# DOCKS AND HARBORS OPERATIONS
# MEETING MINUTES
**January 21, 2026, at 5:00 PM**

A. **CALL TO ORDER** Meeting was called to order by Mr. Nick Orr at 5:00 PM

B. **ROLL CALL:** Tyler Emerson (via Zoom), Clayton Hamilton, Matthew Leither (via Zoom), Annette Smith, Shem Sooter and Nick Orr.

Absent: James Becker, Robert Horchover and Mark Ridgway.

**Also in attendance:** Carl Uchytil - Port Director, Matthew Sill - Port Engineer, Matt Creswell - Harbormaster, Leah Narum – Administrative Officer, Elias Hastings-Goldbelt Operations Manager, Steven Sahlender-Executive Vice President- Alaska Division Goldbelt, and Maureen Hall (via Zoom).

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

**1. MOTION WAS MADE BY MR. SOOTER TO APPROVE THE AGENDA AS PRESENTED.**

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

E. **APPROVAL OF MINUTES**

**a. December 10th, 2025 - Minutes - Approved Unanimously**

F. **UNFINISHED BUSINESS**

**1. Property Conveyance of CBJ Owned Land at Seadrome**

**Presentation by Port Director:**

Mr. Uchytil introduced Mr. Hastings and Mr. Sahlender of Goldbelt and explained that in the packet (page 22) was a letter received today. The letter says that they had re-examined the land swap for property exchange and that Goldbelt would only pursue the purchase of the uplands or tidelands. They want to purchase the 15,000 square feet for fair market value ($630,000) and are not interested in a land swap. Page 23 is provided in the packet and page 25 indicates the property maps.

**a. Committee Questions**

Mr. Hamilton asked if the Board was being asked to make a motion or were they being informed of Goldbelt's decision.

**b. Public Comment-None**

**c. Committee Discussion/Action**

Mr. Orr said that he would like to have more people at the table before a decision was made, despite having a quorum.

Mr. Sooter asks that a decision be taken up during next week's Board Meeting.

**MOTION MADE BY MS. SMITH THAT A DECISION OF THE PROPERTY CONVEYANCE OF THE CBJ OWNED LAND AT SEADROME FOR $700K BE MOVED TO THE NEXT BOARD MEETING FOR DISCUSSION AND ACTION BY ROLE CALL.**

**All in favor:** Tyler Emerson, Clayton Hamilton, Matthew Leither, Shem Sooter and Nick Orr.

**Not in favor:** Annette Smith

**Motion passed.**

**2. New 35-year Lease to Petro Marine for ATS 857**

**Presentation by Port Director**

Mr. Uchytil explained that on page 26 was the Petro 49, Inc. Tidelands Lease Agreement for ATS 857, which is an oddly shaped tideland property of approximately 3,800 square feet down by the Rock Dump/National Guard Dock. Petro Marine is looking to redevelop their waterfront in Juneau Harbors. They had a 55-year lease that had been assigned to them. They have one more year on that lease. They would like to forgo the remaining year of that lease and start a new 35-year lease. This agreement is to approve the language in the lease, absent of an appraisal as the appraisal has not been completed by this meeting. The Assembly has introduced this Agreement into their packet for their legislation which requires two meetings for a non-ordinance approval. He brought before the Board in December and wanted the Agreement to keep it moving. It did not receive sufficient 5 votes to pass. He was asking the Board to approve the language of the lease knowing that the appraisal is still pending. The approval would allow Petro Marine to pursue their financing. The lease amount is approximately $2000 annually.

**a. Committee Questions**

Ms. Smith asked whether the appraisal from Horan would affect the lease amount.

Mr. Uchytil said that at Docks and Harbors we handle our leases differently from any other lands and resource division. The Lands Manager or the City Manager executes the Lease Agreement for other departments. Docks and Harbors has brought lease agreements to the Board, in full transparency, to execute the agreement. We use language that was written by CBJ Law, and using the amount proposed and suggested or appraised at in the agreement. Because the amount is $2000, he said he thought it was a good enough amount to keep the process moving forward. Once the appraisal is received, the Law Department types in the dollar amount per year and then he signs it, the CFO of Petro Marine signs it.

