

**CBJ DOCKS & HARBORS BOARD**  
**REGULAR MEETING MINUTES**

For Thursday, July 29, 2004

I. Call To Order.

Chairman Mr. Knapp called the Regular Board meeting to order at 7:00 p.m. in the CBJ Assembly Chambers.

II. Roll.

The following Members were present: Mr. Clough, Mr. Derr, Mr. Etheridge, Mr. Fisk, Mr. Simpson, and Mr. Knapp.

The following Members were absent: Mr. Grussendorf, Mr. Hurley, and Mr. Preston.

Also present were the following: Mr. John Stone--Port Director, Mr. Krieber -- Port Engineer, Mr. McCall -- Harbormaster, and Mr. David Stone -- CBJ Assembly Liaison.

III. Approval of Agenda.

Mr. Stone requested under VII. Items for Action to add an item # C. PN&D Design Contract for the Harris Harbor Reconfiguration Project.

**MOTION by Mr. Fisk: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED.** The motion passed without objection.

IV. Public Participation on Non-Agenda Items. (Not to exceed 5 minutes per person, or twenty minutes total).

There was none.

V. Approval of Previous Meeting Minutes.

**MOTION by Mr. Simpson: ASK UNANIMOUS CONSENT TO APPROVE THE JULY 1, 2004 REGULAR BOARD MINUTES AS PRESENTED.** The motion passed without objection.

VI. Special Order of Business.

A. Staff Recognition.

Mr. Knapp read a copy of a letter written by our Alaska Governor, Frank Murkowski, and an attached complimentary letter written by a California boater regarding Mr. Doug Liermann's out-standing service to him while visiting Juneau and touring Southeast Alaska.

Mr. Knapp thanked Mr. Liermann for his outstanding service to this boater and expressed the Board Members appreciation for his courteous and helpful attitude towards visiting tourists. Mr. Knapp mentioned that this letter would go into his Personnel File as well as another letter to be written at the time of his next evaluation and would be placed in his Personnel File.

VII. Items for Action.

A. Moorage Billing Policy for Tenders.

Mr. Derr gave a short presentation on this topic.

**MOTION by Mr. Derr: MOVE TO ADOPT THE CHANGE IN THE EXISTING RULES FOR CHARGING TENDERS IN THE WATER TO A TWO PART SYSTEM. PART ONE, WOULD BE A MOORAGE FEE DETERMINED BY ADDING THE OVERALL LENGTH OF THE TENDER TO THE OVERALL LENGTH OF THE PRIMARY VESSEL; OR PART TWO, WOULD BE THAT PROVIDED THE TENDER MEETS THE REQUIREMENTS OF THE SKIFF RATE, A MOORAGE FEE FOR THE PRIMARY VESSEL IN ACCORDANCE WITH THE STANDARD MOORAGE RATE FORMULA, PLUS A SEPARATE MOORAGE FEE FOR THE TENDER AT THE APPLICABLE SKIFF RATE.** The motion was seconded by Mr. Fisk.

Public Participation

1. Linda Kaderlik--a Live aboard with 2 vessels in the Harbors --AA-005 and H2-014

Ms. Kaderlik said that they have a very narrow vessel – only 19 ½ feet wide in their Aurora A float stall. Since they are paying extra because of the new square footage rate and there is plenty of room for their tender along side of their vessel, she would like to be exempt from this tender fee now being imposed.

Discussion followed with Mr. Derr, Mr. Knapp, Mr. Simpson, Mr. Fisk, Mr. Etheridge, Mr. McCall, and Mr. Clough.

**MOTION by Mr. Simpson: MOVE TO TABLE THIS MOTION AND REFER THIS TOPIC BACK TO THE OPERATIONS COMMITTEE FOR FURTHER DISCUSSION AS WELL AS TO REFER THIS TOPIC TO THE FINANCE COMMITTEE FOR THEIR INPUT ON THE FINANCIAL IMPACT OF THE TWO PART SYSTEM OF CHARGING TENDERS.** Mr. Etheridge seconded the motion. The motion passed 5 to 1 with Mr. Derr voting against the motion.

B. Harris Harbor Reconfiguration.

Mr. Krieber gave a short presentation on this topic.

Mr. Simpson added more supporting information from his last CIP/Planning Committee Meeting.

CBJ DOCKS & HARBORS BOARD

REGULAR MEETING MINUTES

July 29, 2004

Page 3

VII. Items for Action (cont'd).

Mr. Kriebler explained that using Concept 5A with rising costs we would be unable to complete this Project under Budget. He said he has trimmed as much as he can on the Project and is tonight presenting to the Board Members a Concept #6 and Concept #7 for changes to the original Project.

