

# DOCKS AND HARBORS BOARD MEETING MINUTES

May 30, 2024, at 5:00 PM

Port Director's Conf. Room /Zoom Webinar



<https://juneau.zoom.us/j/83856903848> or 1-253-215-8782 Webinar ID: 838 5690 3848 Passcode: 781870

- A. **CALL TO ORDER (5:00pm in the Port Director's Conference Room & via Zoom)**
- B. **ROLL CALL:** The following members attended in person or via zoom- James Becker, Debbie Hart, Matthew Leither, Shem Sooter, and Don Etheridge.

**Absent:** Paul Grant and Annette Smith.

**Also in attendance:** Carl Uchtyl – Port Director, Matthew Sill – Port Engineer, Matthew Creswell – Harbormaster, Teena Larson – Administrative Officer, and Melody Musick—Administrative Assistant.

- C. **PORT DIRECTOR REQUESTS FOR AGENDA CHANGES- No Changes**  
**MOTION By MR SOOTER TO APPROVE THE AGENDA AS PRESENTED.**  
**Motion passed without objection.**

- D. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS- None**

## E. **APPROVAL OF MINUTES**

- 1. April 25th, 2024, Board Minutes

Hearing no objection, the minutes were approved as presented.

## F. **NEW BUSINESS**

- 2. Trucano Family LLC ATS 750 New Lease- Mr. Uchtyl referenced page 28 in the packet which is the image and chart that shows the 7 acers of Trucano Family property, lease end dates, and percentage of property filled. Trucano Family wants to put both ATS 750 and ATS 842 on the same lease schedule as Trucano Family ATS 750 lease expires this year. Trucano assumes responsibility for appraisals that occur every five years and CBJ Law has approved placing both properties on the same schedule. On page 40 Mr. Uchtyl referenced an arial view image of both Trucano Family LLC ATS 750 and ATS 842. The ATS 750 plot is 50% filled and the ATS 842 is approximately 33% filled. The amount of property filled is used by appraisers to determine fair market value. The new appraisal for ATS 750 values the property at \$11,267, the former appraisal value being \$11,082 in 2021. CBJ ordinance allows renewed lease with the approval of the Board and then the Assembly. The draft of the new lease provided by CBJ law is included in the packet for review, standard detailed lease.

### Board Questions—

Mr. Leither asked if CBJ owns ATS 361, ATS 556, and the other surrounding plots of property?

Mr. Uchtyl said that he cannot confirm 100% that all the 7 acres are CBJ owned. ATS 361 and ATS 556 are owned by Trucano Family. Most of the property is owned by CBJ.

Mr. Leither asked if Trucano has a right to renew the lease or is CBJ allowed to deny Trucano the ability to renew the lease?

Mr. Uchtyl said that to answer the question one would have to review the legal doctrine and provide due cause for denying the right to renew the lease. Since Trucano has the lease, according to local ordinances, they have the right to renew their lease.

Mr. Leither said that previous questions were posed to understand whether ATS 750 and ATS 842 property could be used for a future boat yard.

Mr. Uchytel stated that he posed the idea to Trucano and they responded by stating that it would not be a financially beneficial endeavor.

Ms. Hart asked how ATS 750 is used to support the Juneau community?

Mr. Uchytel said that ATS 750 and Trucano is a private enterprise and via sub-leases to Petro Marine and construction companies provide services to CBJ Docks and Harbors and the surrounding community.

Public Comment—None

Board Discussion/ Action

Ms. Hart asked whether the current lease agreement rate is appropriate for the value of the property considering the services it provides to the community?

Mr. Uchytel said that the lease agreement rate is based on fair market value under CBJ ordinance. Fair market value is determined by the appraiser and if the Board felt that the value is unfair the Board could seek out another appraiser. Trucano can counter the appraisal. CBJ does not frequently challenge the appraisal value received from the term contractor.

MOTION by MR. SOOTER TO APPROVE THE NEW LEASE FOR TRUCANO FAMILY LLC FOR ATS 750 AND FORWARD TO THE ASSEMBLY FOR FINAL APPROVAL.

