

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

I. Call to Order.

Mr. Simpson called the meeting to order at 5:00 p.m. in the Assembly Chambers.

II. Roll.

The following members were in attendance: Greg Busch, Budd Simpson, David Logan, John Bush, and Robert Janes.

Also in attendance were: Mike Peterson – Board Member, Carl Uchtyl – Port Director (via telephone), Dwight Tajon – Harbormaster, and Gary Gillette – Port Engineer.

III. Approval of Agenda.

MOTION By MR. LOGAN: TO APPROVE THE AGENDA AS PRESENTED

The motion passed with unanimous consent.

IV. Public Participation for non-agenda items.

Bill Shattenberg, Juneau, AK

He said he wanted to address concerns about the direction Docks & Harbors has from the Assembly to apply a PLA to the cruise ship dock project. He said he has nine criteria's that would be required to be considered if the PLA would be applicable to the project.

1. Is the project construction very complex?

Answer: The cruise ship dock project is large, but not very complex. There are only a few trades involved. This project is basically pilings, walk ways, and the dock. The bulk of the dock is going to be constructed in Washington and towed to Juneau. It will be exempt from the PLA because it is built at a factory for all practical purposes.

2. Is the project constructed over a long period?

Answer: It is a two year project, but it is shut down due to seasons, and phased as north end and south end. This won't go on for years.

3. Has there been a history of Labor strikes on past projects?

Answer: This has never been an issue with the Harbors.

4. Would there be cost savings or other efficiencies from the project for having a labor agreement?

Answer: With a Labor agreement this would eliminate two of the major contractors in Juneau, Trucano and Anchor Electric. This would be a no.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

5. Is this project operating under a court mandated deadline?

Answer: This would not be applicable.

6. Are there unique features to the project that necessitate the use of an agreement?

Answer: He said he doesn't see any.

7. Does the project present special challenges to the owner?

Answer: This is a fairly straight forward project, nothing special.

8. Does the project require multiple general contractors?

Answer: There will probably only be two or three sub-contractors and one general. This is a \$65 million contract, \$60 million will probably go to the general and \$5 million to the sub-contractors.

9. Could the scope of the project result in conflicts between competing labor unions regarding jurisdiction over the same type of work?

Answer: That does not apply because there is only a pile driver, a plumber, and an electrician.

Mr. Shattenberg said in his opinion when asked to consider the above criteria's for determining a PLA, look at how they apply to the 16B project. PLA's have been in affect over the last 10 years in Juneau and the Harbors has done a lot of projects in the last 10 years and never asked to apply a PLA to anything. The Auke Bay work, the ABLF, and the Harris Harbor. The Juneau building trade could have requested a PLA but they never did. The Harbors marine work has been exempted from a PLA on a non-written idea. Basically because there is very limited labor pool to work on Harbor projects. If a PLA is put on this project, there will be one on the Aurora Harbor project and that would eliminate Trucano Construction and Anchor Electric. Of all the Harbor work, 90% has been completed by Trucano Construction and Anchor Electric. It would be a shame to take Docks & Harbors best assets and keep them out of the bidding process.

Mr. Busch said the PLA has been a direction from the Assembly to the staff and has not been brought to the Board. This is an administrative matter and typically will be handled at the staff level.

Doug Trucano, Juneau, AK

He said he is against the PLA for the same reasons Mr. Shattenberg stated. The big concern is all future projects will become PLA jobs and if that is the case Trucano and Anchor Electric will probably just have to close up and leave. This is a shame because they have no problems with the unions. However, their non-union employees have 37% more money to spend in the community because the union employees money goes into the unions. Mr. Trucano said he has been contacted by three of the

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

bidders on this project for service work, but if a PLA is attached his employees will not be able to work on this project. The cost will all be driven up because of having to bring more equipment to town, and find an unloading facility to work with. The last project Trucano Construction worked on was the deck over behind the Tram. There was not a PLA involved and it saved the Harbors \$800,000 on that job between the next contractor's bid who was a union contractor. The value of Trucano Construction and Anchor electric needs to be considered.

V. Approval of Previous Meeting Minutes.

Hearing no objections, the Operations/CIP meeting minutes for September 19th, 2013 are approved as presented.

