

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, May 23rd, 2018

I. Call to Order

Mr. Etheridge called the meeting to order at 5:00pm in City Hall Conference Room 224.

II. Roll Call

The following members were present: Don Etheridge, Tom Donek, Mark Ridgway, Bob Janes, David Seng, and Weston Eiler.

Absent: David Lowell, Robert Mosher, and Budd Simpson.

Also present: Carl Uchytel – Port Director, David Borg – Harbormaster, and Matthew Creswell – Deputy Harbormaster.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total)

John Adams- Capital City Fire and Rescue

Mr. Adams said his goal is to provide the best service for the people of Juneau. He is a firefighter engineer which means he drives a fire truck and he delivers water to people on the end of the nozzle. He is also a mentor which means he takes new volunteers into the department, their training goes through Mr. Adams and five others. Tomorrow night, with permission, he would like to have a fire drill at Statter Harbor. He wants to see how many gallons of water they can move and how quickly they can do it under ideal circumstances and less than ideal circumstances using the smaller pump, the larger Honda pump, and then the stand pipe system. His goal is to eventually go from Statter Harbor to Aurora Harbor and Douglas Harbor, and through planning and training get a better, more polished response. They are going to start tomorrow night at 6:30pm with however many people show up at that time. They are going to park in front of the harbormaster's office, take a small Honda pump, and start getting water right away. They will use flow meters to determine how much water they can move. His goal is to see how fast they can start delivering a small amount of water and from there have the firefighters throw a hose on their shoulders and walk down 500-700 feet to connect to a stand pipe system or just throw it on their shoulders, to see what is quicker and provides a better product for the simulated boat fire. He would like to bring the information back to the fire service so they can perfect their craft, and also to the Harbor Board.

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Mr. Janes said many companies will have tours departing as late as 8pm tomorrow, so there will be people on the main dock and on the ramp.

Mr. Adams asked if they would be using the loading area at the bottom of the main ramp or the horseshoe?

Mr. Janes said that time of day they will most likely be using the main loading area.

Mr. Creswell said if the Fire Department is operating from the blue shed towards the harbor, the tour companies can offload right at the gangway.

Mr. Donek said the Fire Department is welcome to do training with his boat shelter in Aurora Harbor.

Mr. Adams said that would be great. He wants to train all of the volunteers to provide a competent, professional, and timely service for boat owners. His goal is to show up with a trained team.

V. Approval of Wednesday, April 18th, 2018 Operations/Planning Meetings Minutes

MOTION By MR. SENG: TO APPROVE THE MAY 23rd, 2018 MEETING MINUTES AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

VI. Consent Agenda - None

VII. Unfinished Business

1. Docks & Harbors Policy Statement – Seawalk Commercial Activity (formerly: Public Policy on Use of Docks & Harbors Managed Properties).

Mr. Uchytel said he is hesitant to say the Board should take any action on this today since there are no interested members of the public present. In the past this item has garnered quite a bit of commercial interest. The first iteration of the policy statement was 3 or 4 pages long. Mr. Janes, Mr. Simpson, Mr. Donek, and Mr. Uchytel met to figure out the most appropriate language to manage the portion of the seawalk that we have regulatory authority over and the last time they met the direction was cut it way back and come up with a map that describes what we're trying to do. The blue lines on the map are the major pedestrian corridor and we are suggesting that there is no commercial activity there with the exception of the vendor booth sales. There is a long transportation corridor which includes the seawalk as well as along the library. The purple lines are open space. We also acknowledged the future waterfront attraction within the purple, the deck over and restrooms, and the area that's seaward of Pier 49 right now.

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Committee Discussion

Mr. Janes said he has been contacted by a couple of different members of the business community regarding the sales booths on the seawalk, asking questions about whether we still intend to allow those to continue operating on public land since they are commercial. There are probably other areas they could go including possibly the new Archipelago building. He would like to do more research on this and come back with what he can learn in the next month from the public and invite some people who have concerns to a meeting before the Board approves this.

Mr. Eiler said he is looking at the area by the Tram where the seawalk is the widest. He has always thought we shouldn't have food booths along the immediate seawalk, there should be a clear path through, but it seems like this is a very wide area of uplands to where we could have something more separated there and still have a clear corridor. How are we defining drawing the seawalk in that area?

Mr. Uchtyl said the consensus of the group was that there would be no commercial enterprise along the seawalk inside the blue lines. It's a rather restrictive delineation and the parking lots would also be somewhat free of commercial activity. The two food carts at Marine Park are on Parks and Rec property and the consensus was that we didn't want that on Docks & Harbors managed property.

Mr. Donek said the reason that area is so wide is if you go down there when a ship is in, you've got people pouring out of the ship and it's a mass exodus right across there. That's where some of the vendor booths are located already, and to put anything else in there just doesn't seem to be a good idea. It looks wider than it is.

Mr. Janes said maybe Mr. Borg can give us a little more insight on our decision?