Mr. Hamilton asked if it would be adjusted with the CPI that the other leases the Board has talked about.

Mr. Uchytil said at previous Board meetings, CPI was brought up, but he didn't recommend it at the time At the Mount Roberts Tram it was a bigger dollar amount and worth in the inclusion. This is for a smaller amount. Docks and Harbors reappraise every 5 years. We have 45 leases and it's difficult to track where we have a small increase. He was not recommending a CPI increase for this property.

Mr. Hamilton asked if this was substantially more complicated than making the mortgage go up with the CPI adjustment.

Mr. Uchytil explained that when we bill, we go through and change the moorage rates, and it applies to everybody. With leases, because we've got 45, a person must track the appraisal and adjust the rate in our system depending on the date of the lease. It's an administrative burden.

Mr. Leither asked whether this was the reason this did not get the required votes in September, because there was concern about the CPI.

Mr. Uchytil responded yes, there were 5 people in attendance and only 4 people voted to advance the agreement, and one person voted because the CPI was included.

Mr. Emerson commented that as someone who has worked on CBJ lease accounting it was an administrative burden.

Mr. Sooter said it amounted to approximately $40 a year, which appeared to be a hassle.

Mr. Hamilton said that amount is what his moorage rate went up to every year and why would it be different for him than a lease holder. He said he wants the price to be fair to everyone.

**b. Public Comment-None**
**c. Committee Discussion/Action**

Ms. Smith said that CBJ is taking $2 million away from Docks and Harbors and that every little bit helps.

Mr. Emerson said that the administrative cost exceeds $40 dollars.

**MR. LEITHER MADE THE MOTION TO APPROVE NEW 35-YEAR LEASE WITH PETRO MARINE FOR TIDELAND PROPERTY ATS 857, PENDING APPRAISAL AND ASKED FOR A ROLE CALL VOTE.**

Mr. Hamilton objected to the request for further discussion. He said that we were maybe only talking about $40 dollars, but the principal was important to consider since we have 45 leases.

Mr. Sooter said that if the cost to implement those costs outweighs the benefit, then that's not really a good business move.

Mr. Hamilton said that in this instance it's $40 annually but that it's compounding.

Mr. Orr said that it would be over $200 over 5 years. Docks and Harbors have a fixed cost for our administrative staff so even though it's a pain they're getting paid regardless of the administrative burden. The real question is, where does the Board draw the line. Is it $2000 or is it $200,000. He said it was more of a policy question.

Mr. Hamilton said that it worries him and that he wanted to be fair for this community.

Mr. Sooter said that $40 is a small amount for a small lease. He would need to see a larger lease to move towards applying for the CPI.

Mr. Orr felt it would be a retreat topic or for Docks and Harbors to develop a policy on leases going forward.

Ms. Smith said that she understood Mr. Uchytil's comment about 45 leases due at different times. She asked what it would take to align all the leases.

Mr. Uchytil said that it would be impossible, as a lease is a legal document that was signed, in this case 54 years ago. Each of the leases could be amended to say, for example, that the lease would change to the calendar year. He said he was not saying it can't be done, but that it would be a lot of work. Docks and Harbors' biggest future lease will be Huna Totem, which will be around $300,000. The City Manager is expected to sign that lease, but Docks and Harbors won't get a CPI as that hasn't been part of the process. There is a precedence set at the Assembly level, for the City Manager to execute the lease.

Mr. Hamilton asked how big the area is in terms of the lease and how it is compared to the average lease.

Mr. Uchytil said it was 3,800 square feet and small.

Mr. Leither asked if Docks and Harbor's Bylaws allow us to make a motion to call the question for a vote.

Mr. Uchytil said he didn't know that for certain but said that Ms. Lynch from the Law Department was online.

**MR. LEITHER MADE THE MOTION TO APPROVE NEW 35-YEAR LEASE WITH PETRO MARINE FOR TIDELAND PROPERTY ATS 857, PENDING APPRAISAL AND ASKED FOR A ROLE CALL VOTE.**

**All in favor:** Tyler Emerson, Matthew Leither, Shem Sooter, and Nick Orr

**Not in favor:** Clayton Hamilton and Annette Smith.

**Motion failed.**

Ms. Smith asked Mr. Leither whether he would be amenable to having the motion restated with the ending pending appraisal in the addition CPI.