On Concept #6 all that has been changed is that on Float #5 the fingers on the north side have been deleted making the north side of the float all transient. This will eliminate 27 stalls.

On Concept #7 the dredging would be eliminated and the need for a bulkhead. The head float would move out 20 feet. This would result in the loss of 9 moorage spaces, also reducing the lineal footage of the main floats. We could eliminate approximately \$750,000 to one million dollars from the Project and improve the construction sequencing by being able to start at the north end and also improve the "shuffling" of boats in the harbor. This would save construction time, resulting in a Project that can be completed in a timely manner and have less impact to users. This would ensure that all floats are built and installed.

He added that since Deferred Maintenance/Moorage Reconfiguration Funds are being spent on this Project, the previously approved Project would spend the balance of the funds leaving nothing towards the upgrading the electrical system at "old" Douglas and Aurora Harbors, the Taku Harbors match money, and/or the Fisherman's Terminal Improvements Project.

Discussion followed with Mr. Fisk, Mr. Etheridge, Mr. McCall, Mr. Simpson, Mr. Derr, Mr. Kriebler, and Mr. Clough.

There was no public comment at this time.

**MOTION by Mr. Derr: MOVE TO APPROVE CONCEPT #7 AS PROPOSED WITH THE OPTION TO INCLUDE AN ADDITIVE ALTERNATE TO PUT IN A SHEET PILE STRUCTURE WITH A CRANE USING CLEAR FILL AND REMOVAL OF A PORTION OF THE SEA PLANE FLOATS DEPENDING ON BIDS.** Mr. Etheridge seconded the motion. The motion passed 5 to 1 with Mr. Fisk voting against the motion.

Mr. Knapp called for a 10-minute break at 8:20 p.m.

Mr. Knapp called the meeting back to order at 8:30 p.m.

C. PN&D Design Contract for the Harris Harbor Reconfiguration Project.

Mr. Kriebler gave a short presentation on this topic.

He is requesting for the Board to ask the Assembly to approve an additional \$250,000 for the PN&D Design costs for Harris Harbor floats 1 and 2 in the Deferred Maintenance Project.

VII. Items for Action (cont'd).

**MOTION by Mr. Simpson: MOVE TO ASK THE ASSEMBLY TO APPROVE THE ADDITIONAL \$250,000 FUNDS FOR THE ADDITIONAL PN&D DESIGN COSTS FOR THE HARRIS HARBOR RECONFIGURATION PROJECT.** Mr. Fisk seconded the motion. The motion passed 5 to 1 with Mr. Derr passing on the vote.

D. Term contract to Provide Portable Sanitation Units and Related Service. Bid No. 04-542.

Mr. McCall gave a short presentation on this topic. He recommended that we award the bid to R & S Pumping in the amount of \$33,476.00. This is a one-year Contract with annual renewal options for two one-year extensions.

**MOTION by Mr. Derr: ASK UNANIMOUS CONSENT TO APPROVE AND AWARD TO R & S PUMPING COMPANY, THE ONE-YEAR TERM CONTRACT WITH ANNUAL RENEWAL OPTIONS FOR TWO ONE-YEAR EXTENSIONS, TO PROVIDE PORTABLE SANITATION UNITS AND RELATED SERVICE ON BID NO. DH04-542 IN THE AMOUNT OF \$33,476.00.** The motion passed without objection.

D. Tideland Rent Adjustments.

Mr. Stone gave a short presentation on this topic.

A teleconference phone call was held with Mr. Charles Horan in Sitka who did all the re-appraisals for us. He was available to answer any questions that the Board Members may have as well as any questions from the public.

Public Participation

1. Mike Donahue – ATS-615/ADL#29281

Mr. Donahue said he was here tonight to ask for some relief on the proposed increase. In the new proposed rent his annual rent would go up from \$1,499.16 to \$6,930.00

He said this is quite an increase from last year and he owns two parcels of tideland. One is unusable due to access. He would like for the City to grant him an easement or connection between the two parcels so he could use both parcels fully. He did not feel it was fair to charge a larger amount for the parcel he has no access to.

Mr. Horan said he was aware of the problem when he did the appraisal for the Donahue property and took that into consideration for the appraisal. He added that Mr. Donahue could develop this property individually from the other property and then have his access but he would not join the two properties together.

VII. Items for Action (cont'd).

2. Doug Trucano – Has 3 Tideland Leases – ADL# 36091, ADL # 51488 and ADL # 105460.

Mr. Trucano said he has lots of questions on the new appraisals of the tideland leases. He wants some consideration on the new fees. He said the property values seem to always go up when you make improvements to the property. This is true on residential properties too. He feels that the City is overly taxing him for everything he has.