Motion passed unanimously.

3. Trucano Family LLC ATS 842 New Lease—Mr. Uchytel references page 40p. to show the “L” shaped plot of ATS 842. The acre property is appraised at a higher value due to being 33% filled. \$1.01 per square foot is fair market value, the total plot being appraised at \$20,909. The former appraisal value for the plot was \$20,470, tracking a \$500 value increase since the previous appraisal.

Board Questions—

Mr. Leither asked what are the buildings in the arial view image on page 40?

Mr. Etheridge stated that the building is a warehouse for Petro Marine.

Public Comment-- None

Board Discussion/ Action

Mr. Leither asked if there is a way CBJ could aid in making a boat yard on ATS 842 a profitable enterprise?

Mr. Becker said that the best location for the boat yard would be where the University of Alaska Southeast Technical Center or the property owned by the Marks in North Douglas. The price that UAS is asking for their property is unattainable for CBJ.

Mr. Uchytel said that it would be difficult to use the mentioned properties due to access off North Douglas, but he would continue to be in communication with Trucano about the potential for a boat yard.

Mr. Sooter asked if Trucano pays property taxes for the land and buildings on the property?

Mr. Uchytel confirmed that Trucano family does pay property taxes.

MOTION by MR. SOOTER TO APPROVE THE NEW LEASE FOR TRUCANO FAMILY LLC FOR ATS 842 AND FORWARD TO THE ASSEMBLY FOR FINAL APPROVAL.

Motion passed unanimously.

4. Resolution in Support of Statter Harbor Break Water—Mr. Uchytel referenced the grant agreement provided by the U.S. Army Corps of Engineers that was discussed and approved in the April Board meeting. On page 108, is the resolution created by CBJ in support of the Statter Harbor breakwater which will go before the Assembly for approval. Mr. Uchytel acknowledges errors in the verbiage of the resolution and will work with CBJ law to amend these errors. On page 108 line 14, “the installation would protect a number of public and private entities from wind and waves” will be changed as the breakwater will protect one public and one private entity. Line 35 states that the project will cost \$4M, which conflicts with the grant agreement that states \$3M. The accurate estimated cost is \$4M, which will be split between CBJ and the Army Corps. On page 109, line 53 states that Docks and Harbors will consult with the City Manager, instead of requiring a resolution, before committing to a capital improvement project. This interpretation of Title 85 changes conflicts with Mr. Uchytel’s interpretation, which will be worked on with CBJ Law before being presented before the June 17th Assembly.

Board Questions—

Mr. Becker asked what is the timeline of the breakwater?

Mr. Uchytel said that according to the Army Corps the planning will take 3 years. Docks and Harbors will be responsible for 20% of the total construction cost, approximately \$20M. Some of the funding can come from the Alaska Department of Transportation Municipal Harbor Grant. Funding can be raised from other sources.

Mr. Becker asked when will the breakwater be built?

Mr. Uchytel said that the timeline depends on how the Army Corps can raise funding. Mr. Uchytel hopes that it will not take 10 years to be built as each year the existing breakwater sustains more damage.

Ms. Hart asked if the Board is being asked to approve the resolution due to the new Title 85 Ordinance and understanding the role of oversight needed by the City Manager? Ms. Hart also asked if mapping the percentage of Statter Harbor users that are linked to commercial entities would be helpful to raise funding for the breakwater?

Mr. Uchytel stated that CBJ procedures need to be followed to submit capital improvement projects which includes the new Title 85 ordinance. Funding for the breakwater using the marine passenger fees will be utilized in the future when construction begins. In the past Statter harbor staff has recorded that 90% of the float was used for commercial purposes.

Public Comment—

Clayton Hamilton, Juneau AK

Mr. Hamilton asked what is the age of the current breakwater and how long would the new breakwater last?

Mr. Uchytel said that the current breakwater was built approximately 40 years ago. Marine construction has improved significantly. The design and construction will be conducted by the Army Corps. Once the design is finalized then an estimate can be made on the longevity of the new float.

Board Discussion/ Action—None.