Mr. Borg said he absolutely agrees 100% with Mr. Donek. There is no room for anything else. Even a pedicab stopping at a certain spot can cause a situation. If we're offloading a Norwegian ship, we've got lightering going on, and we've got the Solstice showing up then that entire area is slammed with bodies and we're trying to manage just moving people. Bernadette's has 30 people standing around it in the afternoon. If we had that same thing in multiple areas on our seawalk it would be a game changer. We always need to be able to move emergency vehicles through that area, there's a lot of management that we already do that goes unseen by the Harbor Board. He thinks the best thing they could do is go down there when we have those big days and see what the congestion looks like.

Mr. Ridgway said the policy statement as written would essentially eliminate the leases to the people selling tours, is that correct?

Mr. Uchtyl said the policy is silent on existing vendor booths. He doesn't think the trio that met intended that. Another iteration may want to acknowledge or move the vendor booths but by being silent we're leaving it open for questions.

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Mr. Borg said something else to remember is every time we add something new to the downtown area think about trash, think about support, the Cisco truck, the Alaskan Brewing truck, the Coke truck, all these things that we now have to try to manage on a daily basis. He went down today and had to chase three unauthorized vehicles out of the CT Lot that were there because they had to take care of problems with businesses. Bernadettes folks drive up on the mall all throughout the day to pick up trash or deliver food. All those things add to more congestion and really mess up the flow of traffic. When the weather is nice, staff changes trash out every two hours from six cans in the Marine Park area because of the vendors that are there, so that's a burden on us. Docks & Harbors gets zero support from those permit costs, but it's a huge cost to us to have to do that. He suggested to think long term about the support for these businesses.

Mr. Seng said the statement does say "to this end, Docks & Harbors shall not permit *future* private sector commercial activities." He thinks that carries a connotation that existing commercial activities would still be tolerated. He agrees it's important to get more public input on this and at the same time he thinks that a very important responsibility the Board has is to look at what our charge says we are tasked with which is enabling the use of docks and harbors for the conduct of marine related business. It would be nice if we could accommodate everyone's desires and businesses along the waterfront, but one of the things we really have to weigh is what our responsibility is and that might mean that we can't provide everything to everybody that asks.

Mr. Eiler asked where Docks & Harbors property ends at Marine Park?

Mr. Uchytel said we have historically used the flag poles and the wedding cake as our imaginary line.

Mr. Eiler said we have identified future deck over and restrooms in the seawalk area next to People's Wharf. What is the policy versus what are we actually planning out here? In addition to what we're looking at with Archipelago and parking, is the policy also suggesting we're going to deck over the far end but not in front of Pier 49?

Mr. Uchytel said that is correct. The green area open to water is under a lease right now. The yellow area is seaward of People's Wharf and that's the future deck over area. We're acknowledging that change is coming and the trio wasn't really interested in entertaining expansion of commercial activity there.

Mr. Eiler said he'd be interested to have a broader discussion on why we need this. He understands there are a variety of competing ideas or visions, but what is the value of articulating a policy as opposed to having the Board adjudicate those who are in the planning process as these areas develop?

Mr. Seng said the Board was getting multiple requests from private vendors and the question arose if we are dealing with each of these requests on a one by one basis is there a consistent and fair way of approaching our decisions? At the time the best idea was to help ourselves and the

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public by establishing a standard policy that we could use as a benchmark or reference for any decisions. It's not perfect, and anything that we do is going to have problems and loopholes, but hopefully it could be a tool that we could use to help both ourselves the public.

Mr. Ridgway said if this Board decides eventually that some of the existing commercial activities that are on Docks & Harbors leased properties interfered with our operation or core mission, it would be in our best interest to make that a very public decision. He hears the Harbormaster's concerns about resources being drained having to deal with other people's garbage and people driving on the dock. He completely agrees that our core mission should be our focus and if we're going to change things, lets bring people in and let them know what we're doing.

Mr. Etheridge asked Mr. Uchytel if we need a motion to keep this on the table?

Mr. Uchytel said no, he brought this forward because Mr. Donek only has one month's worth of meetings left. It may be several more months before we finalize anything.

Public Comment- None

Committee Discussion/Action

Mr. Etheridge said we will put the Docks & Harbors Policy Statement on hold until a future meeting.

MOTION: None

VIII. New Business

1. Cathodic Protection Phase III – \$200K CIP TRANSFER

Mr. Uchytel said we had a ribbon cutting for Phase II of the Cathodic Protection Project, which was the impressed current at Marine Park. Island Construction completed that and now we're ready to move onto the third and final phase. We also had a pile encapsulation project that was done on the dock about two years ago. The Finance Department would like to close out the Cruise Ship Dock project so we would like to transfer \$200k into this project. It has already been designed, it's just awaiting money. The previous two phases were funded by Marine Passenger Fees. The City Manager did not put money into the third phase. The Finance Director thinks this is an appropriate use for the remaining money from the Cruise Ship Dock project and we would like this project to move forward.

Committee Questions- None

Public Comment- None

Committee Discussion/Action

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Mr. Ridgway thanked Mr. Borg and Mr. Uchytel for their efforts during Infrastructure Week.

