

DOCKS AND HARBORS OPERATIONS MEETING MINUTES



August 21, 2024 at 5:00 PM

Port Director's Conference Room/Zoom Webinar

<https://juneau.zoom.us/j/86272087941> or (253)215-8782 Webinar ID: 862 7208 7941 Passcode: 817283

- A. CALL TO ORDER:** Mr. Sooter called the meeting to order at 5:00 pm in Port Director's Conference Room & via Zoom
- B. ROLL CALL:** James Becker, Don Etheridge, Debbie Hart, Clayton Hamilton, Matthew Leither, Annette Smith, and Shem Sooter.

Absent: Tyler Emerson and Nicholas Orr.

Also in attendance: Carl Uchtyl – Port Director, Matthew Sill – Port Engineer, Matthew Creswell – Harbormaster, Jeremiah Cryts- Interim Harbor Operations Supervisor, Melody Musick—Administrative Officer, David Harmon, Elias Hastings, Steve Sahlender, James Bibb, Karla Hart, Todd Miller, and Kirby Day.

- C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES- none.**

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

- D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

David Harmon, Mendenhall Valley, Juneau

Mr. Harmon proposed a floating coffee bar in Statter Harbor. The coffee bar would be run by Mr. Harmon.

Ms. Smith asked Mr. Harmon if he had a slip and proposal for the coffee bar.

Mr. Harmon said that he did not have a slip or any additional information at this time.

Mr. Sooter said that Mr. Harmon's proposal would have to be put on the Ops Agenda and to contact either the Harbor Board or Port Director.

- E. APPROVAL OF MINUTES**

1. April 17th, 2024, Meeting Minutes

Meeting minutes approved unanimously.

- F. ITEMS FOR INFORMATION/DISCUSSION**

2. Proposed Regulations Changes-

Mr. Creswell referenced page 13 of the agenda packet. Observations performed by Docks and Harbors staff have led to the proposed regulation changes. On pages 13-16 of the agenda packet there are five total proposed changes. The first regulation change is 05 CBJAC 10.040 which addresses the permits issue to the waterfront vendors on the sea-walk. There are nine waterfront vendors this season, with the availability to have 11 vendors each season. Currently the minimum bid for the waterfront vendors is \$30,000 or an out-cry auction.

Mr. Uchtyl said that last year when rates were reviewed, the Board elected to not increase the rate to spread out the impact of rate increases. Mr. Uchtyl said that CBJ Law has reviewed the regulation changes proposed in the agenda packet, the regulation changes have not been socialized to the waterfront vendors. Mr. Uchtyl said that his only concern with raising the waterfront vendor booth rate to \$35,000, would be if the "No Cruise Ship Saturdays" (Proposition 2) were to pass, it would be an 1/7 reduction in business to the waterfront vendors with a 15% rate increase for the waterfront vendors.

Committee Discussion/Public Comment

Ms. Smith asked when the last time the rate was increased for waterfront vendors?

Mr. Uchytel said that the last rate increase was in 2015, when the rate increased from \$5,000 to \$30,000. When outcry actions were occurring for the waterfront vendor booths, it was not uncommon for them to go for \$60,000.

Mr. Leither asked if there is public feedback stating that the existing rate of \$30,000 is too expensive?

Mr. Uchytel said that the Board historically has wanted to maintain an affordable rate that allows for new vendors to participate.

Ms. Smith said she would support the rate increase since it has been 9 years since the last increase. Inflation in the last 9 years has increased more than the proposed 15% increase for the waterfront vendor booth rate.

Mr. Creswell said that the next two proposed regulations fall under 05 CBJAC 20.010, which include language changes to the existing regulation to improve enforcement for payment on accounts that have a history of being sent to collections or impound due to lack of payment. Section R of the proposed regulation change states that if a patron has an account that has been sent to collections, they must pay the account in full before being allowed to moor a vessel in a CBJ harbor. Should the patron refuse to pay their account in full the vessel will be impounded under regulation 85.25.130. The next proposed regulation change addresses patrons and accounts that have been subjected to impoundment proceedings or have been sent to collections within the last 24 months, stating they must pre-pay for harbor moorage. These changes will help staff address challenges associated with patrons who are habitual offenders of harbor regulations.

