now that there is more clarity about the use of marine passenger vessel funds. He cited the proposed electrification of the cruise ship berths as an example of other CBJ entities who have ideas about what MPV funds could be used for. He recommended advancing the Board's strategic planning before other priorities and projects are dictated to us or compete for scarce infrastructure funds.

Mr. Uchytel said City Manager Rorie Watt is going to have to put together the Marine Passenger Fee List for 2020. Docks and Harbors will be fine with whatever he comes up with. At one time he was considering putting a marker in for advancing the study for electrification. We did have a study done on what it would cost. We also had a meeting with AEL&P and they said the document was pretty good. It is a very complicated issue to power more than one ship in Juneau.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Mr. Eiler requested staff arrange for a presentation on this matter at the May Ops/Planning Committee meeting.

4. Budget Presentation to Assembly

Mr. Uchytel showed the Powerpoint presentation that he brings to the Assembly every year. It includes a staffing chart, list of Board members, and mission and vision statements. It talks about the two enterprise funds and why we do what we do, we're tasked with operating like a private entity. It lists our facilities which include 1,200 slips over 50 miles from Taku Harbor to Echo Cove. We also have several hundred acres of tidelands and 44 leases that we manage. He showed the budget that will be brought to the Assembly for approval. He also presented a list of projects we are currently working on.

Committee Discussion/Public Comment- None

5. Archipelago Project Update

Mr. Uchytel said the PSA between CBJ and Morris has not been signed yet. That will be the next thing to happen. We should be getting the 95% review package this week, and we expect to have the final plans and specs on May 6th. There will be a Project Labor Agreement (in the contract). We have awarded the buy ahead procurement for the steel piling to Mike Sturrock with Island Contractors and that's moving ahead. Best case scenario, we expect the contractor to be mobilized around July 1st. One of the issues Morris Communications is dealing with is removal of the foundation of the old Cold Storage. That will cost several hundred thousand dollars to remove and they want to do that as soon as possible. We don't quite have the permits in hand for pile driving but the first part of the work is out of the water so that's not an issue.

Committee Discussion/Public Comment

Mr. Etheridge asked when we will be putting it out to bid?

Mr. Uchytel said we'll have the final plan and specs from PND Engineers on May 6th so shortly thereafter, as soon as we can.

Mr. Eiler asked for a presentation on what it will look like at the May Ops/Planning Committee meeting so when people around town ask, we can tell them.

Mr. Uchytel said there will be no uplands, that's phase two. This will just be the deck over. We are still trying to figure out if the covered area will be in phase one or phase two.

6. Harbor Maps for Safety Ladders & Life Ring Locations

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

Mr. Uchtyl said we have taken very positive steps in our asset management. We are using Lucity software to better manage our facilities. We had an intern go out and create a GIS map that can provide locations for many different items- zinc anodes, benches, bollards, etc. Mr. Uchtyl was asked where our life rings are, so he presented maps of the harbors and showed the layers displaying locations of life rings and rescue ladders. He said in looking at the maps, we identified areas of Aurora and Statter Harbors that have no life rings, so we are going to correct that.

Committee Discussion/Public Comment

Mr. Wostmann asked if we have any better insight yet as to what a per unit cost might be for ladders?

Mr. Uchtyl said he believes the cost for a chain “Up and Out” ladder is \$400.

Mr. Dimond said when he was reading up on this there was talk of doing this at a couple of harbors or a couple of locations at a time. Do we potentially open ourselves up for a lawsuit if someone falls in at a harbor and we’ve not installed these at that harbor but we have at another harbor?

Mr. Uchtyl said when Mr. David Little perished in Harris Harbor, Risk Management contacted Alliant Insurance Services and they said there was no liability on the City’s part.

Mr. Dimond said his concern would be if someone were to say we provided services at one harbor and not another harbor where a potential incident happened.

Mr. Uchtyl said staff have wrestled with locations, how many to put in, whether we have to do them all at once, and whether we protect ourselves more by not doing any. We have decided with Aurora Harbor Phase III we need to put them in.

Mr. Etheridge said in discussions with Risk Management, he recollects the Board was told we were more liable if we had ladders and they were damaged and couldn’t be used than we were if we didn’t have ladders.

Mr. Eiler suggested the Board consider if there are standard features which should be included in future new construction plans such as safety ladders, cameras, and zinc anodes.

X. Staff & Member Reports

Mr. Borg said the North Douglas floats went in today. We got the ramp cleaned up and squared away so we are up and running out there. Global Diving went out and pumped about 8,000 gallons of water out of the Lumberman. They did notice a problem with the attachment point where we had the anchor installed. Mr. Borg talked with Amak Towing

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, March 20th, 2019

the other day and we are looking at making some repairs to that so she stays put. We are working on a Request for Information from local salvors to get an idea of what we might be able to do with it. We completed our seasonal hiring and we have 11 new employees. The summer season starts April 1st and we are looking forward to having everyone on board. We had an incident last month with the anodes hanging up our docks on E, F, and G floats in Aurora Harbor. Alaska Commercial Divers is going to be coming down in the next couple of weeks to make temporary repairs. There will be more permanent repairs sometime in August. Basically what we had was a minus 5.56 tide, which is lower than we've seen in many years. We didn't suffer any damage, which is good. We don't expect to have any more of those tides before it's fixed.

Mr. Eiler asked staff to give a brief presentation on the concept of installing security cameras at docks and harbors facilities at a committee meeting in the near future.

XI. Committee Administrative Matters

Next Operations/Planning Committee Meeting- **Wednesday, April 17th, 2019.**

XII. Adjournment- The meeting was adjourned at 7:03pm.