

CBJ DOCKS & HARBORS BOARD
SPECIAL MEETING MINUTES
For Tuesday, December 21, 2010

I. Call to Order.

Mr. Preston called the Special Board Meeting to order at 5:00 p.m. in the CBJ Assembly Chamber.

II. Roll Call.

The following members were present: Tom Donek, Kevin Jardell, Cheryl Jebe, Michael Williams, Bob Wostmann, and Jim Preston.

The following members were absent: Eric Kueffner, Don Etheridge and Greg Busch.

Also present were the following: John Stone – Port Director, Gary Gillette – Port Engineer, Ruth Danner – Assembly Liaison

III. Approval of Agenda.

Seeing no objection the Agenda was approved as presented.

IV. Public Participation on Non-Agenda Items.

Bruce White, Juneau, AK, said it was an action item back in the August meeting to have a meeting arranged with the DeHart's patrons and the Board. He wanted to know if the Board was still planning on having that meeting.

Mr. Jardell asked what he would like to see happen?

Mr. White said he would like to see a meeting with the DeHart's patrons and the Board, in anticipation of where the DeHart's patrons would be distributed to, in the event DeHart's Marina closes down. He would like to know what would be available and where the temporary moorage would be.

Mr. Jardell said he encourages Mr. White, and any others, to send an e-mail to Mr. Stone with suggestions on meeting agenda items. He said to be specific with their issues, and the Board would try to address them.

Mr. Preston said he did already make a statement at the Committee of the Whole meeting regarding the meeting with DeHart's patrons. There is not a plan to discuss at this time.

V. Items for action.

1. Waterfront Sales Permit Regulations

Mr. Stone said the proposed regulation changes in the packet came from the work done by the Operations Committee done in November, and the Operations and Finance Joint meeting last week. The action would be to propose the changes for public comment. There would be two public hearings to follow the proposed regulation changes, one on January 18, 2011 at the Operations Committee hearing, and a final public hearing on January 27, 2011 at the Regular Board Meeting.

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V. Items for action(continued)

Mr. Stone said Docks and Harbors will accept written comments from interested persons during that period of time. On January 27, 2011, right after the public hearing, the Board would take final action on the Regulation.

Mr. Jardell asked Mr. Stone to clarify on the bottom of page one, (c) (2) which says a permit holder shall not have more than one representative selling tours at any of their booths. He wanted to know what is trying to be prevented with that regulation.

Mr. Stone said the small booth does not allow for more than one person, and in the past, if there was more than one representative, one was out running people down for their tour.

Public Comments

Dennis Watson, Juneau, AK, asked about page one, item (3), about no person shall have ownership. Is there a reason it does not say person or corporation?

Jeff Fanning Juneau, AK, owner of Liquid Alaska Tours. He said he gave the Board some documents that shows specifics on what Ketchikan has done at their auction process and how they regulate the regulations. He said he knows in the past meetings there has been an issue on a couple of the regulations and how to regulate them. There has been a lot of discussion on the regulation that states you may not own interest in more than one permit. He said he likes the language and what he has seen in the memos and some of the terms. One of the terms says CBJ requires the actual vendors must submit a list of employees, this shows payroll that the employee is only working for one company. This regulation could be an even broader issue than what has been talked about. He said outside larger corporations could possibly buy up all the permits.

Ms. Suparna, Juneau, AK, owner of Last Chance Tours. She said she agrees with what Mr. Fanning said, and she likes that the Board asked the permit holders for ideas for the regulations. The Ketchikan regulations are great ideas brought to the Board that are working for Ketchikan, and this is similar to what Juneau waterfront vendors are doing.

Board Discussion/Action

Mr. Wostmann said on the top of page 2 of the regulations proposal, the wording needs to be corrected.

The permit holder shall provide the port director with a list of all individuals that will documentation, booth staffing schedules, and other documentation necessary sell tours at its booths and, if requested, staff identification to demonstrate the permit holder complies with this requirement.

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V. Items for action(continued)

Mr. Stone said it should read,

The permit holders shall provide the port director with a list of all individuals that will sell tours at the booths and, if requested staff identification documentation, booth staffing schedules, and other documentation necessary to demonstrate the permit holder complies with this requirement.

