

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday June 21st, 2017

- I. Call to Order** The meeting was called to order at 5:04 p.m. in City Hall Conference Room 224.
- II. Roll Call** The following members were present: Tom Donek, Bob Janes (via phone), and Budd Simpson.

Also Present: David Borg – Harbormaster, Gary Gillette – Port Engineer.

III. Approval of Agenda

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

Motion passed with no objections.

IV. Public Participation on Non-Agenda Items – None

V. Approval of Thursday, May 18th, 2017 Operations/Planning Meetings Minutes

MOTION: BY MR. DONEK TO APPROVE THE MAY 18th, 2017 MEETING MINUTES AND ASK UNANIMOUS CONSENT.

Motion passed with no objections.

VI. Consent Agenda - None

VII. Unfinished Business - None

VIII. New Business

1. Bid Award – Cruise Ship Berth Safety Improvement Project

Mr. Uchytel said that there are three portions of the seawalk that we would like to make changes to. The money is from the cruise ship dock CIP account. The area by the library with the ADA ramp will be tapered. A worn deck area by the vendor booths by the former CT dock needs replaced decking. Also a guard rail added to an area by the Port Customs building. Those are the three safety improvement areas in the contract. The bid was advertised and Alaska Commercial Contractors was the lowest bid. We recommend awarding to them for \$364,900.

Committee Questions

Mr. Simpson asked what the engineers estimate was.

Mr. Uchytel answered \$396,000.

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Mr. Donek asked have we had any other contact with this contractor.

Mr. Uchtyl answered yes they are doing the work Auke Bay Loading Facility, boat yard area. You may or may not know that North Pacific Erectors is intending to close shop.

Mr. Donek asked are we happy with their work.

Mr. Gillette answered yes so far they are good to work with.

Mr. Simpson asked do we have a use for the aluminum ramp that will be removed from the dock.

Mr. Uchtyl answered we may use it at Taku Harbor. He has also received a request for Cope Park to use it.

Mr. Simpson said don't agree to that until we have exhausted all other possibilities.

Public Comment - None

Committee Discussion/Action

MOTION By MR. DONEK: TO RECOMMEND AWARDING A CONSTRUCTION CONTRACT TO ALASKA COMMERCIAL CONTRACTORS IN THE AMOUNT OF \$364,900 FOR CRUISE SHIP BERTH SAFETY IMPROVEMENTS AND ASK UNANIMOUS CONSENT.

Mr. Simpson said hearing no objections this is approved. This is a recommendation to the full board which will be held tomorrow June 22nd, 2017.

2. Affirmation of the 2004 Long Range Water Front Plan – Area B (Subport)

Mr. Uchtyl said we have been approached by a local contractor who is interested in developing a small boat harbor on tidelands that we control. This is from the long range water front plan from 2004 showing a similar idea for a small boat harbor. A local contractor would like to develop our tidelands for a like facility that is show here. At the next assembly meeting, the City Manager is drafting a resolution in which the assembly will recommend that the Mental Health Trust Organization sell Lot C2 to the local contractor with the idea that those uplands will be necessary to dredge, fill and create a new small boat harbor basin. Knowing that the assembly is planning on drafting this letter of resolution in support of Mental Health Organization selling the land, he just wants to make sure that the board still believes the Long range waterfront plan is applicable as written and as things progress we would still negotiate or make available these tidelands.

Committee Questions

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Mr. Donek asked how does this fit in with the ocean center.

Mr. Uchytel said the contractor is working together with the Ocean Center to create this portal to a small boat harbor that would primarily serve small cruise ships and high end yachts. There will be an agreement to eventually construct the Ocean Center also.

Mr. Simpson asked is the plan to use dredging spoils to fill to create more uplands.

Mr. Uchytel answered that yes that is the plan. The breakwater portion would be a man-made spit instead to protect from sedimentation coming from Gold Creek. The developer and AEL&P are also in negotiations.

Mr. Simpson said so we would be in the position to provide a long term lease. He asked do we control all the other tidelands that are not owned by AEL&P.

Mr. Uchytel answered yes. It is about a 3 acre area.

Mr. Simpson asked are they thinking for mega yacht moorage or just a private marina.

Mr. Uchytel said they are looking to moor mega yachts and small cruise ships.

Public Comment

Mary Becker, Juneau Assembly Member

Mrs. Becker asked what size small cruise ship we are talking about.

Mr. Uchytel answered around 150 to 300ft.

Mrs. Becker asked is that getting into the area that the public unanimously said do not put a harbor into this area because it would spoil the view.

Mr. Gillette answered that they were talking about a cruise ship berth mooring around 1000ft ships.

Mr. Borg said more like the luxury yacht sized vessels.

Mrs. Becker is this something that the Ocean Center needs in order to continue with their project.

Mr. Uchytel answered no but the Ocean Center needs the uplands. What the assembly is going to be asked to support is this resolution trying to convince the Mental Health Trust to sell the property.