MOTION By MR. SENG: TO RECOMMEND A TRANSFER OF \$200K FROM THE CRUISE BERTH IMPROVEMENT CIP TO THE DOCK CATHODIC PROTECTION CIP AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

2. FY18 Supplemental Harbor Budget Increase

Mr. Uchytel said he is asking for a supplemental budget increase for the rest of this year. We've done a lot of projects and we've demolished a lot of boats. Last year there was a MEBA negotiated lump sum payment to all employees that wasn't reflected in the budget. He is asking for a 5% increase to our FY18 budget. It does require Assembly approval. It's basically for personnel, derelict vessels, need for recapitalizing our parking meters, and a lot of smaller items that added up to this ask. We have enough money in our revenue stream, it's just a housekeeping measure. We need it for the rest of the next six weeks.

Committee Questions

Mr. Janes asked if we have future revenues that will sustain that increase over the years?

Mr. Uchytel said this is an authorization to spend money. Every year we put together a budget and the Assembly says we can spend up to this level. Our revenues in the past have exceeded our expenditures by six hundred to eight hundred thousand dollars so it's not that we're exceeding the amount of our revenue, it's just an authorization to spend more money this fiscal year. We did it for Docks last year. He doesn't like spending more than we said we would, but there are extenuating circumstances. It's not the best thing, but it's not the end of the world.

Mr. Ridgway asked if the Assembly normally wants a breakdown between personnel costs, infrastructure costs, etc.?

Mr. Uchytel said he was following recent supplementals submitted by the Hospital and the Airport, and their reports are very short. We track our money as finitely as we can. There are things that break and derelict vessels that need to be removed. The fact that staff is so pro-active in seeking out things that need to get done is a good problem to have.

Public Comment- None

Committee Discussion/Action

MOTION By MR. SENG: TO RECOMMEND HARBOR FUND SUPPLEMENTAL INCREASE OF \$250K FOR THE FY18 APPROVED BUDGET AND ASKED FOR UNANIMOUS CONSENT.

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Motion passed with no objection.

IX. Items for Information/Discussion

1. Seawalk Extension (Franklin Dock to AJ Dock) –Preliminary Plans/Opportunity

Michele Elfers, CBJ Engineering

Ms. Elfers said she has been working on the seawalk for over ten years and she'd like to give an update on the section of the seawalk that's in planning from the Franklin Dock to the AJ Dock. She has been working with some of the property owners along that stretch. What she is starting with is an overview of the seawalk so we can put it into context with all the projects Docks & Harbors and Engineering have been working on. Right now we have Bridge Park under construction, that will be finished in a couple of weeks. We're just finishing up the restrooms. We are actually always working on all the sections, we're always in planning and trying to get any project moving forward that we can. We are a bit opportunistic because along the waterfront we are dealing with so many private property owners that a lot of this is not in the City's control as to when we can do a land deal and construct a project. We are also working on the subport section, we are waiting for some property owners to move on that. She just had a meeting today on the Merchant's Wharf section right by Marine Park and we've been working on that section for eight years. We are waiting again for property owners to allow us to move on that and get into design development and make some land deals. We are doing the same thing on the most southern section. She had the first meeting about this section with Taku Oil about 10 years ago. For many years they said they were not interested and did not want a seawalk in front of their property. Since Crowley Oil has purchased the property, they have been interested in working with us. They are doing a lot of internal planning on their property and they see that their property is perhaps underutilized. They have a lot of land and they're looking for ideas and they see our planning process fitting in with theirs. That's really why we're trying to push ahead on this section because there is an opportunity there that we've been hoping for. We've been working with PND and we've had a series of meetings with all the property owners. If you start at the northern section, the white line and the green line are proposed seawalk routing sections. We've had a series of meetings with Franklin Dock Enterprises, we've been working with AML which is not quite on the seawalk but might feel some impacts to it so we involved them in the conversation. As you move around the corner there is a small parcel of CBJ property, that's the National Guard Dock. It's about 0.04 acres, there may be 30 square feet of uplands, but it's mostly dock and tidelands. The interesting thing about this parcel that the City owns is that it has a 20 foot access easement that goes straight out to the road. It's up a 40 foot slope so it's really steep and it's not really usable in the location that it's at. As you move down along the seawalk you get to Crowley Oil property and then you come around to AJ Dock property. It's a complicated stretch with lots of property owners. It's actually been the first time she's had this type of process where we've had five property owners we are working with. We have also brought Delta Western into the picture. They are just upland of Crowley, they get their fuel from Crowley's barge and their pipes run up the hill into Delta Western's property. We've had these series of meetings to talk about this and we've really kept it in the realm of the property owners. We've been working with Docks & Harbors staff and because it's really a private property issue,

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we haven't taken it out to the public much yet because we wanted to get the property owners more comfortable with this. We've had a variety of options for the seawalk routing through these meetings we've done over the last 5 months or so. This is one everybody is somewhat comfortable with at this point. Coming across Franklin Dock property we've identified two options, the white one is similar to the way our seawalk is now, it's pier supported just offshore, over tidelands, and it would eventually butt up to the uplands. The green line is more of a path along the uplands portion and the property owners indicated they would consider both. Once we get to Crowley property, the pink is an elevated pile supported walkway that, once you get to the dock, would actually go up about 17-20 feet so they could get vehicles and access through to the dock. That's not necessarily their preferred option but it's one option we have looked at and they are considering. Once you get to the AJ Dock it's the terminus or the beginning where you would get access to the seawalk. What we are trying to do in this process is get all the property owners to think about their future plans so we can incorporate that into this plan to figure out how it could all work together at some point.

