

# DOCKS AND HARBORS BOARD MEETING MINUTES

February 27, 2025 at 5:00 PM

Port Director's Conference Room/Zoom Webinar



## A. CALL TO ORDER

B. **ROLL CALL:** James Becker, Tyler Emerson, Clayton Hamilton, Debbie Hart, Matthew Leither, Nick Orr, Annette Smith, Shem Sooter & Don Etheridge

## C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES

MOTION BY MR. SOOTER TO APPROVE AGENDA AS PRESENTED

Motion approved unanimously.

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

## E. APPROVAL OF MINUTES

1. January 30th, 2025

Approved unanimously.

## F. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes

B. Board Members Requests for Consent Agenda Changes

C. Items for Action

2. New Goldbelt Tram Lease

Presentation by Port Director

RECOMMENDATION: TO COMMENCE A PROCESS TO INITIATE A NEW 35 YEAR LEASE FOR THE GOLDBELT TRAM LEASE.

3. Administrative Financial Transfers

Presentation by Port Director

RECOMMENDATION: TO APPROVE TRANSFERING FUNDS TO APPROPRIATE CAPITAL IMPROVEMENT PROJECTS (CIP): AURORA HARBOR IMPROVEMENT, STATTER HARBOR WAVE ATTENUATOR AND TAKU HARBOR IMPROVEMENT AS PRESENTED.

**MOTION BY MR. SOOTER TO APPROVE THE CONSENT AGENDA AS PRESENTED.**

**Motion approved unanimously.**

## G. NEW BUSINESS

4. Potential Commercial Tour out of Aurora Harbor

Presentation by Port Director

Mr. Uchytal said that at last week's Operations and Planning Committee Meeting the topic of Commercial Tour out of Aurora Harbor was discussed and there was no motion made with the directive to bring the discussion to the full Board. The company "Dangerous Waters" is requesting a permit for their jet ski tours: up to 4 daily excursions, 10 passengers for tours plus 2 guides out of Aurora Harbor. In the past Dangerous Waters has operated out of Aurora Harbor as a turn for their excursions since 2018. Docks and Harbors has supported Dangerous Water as a turn port without issue. Mr. Creswell has helped with management of Dangerous Waters operations out of Aurora Harbor. Mr. Creswell was

approached by the owner with the request to operate tours out of Aurora Harbor. Mr. Uchtyl said that if the permit was approved it would be treated as a bare boat charter, approximately \$200 per vessel plus \$2/person on a tour. Assuming 33% occupancy over 150 days, Harbor Department could expect to receive approximately \$5,600 per year for the permit. Mr. Uchtyl said we are bringing this to the attention of the Board because the company is already advertising, and it is a courtesy to them to give them a reply as soon as possible as they have approached Harbormaster about a month ago. Mr. Uchtyl said that per the memo on page 45 of the agenda packet, this could be permitted but as this is the first large scale tourism operation in a Downtown Harbor, there is concern about precedence-setting at a time when mass tourism is impacting the community in a way where additional activity will not foster positive feedback from the community. Statter Harbor is set up to accommodate tourism with daily charter operators and is better suited to commercial operations. Mr. Uchtyl said that he recommends not to approval large scale commercial operations detailed in page 45 of the agenda packet. Mr. Uchtyl said that after reviewing the perinate regulations he does not believe it aligns with the purpose of the Downtown Harbor facilities.

### Board Questions

Mr. Orr asked what the Tourism Manager said about this permit request in light of Title 85 changes.

Mr. Uchtyl said that this request could be sent to the Tourism Manager, but Ms. Pierce does not have the authority to issue a Commercial Use Permit. Mr. Uchtyl said that it would be a time-consuming process if passed to the Tourism Manager, City Manager, and Assembly. Mr. Uchtyl said that it would be unfair to the applicant to extend the permit request by multiple months with Tourism Managers deliberations.