MOTION BY MR. LEITHER TO APPROVE THE RESOLUTION IN SUPPORT OF THE US ARMY CORPS OF ENGINEERS AUKE BAY FEASIBILITY STUDY.

Motion passed unanimously.

**G. ITEMS FOR INFORMATION/DISCUSSION**

**5. Grant Strategy & Grant Updates**

Mr. Uchytel said that Mr. Sill has been busy working on two grants. First being the Port Infrastructure Development Program (PIDP) grant for the drive down float at Aurora Harbor which was sent out May 3<sup>rd</sup>. Second, the EPA Dock Electrification project which was a collaborative effort with the CBJ grant writer Ashley Heimbigner and Mr. Sill. Starting on page 110 is the grant report and on page 135 are the enclosures. Mr. Uchytel asked Mr. Sill to brief the Board on the grant writing efforts.

Mr. Sill reported that the EPA grant requires a 10% match which would be \$6,570,236 from CBJ. The grant is for \$58,330,000 for a \$64,900,236 project. Mr. Sill is working with an engineering consultant under AELP to create the design for the cruise ship dock electrification. The grant is focused on converting port infrastructure to zero emissions.

Mr. Uchytel said that the EPA has \$3 Billion to which all ports across the nation can apply. There were 90 days to apply for this grant funding. On page 136 there is a resolution of support from the Assembly for the EPA grant.

Mr. Sill said that regarding the PIDP grant, the federal agencies were very responsive to the nature of public opportunity for fishermen.

Mr. Uchytel said that efforts are being made for the Alaska Department of Transportation Harbor Facilities grant, which would represent the community match for the PIDP grant drive down float. The Board would have to commit \$2.5M, the grant application would go through DOT, the application would be due in August. Aurora Phase IV would prevent the ability for another grant in Aurora Harbor, however a waiver may be requested. Another consideration for the Alaska Department of Transportation grant funding would be to put zincs in the Statter Harbor pilings. Both A and B floats in Statter harbor do not have zinc anodes. In the past Docks and Harbors has been successful in receiving grant funding from ADOT. Docks and Harbors would have to come up with approximately \$500,000. Aurora Phase IV has \$5M from FY2022 1% sales tax and funding from the legislature that is approved for the match, which is awaiting the governor's signature. In the past, the governor vetoed this program, if approved there will be \$10M for the project. Part of the grant agreement states that a contractor must be obtained by the end of the year if the project is approved. The governor has been invited to speak at the ribbon cutting ceremony for Aurora Phase III at the H float, which is planned for June 20<sup>th</sup>. Taku Harbor has \$750,000 from the 1% sales tax to replace the approach dock. Mr. Uchytel said that Docks and Harbors has applied for Dingell-Johnson Sport Fish Grant, which is a 25% and 75% split with CBJ funding 25%. Mr. Uchytel will be reaching out to Fish and Game for an update on the status of the grant. The Wayside dredging project has funding from the 1% sales tax initiative. The design has been outsourced to PND.

Board Discussion/Public Comment—None.

**6. Seadrome Bank- Beach Access**

Mr. Uchytel referenced the image on page 138 of the Seadrome property. The current Board meeting is being held in the Seadrome building and will be in the future due to construction on Rm. 224. This allows the Board members to become acquainted with the property Goldbelt plans to raise and build out into the tideland space for a tourism-related facility. Mr. Uchytel said that he wants the Board to have a good understanding of what is CBJ property and what is Goldbelt property.

Board Discussion/ Public Comment—

Mr. Becker asked what has the Board decided?

Mr. Uchytel said that the Board has not made any decisions. Mr. Uchytel anticipates Goldbelt will make an offer to purchase the entire property to give them flexibility in their building plans. The Board will

have to decide what lands to retain or whether it will be better to sell to obtain funding for other projects. Those discussions have not been finalized.

Public Participation

Clayton Hamilton, Juneau AK

Mr. Hamilton asked if the tideland property has been assessed and what is the value of the assessment?

Mr. Uchytel said that the assessment is complicated due to the patch work of property shared by Docks and Harbors and Goldbelt. The uplands property is owned by Goldbelt, and the tidelands are owned by Docks and Harbors. An appraiser has valued the various parcels; however, Mr. Uchytel does not have those values presently.

