

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, June 21st, 2023

A. Call to Order: Mr. Ridgway called the meeting to order at 5:06pm in CBJ Room 224 and via Zoom.

B. Roll Call: The following members were in attendance in CBJ Room 224 or via Zoom, James Becker, Don Etheridge, Debbie Hart, David Larkin, Matthew Leither, Annette Smith, and Mark Ridgway.

Absent: Paul Grant

Also in attendance: Carl Uchtyl – Port Director; Matthew Creswell – Harbormaster; and Teena Larson – Administrative Officer.

C. Port Director requests for Agenda changes

MOTION By MR. LARKIN: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.

D. Public Participation on Non-Agenda Items - None

E. Approval of Minutes

1. May 17th, 2023 minutes

Hearing no objection, the May 17th minutes were approved as presented.

F. Items for Information/Discussion

2. Harbor Rate Study – Next Steps

Mr. Uchtyl said on page 16 in the packet is where we are with the rate study. At the last Board meeting, the Board made a motion to increase rates 9% starting January 1st, 2024. The process the Board has adhered to has been deliberate the past few months with the idea that no action will be taken over the summer but to get out public service information to let patrons know the plan for raising rates. On page 17 in the packet is a trifold that we put together trying to condense where we are with the rate study, our financial status, and let people know we are looking for feedback from the public. In August the Board anticipates directing a 21-day public notice for a public hearing for the rate increase of 9% to all applicable Docks & Harbors Enterprises fees. Tonight is the ask for changes to the trifold.

Committee Discussion-

Ms. Hart commented that this covers all pertinent information and is a great template for using this in the future to inform the public on other things.

Mr. Ridgway commented that under “cost drivers” on the trifold, the last item should be first. The line that says that we have not raised fees for 15 years. That is the overall significant issue.

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Mr. Uchtyl said that is a true statement, but someone could argue that the fees have been adjusted by CPI. He will move it to the top of the “Cost Drivers”

Public Comment - None

3. Site Characterization Investigation – 4400 Thane Rd

Mr. Uchtyl said on page 37 in the packet is a plan view of the property at Thane Rd. There are two lease parcels at this site. At 4400, which is the old Thane Ore House, is leased to Tlingit & Haida (Cultural Immersion Park lease). The other property at 4402 has been leased to AJT Mining, owned by AVISTA(AELP) which is a separate lease and is sub-leased to Tlingit & Haida. AELP has had it for decades and everything at this site is mine tailings. In 2019 Tlingit & Haida brought their Engineering Consultant to the site to dig “test pits” and found an area contaminated with a diesel spill. They shut down and contacted ADEC. It has taken ADEC three years to send us a letter. We got the letter because we are the property owner and ultimately responsible for the spill. ADEC informed us this spill needs to be addressed. In May, Nortec hired a drilling company from Wrangel to drill 12 soil borings. They found diesel range organics which is a diesel product between four and five feet below elevation in three to five of the soil borings. ADEC approved the plan that Nortec provided. The lab tests showed the range in some of the borings are above the range to remediate. We know we have some soil that DEC could require complete remediation. The Nortec report says they recommend D&H remediate or monitor the material. The report is sent to ADEC who will tell us what we need to do. We will then work it out with the lessee and sub-lessee. Important to note, this is all on mine tailings and ADEC is concerned about water aquifers/clean water. This is in close proximity to Gastineau Channel and has sea water infiltration daily. He is unsure what ADEC will say we need to do. The amount of material is estimated to be 250 cubic yards to 450 cubic yards. To remediate that could cost upwards of \$150,000. Depending on what ADEC decides, we could need to hire a contractor to remediate the contaminated soil. We will also work with AELP & Tlingit & Haida. This contamination is holding up development for the Cultural Immersion Park. ADEC could take one to three months to evaluate the Nortec Report. The report was cost-shared with AJT Mining(AELP).

Committee Discussion -

Ms. Smith asked how long has this been owned by CBJ, and how long has the diesel been there?

Mr. Uchtyl said D & H acquired this property in 2001 from the State. The Thane Ore House was occupied until 2012. The lessee had financial problems and we evicted them for non-payment. We went out with a RFP, Tlingit & Haida was selected with the Cultural Immersion Park somewhere around 2017. Mr. Uchtyl said he is unsure how long the diesel spill has been there. It is three to five feet below the surface. It is likely it has been there awhile.

Mr. Ridgway commented that when they use the term weathered diesel that indicates it has been aged.

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Mr. Becker asked if Tlingit & Haida is actively making plans to develop this area?
Mr. Uchytel said when he asked Tlingit & Haida they say yes but COVID slowed them down and now this contamination site is slowing them down.