Mr. Horan said he would be more than happy to meet with Mr. Trucano individually and go over each of his appraisals with him either in person or by phone.

Discussion followed with Mr. Fisk, Mr. Derr, and Mr. Simpson.

3. Craig Lokken – ATS - 54 /ADL # 2852.

Mr. Lokken would also like some consideration on the amount he has to pay on the new appraisal amount. He thinks the City should take into account the improvements that have been made to the properties. He added that they shouldn't be penalized for their efforts.

Mr. Horan said that the tidelands have potential for use in the appraisals. If a customer is not using the property to it's full potential they may want to relinquish them or make the changes for the full potential use.

More discussion followed with Mr. Knapp. He said that action would be taken at the next Full Harbor Board Regular Meeting on August 26, 2004.

He added that he would like to have a Committee of the Whole Work Session to further discuss the tideland lease issues before the Full Regular Harbor Board Meeting on the 26<sup>th</sup> of August.

**MOTION by Mr. Fisk: ASK UNANIMOUS CONSENT TO TABLE THE TIDELAND LEASE ISSUE UNTIL THE NEXT REGULAR DOCKS & HARBORS BOARD MEETING ON AUGUST 26, 2004.** The motion passed without objection.

E. Request for One Additional Port Officer.

Mr. Stone gave a short presentation on this topic. He said that the U.S. Coast Guard recently had approved our Security Plan requiring several changes. They increased staffing requirements at the Port. It is clear that one additional, seasonal, permanent, full-time Harbor Officer is needed at the Port to cover the operating hours of the Port. The funding will come from the Port Fund.

Discussion followed with Mr. Clough and Mr. Knapp.

VII. Items for Action (cont'd.)

**MOTION by Mr. Fisk: ASK UNANIMOUS CONSENT TO APPROVE THE PORT DIRECTOR'S MEMO TO HIRE ONE ADDITIONAL SEASONAL, PERMANENT, FULL-TIME HARBOR OFFICER AT THE PORT TO MEET THE NEW SECURITY PLAN REQUIREMENTS WITH FUNDING TO COME FROM THE PORT OPERATIONS FUND.** The motion passed without objection.

VIII. Items for Information/Discussion.

A. Parking Regulation Review of Statter Harbor Parking Facilities.

Mr. McCall gave a short presentation on this topic. Mr. Clauder added additional information.

Mr. Clauder said that the vendors got together and signed a document agreeing to work out a lot of the problems with the Auke Bay Parking Issues. This Plan has helped considerably but of course, what is really needed is much more parking areas. But we have to work as best we can with what we have available now. He added that General Parking Fees have generated around \$1,000.00 and Pay-Parking about \$29,000.00. An additional 3 to 4 thousand has been paid in the office. So for a 3-month period parking fees have generated approximately \$33,000.00.

This means that if it goes as it is now, we should receive close to \$50,000.00 for the Full Season.

Discussion followed with Mr. Clough, Mr. Derr, Mr. Clauder, and Mr. Knapp.

IX. Committee Member & Staff Reports.

A. Finance Committee Meeting – July 22, 2004

Mr. Stone gave a brief summary of the last meeting since the Chairman, Mr. Preston, was absent. He said he had been asked to notify the Harbor Patrons that the Finance Committee would be looking at increasing fees during the coming winter months.

Mr. Etheridge added that they had looked at possible short falls in the Budget and are looking at future fee increases.

Mr. Fisk added that the Reserve Account is dangerously low so they will be looking at ways to build up the Reserve Account.

Mr. Derr added that the Financial Paperwork that we receive from the City is old information and not adequate to meet our needs to be current on what is happening in both the Docks and Harbors Budgets.

CBJ DOCKS & HARBORS BOARD  
REGULAR MEETING MINUTES  
July 29, 2004  
Page 7

IX. Committee Member & Staff Reports (cont'd).

B. Operations Committee Meeting – July 15, 2004.

Mr. Derr gave a short report on his last meeting. He said they spent a great deal of time on discussing skiffs and tenders. Also they went over Port Security requirements, and parking issues at Auke Bay. They also discussed the memo that was sent out to owners of derelict vessels.

Mr. Derr said it is the intention of the Operations Committee to back –up Mr. McCall, the Harbormaster's efforts in getting these derelict vessels out of the Harbors.

C. CIP/Planning Committee Meeting – July 27, 2004.

Mr. Simpson said we have covered most of the topics already tonight. He added that representatives from the Corps of Engineers were able to attend his last meeting and gave an update of the Douglas harbor Breakwater Project. The work was planned to be done this year but won't be done until next year.