VI. Items for Action.

1. Net Float Barge

Mr. Uchtyl said, Mr. Hobbs the owner of the net float, is looking for an answer from Docks and Harbors on the purchase of the net float because he has other interested buyers. This item was brought to the Committee last month. Mr. Sepel was hired to provide a condition evaluation survey on the float. The survey report did not recommend purchase of the float because of the poor condition, but was suited for its current use. The surveyor was unable to provide an estimate on the remaining useful life in the platform due to not doing an underwater survey and confined space entry. Mr. Uchtyl recommended to lease the float from Mr. Hobbs, but not purchase.

Committee Questions

Mr. Busch asked what the alternative to this net barge would be?

Mr. Gillette said Docks & Harbors has some poly pipe floats that were purchased a number of years ago. A 50 x 50 net float could be made from these floats. A cost estimate to deck over would be about \$50,000.

Mr. Janes asked what the lease payment is currently on the net float.

Mr. Uchtyl said currently it is no cost.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

Public Discussion

Dennis Watson, Juneau, AK

He said Docks & Harbors should focus on the current projects going on and not spend \$50,000 on a net float that is not used very much. Based upon the use, this should be on a wish list and not a do list.

Committee Discussion/Action

Mr. Busch said he recommended against purchase based on the condition report from Mr. Sepel.

NO MOTION REQUIRED – Committee decided not to move forward with the purchase.

Mr. Peterson asked if Docks & Harbors was required to take the float back to Aldersheim?

Mr. Uchytel said that is correct.

Mr. Peterson asked what the cost was to get the float to its current location?

Mr. Uchytel said approximately \$7,500.

2. Auke Bay Commercial Fishing Moorage Credit

Mr. Tajon said this is a continuation from the last meeting. He investigated further into the fish ticket landings credit. The credit applies to the gillnetters that have stalls downtown and sell fish to Taku Fisheries or Alaska Glacier Seafood. They can have up to 20 days free moorage at Statter Harbor when they present the fish ticket that backs up the sale. Mr. Tajon said he spoke to Alaska Glacier Seafood and Taku Smokeries, and they do have a list of tenders that are picking up the fish from the gillnetters and the fishing fleet. Taku Smokeries is contracted out to Icicle Seafood. Mr. Tajon called Icicle Seafood to find out if the fish taken on by a tender goes to Taku Smokeries or Alaska Glacier Seafood, and the answer was yes and no. Depending where they are in the Lynn Canal decides where the fish goes. The fish tickets given to the gillnetter has the name of the company and the name of the vessel that is pitching their fish, so staff would be able to track down if the fish was brought back to Juneau. This would broaden the credit for the gillnetters selling to the tenders.

Committee Questions

Mr. Simpson asked what action Mr. Tajon wanted from the Committee?

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

Mr. Tajon said he believed the gillnetters were looking for an explanation on what constitutes a landing. This may just need a memorandum of explanation to the staff.

Mr. Simpson asked Mr. Tajon if the fish tickets could be tracked to figure out where the fish was sold?

Mr. Tajon said with getting the list of tenders and gillnetters in the beginning of the season from Taku Fisheries and Alaska Glacier Seafood, and communication throughout the season for additional tenders, we could figure out where they are sold.

Mr. Logan asked if a regulation change would be required?

Mr. Uchytel said there should be a way to communicate with staff and a letter to the fishing community with a definition on the interpretation on the regulation and to clarify the policy.

Mr. Janes asked if these were local boats or out of town boats?

Mr. Simpson said the regulation only applies to vessels that have year around downtown moorage.

Mr. Janes said this is getting more complicated than it needs to be. If the boats are paying their year around Harbor fees and they need to come to the north end, why shouldn't they be given the credit. They have already paid their dues. Maybe this should be looked at for all vessels.

Mr. Tajon said what happens when a fishing boat from downtown goes to Auke Bay, and spend one or two nights at Statter Harbor, they are required by ordinance to pay the daily rate. This regulation allows them to stay for 20 days free.

Mr. Bush asked how many boats are receiving the credit now?

Mr. Tajon said he didn't have the exact number, but it is a small number.

Mr. Bush asked what the question is? Is it if the fish pitched to a tender is inside the Juneau boundary?

Mr. Tajon said a complaint was received from a fisherman that was fishing at the north end of Lynn Canal and pitched to a tender. According to the regulation, he was not able to receive the credit because he didn't sell directly to Taku Fisheries or Alaska Glacier Seafood, but the fish from the tender was brought to Juneau.