Mr. Leither said that if Ms. Smith would like to make that motion, she was welcome too. He said that what he heard from staff was that this was an onerous requirement that was not going to result in improvements. It was going to make things work and he would not agree with that.

**MR. HAMILTON MADE THE MOTION TO APPROVE THE NEW 35-YEAR LEASE WITH PETRO MARINE FOR TIDELAND PROPERTY ATS 857, PENDING APPRAISAL WITH AN ADJUSTMENT INCLUDE A CPI ADJUSTMENT.**

**All in favor:** Clayton Hamilton, Annette Smith and Nick Orr.
**Not in favor**: Tyler Emerson, Matthew Leither, and Shem Sooter.

**Motion failed.**

Mr. Uchytil said that if Docks and Harbors Board doesn't do anything then the City will act. He asked Ms. Lynch if she thought the Assembly would act to move the lease forward.

Ms. Lynch said she would need to get back with the Board because normally the Assembly will not review the lease. They have made an ordinance saying that you can negotiate the lease.

G. **NEW BUSINESS**

**3. Dock Enterprise Personnel Change Request**

**Presentation by Harbormaster**

Mr. Creswell referred to page 40 in the packet, a memo from Mr. Scott Hinton, Port Operations Manager, regarding Port staff. According to history, he said pre-2016 season, our ships were tied up alongside the Seawalk. The Maritime Transportation Security Act (MTSA) required security due to the construction of the dock. Docks and Harbors had staff on the docks to monitor ship personnel to make sure that they were doing their job as people were getting on and off the ship. When they built 16B and moved things off farther and had a more secure facility, they thought that they would have a more secure requirement and that would decrease their staff. The Coast Guard said that they'd like to have more security, so pre-2019 they added a couple more staff. It used to be that staff were checking people coming down the dock were cruise ship passengers, then they started checking ship cards. In 2022, they came out with dual ID verification requirements that required staff to check not only a ship card but also a government-issued photo ID like a passport or driver's license. At that time Docks and Harbors brought on more staff and created part-time limited positions (0.33 FTE). A 0.33 FTE can work 700 hours a year, seasonally between April 1st and the beginning of October, 5 days a week and 7.5 hours, with 2 days off in a row. Docks and Harbors found that they were missing a lot of our labor pool, missing recently graduated high school kids, college students. We created these part-time limited positions which helped extremely because they were cheap to fund and were not benefited positions. Some staff only wanted to work 2 days a year, some wanted to work 6 days a week but only 4 hours a day and Mr. Hinton gave the staff flexibility to do that. A small handful of ships have switched to electronic verification of ID's, whether that's through facial recognition, iPads that they provide us or tokens that they scan. They have a better flow through the security booths and it's not as labor has it was. On the flip side, they have found that by stacking our support staff into more PTL staff, they have been missing out on staff getting the proper maintenance done in the spring and then in the fall, we don't have enough staff on Board. The busier operations down at the port is that they need more continuity of staff. The current schedule provides six harbor officers to cover from 5 am until sometimes 11 pm or midnight. They would like to take one of the PTL Harbor Tech positions, 0.33 FTE and convert that to a 7-month, .58 Benefited FTE Harbor Officer and remove one of the 0.33 FTE positions because they found they don't need an additional 0.33 FTE ID checker. This works within the budget and doesn't increase staffing, rather they're potentially increasing their staffing costs. Because the PTL's are budgeted for working their full hours, but none of them work their full hours. The cost of the 0.58 Harbor Officer benefited position is $5,827 so that is within the existing budget. They are making this request for long-term staffing at the port by seasonal, benefited people.

**a. Committee Questions**

Ms. Smith asked if the benefited position would be covered by head tax.

Mr. Creswell said the total increase for this is $44,902, which falls with the budget.

Mr. Sooter asked how many other 0.58 FTE there are at the Port.

Mr. Hinton answered he had four staff that were 0.58, and two that are 0.67 FTE.