He added that the Parking Lot and Landscaping in Douglas is a high priority on the CIP list. Also we are looking for funding from the City and Parks and Recreation Department for landscaping.

Discussion followed with Mr. Clough.

X. Capital Improvement Project Report.

Mr. Krieger gave a short report on the status of all our projects.

He said that the Amalga Harbor Project should be completed before the Salmon Derby starts on August 20<sup>th</sup>.

XI. Harbormaster's Report.

Mr. McCall gave a short report. He said the 26' vessel called the "Recluse" had sunk this week. We had to call a diver, raise the vessel, put it on our trailer, remove all fluids, and then take it to the dump to dispose of it. The actual cost for all this will be just under \$800.00 that will be billed back to the owner. The owner had been out of town when the vessel sank. The owner apologized and will be contributing to the expenses.

CBJ DOCKS & HARBORS BOARD

REGULAR MEETING MINUTES

July 29, 2004

Page 8

XI. Harbormaster's Report (cont'd).

He added in response to all 115 derelict vessel letters that he sent out, he had 53 patrons respond, either in person or by telephone. 38 of these people reported to have operational vessels, 15 were reported to be non-operative, and they will comply with the 90-day requirement. One person did ask for more time than the 90 days and Mr. McCall said he would work with him as long as he keeps him informed of the progress.

Mr. McCall said he told each of the patrons that responded, that it must be clearly understood that they must leave the Harbor with their vessel at least 3 times a year under their own power. He did give them copies of the rules and regulations.

He added that we had an electrical problem at Auke Bay Harbor. It was caused by a large treble-hook snagging operation.

Discussion followed with Mr. Clough, and Mr. Derr.

XII. Port Director's Report.

Mr. Stone gave a short presentation. He wanted to set up a Special Electrical Meeting for early in August. He said he has been working closely with AEL&P to come up with alternatives to meet everybody's needs.

He added that he had received a telephone call from the owner of the yacht "Caledonia". He uses the IVF Float during the Summer months. He was still expressing his frustration with the \$1.50 per foot moorage that we are charging.

Mr. Knapp said we have two items that need to be discussed further. One is the electrical fees issue and the other is the Tide Land Lease issue.

He would like to set up a Committee of the Whole Work Session in the Assembly Chambers early in August and also set up a separate Special Shore Power Meeting with the Select Special Committee Members.

He asked Cecilia to poll the Members and let him know the results.

The City Attorney's Secretary forwarded to Mr. Stone a new Resolution that will be presented to the Assembly at their August 6<sup>th</sup> Meeting. It basically refers to the Waterfront Sea Walk Project we drafted. This Resolution transfers the Project from docks & Harbors to the CBJ Engineering Department. It also would change the Administration over to the CBJ Parks and Recreation Department from us.

Discussion followed with Mr. Derr, Mr. Simpson, Mr. Knapp, and Mr. Stone.

XIII. Committee Administrative Matters.

A. Meeting Calendar for August 2004.

The following Committee Meetings were scheduled:

Finance Committee Meeting – August 19, 2004	5:00 p.m.	Aurora Harbor Office
Operations Committee Meeting – August 12, 2004	5:00 p.m.	Aurora harbor Office
CIP/Planning Committee Meeting – August 24, 2004	5:00 p.m.	Aurora Harbor Office
Regular Board Meeting – August 26, 2004	7:00 p.m.	CBJ Assembly Chambers

XIV. Executive Session.

1. City Audit Report.

**MOTION by Mr. Etheridge: ASK UNANIMOUS CONSENT TO GO INTO EXECUTIVE SESSION TO REVIEW THE CITY AUDITOR’S REPORT.** The motion passed without objection.

Mr. Knapp called for a short 5-minute break at 9:50 p.m.

Executive Session began at 9:57 p.m.

**MOTION by Mr. Clough: ASK UNANIMOUS CONSENT TO ADJOURN THE EXECUTIVE SESSION AT 10:05 P.M.** The motion passed without objection.

The Regular Board Meeting reconvened at 10:06 p.m.

**MOTION by Mr. Simpson: MOVE TO ADOPT THE RECOMMENDATION OF THE SPECIAL AUDIT COMMITTEE CONCERNING THE DRAFT CITY AUDITOR’S REPORT.** Mr. Derr seconded the motion. The motion passed without objection.

XV. Adjournment.

**MOTION by Mr. Etheridge: ASK UNANIMOUS CONSENT TO ADJOURN THE MEETING.** The motion passed without objection.

The meeting was adjourned at 10:07 p.m.