Ms. Elfers said the Franklin Dock Enterprises owner has suggested to us that they are interested in the National Guard Dock property parcel. One of the things they don't like is it has that access easement through or along their property. AML and Franklin Dock are two different ownership groups but some of the same people so they actually share a lot in operations and move across those properties pretty frequently. Having a 20' easement access through this property is not ideal, especially when we're talking about the seawalk. We looked at some options for moving the seawalk up to the road through there, and we did not like that at all. The Franklin Dock is also looking at different options for upgrading their dock facility if they can. Bigger ships could start to pinch this corner so there is concern that the National Guard Dock could limit any future expansion. There is interest in the property so the Board should start thinking about that and CBJ's needs and opportunities. Mr. Uchytel has been part of the conversation and Docks & Harbors will stay closely involved.

Committee Discussion/Public Comment

Mr. Janes asked what Ms. Elfers can tell the Board about the easement up the hillside?

Ms. Elfers said it's a 20 foot access easement, it is 10 feet on each property. The property line is right down the middle. It's meant for access to that National Guard Dock property but it's not very functional. It's so steep, to actually make a road work there you need more than 20 feet to get the fill in. We looked at it for pedestrian access and we would have to build a giant staircase. It's very difficult to get across. We looked at some options and none of them would be economically viable or ADA accessible.

Mr. Eiler asked if the fact that Ms. Elfers is presenting this segment of the seawalk is an indication that we're closer to seeing this than the Merchant's Wharf or subport segments?

Ms. Elfers said no, what she has found in doing all of the seawalk sections is that we spend many years on them. We spent 4 years on Miner's Cove, 6 years on the Taku Dock, it's very opportunistic. Crowley could call tomorrow and say we know what we want to do and we're

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ready, Franklin Dock could say okay and we would go forward to try to get a funding plan and maybe it could happen in the next few years. She could get a call from the Merchants Wharf people saying they want to make a deal and we would push it forward. If we can get the planning and concepts on a lot of these sections and move forward as we can then we can be ready when the property owners are ready.

Mr. Eiler asked if Ms. Elfers has similar detailed options for Merchant's Wharf or the subport?

Ms. Elfers said for Merchant's Wharf, it was probably four or five years ago that we did quite a bit of concept design work similar to this level, maybe even a little more detailed because the property owners were really engaged and then it slowed down over the years. In the subport we have some plans that are very conceptual. We worked with the Juneau Ocean Center on that about two years ago. The plans and designs can change but we are in planning for all the sections.

Mr. Uchytel said the City Manager has put forth two Marine Passenger Fee projects that kind of segue well with what the Franklin Dock wants to do in coordination with the National Guard Dock. The first one is called the Public Private Port Infrastructure plan for \$150,000. This would fund a master plan study that would assess the existing docks and needs for the future including infrastructure and governance. In FY19 that project will move forward and he thinks it will dovetail nicely with what Ms. Elfers is doing with the seawalk and with other opportunities in Docks & Harbors wheelhouse. The other project that the City Manager has allocated Marine Passenger Fee monies to in FY19 is a Small Cruise Ship Moorage Master Plan.

2. Tlingit & Haida Cultural Immersion Center Update

Ken Truitt, CCTHITA Chief Operating Officer

Mr. Truitt said he would like to give an update and introduce the Board to new leadership for their Economic Development department. The last action this Board and the Assembly took on their leased property was the approval of their request to burn the old Thane Ore House. As they were making their plans to finalize that, there was a part in their phase I environmental assessment they kept coming back to that identified a fuel spill in a tank that wasn't being service or hooked up at the moment. It looks to have been some sort of historical event. It was not tagged in phase I as anything significant but they thought it would be prudent to give it a phase II treatment to see exactly what they were dealing with. They worked with Nortech, who was the contractor for phase I, to accomplish phase II and Nortech's schedule caused Tlingit & Haida to miss the burn season. That's why the building is still standing. They do have the phase II report from Nortech and it identifies the scope of what is there. It is not major, but it's something they will have to deal with. That kind of eventuality is something that is silent in their lease with the City. One of the eventualities that this knowledge now triggers is the duty to report it to the ADEC. They have been in informal conversations with the ADEC about that report, and that's one reason they want to work closely with Docks & Harbors staff. Part of the formal report is going to require them to try to identify who they think is the responsible party. They are pretty sure it's not them and they are pretty sure it's not Docks & Harbors, but they want to make sure

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Docks & Harbors is comfortable with how they report the spill. This is one of their top priorities at the tribe and it's still something we're very excited about.