Mr. Orr said that he does not think it would be fair to the Board if the permit is approved, and the Tourism Manager does not approve the permit.

Ms. Smith said she is concerned about where to put the commercial operation as Statter Harbor is already crowded with growing whale watching, fishing fleet and private boaters. Ms. Smith said that North Douglas boat ramp and Douglas do not have the infrastructure to support the operation. Ms. Smith said she agrees with the Harbormaster that we do not want them in Docks or Harbors where people live. Ms. Smith asked the Board where is there a location that the commercial operation could operate.

Mr. Uchtyl said that Docks and Harbors is not under obligation to find a place for excursion operators. There are privately-owned facilities along Gastineau Channel that could also be used. The question tonight is whether to permit this type of tourism out of Aurora harbor. Docks and Harbors are not obliged to accept every applicant for every excursion.

Ms. Hart said that she has been keeping up with public feedback that has been submitted regarding this approval of the Commercial Use Permit which has been largely against the approval of the permit. Ms. Hart asked if Mr. Uchtyl could speak to the public comments that have been received.

Mr. Uchtyl said that he has received public comments in support and against the permitting of the commercial operation but does not have a tally of the numbers in support or against.

Mr. Sooter asked Mr. Uchtyl to confirm that the commercial operation of jet ski tours would be treated like bare boat charters. Mr. Sooter asked whether that would still afford us the opportunity to levy a fee per passenger.

Mr. Creswell said that these boats would be permitted as an uninspected passenger vessel under the Passenger for Hire Permit that would be the actual permit that is listed, although it's kind of different from other operators because it falls under two lanes – bare boat but the permit itself would be the uninspected Passenger for Hire Permit. Mr. Creswell said that previously under the incidental use of the Harbors with the way they have been operating we operated them under Commercial Use Permit which

was a blanket permit for one cost but still with the cost per head, but that is more designed for incidental use whereas this is continuous use.

Public Comment-

Mr. Etheridge said that public comment will be limited to two minutes given the number of people.

Mr. Uchytel said that for people attending the meeting via zoom can participate by raising their hand to be placed in the que.

Mr. Moll, Owner of Dangerous Waters

Mr. Moll thanked the Board for going through this civic exercise and those who came to show support for his operation. Mr. Moll said the solution he has tried to provide the Board is the best solution for safety and utilizing dock at Norway point that is underutilized. Mr. Moll said he is recommending the use of Norway Point and that he has talked to the Commadore of Juneau Yacht Club and the youth sailing program. Mr. Moll said that his operations will not impact the youth sailing program and would be on he inside of the float that has a depth of 2-3 ft. where other operators would not be able to utilize the space. Mr. Moll said he can generate income for Docks and Harbors that is not otherwise being generated and that a denial of permit is denial of income for our community which we should not be doing. Mr. Moll said this shutdown would be for political reasons and he has talked to other commercial operators and concludes that excluding Dangerous Waters would be wrong.

Kermit Wilson, Aurora Harbor Float House Resident

Mr. Wilson said that he lives in a Float house very close to where Dangerous Waters comes in when using Aurora Harbor as a turn port and they have been very respectful. Mr. Wilson said that he stands in support of Dangerous Water operating a commercial operation out of the Downtown Harbors. Mr. Wilson said that this would be an asset to the Juneau community.

Scott Jensen, Local 40-year businessman

Mr. Jensen said that he knows Mr. Moll and has been wondering why Dangerous Waters has not been doing tours locally. Mr. Jensen estimated that revenue just in sales tax and wages, is quite considerable it could easily be \$400,000 in sales tax alone. Mr. Jensen said that the additional revenue could be used for infrastructure projects within the Harbors. Mr. Jensen says he wants to support this as a benefit not a detriment and there is no reasonable reason to deny permit.