7. Douglas Boat Fire

Mr. Creswell said that he received a call around 5:15pm to report the fire at Douglas Harbor. When Mr. Creswell arrived the fire department was on site, with the initial responders being volunteers from the Douglas Fire Department. Mr. Creswell said that the fire is believed to be started by a 27ft liveaboard vessel on the A float. The fire spread to two boats on either side of the original vessel. One vessel was a charter vessel, and the other vessel was a small sailing vessel. Mr. Creswell is in contact with the owners of the effected vessels. Two of the electrical pedestals suffered damage, they have been replaced and power is restored. The finger that the primary vessel in the fire was tied-to received relatively minor damage including decking replacement and an additional tub installed underneath the finger. Mr. Sill has ordered lumber for the repairs. The burnt vessel has been towed to Karl's Auto & Marine. The repairs for the burnt vessel are handled by the insurance company and not Docks and Harbors. The Fire Marshall is in possession of the two electrical pedestals to inspect whether the pedestals caused the fire. No official cause of the fire has been determined; current evidence shows that it originated from electrical issues from the boat. There were no individuals on the vessel at the time of the fire.

Board Discussion/ Public Comment

Mr. Leither asked if the boat who is believed to have started the fire had insurance and if the other boats affected by the fire had insurance.

Mr. Creswell said that the charter vessel has insurance and the sailing vessel and the vessel who is believed to have started the fire are uninsured.

Mr. Leither asked if the insurance requirements that went through 6 months ago had not occurred, would it have affected the way the situation is being addressed.

Mr. Creswell said that insurance is required at this time.

Public Comment-- Clayton Hamilton, Juneau AK

Mr. Hamilton said that it is his understanding that the fire department used a hydrant that was in the Douglas lot. Do the standpipes work in the Harbor?

Mr. Creswell said the fire system at Douglas Harbor is a dry fire system and a hydrant is required. The hydrant is connected to a pumper engine, which connects to the dry fire system and then a hose on the docks connects to the standpipes. The first responders to the fire bypassed the usage of the dry fire suppression system and ran a hose directly to the fire. If the fire was larger the dry fire suppression system would have been utilized.

Ms. Hart said that the community response to the fire was amazing and prevented a significant fire event.

**H. COMMITTEE AND MEMBER REPORTS**

1. Operations Committee Meeting Report—Cancelled.
2. Assembly Lands Committee Liaison Report—None.
3. South Douglas/West Juneau Liaison Report—None.
4. Member Reports—None.

**I. PORT ENGINEER'S REPORT**

Mr. Sill reported—

- Aurora Harbor—The construction has been completed for weeks except for the electrical. The electricians are still gathering the needed components. Power is connected and checks will be completed in the next week to get power running. There are temporary power systems in place due to lead times. Planning on moving boats to the H float on Monday (06/03) which is contingent on the electrical system getting an inspection by the electrical engineer. The water samples have been submitted to ensure that the water is drinkable.

Board Questions

Mr. Leither asked about the status of the Harris Harbor gate?

Mr. Sill said that there is an electrical component to the security of the gate at Harris which needs to be installed by the electrical crew that is currently working at Aurora Harbor. There are cameras that still need to be installed, wires that need to be pulled and lights that need to be replaced. The work will be done by Alaska Electric starting tomorrow (05/31). Mr. Sill has hinges he will be installing because the hinges that the gate came with the gate were not substantial enough. There has already been vandalism and damage done to the new gate. Work on the gate will resume once the cameras have been installed. Estimated time for the gate being operational is 1-2 weeks.