Emily Edenshaw, CCTHITA Director of Business & Economic Development

Ms. Edenshaw introduced herself and said within the last six weeks she has met with AEL&P and the Juneau Fire Department. She is finalizing the burn plan to present to Mr. Uchytel for approval to capitalize on this burn season. On the AEL&P side, or the warehouse side, there has been a full time crew for the last two weeks transforming the property. It's really exciting because the crew is not even done working and there are already artists in there wanting to bring life and culture into it. There is definitely interest and excitement from a community aspect. In the spirit of a really strong partnership and being transparent, they shared both of their environmental assessments and she has sent over a soft ask to the Board to consider. As Mr. Truitt mentioned, where their lease is silent is in the environmental cleanup portion of it. They have been in communication with ADEC. Before they move forward with the report they wanted to come before the Docks & Harbors Board first just to make sure everyone is informed, we are all on the same page, and communicate they are deeply committed to this partnership and project. Extending beyond this project they are really interesting in finding ways to partner with not only the Docks & Harbors Board but other entities throughout Juneau.

Committee Discussion/Public Comment

Mr. Eiler asked what is the scope of the spill?

Ms. Edenshaw said they have been really intentional at Tlingit and Haida using the terminology of "fuel release" versus a "spill," which seems a little aggressive. It is about 10-15 cubic yards around an above ground storage tank. In order for them to move forward with a burn, it does have to be addressed first. On a worst case scenario, they would have to excavate and work with Nortech to do a plan and obviously report the spill. The best case scenario would be to work with Nortech to ask ADEC to close the site as is and then they can move forward because the amount is that minimal.

Mr. Eiler asked what is the current timeline?

Ms. Edenshaw said if they get the go-ahead to move forward with the report they could let Nortech know, they could report the fuel release, and depending on what ADEC says the burn could happen after July 1st. The Juneau Fire Department is really interested in doing this. It's not every day they get the opportunity to have a controlled burn training. Their request is to do it after July 1st due to funding.

Mr. Ridgway asked Mr. Uchytel if he has engaged the City Attorney and how the City usually handles being the responsible party?

Mr. Uchytel said he has not approached the Law Department. The lease is silent about existing conditions.

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Mr. Ridgway said Tlingit and Haida have been paying Nortech for the phase I and phase II environmental assessments. It was his understanding that at the last discussion the Board had, we wanted to know what the remnants of the burn would be so Docks & Harbors doesn't become the responsible party for another release of hazardous materials.

Ms. Edenshaw said once the building is burned down and there is ash, it's really an opportunity internally. They have a workforce experience crew. Last year they had a crew but they could only be employed for one year. They are going to have a licensed contractor. She is working with the head of their Employment in Training Department to where they can use training dollars for trainees to come in and get hands on experience of the hazardous waste disposal. From a funding aspect, what happens once the burn occurs is going to be included in the plan that she will be putting forward for the Docks & Harbors Board to approve. Those conversations have already been going on internally identifying the funds and leveraging the resources that they have. It was their choice to do both environmental assessments and they are absorbing the costs of about \$10,000. They are not asking Docks & Harbors to absorb that cost whatsoever.

Mr. Ridgway asked if the remediation of the 10-15 cubic yards would be a Docks & Harbors expense?

Ms. Edenshaw said the question she put forward to Mr. Uchytel was, where the lease is silent and wanting an equitable solution, to see if the Docks & Harbors would essentially meet them halfway. If the best case scenario is \$1500 from Nortech, to see if the Docks & Harbors would approve them moving forward with that. The worst case scenario is excavating which they hope doesn't happen but that could run about \$10,000. She has been sending the information to Mr. Uchytel.

Mr. Etheridge asked Mr. Uchytel for his recommendation.

Mr. Uchytel said Ms. Edenshaw mentioned partnership and this is an unforeseen site condition where we have some culpability. We assumed this property from the State. He would, with the concurrence of the Committee, continue to work with Ms. Edenshaw and come up with some plan to bring back to the Board for consideration at the next meeting that is fair and reasonable for both parties.

Mr. Janes asked if the Board were to wait for one month, would that put any blockage on Tlingit and Haida's plans to burn in July? We want to make sure we don't hold up their progress. We want to see that project succeed. He asked if it would be possible to go out to some extent with a dollar amount right now, knowing that we didn't disclose that condition because we didn't know it was there, so they can move forward?

Mr. Etheridge said it is not an action item, but it could come before the Board next week.

Mr. Donek said he does not think they should wait for next month's Board meeting to get approval. His preference would be that Tlingit and Haida take the lead. As far as paying for it, he agrees with Mr. Uchytel that Docks & Harbors shares some responsibility. They are leasing the

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property from us and maybe we can work out some way to take it off the lease payments and keep the Finance Department out of it.