Elwin Blackwell, Valley Resident

Mr. Blackwell is here to support the petition to allow the permit. Mr. Blackwell said he is a lifelong Juneau resident who understands political issues associated with tourism but said that the reality is that Juneau sold out to tourism a long time ago. Mr. Blackwell says that this would be a worthwhile endeavor and to slam the door at the outset is unwise. Mr. Blackwell says the income could relieve some of the burden that is laid on him and his children as property owners and other users of the services in town.

Midgi Moore, Owner Juneau Walking Tour and Taste Alaska

Ms. Moore says that she lives in Valley and operators downtown, she said she was President of the Downtown Business Association. Ms. Moore said she thinks this is exciting and super-cool and fun and provides exciting new experiences for visitors.

Dave Phillips, Retired Carpet Cleaner, 50-year resident

Mr. Phillips said that Dangerous Waters has been in business for 8 or 9 years. Mr. Phillips said he's got longevity and planning and while there are hiccups, he is in favor.

Dale Reed, Fritz Cove Road, Juneau

Mr. Reed said that he thinks this is a world-class operation, and he is in favor.

Darrin Crapo, Mendenhall Valley and part-time resident in Aurora Harbor

Mr. Crapo said that he echoes everybody who has been in favor of this and that he thinks this is the right political message. Mr. Crapo says that this enhances what Juneau has to offer and is opportunity for the community.

Nathan Perry, Thane Road

Mr. Perry says he had a frightening experience on June 24<sup>th</sup>, 2024. Mr. Perry said he was boating in a careful manner near Admiralty Island and 10 Jet skis swarmed his boat resulting in him having to dodge to avoid collision.

Mr. Moll said that the jet skis were part of Dangerous Waters and said that he sent an apology.

Mr. Perry thanked him for the note of apology that was sent to him. Mr. Perry said that he had to dodge the jet skis and would be concerned about the safety of boaters in Aurora Harbor and in Gastineau Channel if the Commercial Use Permit was approved. Mr. Perry said that his recommendation to the Board would be to limit the scale of the commercial operation.

Eric Morrison, Franklin St., Juneau

Mr. Morrison said that there is a high volume of ship passengers, excursions are increasingly expensive, and the result is that many people are stuck downtown. Mr. Morrison said that this commercial operation is a good opportunity for people to experience Juneau and it would thin out the downtown crowds.

Marie Johnson, Downtown, Juneau

Ms. Johnson said that she works at the Goldbelt Tram. Ms. Johnson said that this commercial operation would be profitable for Juneau.

Steve Soenksen, Commodore of the Juneau Yacht Club

Mr. Soenksen said that the material presented claims Yacht Club is in favor of the commercial operation and that this has not been discussed formally at the Yacht Club. Many members have only heard about proposal today. The tour operator has not approached the Yacht Club about use of facilities, and the Yacht Club is unlikely to approve use of restrooms as it would interfere with their business model. Mr. Soenksen said that another concern is the Youth Sailing program, and the Yacht Club is not on record as taking a position on this activity.

Carl Broderson, Juneau Youth Sailing

Mr. Broderson said that he represents Juneau Youth Sailing and supports new businesses in town. Mr. Broderson notes that nobody on the Yacht Club Board has had an opportunity to review the plan. Mr. Broderson said that many members found out about it about half hour ago and would be interested to see what the schedule would be. Mr. Broderson said that there would be kids in the water near fast-moving vehicles which needs additional review and consideration.

Brian Lackey, Owner of Juneau Powersports

Mr. Lackey said that he was Board member of Hoonah and Dangerous Waters has never had any issues with the Hoonah Harbor. Mr. Lackey said that Dangerous Waters never caused any problems in Hoonah.

Board Discussion/Action

Ms. Smith said that she would not like to see Dangerous Waters permitted out of one of the Harbors where people are living. Ms. Smith said she would like to permit them to operate out of another of Docks and Harbors facilities and would be willing to put a one-season trial on the permit.

Mr. Hamilton asked if the discussion could be tabled to allow for more time to consider alternative options.