Mr. Ridgway asked when did AJT Mining sub-lease to Tlingit & Haida?

Mr. Uchytel said sometime after they leased the Old Thane Ore House lease.

Mr. Uchytel asked how much is Tlingit & Haida paying AJT Mining for the sub-lease?

Mr. Uchytel said he does not know.

Mr. Ridgway asked how much does AJT pay us?

Ms. Larson said AJT pays us \$11,000 and Tlingit & Haida pays us \$9,000.

Mr. Ridgway asked if ADEC has put this site on their contaminated site data base?

Mr. Uchytel said they have it on a data base but unsure where.

Mr. Ridgway asked if ADEC has shown interest in broadening the area of investigation?

M. Uchytel said ADEC is aware this is on mine tailings.

Mr. Ridgway said in the Nortec report, are the discussions based on unrestricted or restricted site use? He explained based on restricted or unrestricted use is what the allowable are based on. He said he is concerned this could get into a massive clean-up if we try to go for an unrestricted site use but maybe we should just use as a parking lot. He asked if this has been discussed with our consultant?

Mr. Uchytel said no.

Mr. Larkin said in the report it shows there is three to five feet clean soil, with that amount of clean soil, what is the likelihood DEC will allow us to monitor this site?

Mr. Ridgway said on page 11 in the report section f, reads, “unfortunately with three to five feet of overburden does not mean you can leave it in place, and it will be dependent upon what is going to be built here. He asked what the next step is?

Mr. Uchytel said this was submitted to ADEC and they will get back to us in one to three months.

Mr. Ridgway asked if staff has considered cancelling these leases based on these findings?

Mr. Uchytel said that has not been considered. This has taken three years for ATHEDEC to get back to us. If this was very important, they would have gotten back to us sooner.

Mr. Ridgway asked about the clause in the Tlingit & Haida lease that they were required to show progress on the Immersion Park by a certain time?

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Mr. Uchtyl said there is a clause that says the lease will be terminated due to lack of progress. The only action to date is razing the Thane Ore House, hiring a consultant, and test soil sampling. He wants them to get this Immersion Park completed. He has talked to President Peterson's staff, and they indicated they want to move forward with this project. He is cautious to put pressure on Tlingit & Haida.

Mr. Larkin asked if we just own to the property lines in the leases or more outside of that?

Mr. Uchtyl said just the area in the property lines.

Mr. Ridgway asked if we are still required to provide parking for the fisheries?

Mr. Uchtyl said in the Tlingit & Haida lease, they are required to provide seven public parking spaces for roadside fisheries. We have had to lock up this area because of squatters with RV's and complaints of gun fire on the 4th of July. We have a lock on the gate and AJT, ADNR, and D&H all has keys to access the area. We have a controlled access.

Public Comment - None

4. Agency Comments for Huna-Totem Corporation - Conditional Use Permit
Mr. Ridgway wanted it known that he has a business relationship with Huna Totem allowing him to have a movie screen on their property.

Mr. Uchtyl said when there is planned development that could be of D & H interest, we are given the opportunity to comment on the conditional use permit. In the packet starting on page 50 is an agency comment form that we could send questions on behalf of D & H. The project includes 34,000 sq/ft of retail and future phases adding 9,000 sq/ft of additional retail and then another 40,000. This would be upwards of 84,000 sq/ft of uplands property. Mr. Uchtyl commented that in the area from the NOAA dock to Whale Park CBJ owns all the tidelands except the old standard fuel dock that is owned by AJT.

The goal of Huna Totem is to get through the Assembly for the 500' of CBJ-owned tidelands and then work with DNR for the tidelands they need from them. D&H would like to receive all the revenue from the Huna Totem tidelands lease. He has heard Huna Totem is currently working with DNR for that property but the process to acquire DNR lands is a long process.

Committee Discussion

Ms. Hart asked if we could have a joint meeting with the Assembly to have some clarity on what our role is?

Mr. Uchtyl said we have been trying to have a joint meeting for some time.

Mr. Larkin asked if DNR will not want to lose the lease revenue?

Mr. Uchtyl said DNR is required to give the lands to local municipalities when requested.

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Ms. Hart asked to start a sub-committee to have communication with the Assembly members to generate interest. She wanted to know how to move forward?

Mr. Etheridge said we could put together a sub-committee after July. The Assembly wanted control of the Huna Totem Dock lease because it is more of a political issue.

Mr. Uchytel said if the Board wants to comment they need to by next week.

Ms. Hart said she would like to convey that this dock has potential revenue for D & H as well as further management discussions.

Mr. Uchytel said Huna Totem has made it publicly know that they intend to operate the uplands year-round.