Mr. Ridgway said once this has been taken out of response from the ADEC and put into the contaminated sites group, then the requirements for data objectives and all this other stuff become much more laborious. This could get bigger. The Boards wants to see Tlingit and Haida succeed, but if this issue begins to grow in impact to the project and starts getting a little bit out of hand we might need to discuss it again as a Board.

Mr. Uchytel asked for an update on funding and a timeline for opening the Cultural Immersion Center?

Ms. Edenshaw said according to President Peterson, the goal is to be fully operational by 2020. In terms of funding, she is identifying internal resources and drafting a fund-raising plan. They were invited by EDA to apply for a \$2 million grant that she is going to be working on right after Celebration. Because of the night and day transformation out at Thane and after having a really positive conversation with the Juneau Fire Department, she feels like the ball has completely started to roll. She is trying to catch up with the ball right now which is really exciting. They plan to get through the burn this season and construction next season, then be fully operational by 2020.

Mr. Janes said one of the concerns he has is there was other interest in that leased property and we did enter an agreement with Tlingit and Haida on a fairly specific timeline two years ago. It was his understanding last year that the funding had been secured. There was a presentation to this Board that Tlingit and Haida was moving forward with secured funding and what he's hearing now is that may not be the case. He asked if they have the funding to construct the project as it is?

Mr. Truitt said they have a \$22 million trust account in the bank. If they wanted to use their money for this, they could go to their leadership and make a presentation. If they could convince them of that, they could write a check tomorrow. They would like to preserve their trust fund, and if they can find grant funding that's the course they're taking. They do have resources.

Mr. Janes said he does want Tlingit and Haida to be aware that there was other public interest in that piece of valuable property. There continues to be interest in it and we as a Board want to make sure that we are being fair to the public that saw the timeline and may or may not have concerns about that. He understands their desire not to use their trust money, but the Board feels there is a need for that project to move forward quickly whether it's with funding they're able to secure in the future or the trust money. The Board has a responsibility to the public to make sure that property is used in terms of the lease and not held up so that another potential lessee couldn't take advantage of that very valuable piece of property. The Board wants to see progress, and we want to see it quickly because the the original lease that we provided Tlingit and Haida had a timeline and we've already passed it in some ways.

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Mr. Truitt said he fully appreciates the role that this Board has for the community and assured the Board that Tlingit and Haida takes it very seriously. This is the tribe's top priority. They have people that need jobs. This is a way that they can put not just their people to work, but citizens of Juneau to work and create more opportunities. It is very important to them and they definitely do not want to disappoint the Board in their efforts.

Mr. Donek said when he first heard the proposal he thought it was a little ambitious. He understands where they are at right now.

Ms. Edenshaw invited the Board out to the site on Tuesday, June 5th for a scheduled evening of events starting at 5:00pm including a repatriation ceremony, a One People Canoe Society community potluck, and a panel discussion with the two women who started Standing Rock. It's going to be a very powerful event.

3. Auke Bay Boatyard Lease

Mr. Uchtyl said in the packet is the draft language for the Auke Bay Boatyard Lease. JMS, now Harri's Commercial Marine has first right of refusal for entering into a new lease. Horan and Company is doing an appraisal for the property. Following that, we will be able to enter into a formal lease that will come before the Board and the Assembly to approve. He wanted to bring it to the Board now to see if there are things the Board wants in the lease. Mr. Uchtyl has added a paragraph on the requirement that the lessee maintains the hydraulic boat lift per the manufacturer's equipment specifications. There will be something in there about maintaining and following the SWPPP. If the Board wants any appropriate additions to the lease, he will add them.

Committee Discussion/Public Comment

Mr. Seng suggested a section in this lease that deals with pre-existing conditions. That might be something to have in all future leases so we don't get caught in a bind.

Mr. Janes asked if the appraisal will take into account the improvements and the lease will be negotiated based on that?

Mr. Uchtyl said yes it will.

Dennis Watson – Juneau, AK

Mr. Watson asked where the lease line ends? He sees a lot of supplementary equipment out there that is not part of the harbors and it is not part of the boatyard. There is a black tow-truck and other equipment stored out there. He would like to know if that is being paid for. Also, the washdown and bottom cleaning area used to be just off the top of the boat ramp. Now with the lease for the boatyard, where are they power-washing boats?

Mr. Creswell said 110 feet of new concrete barriers were placed on the line delineating the actual leased area last Thursday. Everything northwest of that is the boatyard. The stuff in the corner

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right when you come in the gate is all harbor stuff. The big truck and trailer belongs to Gastineau Guiding and they pay a monthly square footage storage charge. All the stuff in the other corner belongs to the Liteweight and Paul Weltzin pays a monthly storage charge for that square footage. The washdown pad moved to the far corner within the boatyard.

Mr. Janes said in the past the washdown pad was on the CBJ side and Gastineau Guiding was paying CBJ to use it. They need to wash down three boats every week so nothing grows on those boats. The washdown pad is now in Harri's boatyard, and they've been having trouble getting service out there.