Mr. Etheridge said that tabling the discussion would not be fair to the tour operators.

Mr. Orr said that it seems that permitting the operation would potentially move some of the crowdedness from Statter Harbor to what appears to be an under-utilized space although Docks and Harbors would want them to have their own bathrooms and the price of permit seems low for a commercial enterprise.

Mr. Leither said this seems like a Title 85 question and he supports the decision that Harbor Staff have made. Mr. Leither said that he does not think this operation fits the Downtown Harbor, this is a huge political issue and is not a good decision for Aurora Harbor.

Mr. Etheridge said that the decision before the Board tonight is whether to allow the commercial operation to be permitted out of Aurora Harbor.

Ms. Hart said that she appreciates the public participation on this agenda item. Ms. Hart said that Aurora Harbor is not set up for this level of commercial operations and that a full plan has not been presented to all the stake holders involved. Ms. Hart said that this decision is precedent setting and that the current infrastructure at the Harbor does not support large scale commercial operations. Ms. Hart said that she recommends that the operators seek out a location that has the existing infrastructure to support their business plan. Ms. Hart said that the operator has not provided the Board with a clear picture of the operators' business plan and therefore does not support the issuance of a Commercial Use Permit in Aurora Harbor.

Mr. Hamilton said he wants to make a motion to table as he would like to have the opinions of all the neighbors and does not know whether it is the Boards prerogative to make this decision.

Mr. Becker said he belongs to Yacht Club and would like to hear what the Yacht Club has to say about commercial operations out of Norway Point. Mr. Becker said it is premature for him to vote on this at this time.

Mr. Leither said that his concern is that if the Board choses to table this item that it would still have to be voted on later and that since the commercial operation is involved with tourism that it should be considered by the Tourism Manager.

Mr. Hamilton said that he would like to make the best decision regarding this issue and would like more time to consider.

Mr. Uchtyl said that the City Attorney and the Deputy City Attorney are available to answer any questions.

MOTION BY MR. HAMILTON TO TABLE THE DISCUSSION ON WHETHER TO CONCUR [OR NOT CONCUR] WITH THE PORT DIRECTOR'S POSITION THAT MUTIPLE DAILY EXCURSION TOURS IS INCONSISENT WITH VISION FOR OUR DOWNTOWN HARBOR FACILITIES.

Mr. Leither objected to tabling the discussion.

**Those in favor:** Mr. Becker, Mr. Emerson, Mr. Hamilton, Ms. Smith.

**Those opposed:** Ms. Hart, Mr. Leither, Mr. Orr, Mr. Sooter, Mr. Etheridge.

**Motion fails 4-5.**

Mr. Etheridge said that we will continue deliberations on this topic.

Mr. Emerson asked if Norway Point is considered part of the Aurora Harbor Basin.

Mr. Etheridge said that Norway Point is not considered part of Aurora Harbor Basin.

Mr. Emerson said that he is in support of the Port Director and staff opinion. Mr. Emerson is concerned about the lack of infrastructure at Aurora Harbor.

Mr. Leither said the motion in agenda refers to the Downtown Harbor facilities and asked whether Norway Point is included in Downtown Harbor facilities.

Mr. Uchytel said that the motion was drafted to allow the Board to deliberate, and the question is still: What do we want to open up for large-scale tourism in the Downtown Harbors and what does the Board want that to look like in the future? The City and Borough of Juneau owns the land upon which the Yacht Club sits.

Mr. Leither asked if Norway Point fits in the recommendation of the Port Director to not allow the operation of large-scale commercial activities in the Downtown Harbors?

Mr. Uchytel said that Norway Point is part of the public facilities that comprises the Downtown Harbors.

Mr. Sooter said that when this item was presented at the Operations and Planning Committee Meeting last week, he was against permitting the operation. Mr. Sooter said that after consideration he does not believe Harris or Aurora Harbor are viable locations but would be interested in pursuing Norway Point as a location of operation.