Mr. Hamilton asked if these proposed regulations would evict patrons.

Mr. Sooter said that they would not evict patrons.

Mr. Hamilton asked for clarification as to how a vessel would be impounded if being used as a liveaboard.

Mr. Sooter said that these regulations are aimed at addressing patrons who are trying to open new accounts or reopen accounts that have outstanding balances. If they are out of compliance with harbor regulations, Docks and Harbors would like to ensure that they are compliant before the patron moors a new vessel or reopens an account.

Mr. Hamilton asked what would enforcement for the regulations look like?

Mr. Sooter said that the vessel would be impounded and follow regulatory procedures associated with impoundment.

Mr. Hamilton asked if accounts are tied to people or to vessels.

Mr. Creswell said that accounts are tied to vessels. The account balance stays with the vessel and the account itself attached to the person as the managing agent.

Ms. Smith asked if the regulations proposed would conflict with maritime law that preserves the right of the mariner to seek safe harbor.

Mr. Creswell said that Docks and Harbors works with patrons and their circumstances under a reasonable time frame and would not deny a patron the ability to seek safe harbor.

Mr. Leither asked if the Harbor has an eviction process separate from the impoundment process.

Mr. Creswell said that he has twice experienced the circumstance of Docks and Harbors impounding a vessel and the patron remaining on board. Mr. Creswell and the hearing officer are very generous and try to provide as many opportunities as possible for patrons in those circumstances.

Mr. Uchytel said that impounding a vessel is a financial liability for Docks and Harbors. In the past, Docks and Harbors has towed vessels out of the harbor to help both the department and the patron.

Mr. Hamilton asked for clarification on the definition of pre-pay.

Mr. Creswell said that the patron would come into the office and pay for moorage. Pre-payment would be at the monthly rate, paying for moorage at the beginning of each month.

Mr. Creswell said the next proposed regulation change is under 05 CBJAC 35.060 and 05 CBJAC 40.010 which is known as the vessel disposal surcharge. This charge is currently assessed to reserved moorage stall holders who are uninsured at \$0.35 per foot. The proposed change would apply to any vessel that is not paying the daily moorage rate. The name would change to uninsured vessel surcharge, this would not be a substitute for insurance. The surcharge would help cover the costs associated with disposing of vessels that are assumed by the harbors. When vessels are raised and disposed of the invoice is sent to the patron which has a low rate of collection. This would help shield Docks and Harbors from the financial risk of raising and disposing of vessels. The rate in the agenda packet states it would be \$1.00, however, to cover the current cost rate it would be closer to \$1.50. Under section ii (B) "As of January 1, of each year, should vessel disposal costs exceed the annual amount collected, Docks and Harbors will adjust the rate not to exceed \$3.00 per foot per month. The new rate must be approved by the Board no less than 30 days prior to implementation." This stipulation is to make sure that the rate is not open ended. If no one new gets insurance Docks and Harbors will collect \$90,000 from the uninsured vessel disposal surcharge. This year Docks and Harbors has assumed \$70,000 in vessel disposal costs and Mr. Creswell projects that by the end of this year it will be approximately \$110,000. The Coast Guard often helps via opening Old Spill Liability Trust Fund to pay for the cost of raising the vessel. If the Coast Guard were to not offer the aid in covering the cost of raising the vessel, then the cost to Docks and Harbors would increase dramatically. Title 85 regulations will still apply in conjunction with the new regulations.

Ms. Smith asked if it is wise to include the cost stipulation in the regulation.

Mr. Creswell said that it is in the purview of the Board to decide whether the three-dollar limit is reasonable.

Mr. Leither asked if there is a mechanism to decrease the rate of the uninsured vessel disposal surcharge if the average cost of disposal to Docks and Harbors decreases.

Mr. Creswell said that there is no existing language in the proposed regulation, however, could be introduced by Board action.