Mr. Borg said when we originally made that area available for light cleaning, we always said that any power washing had to be done on the wash pad and those arrangements had to be made through the boatyard owner. We have no control over that washdown pad, it's always been Harri's. The only reason it was there was because the water availability was located there. Once they moved water over to their yard, which we've been trying to do for the last two years, that's what prompted the move. That is their washdown pad as part of the lease.

Mr. Janes asked if citizen operators are at Harri's mercy now for their ability to do what they need to do?

Mr. Borg said yes, we do not have a permit to washdown there.

Mr. Ridgway asked if the lessee is updating their own SWPPP or a SWPPP the City owns? We could potentially be held liable under the Clean Water Act if we were to violate the SWPPP. The Board might want to begin looking at the environmental liability aspect when we accept land from the State. Having a phase I environmental assessment done would not be a bad policy to make sure we're not getting a superfund site. In terms of the lease itself, whenever he hears boat washing he's always concerned about new EPA regulations regarding the amount of copper that's allowable in marine sediments, etc. and he thinks that is too much for the lease. Does harbor staff keep track of current regulations in terms of industrial boat washing at leased facilities?

Mr. Uchytel said we've got environmental risk and we've got structural risk for the downtown marine travel lift. There are all kinds of risks out there and at some point it might be good for the Board to take on a discussion about minimizing risk. Docks & Harbors ran that boatyard for the first two years, and we paid for the SWPPP. As part of the negotiation to move Harri's out of Statter Harbor, we gave them our ADEC approved SWPPP and told them to follow it. The intent of the paragraph he started is that anytime they change or update the SWPPP, we want to know about it.

Mr. Borg said the SWPPP is in Harri's name now.

Mr. Ridgway said the lease should have some general indemnification language about them complying with all rules and regulations.

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Mr. Janes asked if we have anything in the lease requiring the operator to respond in a reasonable way to the public or to service vessels in a private enterprise but on our leased property?

Mr. Uchytel asked Mr. Janes to write up what he believes is appropriate language for the lease to say they must provide good customer service to the public and he will try to put it in.

Mr. Seng said it is dangerous territory to try to define to a business who they should choose as a customer. He understands Mr. Janes' conundrum but at the same time they may have other priorities and he doesn't know that we want to go there.

Mr. Donek said he understands what Mr. Seng is saying but their service is bad. He just had his boat in their yard downtown and it was not a pleasant experience. One of their rules is that you can't bring in an outside contractor. He wanted his boat sanded. They couldn't do it and they wouldn't let him bring anyone else in. He has talked to half a dozen people who are going out of town for these services. This is not what we need in Juneau.

Mr. Uchytel said he's got the right of first refusal for this particular lease. Absent some criminal activity, we can't make an argument to not renew it. We can put stipulations on it. Last year one of our priorities was a marine services yard. We can continue to push for something like that if the Board thinks it is in the communities best interest. It would be ideal if we set it up like Wrangell where they pull boats out for people to work on and there is a list of qualified shipwrights. In Harri's defense they did us a favor by moving out of Statter Harbor. That relocation helped the future planning for the next phases.

Mr. Seng said if the service is really that bad this is a problem that will solve itself.

Mr. Etheridge asked if there is something in the lease agreement that says we can't have somebody else come work on the property?

Mr. Uchytel said he thinks Harri's would say they welcome other contractors to come work in the yard, but he thinks they charge a percentage and required insurance.

4. Strategic Retreat Planning Documents

Mr. Uchytel said next Wednesday we have four hours set aside for the Strategic Retreat, then we have the Board meeting the next day, and he's also reserved and noticed a meeting for Saturday morning if needed. Mila Cosgrove will facilitate the meeting. He presented the list of topics from last year's retreat. Things that are struck out are completed. He added the items in bold, which are new items to talk about. The last page are things more conceptual than projects. There are links in the agenda to various planning documents that may be helpful to determine what projects to do next and how much of a priority each item should be. These things aren't easy because we have to get funding and there is a lot that goes into it. Last year at this time we were doing ribbon cuttings for three major projects. Since then, we've done several other things that are already captured here as successes. If we come together for this retreat and tee up projects there is a good chance that some of them are going to get done.

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Mr. Seng asked if last year's process was beneficial and helpful to staff?

Mr. Uchtyl said absolutely. We get a lot out of them. We work for the Board and we want to do what the Board wants us to do. It really helps us to focus on what's important.

Mr. Etheridge asked for a report on the diving assessment at the Statter Harbor breakwater.

Mr. Uchtyl said the chain and floats are in very good shape. There are no red flags.

Mr. Eiler asked where we are with the Assembly with the Marine Park to Taku Dock Urban Design Plan?

Mr. Uchtyl said we owe them a 35% design package. PND has been awarded that, they're working on it and we'll have it at the end of July. We'll be able to refine that and then go forward with the final design.

Mr. Eiler said the Assembly trumps us in terms of policy making, do they need to approve that plan?