Mr. Hamilton asked how this related to the fee increase for security that was raised a year ago.

Mr. Orr said that for clarification there was going to be a penalty if they did move to a certain scanning method, but he didn't think there was a change in the revenue.

Mr. Creswell asked Mr. Hinton if there was a charge to the penalty.

Mr. Hinton answered that we had to charge that penalty and that the ship, Queen Elizabeth has not got on Board with the security measures.

**b. Public Comment-None**
**c. Committee Discussion/Action-None**

**MS. SMITH MADE THE MOTION TO RECOMMEND THAT THE BOARD APPROVE CONVERTING PART-TIME LIMITED HARBOR OFFICER POSITION INTO A BENEFITTED HARBOR OFFICER AS DISCUSSED AND ASKED FOR UNANIMOUS CONSENT.**

**Motion Passed.**

**4. FY2027 Docks & Harbors Budget**

**Presentation by Port Director**

Mr. Uchytil thanked Ms. Leah Narum for her contribution during the budget process. This was her first year doing this. They got the information in mid-December and then are supposed to turn around and complete it by the end of January. With the snow and the disruptions to CBJ operations it has been challenging this year. He told Mr. Emerson, Mr. Leither and Ms. Hall that they had hard copies on the table but did forward them to their emails. There was large excel spread sheets that were handed out to people in the room that got printed at the last minute. The overall budget was reviewed on the Zoom screen. The budget gets forwarded from the Docks and Harbors Board to the Assembly for their approval. The current FY26 was adopted and now they are updating the projected budget and working on FY27 proposed budget. The Assembly is going to a single year budget cycle. In the future, they will be dealing with the remnants of the current year plus the next year. It's not a two-year biennial budget anymore.

The budget is broken down by various iterations of expenditures: personnel services, commodities and services, such as salaries and costs associated with infrastructure repairs and utilities. They have the support for capital projects in FY26 $3.7 million to capital projects which break down to $2.8M, 20% of the local match for the drive-down float. $600K was matched with the Army Corps for the breakwater study and $300K for the Little Rock Dump – Secure Storage. The numbers overall are close to what they predicted for the previous year, similarly to FY25.

The funding sources for harbors include moorage, permits, licenses, permits and fees from the permits that are issued. Rentals and leases were adjusted a bit. The Huna Totem tideland lease would be providing income, but the agreement hasn't been signed yet. The City Manager has indicated that there might be some negotiating with Huna Totem, and they won't pay the first year and will be charged interest in the first year. The state shared revenue for the 2027 budget is the raw fish tax. This is based on the species of fish that was landed and value-added processing in that community. The state returns half of that to the municipality. In Juneau we have always received 100% of that raw fish tax. He found out that that is now going to the CBJ general fund account and that will not be in Docks and Harbors budget. They have always known that the fish tax is very important to the fishing communities in the state and not all communities, like Juneau, received 100% in support of the harbors. Moving forward there's fines, forfeitures, investments and interest. He said he would have to get back to the Board on the investment and interest income on FY25 of $1,117,600 as he felt it was irregular with the resale of the bonds or something like that. Docks and Harbors didn't get $1.1 million in 2025, and he felt it was more along the lines of $250K-$300K. The staffing amount didn't change until 3 years ago when nighttime security was added and that was split 50/50 with the port. That was a broad overview of the Harbors enterprise budget.

a. **Committee Questions**

Ms. Smith said she was looking at the difference between FY26 and FY27 and that there is a decrease due to the Assembly taking the raw fish tax credit. She asked if that is why there is a $2 million decrease in expenditure.
Mr. Uchytil said that the difference is that the $9,069,500 is being moved into capital projects. In 2026, the bottom line, just above the staffing level, the end balance was $2,087,500. A lot of the CIP

lists are predicated on getting grants and marine passenger fees. The decision he had to make today was how much to move into the capital projects for 2027 and how much he projected which is $2,225,000. He said $2 million would go towards a new Harbor office and then $225K to move toward building the new North Douglas launch ramp. He felt at the end of the FY27, Docks and Harbor's would have $1.211 million in the fund balance account. The good news, he said would be that of the $3.7 million, they have the entire $2.8 million for the local match for the drive-down float. He didn't think they would need the entire amount of the $2.8 million. He said that it is a budget and that there are a lot of moving parts.

