

DOCKS AND HARBORS OPERATIONS MEETING MINUTES



September 18, 2024 at 5:00 PM

Port Office Conference Room/Zoom Webinar

<https://juneau.zoom.us/j/83517434739> or (253)215-8782 Webinar ID: 835 1743 4739 Passcode: 131347

- A. CALL TO ORDER:** Ms. Hart called the meeting to order at 5:00pm in Port Office Conference Room and via Zoom
- B. ROLL CALL:** James Becker, Tyler Emerson, Don Etheridge, Clayton Hamilton, Debbie Hart, Matthew Leither, Nick Orr, Annette Smith and Shem Sooter

Also in attendance: Carl Uchtyl – Port Director, Matthew Sill – Port Engineer, Matthew Creswell – Harbormaster, Melody Musick—Administrative Officer, Emily Wright- City Attorney, Nicole Lynch- Docks and Harbors Attorney, David Harmon, Elias Hastings- Goldbelt, and Steve Sahlender- Goldbelt.

FOR AGENDA CHANGES

MOTION BY MR. ETHERIDGE TO APPROVE THE AGENDA AS PRESENTED OR AMENDED.

Motion passed unanimously.

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS- none.

E. APPROVAL OF MINUTES

1. August 21st, 2024 Minutes

Meeting minutes approved unanimously.

F. UNFINISHED BUSINESS

2. Proposed Regulations Changes-

Mr. Creswell said that since the last Operations and Planning (Ops) Committee Meeting there has not been any additional changes to the proposed regulations. The proposed regulation changes are being brought before the Ops Board to formalize and bring to the Board meeting to begin the public notice period. The proposed regulation changes would impact 05 CBJAC 10.040 Tour Vendor Permits by raising the rate by \$5,000. 05 CBJAC 20.010 changes would provide provisions for the small boat harbors to address accounts that have been sent to collections or are habitual offenders of non-payment by requiring that collection accounts be paid in full before using a small boat harbor and requirement pre-payment for habitual non-payment offenders. The next regulation change would be to the uninsured vessel surcharge, 05 CBJAC 40.010, which previously only applied to stall holders. The regulation change would apply to all vessels except for those paying daily moorage. The base rate of the fee would be \$1.50 per foot per month, adjustable by the Board on the calendar year if the collected amount from the fee exceeds the actual disposal costs; with the ability to adjust the rate to not exceed \$3.00 and not be lower than \$1.00. The last regulation change would be to place in regulation the current management policy being used at the Auke Bay Loading Facility (ABLF). This regulation would enforce the existing policy that moorage for two hours with a reservation is free and moorage without a reservation will result in the charge of a full day's moorage.

Committee Questions

Mr. Hamilton asked that if someone pays the full day's moorage at the ABLF would they still be asked to move after the two-hour period?

Mr. Creswell said that the users of ABLF understand the high volume of patrons that need access to the dock and are considerate about moving. The only enforcement mechanism is to charge another day of moorage if they stay at the ABLF over 24 hours.

Mr. Hamilton said that he does not agree with codifying the ABLF policy because there is no form of enforcement to move an individual once they have paid the full day of moorage, which would then cork the ABLF from other users.

Ms. Hart asked if Mr. Hamilton would agree with codifying the policy if it was on a fee schedule?

Mr. Hamilton expressed that he did not want a fee schedule and that he wanted to verify that Docks and Harbors would charge a full day of moorage without an enforcement mechanism to prevent the individual from blocking space at the ABLF.

Mr. Orr said that the enforcement could be punitive and charge three days of moorage if someone didn't make a reservation and moored at the ABLF.

Mr. Creswell said that as a point of clarification, users of the ABLF understand that it is a busy facility and usually intend to be there less than two hours because they do not want to be charged a full day's moorage. Therefore, the existing policy acts as enforcement as patrons do not want to incur the daily moorage charge for staying over the two hours. The policy was first implemented in 2019 and compliance has been largely successful. Outside of office hours, patrons can leave a voice message and it will be honored as a reservation at the ABLF.

Mr. Orr asked about the unrecoverable costs associated with vessel disposal that are included in the language of the uninsured vessel disposal surcharge.