Mr. Jardell said he appreciates the language and the specifics in the regulation proposal. The Board still has two more opportunities to look at the proposal at the public hearings. He clarified Mr. Watson question. He said we do not need to signify corporation because under the code a person includes a corporation. Mr. Jardell said he supports this proposal and thinks it is a good attempt to improve things.

Mr. Preston said to address Mr. Watson's query, this definitely does go through the law department and it his understanding that a corporation is considered a person. With the additional public hearing on the proposed regulations, it will give the Board a chance to go over the documentation given to the Board tonight.

MOTION by Mr. Wostmann: TO PROPOSE CHANGES TO THE WATERFRONT SALES REGULATIONS SET OUT IN 05 CBJAC 10 AS RECOMMENDED BY THE JOINT OPERATIONS AND FINANCE COMMITTEE, TO HOLD PUBLIC HEARINGS ON JANUARY 18, 2011 AT THE OPERATIONS COMMITTEE AND ON JANUARY 27, 2011 AT THE REGULAR BOARD MEETING, TO ACCEPT WRITTEN COMMENTS ON THE CHANGES UNTIL THE JANUARY 27 REGULAR MEETING, AND TO TAKE FINAL ACTION ON THE REGULATIONS IMMEDIATELY AFTER THE PUBLIC HEARING AT THE JANUARY 27, 2011 REGULAR MEETING AND ASK FOR UNANIMOUS CONSENT.

Motion passed without objection.

2. Auke Bay Loading Facility Conditional Use Permit Amendment.

Mr. Stone said Docks and Harbors is applying for an Amendment to the conditional use permit to allow the sale of fuel by tank truck at the drive down float at the commercial loading facility. Docks and Harbors will submit an application. The application will then go in front of the planning commission, and Docks and Harbors should know if it is accepted in a couple of months.

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V. Items for action(continued)

Public Comments

None

Board Discussion/Action

None

MOTION by Ms. Jebe: TO DIRECT THE PORT DIRECTOR TO APPLY FOR AN AMENDMENT TO THE CONDITIONAL USE PERMIT FOR THE AUKE BAY LOADING FACILITY ALLOWING FOR THE LOADING OF FUEL TO VESSELS BY TANK TRUCKS AT THE DRIVE DOWN FLOAT AND ASK UNANIMOUS CONSENT.

Motion Passed without objection.

3. Docks and Harbor FY 12 Marine passenger Fee Request.

Mr. Stone said CBJ collects \$5.00 per passenger, and the way those funds are appropriated, the City Manager request applications from anyone in the community to present ideas on the use of that money. He reviews the list, and based on his review and direction from the Assembly over the past several years, he prepares a recommended list of projects for use of that money. The City Manager then submits the list to the Assembly for their consideration. Docks and Harbors is providing candidate projects for consideration when the City Manager is doing deliberation of his list. Based on the last CIP meeting, Docks and Harbors is looking for a capital improvement program. Mr. Stone said he put two requests in.

1. Cruise Ship dock replacement project. Mr. Stone said he did not ask for a specific amount of funding because this will be figured out in the spring.
2. The Statter Harbor Passenger for Hire Facility. This is part of the master plan for Auke Bay. Mr. Stone said he requested for half of the cost estimated for this project in the amount of \$2,173,244. He recommends the Board submit this project to the Assembly. The funding can be altered as the Board sees fit. Mr. Stone said there will probably be \$4.5 million in appropriations this year. In past years, the Assembly has appropriated about \$3 Million in operating expenses for various entities throughout CBJ. That leaves \$1.5 Million for capital projects. He said the amount he requested would

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V. Items for action(continued)

consume all of that money, and he does not see Docks and Harbors receiving the full amount. This request at least indicates what Docks and Harbors need is. A far more likely scenario would be the Assembly over time will give Docks and Harbors enough money for the project.

Public Comments

Dennis Watson, Juneau, AK, he said he sent Mr. Stone an e-mail early this morning and wanted to make sure the Board read it. He said the main reason for the e-mail is his concern about what Mr. Preston said, that there may be an increase in the moorage rates for the new docks, and the replacement docks at DeHart's is one.