Mr. Creswell said that the final proposed regulation is regarding the Auke Bay Loading Facility (ABLF), which is a 180' drive down float. The dock is reservation only and it is free for two hours with a reservation. Boat owners have shown up at the dock without a reservation and take the space of those who had called ahead and made a reservation. In 2018, Mr. Creswell implemented a policy wherein if a

vessel arrived at the ABLF without a reservation they would be charged a full day of moorage. This policy has increased compliance and Mr. Creswell wanted the policy to be codified.

Committee Discussion/Public Comment

Mr. Uchytel asked if the Board would like these regulations to come back as an action item.

Mr. Etheridge said that he would like all the regulations to come before the Board as an action item at the next meeting.

3. Goldbelt Seadrome Building Land Needs

Mr. Uchytel said that Seadrome Building considerations have been an ongoing topic lead by Goldbelt and Mr. Sahlender. In May Mr. Sahlender gave his original presentation.

Mr. Sahlender presented a slide presentation that begins on page 18 of the agenda packet. Mr. Sahlender said that he took into consideration the Board's feedback from May and has two alternative plans along with the original. The most beneficial proposal for Goldbelt in a ranked order relative to most preferable would be: alternative 2, the original, and the alternative 1. In the original and alternative 1 proposal no money would be exchanged between Goldbelt and Docks and Harbors. In alternative 2, Goldbelt would purchase the tidelands from Docks and Harbors for approximately \$630,903. Goldbelt's goal with these proposals is to create a better facility for tourist activities and to extend the sea-walk environment. The designs would improve the configuration and use of the land, while providing an Alaskan Native facility to visitors. The action plan would be to demolish the existing Seadrome building, enter in a property exchange with Docks and Harbors, then build a mixed-use facility in compliance with Waterfront Design guidelines, Land Management Plan, Subport Revitalization Plan, and Small Cruise Ship Master Plan. The site improvements would provide benefits via the efficient use of space, expansion of the sea-walk, and providing a cultural experience to honor Alaskan Natives.

Committee Discussion/Public Comment

Mr. Leither asked how Title 85 impacts the Docks and Harbors Board's ability to inform the decision regarding the Goldbelt Seadrome property?

Mr. Uchytel said that the Tourism Manager and City Manager directed the Port Director to move forward with the tideland projects.

Mr. Becker asked if Docks and Harbors had any idea where the department offices located in the Seadrome building would move to?

Mr. Sahlender said that before planning for the new mixed-use facility Goldbelt would like to receive the land to build before engaging in more in-depth planning.

Mr. Uchytel said that the City Manager is looking into creating a cohesive CBJ facility in the wake of the new City Hall being voted down. There could be a possibility for the Docks and Harbors offices to be moved to in the future, if CBJ creates a cohesive working space. In the past Mr. Sahlender had expressed the possibility of Docks and Harbors being a tenant in the new Seadrome building. Another issue that the Board should be aware of is creating a new Aurora Harbor office which could be another potential to move the Port Director's office.

Ms. Hart asked what the next steps would be and if there would be a cohesive proposal in the future.

Mr. Uchytel said that he would like Goldbelt to come back with proposal as an action item with exactly what they would want from Docks and Harbors. Once the Board has an approved motion, Mr. Uchytel would take the proposal to CBJ Lands, CCD, and then to the Assembly. According to the Lands Use Master Plan CBJ has been directed to retain as much of the land as possible. However, Docks and Harbors could make a compelling argument to the Assembly who will have the final decision of approval.

Mr. Etheridge proposed that Goldbelt come back with a proposal to move forward.

Mr. Sooter asked what is a reasonable timeline to expect a proposal from Goldbelt?

Mr. Sahlender said that he could put the proposal together for the next Ops meeting.

Mr. Uchytel said that within the city code there is a requirement that an appraisal be done within 60 days of the Assembly approval. Additionally, there are other city level approvals that must be obtained if the land were to be conveyed to Goldbelt.