**J. HARBORMASTER'S REPORT**

Mr. Creswell reported—

- Kevin Dugan- The Harbor Operations Supervisor had a stroke two weeks ago and is in Anchorage at the rehabilitation hospital. His mental capacity is unaffected but is currently non-verbal and suffered damage to his right side.
- Repairs to Statter Harbor Breakwater and Auke Bay Marine Station Dock—Those repairs have been completed. 4ft sections of bull rail have been installed on the outside of the Statter Harbor breakwater to relieve the stress on the breakwater from the cleats of larger vessels.
- New parking system—The new system is operational and there is an app to pay for parking which is live for the Taku lot and will be live for the Stater lot once some technical errors are corrected. The new parking system makes enforcement easier as there are mobile printers that issue the tickets. Staff are being trained on the new system.
- Aurora Harbor—Certified letters are being set out to Aurora Harbor patrons for Sea Trial Letters. Warning letters have been out ahead of time and therefore compliance and sea trails are operating smoothly.
- CT Lot—The buses were having difficulty making the left hand turn into the lot coming from the south, direction of the AJ Dock. The term contractors, Carver construction, hired Compass Concrete to cut the curb back to allow for the buses to have several more feet of space to make the turn into the CT lot. The concrete from the project is still being cured.

**K. PORT DIRECTOR'S REPORT**

Mr. Uchytel reported—

- Maritime Festival— Successful Maritime Festival in May, Coast Guard won the tug-o-war. The Navy vessel, William P Lawerance supported and participated in the festivities.
- Board Applications—The Docks and Harbors Board has four openings. The applications have been extended to June 10<sup>th</sup> and interviews are anticipated for July 2<sup>nd</sup>.
- Meeting with Tlingit and Haida—Mr. Uchytel and Mr. Creswell met with Tlingit and Haida on 05/29 about 4400 Thane Oar house. Tlingit Haida plans to leverage property that they purchased by Tee Harbor for their Cultural Immersion Center. Their environmental team is pitching the idea for a recycling and composting center which they have received grant funding to construct. Docks and Harbors is opposing the use of their leased property at 4400 Thane for the recycling and composting center. The lease that Tlingit and Haida signed states that the property would be used for a Cultural Immersion Center, and they would have to get support from the Thane Neighborhood Association. The Docks and Harbors Board would have to be convinced that the best use of the waterfront property is for the recycling center to receive approval. If Tlingit and Haida were to move forward with the plan there would be many steps that they would have to take to receive approval.
- Community Meeting—On 06/03 the Tourism Manger for CBJ will be presenting plans to extend the sea walk from Franklin Dock to the AJ Dock. The National Guard dock will be mentioned in the presentation. CBJ Engineering and the Tourism Manager have been negotiating with Petro Marine and Mr. Reed Stoops to acquire the tidelands at the National Guard Dock. It is unclear whether Docks and Harbors has jurisdiction over what occurs with the National Guard Dock tideland lease. Mr. Uchytel will attend the meeting. CBJ is not allowed to sell the National Guard tideland parcel due to the nature of receiving the tideland property from the state. The parcel is allowed to be leased with Docks and Harbors as the managers of the property.

**Board Questions**

Mr. Becker asked if the Franklin Dock wants the additional tideland property to install an additional on-off station?

Mr. Uchytel said that Reed Stoops, who is owner of the company that manages South Franklin Dock. The issue is that CBJ wants the sea walk to go through upper tideland property that Reed Stoops owns. Part of that easement negotiation, Mr. Stoops has expressed interest in obtaining the National Guard tideland parcel.

Mr. Leither asked for an update on how title 85, effective May 29<sup>th</sup>, has impacted operations.

Mr. Uchytel said that at the Assembly meeting in April there were deliberations on the title 85 changes, and they took the recommendations provided by the City Manager which were approved. Only time will tell what the impact of title 85 will be.

Mr. Uchytel acknowledged the departure of Teena Larson from her position as Administrative Officer. She will be missed by the Docks and Harbors family. Docks and Harbors will experience a period of adjustment with her departure. Mr. Uchytel anticipates a lot of changes with new Administrative Officer and four open seats on the Docks and Harbors Board.

**L. ASSEMBLY LIAISON REPORT—None.**

**M. BOARD ADMINISTRATIVE MATTERS**

- a. Ops/Planning Committee Meeting - Wednesday June 19th, 2024
- b. Board Meeting - Thursday June 27th, 2024.

**N. ADJOURNMENT—The meeting was adjourned at 6:48pm.**