Mr. Uchtyl said we've never asked the Assembly to approve our plans. They approved the Comprehensive Plan and the Long Range Waterfront Plan, but the segments like Bridge Park to Norway Point we've shared with the Planning Commission. Once we get the numbers we'll put together a package that will require the Planning Commission's approval, then we'll have this land sales agreement with Morris and probably an ask to move forward with the final design.

Mr. Donek said this commercial thing we are looking at was something that came out of the Assembly meeting, they were concerned about where the food carts were going to be.

X. Staff & Member Reports

Mr. Eiler said the Assembly Lands Committee met on Monday. They brought up the variety of proposals or ideas of what to do with Indian Point. Assembly Member Edwardson went so far as to almost suggest a motion to move forward looking at conveyance. The Mayor and others met with the Auk Kwaan who are not a recognized tribe, so that group is looking to formalize their own status and maybe look at a federal land trade of some sort. That might be coming back up for public testimony and comment.

Mr. Uchtyl said the interest of the Board would be, we own the dock that the National Park Service uses. It is a no-cost lease to the National Park Service. Access is through this land.

Mr. Borg gave an update on the Lumberman. He met with the Coast Guard, ADEC, and ADNR this past Thursday. The Lumberman has exited our area and is now resting on ADNR property.

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Mr. Aaron Timian, the new employee that manages those areas, said the boat has to sit on ADNR property for 14 days before anything is set into motion to start notifying owners. The Lumberman has been there about that long now. We don't know what's going on with the responsible party at this point. As far as the Coast Guard is concerned it is anchored and they are just going to monitor the situation. They are fully aware that we have no means to control the vessel in the event something happens, they don't really either.

Mr. Eiler asked if people are coming from and going to the boat or if it's sitting empty?

Mr. Borg said to his knowledge there are not people coming and going. We went out and impounded the vessel "Ellen C," which was tied to the Lumberman, for failure to register on our anchorage. There were three individuals onboard and those folks were told to leave. We secured the Lumberman to a degree with JPD's assistance. We made the vessel a little more difficult to get in and out of, and then it left. There was an intent to do something and before we could it exited the area.

Mr. Ridgway said even though it's really on ADNR's property at this point, is there a risk of it becoming more and more stationary over time?

Mr. Borg said it seems to be floating with the tide. It always had a bit of a list, even when it sat on our property. It is dragging a moor, there is an anchor down there somewhere. He is not too concerned about it just yet until the middle of June when we start getting bigger tides again. We'll be monitoring it along with the Coast Guard.

Mr. Eiler asked if the owner of the Lumberman also owns whatever it was anchored to?

Mr. Borg said yes it was a package deal. He is assuming there is a moor down by the breakwater still, and it is dragging one.

Mr. Borg said we are working with the One People Canoe Society. We'll be shutting down the launch ramp at Douglas Harbor between 12-4pm on Tuesday, June 5th for their event. We're putting up notices and they've put it on their website as well. The next day they're doing a totem raising at Savikko park so it's going to be packed both days.

Mr. Borg said Whimsea is the vessel that caught fire and sank in Statter Harbor last June. The owner of the vessel was presented with a bill. He doesn't feel he should be responsible for the bill. He is claiming that Mr. Borg disposed of the vessel in haste so he has presented us with a bill for \$15,000. He filed a claim against the City. He feels there was value in the engines, rudders, shafts, props, and that he had some salvageable items onboard the vessel that he should have been given the opportunity to salvage. We didn't hear from the owner for months until he got a bill from us. The Coast Guard lifted the vessel and secured it from leaching any more hazardous materials. The Fire Department wanted to do an investigation so Trucano Construction brought it around Douglas Island and put it up in his yard and they came and looked at it. Once the boat was on the barge the Coast Guard was done. Docks & Harbors ended up paying for the tow around and the storage. Mr. Borg wanted to get rid of the boat as soon as

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possible because the longer it sat on Trucano's property the more fees we were going to pay. It was just literally a burned out hull. He directed Trucano to dispose of it, which he thought he had the authority to do but apparently the owner feels differently. Mr. Borg tried to talk to the owner early on in the process and he was very argumentative so it was passed on to Mr. Uchtyl and the Law Department. Jennifer Mannix with CBJ Risk is dealing with the situation now. She is working with CCFR, they had photos and everything else so it's kind of going in that direction.

Mr. Uchtyl said he suspects at some point this year Mr. Gillette will be retiring. He has talked to Mr. Borg and Mr. Creswell about succession planning and what we need for our engineering services. If the Board has any ideas or wants to participate in any way in the selection process for his replacement or positioning staff differently, they are welcome to do that. Mr. Gillette has done a lot for the City. Also, the Board application period ends June 4th so if anyone knows good civic minded people that would be good Board members please encourage them to apply.

Mr. Uchtyl said C-SPAN has approached us. They are doing a tour of every state capital. They are going to bring a bus to the Port on June 19th to do some broadcasting. We are going to try to put them on one of our approach docks.

Mr. Uchtyl thanked all the Board members that came to the Infrastructure Week events.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, June 20th, 2018.**

XII. Adjournment – The meeting was adjourned at 7:17pm.