4. National Guard Tide Land Lease

Mr. Uchytel said that on page 32 of the agenda packet there is a memo from the Visitor Industry Director brought to the Assembly on May 30th. At the Assembly meeting, the Tourism Director obtained approval to enter a land swap with Franklin Dock to do a trade for the National Guard Dock for a Seawalk easement. On page 35 of the agenda packet, there are images of the geographical area referenced. The National Guard Dock was given to CBJ around 2002 from the State of Alaska. Docks and Harbors currently has an application that has been accepted for the submerged tidelands surrounding Franklin Dock which would allow for Docks and Harbors to lease the land to Franklin Dock Enterprises to build a floating dock at a future date. Docks and Harbors has submitted an additional application to the State of Alaska to obtain adjacent submerged tidelands under the direction of the City Manager. This would be in preparation for an expansion of the existing sea-walk and future development from Franklin Dock Enterprises and Petro Marine. If Docks and Harbors is successful in the application for additional tidelands from the Department of Natural Resources, then Docks and Harbors would be able to collect revenue from vessels moored out from the Petro Marine property. The City Manager has directed Docks and Harbors to support the owner of Franklin Dock Enterprises, Mr. Stoop, in the land swap of the Nation Guard Dock for the easement for the sea-walk through Franklin Dock property. Mr. Uchytel asked what the Board would like to convey to the Assembly after reviewing the proposed plans.

Committee Discussion/Public Comment

Ms. Smith asked if this would eliminate community access to the waterfront.

Mr. Uchytel said that most of the sea walk would go through private property and therefore, does not reduce public access to the waterfront.

Ms. Smith asked if locals would have the ability to swim and fish off the sea walk. Ms. Smith said that over the years the city has taken away public access to the downtown waterfront area for recreational use by locals.

Mr. Uchytel said that the sea walk will most likely be 20' off the ground and that there are no plans for there to be a public float associated with the sea walk.

Mr. Leither asked if the Assembly is asking for the Board's feedback and ideas. Mr. Leither said that based on the presentation he would like to know what the intended future action item would be.

Mr. Uchytel said that the City Manager said that they value the input of the Docks and Harbors Board and would appreciate feedback.

Ms. Smith said that if the City Manager values the input of the Board, then they should work with Parks and Recreation to implement a community aspect of the Seawalk that would give locals access to the waterfront downtown.

Mr. Stoops said that he would like to clarify that currently there is no public access to the water downtown in the proposed project area because of it being private property. The Seawalk project would provide public access through the existing private property. Mr. Stoop said that in exchange Franklin Dock Enterprises would obtain the National Guard Dock and still pay the city to lease the land under the dock. Mr. Uchytel estimated that it would bring an additional \$25,000 in revenue to the city. The reason Franklin Dock Enterprises wants the Nation Guard Dock is because there are existing easements that come from Thane Rd. through Franklin Dock property and interfere with their ability to further develop the property. By obtaining the National Guard Dock, Franklin Dock Enterprises would be able to begin new development and would most likely remove the Nation Guard Dock as it is currently in poor condition. The drawing provided in the agenda packet is conceptual, however would provide the possibility for a new dock.

Ms. Smith said that the city has systematically taken away the locals' ability to access the water and the proposed project should include a plan to give locals the ability to fish and access to the waterfront.

Mr. Sooter said that the area of the proposed project is very rocky and steep. Therefore, it would not be a very good location for locals to visit for the purpose of fishing or swimming.

Public Comment

James Bibb, Douglas Island, AK

Mr. Bibb said that the Seawalk has been an asset to the community. Mr. Bibb stated that he has witnessed the transformation of downtown Juneau with the increase in tourism and believes that the Seawalk is used and enjoyed by both locals and visitors. The Seawalk serves the community in a safe manner and historically the land surrounding the proposed project area has been inaccessible due to being private property.

Kirby Day, Juneau AK

Mr. Day said that he works for Princess and Holland America Cruise lines and interacts frequently with Franklin Dock. Mr. Day's office faces the sea walk and experiences the benefits and use of the Seawalk year-round. This land swap would extend the benefits of the sea walk to the south side of the downtown area. Mr. Day said that he has lived in Juneau for a long time and has experienced the changes mentioned by Ms. Smith; however, he believes that extension of the sea walk would be a benefit and extend public access to area that is currently inaccessible due to being privately owned.