Mr. Creswell said that in his experience, vessels that sink in the small boat harbors are mostly uninsured vessels wherein the owners do not have the means to pay for the salvage or disposal of the vessel. The Coast Guard has been largely helpful in opening the Oil Spill Liability Trust Fund to help raise the vessel and remove pollutants. If there are no pollutants involved, then Docks and Harbors is responsible for raising the vessel. Docks and Harbors is responsible for disposal of the vessels which includes staff hours and disposal costs.

Public Comment-none.

Committee Discussion/Action

Mr. Uchytel said that the actions being taken today are to move the regulations forward to the Board to proceed with the public notice.

Mr. Hamilton said that he would like to vote on the proposed regulations separate for Docks and Harbors.

Ms. Hart said that to clarify the process, the current motion would bring the regulation changes before this month's Board meeting, then if approved would go through the 21-day public notice period, and then come back to the Board to be voted on.

Mr. Hamilton said that he is uncomfortable with the notion of voting on all the proposed regulation changes to bring to the next Board meeting as a bundle and prefer them to be broken apart by Docks and Harbors separately.

Ms. Smith asked if it would be possible to make two separate motions, one being to bring the Docks related regulation changes to public notice and the other being to bring the Harbor related regulation changes to public notice.

Ms. Hart said that it would be split between the regulation pertaining to the change in the waterfront vendor permit fee increase and then the rest of the regulations pertaining to the small boat harbors.

Mr. Hamilton said that he would prefer to have the motions split apart in this manner.

Ms. Hart if everyone would be okay with making two separate motions.

Mr. Becker said that the Board should honor Mr. Hamilton's request.

MOTION BY MR. ETHERIDGE THAT THE BOARD APPROVE PROPOSED REGULATION CHANGE TO 05 CBJAC 10.040 AND TO SCHEDULE PUBLIC NOTICE AHEAD OF A PUBLIC HEARING.

Motion passed unanimously.

MOTION BY MR. ETHERIDGE THAT THE BOARD APPROVE PROPOSED REGULATION CHANGES TO 05 CBJAC AND TO SCHEDULE PUBLIC NOTICE AHEAD OF A PUBLIC HEARING.

Mr. Hamilton apposed the motion and said that he is uncomfortable with the changes proposed in the uninsured vessel disposal surcharge, that the rate associated is too fluid.

ROLL CALL VOTE:

Those in favor: Mr. Etheridge, Mr. Emerson, Mr. Orr, Ms. Hart, Ms. Smith, Mr. Leither, and Mr. Sooter.

Those opposed: Mr. Becker and Mr. Hamilton.

The motion passes 7-2.

3. Seadrome Building Development Property Request

Mr. Sahlender referred to the presentation on page 17 of the agenda packet. Mr. Sahlender said that the presentation is to bring forward a single proposal regarding the Seadrome building. This proposal would involve a property purchase agreement between Docks and Harbors and Goldbelt Inc. for the parcels held by Docks and Harbors to improve the use of space. This would involve the building of a new Seadrome building while meeting the requirements of CBJ. This new building would provide a mixed-use space larger than the current structure. The current estimated value of the land held by Docks and Harbors is \$630,903.00. The project would extend the Sea Walk, use the space more efficiently, and create more green space. The new Seadrome would provide a cultural space for visitors to interact with, feature form line art.

Committee Questions

Mr. Emerson asked if the main profit incentive would be the space leased or if the art produced by native artists?

Mr. Sahlender said that it is still to be determined, however, that it will be mixed use space.

Mr. Becker asked if the plans for the Seadrome building are like what Huna-Totem Corporation was proposing for their new building.

Mr. Sahlender said that the cultural aspect will be the same, but the experience and purpose of the buildings are different.

Ms. Smith asked if the current proposal would require Docks and Harbors to sell the land parcels associated.

Mr. Sahlender confirmed that they are requesting Docks and Harbors sell the tideland parcels.

