THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - June 2 2014

MEETING NO. 2014-16: The Special Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 6:00 p.m. by Mayor Merrill Sanford.

I. ROLL CALL

Assembly Present: Mary Becker (teleconference), Karen Crane, Loren Jones, Jesse Kiehl, Merrill Sanford, Carlton Smith, and Randy Wanamaker.

Assembly Absent: Jerry Nankervis, Kate Troll.

Staff Present: Kim Kiefer, City Manager; Laurie Sica, Municipal Clerk; Carl Uchytil, Port Director; Gary Gillette, Port Engineer; Dave Borg, Harbormaster; Bob Clauder, Downtown Operations Supervisor, Harbors; Teena Scovill, Administrative Assistant, Harbors; Hal Hart, Community Development Director; Travis Goddard, Planning Manager; Rorie Watt, Engineering Director; Kirk Duncan, Public Works Director; Samantha Stoughtenger, Wastewater Superintendent; Michele Elfers, Eng/Architect.

Harbor Board Members Present: Greg Busch, Chair; John Bush, Tom Donek, Bob Janes, Kevin Jardell (teleconference), David Logan, Mike Peterson.

Harbor Board Members Absent: E. Budd Simpson, Scott Spickler.

II. SPECIAL ORDER OF BUSINESS

A. Robert Clauder, Downtown Operations Supervisor - 30 years of service

Mayor Sanford and Port Director Uchytil recognized Robert Clauder for over 30 years of work for CBJ at the harbors. Mr. Clauder said he enjoyed the work and wasn't going anywhere else soon.

B. Assembly - Docks and Harbors Board Joint Meeting

Mayor Sanford thanked the Docks and Harbors Board for finding a time in their busy schedules to meet with the Assembly.

Carl Uchytil provided a power point presentation. Some of the items he covered included:

- Docks and Harbors proposed changes to its by-laws and is combining the Planning and Operations Sub-Committees.

- Board positions are advertised and the terms of Budd Simpson, John Bush and Kevin Jardell expire June 30, 2014. Mr. Jardell indicated he would not be seeking reappointment.

- The new mission statement is "Develop and provide opportunities, services and facilities to support marine related commerce, industry, fisheries, recreation and visitors."

- A budget synopsis of FY14 and the proposed budgets for FY15/16 showed the Port and Harbors are financially solvent and operating a quarter of a million dollars in the black.

- A review of Docks and Harbors Capital Projects, including:

Cruise Ship Dock Improvements
o CSTSA Phase I – completed May 1st, 2013
o Taku Dock Improvements – completed February 15
o CSTSA Phase II – completed May 2nd, 2014
o Cruise Ship South Berth – completion date May 2016
o Cruise Ship North Berth – completion date May 2017

Statter Harbor Improvements
o Moorage Improvements – completed May 2013
o Launch Ramp – completion date December 2015

Douglas Harbor – Awaiting Corp of Engineers Permit

Aurora Harbor
o Phase I – completion date May 2015
o Phase II – future

- Docks and Harbors conducted a strategic planning meeting and outlined the values of "service excellence, continuous improvement and integrity" and the vision, "To be the Southeast Alaska Marine Center of excellence providing safe, secure, modern, vibrant facilities meeting the needs of the users we serve."

Mr. Uchytil spoke about tideland leases and said that leases are required to be reappraised every three years, however, this has not happened routinely. Regarding the Mount Roberts Tramway lease, CBJ had an appraisal done which provided a fee simple value of $3 million for that property. The lease allows the lessee to get its own appraisal, which Goldbelt did and their appraisal is $1.2 million. The lease discusses dispute resolution with a third party appraiser to choose between the two values.

Cultural Preservation is the tidelands lease adjacent to the Seadrome Dock area and is also with Goldbelt. This lease also requires revaluation every three years. The CBJ appraisal was double the last value. Mr. Uchytil was expecting a protest.

Thane Ore House was also on Docks and Harbors managed property and CBJ was in the process of breaking the lease due to some complicated financial issues. The CBJ law department was working on that issue. The building was included in the lease.

Mayor Sanford asked if most of the leases would be run through the CBJ law department or through private attorneys. Mr. Uchytil said that the Law Department was aware of all of the issues but the discussions had not been elevated to attorney to attorney discussion yet. Mayor Sanford asked if the CBJ Law Department was working well for the Docks and Harbors Board and Mr. Uchytil said yes, they could likely keep an attorney employed full time.