Ms. Smith said that she wanted to clarify that she is not opposed to the Seawalk, however, she would like to see an effort made to provide additional access for locals to the waterfront.

Mr. Uchytel said that Mr. Sooter could direct the Port Director to draft a letter to the City Manager's Office to convey the feedback from the Board regarding the National Guard Dock land swap for the facilitation of the sea walk.

Mr. Etheridge said that it would be a benefit to Docks and Harbors to swap the land as the National Guard Dock will soon become a liability due to the state of disrepair.

Mr. Sooter said that he would like Mr. Uchytel to draft a letter that voices the approval of the Board and voice the appreciation of seeking the Board's consideration.

5. Huna-Totem Corp Dock - Update

Mr. Uchytel referenced page 36 of the agenda packet. On July 29th the Assembly accepted the recommendation of the hearing officer of an appeal by Ms. Karla Hart versus the CBJ Planning Commission with Huna-Totem Corp as an intervener. This action means that Huna-Totem Corp is free to move forward with the conditional use permit and construction of a new dock. The caveat is that the Assembly still must approve the tideland leases. The documents in the agenda packet include the hearing officers' statement after the appeal. The Assembly still needs to determine whether they intend to lease property to Huna-Totem Corp. Page 52 of the agenda packet shows the tideland leases in ATS 3, which are all CBJ owned. If the Assembly does not approve the tideland leases, then Huna-Totem will be unable to build the dock. Mr. Uchytel said that after discussions with the Tourism Manager and the City Manager, Docks and Harbors applied for the submerged tideland property from the Alaska Department of Natural Resources where the proposed dock will be located. The application process takes years and the amount of submerged land asked for in the application is approximately 10 acres. The City Manager will be informing Huma-Totem of the actions taken. It is uncertain whether the Alaska Department of Natural Resources will accept the application.

Committee Discussion/Public Comment

Mr. Becker asked about the ruling made by the Assembly that if there are to be five ships in port then there should be five docks.

Mr. Uchytel said that it was a recommendation from the Tourism Task Force that there would be no lightering or hot berthing. However, it is a recommendation. The application submitted is not an action to indicate whether Docks and Harbors is in support or against the construction of the dock; it is to be prepared in the circumstance that the dock is built. The Assembly has the final say in determining whether Huna-Totem will be able to build a new cruise ship dock.

Mr. Leither asked what is the risk associated with submitting the application for the tidelands from the Department of Natural Resources?

Mr. Uchytel said that risk associated is the time put into the application by Docks and Harbors. An additional risk is if Huna-Totem changes that angle or design of the dock outside of the tideland area encompassed by the application. If Huna-Totem changes the dock design outside of the requested tidelands, Mr. Uchytel will go back to the Department of Natural Resources and alter the application to request the tidelands within the scope of the project. The application for the Franklin Dock tidelands was submitted pre-covid, therefore Mr. Uchytel is submitting this application to be proactive in the long tideland acquisition process. Part of the conditional use permit issued to Huna-Totem is the requirement to conduct a navigational study which must be completed before submitting a building permit.

6. Aurora Harbor G-Float Shelter Options

Mr. Uchytel referenced page 53 of the agenda packet. Mr. Uchytel said that during the January 2024 snowstorm the G float boat shelter 22-23 was damaged and that Docks and Harbors is seeking interested parties in building a new boat shelter. Mr. Uchytel said that it will be advertised through October 1st and then options will be evaluated.

Committee Discussion/Public Comment

Mr. Etheridge said that he does not see a need to advertise for an extended period.

Mr. Becker asked if this is a request for interest in building a new boat shelter or request for use of the space?

Mr. Uchytel said that it is a request for interest in building a new boat shelter.

Ms. Smith said that the catamaran using the space should be made aware of the request for interest.