Committee Discussion/Action

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MOTION By MR. DONEK THAT THE DOCKS & HARBORS BOARD REAFFIRMS ITS SUPPORT OF A GOLD CREEK-LIKE MARINA CONSISTENT WITH THE 2004 LONG RANGE WATERFRONT PLAN AND ASK UNANIMOUS CONSENT.

Motion passed with no objections.

IX. Items for Information/Discussion

1. Transportation Network Companies (TNCs) Update

Mr. Uchytel said there was a teleconference with Uber and it was obvious that Uber had not done all their homework with the market and geography of Juneau. They said they understand small markets but they did not quite understand the surge of cruise ship passengers we have in the port area and that 17,000 people can come in from cruise ships in a single day and everyone has to go in and out S. Franklin St. We invited Uber to come visit and they came. They met Kirby Day and Drew Green and they were appreciative. One of our concerns was picking up and dropping off right on South Franklin St. and they have software in their app to control what their drivers and riders can and cannot do. We showed them Whittier and AJ and that it would be a good place to stage from while waiting for a call. There is one lane in the Columbia lot that is designated for pick up and drop off they could use also with some compensation for using that lot and they think that is reasonable. They will send over a contract. He thinks we can make this work. The airport manager is reaching out to Lyft to have a similar type of conversation.

Committee Discussion/Public Comment - None

2. Statter Harbor Phase III – Fuel Float

Mr. Uchytel said the question is should we make available a fueling station that would be used exclusively for the For-Hire float. Petro Marine has a long term lease at B Float. The reason was that there have been a lot of complaints of the fuel dock being over crowded by the charter vessels. We went out with a request for information which is asking fuel providers in Juneau if they would be interested in providing fuel opportunities in Statter Harbor. Petro Marine, Crowley and Delta Western all said they were very interested in providing another fuel facility at Statter Harbor. They also had some good feedback. We were thinking it would just be self-serve only used by charter vessels. We need to be fair to everybody and didn't want it to be open to the public due to congestion that would be caused. He invited charter companies to meet to discuss, Gastineau Guiding attended and we discussed the idea that we would require that the fuel be sold at a higher rate than Petro Marine is selling. Charters would have to pay more for that exclusive use. City Law says we are required to have a competitive RFP process so that we couldn't sole source to Petro Marine. After reading the request for information received from the three fuel companies, and speaking with the charters, at this point he is not excited about moving forward with this fuel dock idea. No charters are demanding it as of yet. This may not greatly improve things by adding this float. He received a follow up email from a charter company that what they really want is competition in Auke Bay. Members of the public

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also expressed that they would want to use it as well. There is potential outside of Statter Harbor at the Auke Bay Marine Station to add fuel there.

Mr. Simpson asked what's the status of the Fishermen's Bend Fuel float.

Mr. Uchytel answered as far as he knows there is no move to reopen it.

Committee Discussion/Public Comment

Steve Ricci, Delta Western

Mr. Ricci said by charging a differential what kind of loss would Petro incur. There has been substantial increase in traffic in Auke bay. Please explain the rational in charging a higher price at the for-hire fuel dock as it seems like the market would work that out on its own.

Mr. Uchytel when Petro built this, fisherman's bend was still operational. He is going to guess that the highest use is probably charter vessels. The rational in charging more at the for-hire fuel float is that the public wouldn't see it as special treatment of the charters. His concern is the public would want to price shop and go to whoever is cheaper. By charging more for fuel at the charter float hopefully we will avoid that.

Mr. Ricci said he believes the locals would enjoy having less wait time for fuel by the competition that having two docks providing fuel. There is zoning already in the harbor for specific uses and he doesn't see why it is different for fuel.

Mr. Simpson said this is the first time this is being brought up. We are a ways off from setting the prices and other specifics as this is the first discussion.

Mr. Janes said he understood that we would delay any consideration of this fuel dock until the end of next season when we know more about what the waiting times have been for vessels. Then go through a year of observation once the new charter float is put in. He recommends shelving this for a year.

Mr. Uchytel said we are moving forward with the Statter Harbor Phase III project and it is better to know sooner rather than later. As we work on Phase III we need to know if there should be fuel pipes installed in case we chose to put fuel there down the road. The more he's hearing from people the Auke Bay Marine Facility may be a better area to put a fuel dock and easier to manage. Having another fueling option in Auke Bay would relieve some of the stress on the Petro Float.

Mr. Janes said it is a good idea to prepare to be able to install this at a later date. Looking forward we should be ready for anything.

Dennis Watson, Juneau Alaska

Mr. Watson said he has some concerns about the idea of price fixing the businesses. Allowing the charter boat exclusive use of a new fuel float is not a good idea. There will

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be a lot of public push back from making it exclusive use. He is against a self-serve fueling option also.