Mr. Uchytel said that the value of the land provided by Goldbelt is subject to change with a new appraisal as the \$630,903.00 is from an appraisal done in 2022. Decisions should not be made on the dollar amount at this time and rather to approve whether the Board would like to enter negotiations regarding

the sale of the land. Mr. Uchytel met with the City Manager and Tourism Manager, who instructed that the Docks and Harbors Board would be responsible for how they would wish to proceed with the Seadrome facility.

Public Comment- none.

Committee Discussion/Action

Mr. Emerson asked where this current Docks and Harbors Office would be relocated.

Mr. Uchytel said that ideally the City Manager would like as many CBJ departments under one roof. There is an option for Docks and Harbors to be an anchor tenant in the new Seadrome building. Another option that has been looked at would be to recapitalize the Auora Harbor office with enough space to combine the Port Director's Office and the Auora Harbor Office. Recently the Port Customs side of the Port Field Office has expressed interest in expanding, which could make the customs side of the Port Field Office available for the Port Directors Office. Currently there are many options but no concrete plans. Docks and Harbors in on a month-to-month lease in the Seadrome building.

Mr. Sahlender said that it would be multiple years before the construction of a new Seadrome Building.

MOTION BY MR. ETHERIDGE TO BRING GOLDBELT'S PROPOSAL TO THE FULL BOARD FOR DISCUSSION AND ACTION.

Ms. Smith objected to the motion and said that she does not support the sale of Docks and Harbors land.

ROLL CALL VOTE:

Those in favor: Mr. Becker, Mr. Emerson, Mr. Etheridge, Mr. Orr, Mr. Leither, Mr. Sooter, and Ms. Hart.

Those opposed: Mr. Hamilton and Ms. Smith.

The motion passed 7-2.

G. NEW BUSINESS

4. Direct Lease Negotiation with Franklin Dock Enterprises

Mr. Uchytel referenced page 25 in the agenda packet. Mr. Uchytel said that the next two items pertain to procedural process within CBJ ordinance. Mr. Uchytel referenced the National Guard Dock Floats, the landowner by Department of Natural Resources (DNR), and the land owned by Franklin Dock Enterprises. The City and the Tourism Manager have expressed interest and have begun negotiations in expanding the Sea Walk that would connect to the AJ Dock. Franklin Dock Enterprises has requested in exchange for an easement through their property to expand the Sea Walk, a lease of the National Guard Dock property. The design in the agenda packet reflects one of the conceptual designs for the project. The Assembly has been briefed on the project in May and in September. Since Docks and Harbors manages the National Guard Dock, Docks and Harbors will need to engage in negotiations with Franklin Dock Enterprises for the lease of the tidelands.

Committee Questions

Mr. Emerson asked if Franklin Dock Enterprises would own the National Guard Dock?

Mr. Uchytel said that Docks and Harbors would own the tidelands and Franklin Dock Enterprises would be allowed to develop the space and existing dock.

Mr. Hamilton asked if allowing Franklin Dock Enterprises to lease the tidelands would prevent future development of a fuel dock.

Mr. Uchytel said that the other party in negotiations with the city is Petro Marine for the development of a fuel dock.

Mr. Etheridge said that the Docks and Harbors tidelands do not impede the Petro Marine fuel dock in any way.

Public Comment- none.

Committee Discussion/Action

Mr. Becker asked about the potential for public access for recreational use?

Mr. Uchytel said that the Seawalk will provide public access.

Mr. Emerson asked if the main benefit to the city the easement would be to continue to build the Seawalk.

Mr. Uchytel said the easement would be the primary benefit; however, due to the state of despair of the National Guard Dock it would also be a benefit to Docks and Harbors to remove the liability.

MOTION BY MR. ETHERIDGE THAT THE BOARD RECOMMEND THE ASSEMBLY ALLOW DIRECT NEGOTIATIONS WITH FRANKLIN DOCK ENTERPRISES FOR A LEASE FOR THE NATIONAL GUARD DOCK.

5. Direct Lease Negotiation with Goldbelt, Inc

Mr. Uchytel referenced page 32 of the agenda packet that contains a letter to the Assembly. The letter is a similar to the letter drafted in 2022 that pertains to when Docks and Harbors asked the Assembly for the ability to negotiate and engage in a land swap with Goldbelt. The letter meets the code requirements for Docks and Harbors to engage in direct negotiations for the potential land sale.