Mr. Busch said the Board was doing strategic planning and was focused on the future. Many projects that had been in the planning stage for years were coming to fruition. They were looking at what was next for the project list. They need to re-evaluate the fee structures and are working through existing leases and issues associated with those leases. He said there was a great staff with the current port director, port engineer and harbormaster, along with their staff, and they looked forward to a good year ahead.

Mayor Sanford said he wanted to clarify that there was no city financing assistance in operations and maintenance, but there was regarding capital projects. He was concerned that the Samson Tug and Barge Company would be bringing all their freight to the Rock Dump and not to the Channel Drive area, so more freight would be moving through the downtown area. He asked staff to look to see what could be done to facilitate this, such as loading zone and loading hour review, and was concerned there could be a big jam.

Mayor Sanford was interested in seeing a 1% for Art Committee that could look at the total picture of the port projects planned over the next 20 years. He suggested that there were projects being done individually as pieces of the seawalk came on-line, but no overall planning. The 1% for Art Committee for Dock Project 16b had been appointed, so it was timely to have this discussion with the Docks and Harbors Board.

Ms. Crane reiterated that the seawalk was a 20 year project and CBJ had an opportunity to look at the big picture, rather than random projects here and there. There are a number of communities in which the art along the seawalk has become a tourist destination. If we have good art along the seawalk, it distinguishes the community. If we think long term we can plan from the beginning what we want to see.

Mr. Peterson said that 1% for the 16b project would be $530,000, and there could conceivably be $1.5 million along the entire seawalk. He said more smaller projects could allow more artists to do the work in manageable pieces.

Ms. Crane said she was not thinking of one large piece, and that she did not have any preconceived notions, though some had spoke about focusing on the history of Juneau as a theme. She just wanted to open a discussion.

Mr. Jones said perhaps the 1% for Art Committee for 16b could be expanded to become a standing committee for seawalk and waterfront projects. Mr. Jones said the first meeting of the 16b Art committee would be June 17, 2014.

Mayor Sanford asked for input from Docks and Harbors and Engineering.

Mr. Busch said it was incumbent on the Assembly to provide the direction to give artists a way to conceptualize the projects that would be able to be solicited for various sized projects. Mayor Sanford said the idea was to not be piecemeal.

Mr. Logan said he was the D&H representative for 16b Art Committee and he agreed the idea of a unified theme was good and it would be good to know the range of funding that would be available. He understood that getting unification spread over 20 years might be difficult to achieve continuity.

Bob Janes said such a committee was a good idea and he would like to see its reach extended out to valley residents who did not normally come downtown in order to get support and involvment in being a part of the seawalk. The maritime festival was a successful way to draw in those in the community that were not usually downtown.

Mayor Sanofrd asked D&H for a recommendation to expand the existing committee - and a recommendation from staff, and a few more arts people. There are currently 6 people on the committee and he thought ten could work for this and sought recommendations.

Mr. Uchytil said it was very difficult now to get a committee of 6 together as Mr. Gillette had found. Mr. Uchytil said the ordinance said the art had to be project specific, and that 16b was not a pretty project - it was a functional project and he hoped that some of the funds could be used to "soften" the project.

Mr. Gillette said he had no problem with an art master plan - that was a planning exercise, and their focus had been on 16b and specific art. If that was to change the committee needed direction. Mayor Sanford said he was not ready to go into an art master plan - but wanted to look at how art could fit in the seawalk in its totality. We don't know all the issues until we have looked at them.

Mr. Jones asked if there was a 1% for art committee for the dock extension that had happened and Ms. Kiefer said there were totemic designs incorporated into the glass of that most recent project.

Mr. Watt said since the budget for that portion of the seawalk was small they did not do the art selection and bid process. The glass shelter was a planned component so the artwork was embedded in the project. Mr. Watt said if the Assembly wanted to expand the geographical area of the 16b project art he would not do hard and fast boundaries and confirmed the Project 16b would have a very industrial look.

Mr. Jones said the question was not changing where the funds were spent, but ensuring that random, piece meal projects without a unifying vision were not installed.

Ms. Crane said this conversation was just an example of the issue and Mr. Watt suggested he could bring something back to the Assembly and see what the reaction was.

Mr. Janes thanked Mr. Jones for his attendance at the Docks and Harbors Board meetings.

Mayor Sanford thanked the Docks and Harbors Board for its work.