Mr. Larkin commented that his concern with Juneau is the emergency management. The more docks we have in Juneau that can take different size vessels is going to be good because you never know what will happen.

Mr. Etheridge commented that he would like to have a traffic impact study for vessel and aircraft traffic.

Mr. Larkin asked if this goes through, would it create security issues for D & H?

Mr. Uchytel said this would be one more facility that would be competing for marine passenger fees.

Public Comment –

Kirby Day, Juneau, AK

Mr. Day said his discussions with Huna Totem is they want to do this correctly. They currently run a port at Icy Strait but D & H runs two world class docks downtown and manages the staging area facilities. D & H has great experience in the security side of things, vehicle movement, what works and what does not and tricks that help congestion. D & H could make comments along those lines that would be of some value if not to the planning commission certainly to the applicant. He said he knows D & H is planning on building another small ship dock downtown. He would not have a problem with having small ships on the other side of the dock if that meant a ship didn't have to go to Auke Bay with their cruise boat.

Mr. Ridgway asked if those were 40' to 60' slips on the Huna Totem dock drawing?

Mr. Uchytel said that was for small type vessels.

Mr. Day said Huna Totem intention is that all tour busses come out and turn left and do not go downtown. This will alleviate an enormous amount of congestion downtown. The other reason to think about the other side of the dock is you never know when something could happen to our facilities and having the option for another side of a finger pier facility that could house two ships is not a bad thing to have.

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Mr. Ridgway asked if this is an effort to get a 6th boat in town if 20% of the traffic is now not going downtown?

Mr. Day said no. The MOA was signed with the City agreeing to five ships per day and one ship lightering with less than 900 passengers.

5. Potential Launch Ramp Survey – Derby Weekend

Mr. Uchytel said two years ago we put out a focused survey during Derby weekend for N. Douglas Boat Launch. This was to create a launch ramp for 100 truck and trailers year around access. This caused some concerns with Board members because they were unaware of that survey going forward. He has been approached by a member of the public interested in Amalga Harbor and the potential for doing a similar survey for Amalga Harbor improvements. He said about five-year ago, D & H was pursuing improvements at Amalga Harbor to install a 75' extension float that would have a more efficient fish cleaning float and installing a navigation devise on the rock that goes into Amalga Harbor. Harbor had money committed from Fish & Game for the project. This was a 75/25 match. We were nearly at final design when we had the final public outreach many members of the Amalga Community voiced concerns with any improvements. At the end, the Assembly did not approve the acceptance of the Dingle-Johnson Sport fishery Grant for the project. There was a lot of opposition even though there were supporters, this did not move forward. Does the Board want to do a more generic question for what improvements the public wants to see at Amalga? Would it make sense to roll this out on the Derby weekend? He is looking for direction from the Board to move forward with something for Amalga or not?

Committee Discussion

Mr. Etheridge said he sees us getting beat up again. He does not want to do this again without someone else taking the lead.

Mr. Becker commented that we may be able to have the Territorial Sportsman take the lead?

Mr. Ridgway asked if we could leverage Fish & Game personnel counting fish on the docks to do a survey including Amalga Harbor?

Mr. Larkin commented that asking the public their opinion for things we are managing is good. Someone may come up with something we have not thought of. The Assembly has indicated in the past we have not done enough public outreach and this will show we went out before moving forward.

Ms. Hart said she liked the idea of a broader survey and using the Derby weekend is smart because all users are out. Also, we could take advantage of the different types of outreach.

Mr. Ridgway asked if we ever give away launch ramp permits for taking a survey.

Mr. Uchytel said no.

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Mr. Etheridge said he supports a broader survey.

Mr. Leither said doing a broader survey is great and giving away a launch ramp permit may get more people to take the survey. He asked what the issue was with Amalga?

Mr. Uchytel said the Amalga residents' complaints were that it would create a lot of carcasses in the Harbor. The fish smell will be terrible and attract bears and people will die. The DIPAC fish pen float is a bigger issue. Also, putting the navigational aid on the rock was light pollution. The recreational fishermen complained that there was a short float with a fish cleaning station and when boats came in and loitered it was not a safe place while someone was taking 15 minutes to clean their fish. We wanted to extend the float to allow more vessels to tie up to the float and have a fish cleaning station that could be used on four sides to expedite fish cleaning. The push back is they did not want any improvements at Amalga Harbor.

Mr. Creswell said we have not had a commercial chum fishery for at least four years. Also, 2016/17 was the first season for the new Statter Launch Ramp. Over the last few years, people have been more accustomed to using Auke Bay so there has been a decrease in use and congestion at Amalga.