7. Taku Harbor Repair Options

Mr. Sill referenced page 54 of the agenda packet. Mr. Sill said that the float that connects the Taku Harbor floats to the beach are quite old, built in 1984. PND Engineers has designed three concepts and cost estimates for replacements of the floats. Concept 1 would cost \$1.6 million, concept 2 would cost \$1.8 million and concept 3 would cost \$1.6 million. Mr. Sill said that this project would be completed with funding from the 1% sales tax and the designs are something that Mr. Sill would like to consider. Docks and Harbors would be matching the 1% sales tax funds leveraged with the Alaska Department of Fish and Game funds at 25% to 75% match.

Committee Discussion/Public Comment

Ms. Smith asked how much of the floats sit on land at a higher tide?

Mr. Sill said that in the drawing shows the comparison of where the old floats would sit on the beach at low tide and how the new floats would sit in comparison.

Ms. Smith said that she would like the new floats to allow individuals to work on their boats at low tide. Ms. Smith said that the only design that would allow this would be concept 3.

Mr. Sill said that the gangway option in concept 1 would most likely last the longest.

Mr. Leither asked if there is a design that would be more beneficial from the perspective of staff maintenance.

Mr. Sill said that the aluminum option would require the least amount of maintenance. Maintenance is done by staff twice a year via pressure washing.

Mr. Leither asked if there are any pitfalls associated with the aluminum design.

Mr. Sill said that due to the location of the float and the pedestrian load, the designs created by PND are optimal. Additionally, Mr. Sill said that they are researching ways to reduce the number of piles.

Mr. Etheridge recommended that it be placed on the agenda for the upcoming Board meeting as an action item.

Public Comment

James Bibb, Juneau, AK

Mr. Bibb said that he is the commodore for the Juneau Yacht club and the Taku float project is of interest to the yacht club. Mr. Bibb asked if the engineers from PND would be able to give a presentation to the Yacht Club. The Yacht Club represents many the individuals who use the Taku Harbors floats.

8. Statter Harbor NOAA Art Project

Mr. Sill said referenced page 60 of the agenda packet. Mr. Sill said that as part of the 1% sales tax initiative, the Assembly granted money to NOAA to install informational signs and artwork about whales out at Statter Harbor. An artist was selected to paint a whale tale on red cedar with the help of the University of Alaska Southeast. The artist approached Docks and Harbors for help attaching the artwork

to the Statter Harbor restrooms. The art has been installed with the help of Docks and Harbors and has been very well received by the public.

Committee Discussion/Public Comment

Mr. Becker asked if it was a specific whale tale.

Mr. Sill said the unique markings on the tale are associated with the whale named Flame.

G. STAFF, COMMITTEE AND MEMBER REPORTS

Mr. Uchytel reported-

- The Army Corps of Engineers will be coming to Juneau the week of the 23rd of September for the design charette for the Statter Harbor Breakwater. The charette will be held at the Juneau Yacht Club.

Mr. Creswell reported-

- The Salmon derby was successful this year.
- The harbors are currently busy with the king crab opener.

Mr. Sill reported-

- The Wayside Park dredging is being advertised. The permits are submitted for the project. The plan is to complete the project this fall.
- The permits for Aurora Harbor Phase IV are submitted. The design for Aurora Harbor Phase IV is in process. An electrical engineer is under contract for the electrical components of the design. PND Engineering has done a condition assessment of the timber gangway located at the far side of Aurora Harbor near the yacht club, which will most likely need to be torn down.
- Harris Harbor Gate is still ongoing. The strike plate for the gate is jamming due to the door being slammed, which causes the fob to not be functional. Modifications will be made to the gate hinges and the manner in which the gate shuts in order to resolve the issue.

Mr. Etheridge asked if there is something that is going to be done about people using rocks to prop open the gate after locking hours.

Mr. Sill said that work is going to be done to find a solution to people using rocks to keep the gate open.

H. COMMITTEE ADMINISTRATIVE MATTERS

Next Operations/Planning Committee Meeting - Wednesday, September 18th, 2024

I. ADJOURNMENT

ADA accommodation 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.