III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

IV. NEW BUSINESS

A. Bid Results - DH12-160 Aurora Harbor Re-Build, Phase I

Construction of this project would remove and replace approach dock A, headwalk, main walks, and finger floats for moorage areas A through D at the south end of Aurora Harbor. New electrical and water systems would be installed. The Bid Documents identified work of the base bid and two alternates. Alternate A would perform a small amount of dredging along A float and Alternate B would install protective anodes on the steel piling.

The amount of funds currently available for the project only allows awarding of the base bid amount. The engineer’s estimate was $9,238,558 for the Base Bid; $262,500 for Alternate A; and $302,450 for Alternate B.

A public bid opening was held on May 15, 2014. The Docks and Harbors Board reviewed the bids at a Special Board Meeting on May 15, 2014 and unanimously recommended approval of the Base Bid only.

The Manager recommends approval of the bid award to Northern Construction Services, for the base bid amount of $9,623,827.00.

Public Comment: None.

Assembly Action:

MOTION, by Jones, to award Contract No. DH12-160, Aurora Harbor Rebuild - Phase 1, the base bid in the amount of $9,623,827.00 to Northern Construction Service.

Mr. Kiehl asked for the difference between the engineer's estimate and the award amount. Mr. Gillete said the estimate had a contingency of 5% and D&H projects had been running with a 1 - 2% contingency, so they felt comfortable taking the funds from contingency. We have the funds and knew the parameters of the project - there were few unknowns.

Mr. Kiehl said he was not familiar with the contractor and asked for more information. Mr. Gillette said they had done significant research and had a lot of verbal communication regarding the contractor. Northern Construction had done a lot of work in Alaska, mostly for DOT. Their main forte was building floats and some of the floats at the North Douglas launch ramp were constructed by them. The company recently did a project in Hoonah, working with PND Engineering. The subcontractor list were all local firms.

Hearing no objections, Contract DH12-160 was awarded to Northern Construction Service, for the base bid amount of $9,623,827.00.

V. STAFF REPORTS

A. Bio-Solid Update

Samantha Stoughtenger and Michele Elfers were present to answer any questions regarding their report provided in the packet regarding biosolids management and disposal strategies.

Mayor Sanford asked about the shipping contract for biosolids and Ms. Stroughtenger said the contract was for five years with no minimum.

Mr. Smith asked how likely it would be that the solution recommended in September would be a long term solution. Ms. Stoughtenger said that was the goal – a long term Juneau solution for a Juneau problem. CBJ wants control over an appropriate method of disposal. The contract with CH2M Hill was to narrow down the options to provide us with a very long term solution.

Mr. Smith asked what the key factors in the study were. Ms. Elfers said factors included cost, original construction cost, operation and maintenance, permitting, land availability, operational functionality, technical ability, energy considerations, public health and safety, disposal options and if there was a market for what was disposed. She said they were not looking for an untested, novel approach, but were looking for a reliable one.

Mr. Jones asked if work had started with CH2M Hill. Ms. Elfers said they had been gathering background data, assessing the values and issues in the community, land availability, so staff expected a first draft of analysis of alternatives in mid-July and would work through that towards a final report in September.

Mayor Sanford this work just focused on a solution for biosolids and asked when CBJ would get answers on the total issues of recycling and solid waste as well. He asked if there was possibility to combine all those issues together. Ms. Elfers said that solid waste and biosolids were two of the community's biggest challenges - there were technologies that could handle both of those waste streams but they were expensive and complicated. Right now the biosolid issue was on the forefront, and if we could get a good handle on this, then we could compare the costs and our ability to handle the technology, and could then determine if we were willing to handle solid waste in the same system.

Ms. Stoughtenger said CBJ did not control the solid waste stream. Mayor Sanford said he understood that but CBJ needed to know the options and the costs and we could not get toward a conversation about the possibilities without taking those issues into consideration.

Mr. Watt said this effort would benchmark the costs of handling the biosolids, and this was a good first step.

Mayor Sanford asked if CBJ was wasting $16 - 20 million if we don't get to a recommendation about what to do with solid waste. Mr. Watt said it was a broad topic and the effort to look at the plants and their capacity to address biosolids was very good information. Mayor Sanford said in the long term the community had to address waste streams of all kinds and it seemed that it was done piece meal and he wanted to get to a point of truly taking care of the waste issues.

VI. ASSEMBLY COMMENTS AND QUESTIONS

None.

VII. ADJOURNMENT

There being no further business before the Assembly, the meeting adjourned at 7:17 p.m.

Signed:____________________________	Signed:____________________________
Laurie Sica, Municipal Clerk	Merrill Sanford, Mayor