Committee Questions

Mr. Hamilton asked how the request relates to Goldbelt's sale proposal.

Mr. Uchytel said that request to the Assembly is in conjunction with receiving the sale proposal from Goldbelt. This will allow Docks and Harbors to directly address the request from Goldbelt to negotiate for the sale of the tidelands associated with sale proposal.

Mr. Etheridge stated that the Assembly has the final say on negotiations and sale of the tidelands.

Public Comment-none.

Committee Discussion/Action

MOTION BY MR. ETHERIDGE THAT THE BOARD RECOMMEND THE ASSEMBLY ALLOW DIRECT NEGOTIATIONS WITH GOLDBELT TO EXECUTE A LEASE OR PURCHASE & SALES AGREEMENT FOR PROPERTY ASSOCIATED WITH SEADROME BUILDING AND DOCK.

H. ITEMS FOR INFORMATION/DISCUSSION

6. Aurora Harbor Phase IV - New Layout

Mr. Sill referenced page 39 of the agenda packet. Which contains a chart with design concepts that were produced off harbor waitlists from two years ago. Recently staff and consultants reviewed the waitlists and harbor organization structures and have amended the design. A strong need for 42' stalls has been identified which influenced the change in design. Turnover rates were also considered in the alterations of Aurora phase IV designs. The rebuilding of Aurora Harbor has been ongoing since 2012. The Army Corps of Engineers, in 2020, dredged in the Aurora Harbor basin. Natural limitations near Norway Point,

limit the depth of dredging project, planning for Auora Phase IV is dependent on water depth. The changes in the Auora Phase IV result in 42' stalls and 24' stalls.

Committee Discussion/Public Comment

Mr. Becker asked if Auora Phase IV would have more 60' stalls.

Mr. Sill said that Auora Phase III was designed to accommodate larger vessels. The side tie portion of Auora Phase IV would allow for larger vessels to be accommodated. There are portions of Auora Phase III that were not implemented due to lack of funding that will be included in the Auora Phase IV project.

Ms. Hart asked if public feedback would influence the Auora Phase IV design?

Mr. Carl said that if the Board would like to receive public feedback, then the Auora Phase IV design can be brought forward as an action item at the next meeting.

Ms. Smith recommended that the design be posted on the website and Facebook to receive public feedback.

7. Potential Statter Harbor Business Opportunity

Mr. Uchytel said that an individual approached the Board with a non-agenda item at the last meeting, asking for a business opportunity at Statter Harbor. The Board expressed interest in the opportunity and instructed the individual to meet with Mr. Uchytel. Mr. Uchytel and Mr. Creswell met with the individual, who is asking for the ability to build a 16'x 16' float within the skiff zone of Statter Harbor to sell product to Statter Harbor patrons. Mr. Uchytel said that there would not be power or potable water available due to the selected location and the individual expressed that power and water would not be an issue. Mr. Uchytel said that this is all the information he can provide the Board while protecting the individual's identity and business idea. Mr. Uchytel said that the question before the Board is whether the individual should be allowed to pursue this business idea. Mr. Uchytel identified ordinances that conflict with the individual's ability to pursue the business opportunity on page 41 of the agenda packet. Ordinance 85.25.050 states that "No moorage space shall be sublet or rented to any firm or individual for the purpose of conducting any commercially oriented business enterprises", 05 CBJAC 01.030 states, "No person may conduct commercial activities on docks and harbors department lands and facilities subject to these regulations except as authorized by a permit issued by the director", and 05 CBJAC 10.020 states "A person shall not conduct any commercial activity within the downtown waterfront area except as authorized by a permit issued under this chapter by the director". Mr. Uchytel asked the Board how they would like to interpret the ordinance and regulations, given that exceptions can be granted by the Port Director. Mr. Uchytel said that he created a list of pros and cons listed in the agenda packet to help the Board. Docks and Harbor wants to help those pursuing economic opportunities in the community and the service could be beneficial to the harbor patrons. Docks and Harbors staff is hesitant about the precedent that may be set if this individual is allowed to conduct a commercial enterprise within the harbors, the business proposal would use moorage space in the skiff zone and may cause pedestrian congestion on the dock. If the Board would like to move forward with this business proposal, then the Board would have to establish a process to provide equal opportunity to establish a commercial business in the harbors. An equitable permit process would also have to be established. Docks and Harbors staff have expressed that they believe business may present more challenges than overall benefit. The Board has the authority to approve or deny the business opportunity request.