Mr. Ridgway asked Mr. Creswell if he thought the reduction in use and congestion would continue?

Mr. Creswell said as far as the launch ramp users, we have seen less at Amalga and more at Auke Bay. Amalga is still used just not as much as four years ago.

Mr. Uchytel commented that the other option that was discussed for Amalga fish cleaning was a remote float outside the harbor. Sitka has one that Fish & Game funded but when he asked about having one at Amalga they said no. This is for the creel count so they want to have this on land. He said part of the concern for doing a survey is if we just do surveys, with no results, we lose something with the public. We only have \$1.25M in our fund balance so we are not able to do very much.

Mr. Ridgway said he would like to hear from people what the most significant issue is with Docks & Harbors.

Mr. Uchytel commented that we use D & H funds very judiciously. We do not donate, advertise, or give out anything for free.

Mr. Ridgway suggested to help get more surveys filled out to offer a free launch ramp permit.

Public Comment –

Nicholas Ore, Juneau, AK

Mr. Ore said he is on the Territorial Sportsman Board and he support D & H engaging the public to gain sentiment for Amalga Harbor. Amalga is what TSI has been currently discussing internally as a Board. From looking into past discussions on Amalga, he thought there was some internal politics and they were not supportive and did not

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motivate their members to get out and speak. He said TSI is going to be working toward generating its own survey and maybe attach it to the derby ticket but we do not have that capability yet.

Mr. Ridgway commented that if TSI would offer a free Derby entry ticket he would fill out a survey.

Mr. Ore said TSI does not have the technology to do this yet. He commented that he thought if someone would answer questions they could have a discount of maybe \$5 to \$10 off.

Mr. Ridgway commented that if we learn anything from our survey we will pass it on.

G. Staff & Member Reports

Mr. Uchytel reported –

- He will not be at next week's Board meeting.
- The Douglas launch ramp light has been installed.
- Morris Engineering is working on a lighting design for the Douglas parking lot.
- Matthew Sill is working on a gate for Harris Harbor.
- The Marine Park Deck over is nearly complete, the longshore want the capstan relocated from the right side of the dolphin platform to the left side because of how the lines tend from the ships. This could take possibly two weeks.

Mr. Ridgway asked where we are on the safety rail and the gates?

Mr. Uchytel said we have our term contractor Carver Construction working with two manufacturers for the Harris gate. He said he has not started anything with the safety rails because we really do not have the funds. We will have \$1.5M in the fund balance at the end of June. This should really be funded with Marine Passenger funds. There is some opposition from the Assembly level of adding safety rails downtown. There has been a meeting set up with the City Manager, D&H Assembly Liaison and himself to walk the seawalk and discuss what D & H intends to install.

Mr. Ridgway requested Mr. Uchytel to author a letter approximately three paragraphs for the Board to sign encouraging for safety reasons, a safety rail for an incredible well used dock. He also suggested to add how many passengers are on the seawalk.

Mr. Creswell reported –

- Statter Harbor new restrooms management and operations – staff has realized that this has required cleaning every two to three hours and we are having constant staff on site. In four days, we have gone through 9,600' of paper towels. We are keeping track of the additional costs. We have reprogrammed one of the PTL staff recently hired at the Port to be stationed full time at Statter.
- We are continuing to hire.
- Port staff is doing great, but there is a lot of issues with parking lot management.
- Downtown Harbor staff has been doing great.

Mr. Leither asked how much push back the 10-day move rule has caused?

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Mr. Creswell said we are at six weeks now and it is going more smoothly than three weeks ago. All requests for extensions need to be in writing and submitted to Mr. Norbryhn. There was some confusion that the boat had to move and that has been cleared up to if it doesn't move they have to pay the daily rate.

Mr. Ridgway commented that when the Board reconvenes after July, he would like the Chair to set up a Boatyard/Marine Service Yard sub-committee.

Mr. Etheridge said Mr. Duvernay did reach out to him last week. They are interested in using the small lift currently at Statter Harbor downtown to move boats around in their covered area. They will pay to move it and bring it back into proper working condition.

Mr. Ridgway wanted to clarify that the lift that the boatyard is currently using downtown is owned by UAS and maintained by us? He asked if we will still own the lift he wants to move?

Mr. Uchytel said the 35-ton travel lift is owned by UAS and sub-leased to Jeff Duvernay and D & H does not maintain it. We do own the 15-ton travel lift that he will bring downtown that used to be at the old DeHart's.

H. Committee Administrative Matters

Next Operations/Planning Committee Meeting-**Wednesday, July 19th, 2023**

I. Adjournment – The meeting adjourned at 7:06pm.