**MOTION BY MR. SOOTER TO DENY THE COMMERCIAL USE PERMIT FOR OPERATIONS OUT OF AURORA AND HARRIS HARBOR AS PRESENTED AND TO OPEN DISCUSSION FOR THE USE OF NORWAY POINT AS A LOCATION OF OPERATIONS.**

Mr. Leither asked if the motion involves the discussion of the use of Norway Point today or to table the conversation to a future Board Meeting?

Mr. Sooter said that the discussion for operations out of Norway Point would occur at this meeting.

Ms. Smith said that she likes the part about denying Aurora and Harris Harbors for commercial use but would like to not restrict further conversation about Norway Point to allow for the consideration of other locations.

Mr. Leither said he does not disagree, but if opening discussion about Norway Point, he does not know what further discussion could be had regarding Norway Point without all stake holders present.

Mr. Orr asked if the Tourism Manager has been approached with this permit request?

Mr. Uchytel said that the Tourism Manager is aware of the permit request. If the Board tables something it would be at least a month before taking it up again so the urgency about deciding now is fairer to the applicant.

Mr. Sooter said that if we could just talk about Norway Point tonight, we could present questions to people who are already here tonight.

Mr. Hamilton said he feels as though this is turning into a different item of discussion and would like to get through the meeting.

Mr. Leither said that the City Manager, Tourism Manager, and Assembly may have conflicting opinions on the outcome and that the Board should defer to their leadership.

Mr. Orr said that the urgency of the operator is not our problem and regardless of decision, let's come to decision so they can go to the next level.

Mr. Leither said that he is in agreement with Mr. Orr. Mr. Leither said that regardless of the decision made by the Board, the Board should make a decision at this meeting to allow to this permit request to proceed via proper channels. Mr. Leither said that he believes that Board can make a decision tonight with the information provided.

Mr. Hamilton said that he agrees with Mr. Orr.

Ms. Musick said that she would like to issue a point of order that we have yet to receive an application for either Commercial Use or Passenger for Hire permit.

MOTION BY MR. SOOTER TO DENY THE COMMERCIAL USE PERMIT FOR OPERATIONS OUT OF AURORA AND HARRIS HARBOR AS PRESENTED AND TO APPROVE THE USE OF NORWAY POINT.

Mr. Leither objected.

**Those in favor:** Mr. Orr, Mr. Becker, Mr. Sooter, Mr. Etheridge.

**Those opposed:** Mr. Leither, Ms. Smith, Mr. Hamilton, Mr. Emerson, Ms. Hart.

**The motion fails 4-5.**

MOTION BY MR. LEITHER TO CONCUR WITH THE PORT DIRECTOR'S POSITION THAT MULTIPLE DAILY EXCURSION TOURS IS INCONSISTENT WITH VISION FOR OUR DOWNTOWN HARBOR FACILITIES INCLUDING NORWAY POINT.

Mr. Sooter objected.

**Those in favor:** Mr. Leither, Ms. Hart, Mr. Emerson, Mr. Becker, Mr. Etheridge

**Those opposed:** Ms. Smith, Mr. Orr, Mr. Hamilton, Mr. Sooter.

**The Motion passes 5-4.**

#### H. ITEMS FOR INFORMATION/DISCUSSION

##### 5. Waterfront Vendor Application - Late Submission

Presentation by Port Director: Mr. Uchytel referenced page 50 of the agenda packet. Mr. Uchytel received a late application from a vendor who has requesting a Waterfront Vendor Booth Permit. Mr. Uchytel said that the process is to notify Docks and Harbors with the intent to review the Waterfront Vendor Booth Permit and that the vendor failed to meet the end of year deadline. Mr. Uchytel said that they would be the 11<sup>th</sup> vendor booth and despite being late they could be accommodated and pay the \$35,000 fee. The Board does not need to act; however, he would like to have this application publicly notice to provide transparency.

##### Board Discussion/Public Comment

The application was approved.