Committee Discussion/Public Comment

Mr. Etheridge asked what arrangements does Petro Marine have to operate within Statter Harbor?

Mr. Uchytel said that the Petro Marine fuel float is a legacy with DeHart's Marina. When the City bought DeHart's Marina, Petro Marine had the right of first refusal for a license to operate.

Ms. Smith asked if there is a place at the facility that could be set aside for commercial businesses to operate?

Mr. Uchytel said that Docks and Harbors takes a prescriptive approach. There has not been any ask for the Board or public to establish a specific area of commercial use.

Mr. Emerson asked how utilized is the skiff zone space during the summer at Statter Harbor?

Mr. Creswell said that many times during the summer the skiff zone was completely full. The area is in high demand due to the reduced cost of the skiff zone.

Mr. Hamilton asked if the Board should deliberate on a broad commercial use policy or solution for the harbor facilities. Mr. Hamilton said he does not think the skiff zone is a good location for a commercial business. However, the Board should consider developing a policy that could be applied to this request and any future requests the Board may receive.

Ms. Hart said that a commercial policy could be deliberated at the Board retreat.

Ms. Smith said that she understands both side of the situation. That Docks and Harbors does not want to operate a harbor facility alongside the management of a commercial facility within the same location; however, it could have large economic potential. Ms. Smith said that Docks and Harbors already allows commercial activities on the docks via the commercial fishermen selling from their boats.

Mr. Hamiton said that most of the commercial fish sales are arranged ahead of time, which removes the solicitation of the sale.

Mr. Etheridge said that not all the sales are pre-arranged.

Public Comment

David Harmon, Juneau AK

David Harmon said that there is a lot of commercial activity that operates on the side out of the harbors during the shrimp, crab, and fishing seasons.

Mr. Etheridge said that he agrees with Ms. Hart's suggestion that it should be considered at the Board retreat.

Mr. Uchytel said that if Board wishes to deliberate over the commercial policy at the retreat, then the message delivered to enterprising individual would be to wait till next year before reaching out with a proposal again.

Mr. Hart said that this topic is large and applies to all harbor facilities so it should be given time and consideration.

Mr. Hamilton asked why the individual can't work out of the parking lot or the top of the ramp.

Mr. Harmon said that patrons of the harbor facilities are going to be happier about being able to purchase a cup of coffee in the morning on the docks than upset about the loss of skiff moorage.

Mr. Leither said that from his experience of being a liveaboard at Statter Harbor, moorage is in high demand and that the general moorage area would receive considerable strain if a business were to displace 5 skiffs from the skiff moorage zone.

Mr. Harmon said that the float is the same size as a single skiff.

Mr. Emerson asked why water and power is not available in the skiff zone?

Mr. Uchytel said that there is not power on the inside of the floats. Power and water are not readily available.

8. Legislative Priority List

Mr. Uchtyl referenced page 45 of the agenda packet. The City Manager is requesting legislative priorities to advance. Page 47 of the agenda packet contains the legislative priorities that were submitted last year. The legislative priorities are not guaranteed projects. A project that could be easily placed on the priority list is for the Auora Harbor Drive Down Float.

Committee Discussion/Public Comment

Mr. Hart asked what the timeline for creating a list of priorities.

Mr. Uchtyl said that he will ask the Board formerly next month.

Mr. Etheridge asked if the Douglas Harbor parking lot could be added.

Mr. Uchtyl said that funding may be difficult for the Douglas parking lot.

Ms. Smith asked about the icebreaker coming into Juneau and the impact that 300 additional families will have on Docks and Harbors facilities. Are there steps that should be taken to prepare for the icebreaker?

Mr. Emerson asked that the Auora Harbor Drive Down Float be added.

Mr. Orr asked if there is going to be a form to submit potential priorities?