Paul Swanson, Juneau Alaska

Mr. Swanson said he is not opposed to an additional fuel dock in Auke Bay. He does not agree with it being self-serve or having the price be set at a higher price at one station.

3. Statter Harbor Live-A-Board (Continuation)

Mr. Uchtyl said last meeting we were discussing the idea of banning liveaboards at Statter Harbor. The question was raised that is there anything to prohibit us from making that a regulation. We asked the Department of Transportation Port and Harbor manager, Mike Lukshin, and he said we can do as we please in Statter Harbor including banning liveaboards if we deem it within our mission.

Committee Discussion

Mr. Simpson said he got the reverse out of it also that there is nothing requiring us to keep it exclusively transient forever either.

Mr. Uchtyl said the only restriction DOT gave us was that we are unable to sell Statter Harbor but otherwise can do as we wish.

Public Comment

Mr. Swanson said he knows there are a lot of problems with the liveaboards. There was a recent fire in the parking lot. But, he does not know how you can restrict people from living on their own property.

Mr. Donek said if we are managing that harbor as a transient facility, there should not be any liveaboards tying up full time. We somehow need to make a change to this.

Mr. Simpson said he was shocked to find out that there were any liveaboards at all at Statter Harbor as it is an entirely transient facility. It is not consistent with the purpose that we have designated that harbor for. A way to address this is maybe with our fee structure. Maybe have the price go up radically after you've been there for more than 30 days. Maybe we could grandfather in the current liveaboards and not allow any others.

Mr. Borg said there are 11 boats currently using about 500 feet of moorage in the transient area. There are some in assigned stalls as well.

Mr. Donek said we need to define liveaboard and determine exactly who we are talking about.

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Mr. Simpson said it is a sticky issue and we do need to come back to it. We should get updated statistics and let's put this on the list for next operations meeting to discuss further.

4. Live-A-Board Public Meeting Update

Mr. Borg said on June 15th, 2017 Docks and Harbors had a meeting for liveboards. Robert Barr facilitated the meeting for about 40 individuals. It was one hour long and there was a list of topics that people could choose from to discuss. The top issue that was chosen and discussed was crime and security. That was what was discussed at length. There was very good feedback from the community. He and Mr. Uchytel did not attend. We will schedule a follow up meeting in 6 weeks. There will be minutes from this meeting shortly also

Committee Discussion

Mr. Uchytel said it was at Robert Barr's request to have Mr. Borg and he not attend as it may be more productive.

Mr. Simpson said lets discuss further when the minutes are finished.

Mr. Donek said having a follow up meeting in 6 weeks is great.

Mr. Borg said this was a non-confrontational opportunity to get a user group together so that we can find out how we can meet their needs. He would like to do this for other user groups as well such as commercial fishermen.

Mr. Donek said it seemed like there was a lot of good input being said and that the meeting seemed to go well.

Public Comment

Mr. Swanson said he attended that meeting and agrees that the facilitator did a great job. The topic of crime took up the whole time and there were a lot of good opinions brought up.

X. Staff & Member Reports

Mr. Uchytel said at the full board meeting he will update the board on a particular vessel that has been asked about. He attended and presented at the June 14th Assembly finance committee meeting on the 1% sales tax request, one request for Phase III Aurora Harbor and for the Douglas Harbor uplands. The City Manager already has a recommendation for the 1% sales tax and the assembly will hear another round of projects at the next meeting. The City Manager has proposed certain projects to move forward to the assembly including \$4 million for Aurora Harbor Phase III so he is supportive of that

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project moving forward. I did submit a process letter to the core of engineers for the break water at the Auke Bay Marine Station and the purpose of that report is a way to communicate with elected officials that there is a viable project in their district.

Mr. Gillette said we held a staff meeting with the design team and talked about schedules and our goals for the downtown urban design plan from Marine Park to Taku. There was an economic analysis to figure out what trends are happening in the commercial retail type business. We found that jewelry stores generate the highest dollars per square foot but they are actually trending down. Restaurants however, are growing at a rapid rate. Juneau has the highest number of restaurants per capita. Also, 10 to 15% of cruise ship passengers these days are children so that number has risen and ships are selling to more families. All kinds of data will be analyzed as we prioritize what types of facilities will be installed in that area. Today we had a meeting with the bus and coach operators, it came up that the only vacant land is the archipelago lot south of the library and they could really use more spaces for B zone vehicles. That lot would relieve more space in the Marine Park lot. This was the first meeting with them and it went well. So far they are accommodating and adjusting to the loads they have but as ships are growing there will be more people to accommodate. There will be a workshop for the board at the end of July to go through the concepts that are brought up. In the first part of September there will be public meeting open studio to further discuss ideas. By the September board meeting there will be results from those meetings to go through and discuss. We'll present again at the board meeting and wrap it up in November.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, July 19th, 2017.**

XII. Adjournment – The meeting adjourned at 6:24 p.m.