Mr. Orr asked if Mr. Uchytil could explain debt services in FY25.

Mr. Uchytil said that the way they approach the budget is that it gives the authority to spend. The items in the budget are intentional for contractual services, materials and commodities and repairs. Those are numbers that were spent in 2025. In 2026 they are projecting a budget. In 2027, that allows them to pursue projects being nimble with their budget to do things like plan to spend a quarter of a million dollars to raise and dispose of a derelict vessel in Aurora Harbor, to spend $100,00 on the Douglas parking lot, for example. That allows them to pursue unplanned projects.

Ms. Smith asked with the 2 million dollars that the Assembly is taking from our budget and Docks and Harbors trying to be fiscally responsible, whether that is going to be damaging to the propensity that the Assembly has their hands in our budget and is going to take that money away.

Mr. Uchytil said that Docks and Harbors is frugal and that there are certain things that they can control and other things they cannot control. He said that it was not $1 million dollars that would be the raw fish tax but $450,000. He reminded the Board that Ms. Hall was on Zoom and that the Assembly was very kind to give $6.5 million in 1% sales tax in 2021.

Mr. Uchytil asked that the Board look of the Docks side of the budget. He said it was like the Harbors budget in that it has expenditures, funding sources, fund balance, and staffing. Starting in calendar year 2026, they will be moving forward with a new charge for cruise ships. We will not be charging a linear foot dockage rate and a displacement port maintenance fee but to a $7 per passenger lower berth count, which will more than double their revenue for the Docks Enterprise. The Assembly has communicated and has directed the Finance Department to essentially reprogram monies that are in excess to the operation needs of the Docks Enterprise into the general fund. He said he has been working on this and that the funding sources are greatly enhanced for service. Looking at FY27, $9 million dollars is nearly twice what we had for services in 2025. Docks will be getting $6.1 million in revenue from the cruise ship industry for passengers. In expenditure, there's a line for general funds for 2027 and$2,464,600 will go to City Hall. The accountants have said that there will be a line item for $100,000 plus from docks enterprise for the fireworks event for this and future years. Docks and Harbors will be working with the Juneau Fireworks Committee to make that happen.

Mr. Hamilton expressed concern for the Harbor's fund balance at the end of FY27.

Mr. Orr said that was because of the capital projects slated but they may have to be delayed. He reiterated that $1.4 million would be put back into the budget as $2.8 million was budgeted for the drive-down float.  He said looking at the Docks budget, he was concerned about the City taking more than they're raising the rates for the marine passenger fees with $2.4 million.

Ms. Smith stated that the City was taking an additional $100,000 plus for fireworks.

Mr. Orr said that $2.5 would be taken from the fish tax and Mr. Uchytil indicated that other communities use the tax to subsidize their harbors and therefore can keep their costs down.

Mr. Hamilton asked why aren't licenses and permit fees going up.

Ms. Narum said those are seasonal and they start populating in the springtime when those revenues are collected.

Mr. Hamilton said that the numbers FY27 were low even though we have data from FY25, that's higher.

Mr. Uchytil said that they like to be conservative when considering their funding.

Mr. Hamilton said that it seems like this happens that they softball the revenue and then they raise the rates again.  He felt in FY25-FY26 they raised the rates by 9% and that was why he was on the Board.

Ms. Smith said that she didn't have a problem with the budget being soft on our income, given the Assembly's propensity to continue to take money out of the budget.  She thought that if they don't see the expectation of revenue then maybe they will leave the Docks and Harbors revenue alone.

Mr. Uchytil said that whatever monies that are collected at the end of the year go directly our fund balances.  It's challenging to estimate everything to the nearest 3% of the budget.  They have been looking at the last couple of years to project the actual amounts.  Docks and Harbors are dependent on tourism, which they never know how many people will show up; thus, it's not a precise science.

Ms. Smith commended staff on their budget process.

Mr. Uchytil went line by line on the Harbors budget.

Mr. Orr questioned whether refuse meant boat disposal.