Mr. Uchtyl said that he would hate to get people's hope up, but the Board members should brainstorm ideas that are need and that have the best chance of being funded.

Ms. Hart said that this would be a good topic for the Board retreat.

Mr. Hamilton asked if zinc anode project would be viable for the list.

Mr. Uchtyl said that the Board must consider the point of view of the legislators and how they would perceive a product such as zinc anodes.

Mr. Sill said that this year Docks and Harbors applied for a Department of Transportation Harbor Facilities grant for zinc anodes.

9. Planning for Docks & Harbor Board Retreat

Mr. Uchtyl said that he has been coming up with potential ideas for the Board retreat. Mr. Uchtyl asked the Board what outcome they would like to see from this year's retreat. How would the Board like to use the retreat time to advance the goals and needs of Docks and Harbors? Mr. Uchtyl said that the Board sounds interested in projects and infrastructure. Docks and Harbors staff could prepare a presentation on projects if the Board would be interested.

Committee Discussion/Public Comment

Ms. Hart asked if the Board would be interested in doing a round robin for retreat topics.

Mr. Leither said that he would be interested whatever retreat idea is presented. Mr. Leither said that it sounds like the Board is currently interested in capital improvement projects. Mr. Leither said that he would like the Board to consider the future missions of Docks and Harbors.

Ms. Smith said that she would like to focus on integrating city wide projects that are collaborative between departments to lower costs.

Mr. Sooter said that he would like the Board to consider commercial activities in the harbors and capital improvement projects.

Mr. Orr said that he is going to wait for the retreat to share his project ideas.

Mr. Emerson said that he would like a review Docks and Harbors projects, department structure, and commercial use policies.

Mr. Etheridge said that Mr. Uchytel can provide a 101 to explain the department's structure. Mr. Etheridge said that he would like to discuss projects and commercial policy at the retreat.

Mr. Becker said that he would like to review projects that have been talked about historically, project maintenance, facility management and maintenance, establishing a clear priority list, and creating a plan for Docks and Harbor going forward. Mr. Becker said that his top priority is the Drive Down Float at Auora Harbor.

Mr. Hamilton said that he would like to establish a priority list of Docks and Harbors projects and deliberate commercial policies. Mr. Hamilton said that he would like a review of parliamentary procedures.

Ms. Hart said that she agrees with all the topics listed by fellow Board members. Ms. Hart said that she would like to hear about the projects presented by Docks and Harbors staff to provide additional perspective for the Board.

Mr. Uchytel said that he will prepare dates for the next week's Board meeting. Mr. Uchytel said that this is the first time that the Board has had three commercial fishermen and that it provides the unique opportunity to help develop commercial fishing via Docks and Harbors efforts. Mr. Uchytel said that he would like to come up with ways that the Docks and Harbors Board can instill public trust which seems to be lacking in government agencies. Mr. Uchytel said that Nicole Lynch, the Docks, and Harbors attorney, would be willing to go over parliamentary procedure.

I. STAFF, COMMITTEE AND MEMBER REPORTS

Mr. Creswell reported that the end of season party is next week. The end of season party is at the Buoy Deck and Board members are welcome to attend. The end of season vendor meeting is next week Wednesday at the Yacht Club to review how the season went and what can be approved upon.

Mr. Sill reported that the Harris Harbor gate is working.

Mr. Uchytel reported that the Wayside Park Dredging project permit applications are submitted, bid opening will open on October 1st, and Docks and Harbors hopes to bring the project to the October 21st Assembly meeting. There most likely will be a need for a Special Board Meeting to approve the bids. Mr. Uchytel said that the Army Corps planning charette will occur at the Yacht Club next week, Board members are allowed to attend. Mr. Uchytel said that he will report the results of the Army Corps planning charette at the next Board meeting. Mr. Uchytel said that the Request for Interest (RFI) for building a new boat shelter has received a couple of interested parties.

Ms. Smith reported that she went to a candidate forum and there was discussion about the lack of attention to Douglas Harbor.

J. COMMITTEE ADMINISTRATIVE MATTERS

Next Operations/Planning Committee Meeting - Wednesday, October 23rd, 2024.

K. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.gov.