Mr. Simpson said the point is that Juneau gets the fish tax. So it is no different if they pitch to a tender and the tender comes to a Juneau processor.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

Mr. Busch said the complaint from the fisherman last month was he still wanted to pitch to a tender who didn't sell in Juneau and receive the credit.

Public Comment - None

Committee Discussion/Action

Mr. Logan asked if a motion was required for this item?

Mr. Simpson suggested to ask staff to draft something and bring it back to the next meeting for review.

Mr. Peterson asked what the regulation would do?

Mr. Simpson there is an existing regulation and the Committee is asking staff to provide a memo interpreting and clarifying the regulation.

Mr. Peterson asked if the memo would just clarify what is already on the books?

Mr. Tajon said yes that is correct.

Mr. Peterson said basically the regulation states that if a fisherman sells to Hoonah or a tender sells elsewhere than Juneau, Juneau doesn't get the fish tax, so the fisherman doesn't get the moorage credit. That is very clear. Mr. Peterson said his concern is staff spending their time trying to help fishermen get a credit where they don't have to pay moorage here in Juneau.

Mr. Simpson said that is all accurate how he understands it, but there was a request from a user to interpret the regulation in a different way. It seems like it is useful to state it as it presently exists. If staff would like to change this, staff can make a specific change at a policy level and bring it back to the Committee to be discussed.

Mr. Busch just wanted to clarify that at the next meeting staff would bring a memo describing how the policy is being applied, and the Committee can evaluate at that point.

NO MOTION REQUIRED

3. Department of Homeland Security Grant Award

Mr. Tajon said a grant application was submitted to the Department of Homeland Security through the Portland Merchants Exchange. Docks & Harbors was awarded the FY13 security grant for \$75,000 with a \$25,000 matching for a total of \$100,000. The initial filing cost was \$800.00. The cost for administering the grant is \$3,500 to be paid in 10 monthly payments of \$375.00. This grant will provide security camera's for the

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

16B project and upgrade portable radios for staff. Staff has two years to use these funds on the equipment. Mr. Tajon said he recommends the approved grant be forwarded to the Harbor Board and then to the Assembly for approval.

Committee Questions

Mr. Logan asked if the Committee would see the particulars that would be going into this system at some future point?

Mr. Tajon said yes.

Public Comment -None

MOTION BY MR. BUSCH: TO FORWARD TO THE FINANCE COMMITTEE AND ONTO THE BOARD RECOMMENDING APPROVAL AND SUBMISSION OF THE DEPARTMENT OF HOMELAND SECURITY GRANT AWARD IN THE AMOUNT OF \$75,000 WITH \$25,000 MATCHING FROM DOCKS & HARBORS AND THE APPROPRIATE MATCHING ADMINISTRATION FUNDS AND FORWARD TO THE ASSEMBLY FOR FINAL APPROVAL AND ASK FOR UNANIMOUS CONSENT.

Motion passed without objection.

VII. Items for Information/Discussion

1. Aurora Harbor 65% Design Review

Mr. Gillette said staff has been reviewing this design and in the design review, staff has recommended heat trace on the water pedestals and also to look into safety ladders. Mr. Gillette went over different types of safety ladders and said they are still looking into this. The other item that staff is looking at is the electrical pedestals and lighting that is a combined unit. Some of the advantages is that the electrical unit is up off the ground and that makes it easier to plug in vessels and to read meters. They are also out of the way with snow removal and takes up less real estate on the float. These are easier to install and easier for maintenance. The electrical units are still in review and still need to meet the ADA requirements. The Committee will need to decide if the final design should have the combined units. The project is moving forward and staff will meet with PND next week to go over the comments and incorporate staff recommendations into the design.

2. Harbormaster's Monthly Report – Mr. Tajon's report is in the packet.

The North Douglas boarding floats were pulled out on October 17th. There was an isolated feeder line installed that would power up the Alaskan Grandeur. So far, all is working just fine.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/CIP/PLANNING COMMITTEE MEETING MINUTES
October 24th, 2013

Staff has been working on preparing for winter. Two seasonals stayed on as short term temporary laborers to install bull rails at Statter Harbor.

Mike Peterson asked Mr. Tajon to quantify numerous vessels on #26 of his harbormaster report.

Mr. Tajon said about three.

VIII. Member & Staff Reports

IX. Committee Administrative Matters

Next Operations/CIP/Planning Committee Meeting is scheduled for November 14th, 2013.

X. Adjournment

The Operations/CIP Committee adjourned at 5:59 pm.