The other concern goes back to when the original motion to purchase DeHart's was made by Mr. Knapp. Mr. Knapp said the facility had to try to pay for itself, and that was the reason the rates went up. That comment leads Mr. Watson to believe that the Board has a strategy for the new facility, and there must be some kind of a business module for the various docks. What is the Board's business module for the new facility?

Docks and Harbors has a little over \$300,000 dedicated for utilities in the request for marine passenger fees discussed earlier this evening. Mr. Watson wants to know how Docks and Harbors came up with that much money. What does Docks and Harbors do with a dock that is strictly for loading? The facility is going to stay empty, more months than it will be occupied. He is assuming the Board has run the numbers, so he can understand how the facility is going to pay for itself. Where is the revenue stream coming from for the other seven months? Does Docks and Harbors have plans to rent the facility to the specific user groups, by the day, week, month, or year? Mr. Watson said he is hoping that this has all been figured out and Docks and Harbors is not just building a facility for \$4.2 million with anticipated passenger fees figured in to pay for the facility. He will be looking for an answer in the future.

Bob Janes, Juneau, AK, distributed a letter he tried to e-mail Mr. Stone, and he got the e-mail address wrong, and it was sent back to him. He is very supportive of the Auke Bay project and knows it is not perfect, but he thinks it is going to go a long way to help solve the conflicts and issues in that area. At the Committee of the Whole meeting he said North Douglas might relieve some of the congestion during the day in the busy parts of the season, but Statter Harbor will always be the focal point for boating in the northern waters of Juneau.

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V. Items for action(continued)

Paul Swanson, Juneau, AK, wanted to know if the Dehart's patrons moorage rates are going to go down because the parking costs were figured into the moorage rates. He does not think the DeHart's patrons should still have to pay the \$75.00 per month for parking. He is one of the few with the six month moorage, and wanted to know where the moorage is going to move to at the new facility.

Board Discussion/Action

Mr. Wostmann said he thinks it would be foolish for Docks and Harbors not to put a request in for the marine passenger fee money.

Mr. Jardell said he sees the marine passenger fee money as the only way that Docks and Harbors can accommodate the DeHart's patrons, in the most expedient manner. Making sure we have somewhere to move the loading facility, will help us move forward quicker. He thinks it is a great idea.

Mr. Preston asked Mr. Stone to clarify the separate passenger fees uses.

Mr. Stone said the Board directed him to go to the Assembly a few years ago and show that part of the operations at the port that was not paid for by public use of the port. The Assembly did agree and started giving Docks and Harbors \$154,000 in marine passenger fees to help with the dock operating budget. This enabled Docks and Harbors to move \$154,000 of lease revenues to the harbor enterprise to help with the harbor budget.

Ms. Danner asked Mr. Stone to explain the difference in the marine passenger fees (\$5.00, \$5.00 and \$3.00) and why he is not applying for the other passenger fees available.

Mr. Stone said his understanding is that the \$5.00 portion of the marine passenger fees are the only applications being accepted right now. The other \$5.00 portion is coming from the State as a result of changes with the legislature last session, and the Assembly has not given any indication on what is happening with that yet. He said there is a \$3.00 development fee that the Assembly has just reauthorized, and these fees are limited to projects just for the downtown port. That will be used for Dock funding improvements.

MOTION by Ms. Jebe: TO SUBMIT MARINE PASSENGER FEE REQUEST AS PRESENTED BY THE PORT DIRECTOR WITH THE INCLUSION OF THE \$154,000.00 FOR THE PORT OPERATING COSTS TO THE MANAGER FOR CONSIDERATION BY THE ASSEMBLY IN THE FY 12 BUDGET AND ASK FOR UNANIMOUS CONSENT.

Motion passed without objection

VI. Adjournment.

**MOTION by Mr. Donek: TO ADJOURN THE SPECIAL BOARD MEETING
AND ASK FOR UNANAMOUS CONSENT.**

Motion passed without objection

Meeting adjourned at 5:32 P.M.