#### I. STAFF, COMMITTEE AND MEMBER REPORTS - none

#### J. PORT ENGINEER'S REPORT

Mr. Sill reported:

- The Wayside Park- Dredging is closed out, contractor has been paid and process of transferring funds back to the Taku Harbor.
- Aurora Harbor Phase IV – Docks and Harbors are pre bidding that project with several interested prime contractors who are asking questions. We are currently on our 3<sup>rd</sup> Addendum and will issue 4<sup>th</sup> Addendum next week. We have our Federal and State permits and are working on getting the building permit and that is not expected to be a large hurdle.
- Taku Harbor- Docks and Harbors expect bid-ready documents for replacement of the old boarding floats. The completion of those documents as well as permits within the week.
- Statter Phase 3D (paving, curb, gutter, landscaping)- Waiting on our 95% drawing from consultant but that project is moving along nicely.

- DIPAC property transfer from ADNR- Docks and Harbors has completed the transfer from the State but now we must recognize their building is sitting across property lines and have hired a surveyor to consult on those parcels. We expect 1-2 months to sort out a process that began in 2003.
- Roof at Statter Harbor- An engineer and architect under contract to design the roof replacement and address rot on the subdeck.

**K. HARBORMASTER'S REPORT**

Mr. Creswell reported:

- Seasonal employees are arriving on a rolling basis.
- One vessel is up for Auction, a sailboat on Douglas. Several items up for auction.
- Full time hiring for open Harbor Operations Supervisor position.
- Two seasonal admins yet to hire.
- Admin staff Ms. Thrower and Ms. Musick hosted an Alaskan Association of Harbormasters Conference this week at the library, attendance of 23 people with amazing feedback regarding conference and presenters.
- Tanner crab season opening went off without a hitch.
- Mr. Sill will order materials to rebuild the float that caught fire on Douglas.

**L. PORT DIRECTOR'S REPORT**

Mr. Uchytel reported:

- Hosted the Alaska Association of Harbormasters Port Administrator's Fly-in.
- Two local projects on Harbor Facility grants: the \$1.3M for Aurora drive-down float, \$500,000 of zinc anodes for Statter Harbor. \$7.1M is the ask for all four Alaskan projects.
- Army Corps of Engineers have asked Docks and Harbors to execute the geotechnical contracting on their behalf and we are waiting for specifications and will work with the Contracting Division to get that advertised.
- Part of the Statter Breakwater concept that we would like to explore, to see whether there are elements that can help academia and research.
- Rollout of American Society of Civil Engineers state report card regarding infrastructure was conducted on February 26<sup>th</sup>.
- Planning to be in D.C in March for meetings including US Fish & Wildlife, Coast Guard and MARAD.
- Huna Totem presented to Lands, Housing and Economic Development Committee to talk about the proposed new cruise ship dock. Deputy Mayor Smith will address this later in the meeting.
- We are meeting with DOWL engineering regarding survey and brainstorming to construct secure storage for commercial fishermen at the Little Rock Dump.
- The Board can anticipate the PIDP Grant to be fully funded.
- The Board can anticipate the \$319K yard trailer to be constructed mid-June.

**M. ASSEMBLY LIAISON REPORT**

Deputy Mayor Greg Smith reported:

- The Assembly voted to introduce the tidelands lease but will be taking up possible amendments on March 17<sup>th</sup> and if there are no changes it will come to the full Assembly on April 7<sup>th</sup>.
- Statter Harbor Improvements Phase III CIP introduced.
- Approved bid award for the trailer.
- Approved Aurora Harbor CIP grant from DOT for Phase IV efforts.

**N. BOARD ADMINISTRATIVE MATTERS**



- a. Next Operations-Planning Committee meeting March 19th, 2025
- b. Next regular Board meeting March 27th, 2025

**O. ADJOURNMENT** meeting adjourned at 5:34

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](mailto:city.clerk@juneau.gov).