Mr. Creswell that was our dumpsters or items that were taken to the landfill.

Ms. Smith said that garbage was our second largest expenditure.  She asked what the percentage of non-Harbor users was for dumping trash into our dumpsters.
Mr. Creswell said that he doesn't have a percentage on that, but he said the bulk of the cost was rental fee of the dumpsters and the tipping fee.  The landfill costs have not increased substantially per pound.

Ms. Smith asked about the accrued leave whether that was if all the staff cashed in their leave all at once.

Mr. Uchytil and Mr. Creswell replied that it was liability line that was an expense if employees took their allotted leave.

Ms. Smith asked if the allocation cost included the insurance that was paid to the City.

Mr. Uchytil said it's the overhead that was paid to the City for being part of the City. The allocation cost was for the law services, clerk services, accounting and the finance department, etc. He explained the insurance on FY27 budget there is a $334,000-line marked specialty and property insurance. The cost allocations are set by the City. He said that 10% of the discretionary money goes towards contractual services, materials, commodities and repairs bundled to accommodate what is needed at our harbors.

Mr. Sooter said that what staff has offered is an estimated guess as is what is needed.

Mr. Uchytil offered to go through the Docks side of the budget.

Mr. Hamilton asked whether the Docks positions were increased as they seemed larger than the Harbors.

Mr. Uchytil said that looking at the personnel services in FY25m they had $1.4 million for personnel services for Docks and they were projecting $1.68-1.7 so it did go up. He said Mr. Creswell asked to change the level of FTEs and that amount would go up to $25K. The biggest change with the personnel services was the MEBA increase of 5% in bonuses. He said at the next Board meeting he would put on the agenda for discussion about how the staffing levels builds to $1.8 million. With all the snow removal, none of that was Docks, that was all Harbor's expenses, and they will be asking for state emergency funding.

Mr. Orr said that he didn't think they needed to go into the Docks budget detail.

Mr. Hamilton asked what will happen at the Wednesday meeting with the Assembly.

Mr. Uchytil explained that the meeting is a joint meeting and that the Assembly would drive the discussion. He met the City Manager, Ms. Koester, and the Tourism Director and they want to meet with you to discuss the downtown museum. She wants the Assembly to say the museum is not happening but to move forward with the plan for bathrooms. The Tourism Director will make sure there is money for that. The joint meeting will address that. The Finance Department called him today to present the budget at the joint meeting, but he said that it was poor form to ask him to present the budget before the Board had time to approve it, so they agreed and took that off the table. They called him back and told him that they would postpone the joint meeting. He was hoping that Board members would say that they would like to talk about a certain item at the joint meeting.

**b. Public Comment-None**
**c. Committee Discussion/Action-None**

**MS. SMITH MADE A MOTION: TO RECOMMEND THAT THE BOARD APPROVE THE BUDGET AS PRESENTED AND ASKED FOR UNANIMOUS CONSENT.**

**Motion passed.**

**5. CY2025 Urban Alaska Consumer Price Index (CPI) – Application to Docks Enterprise Fees**

**Presentation by Port Director**

Mr. Uchytil provided on page 45 the CPI for calendar year 2025 was 2.1% for Urban Alaska. On page 46, he informs the cruise ship industry of the charges based on the CPI rates. The Assembly directed the Tourism Director to depart from a linear foot and displacement charge for the cruise ship to a lower berth fee. On page 48, it was set at $7 per lower berth which shows that language. The language for each calendar year after 2025 was set and assuming the Board wants to add this CPI the rate will be $7.15 for vessels engaged in lightering. On page 49 (f) he referred to "The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment." The question before the Board was, does the Board want to elect to have the CPI adjustment for Docks Enterprise fees.

**a. Committee Questions-None**
**b. Public Comment-None**
**c. Committee Discussion/Action**

Mr. Hamilton asked if we had to use the Urban Alaska CPI Index.

Mr. Uchytil said that nationwide the CPI is 2.6%. He said we have always followed the Urban Alaska CPI which is tracked by the Department of Labor.

Mr. Creswell pointed out that on all our regulations it specifically calls out to be Urban Alaska CPI so until there was a change to the regulation, they were using the Urban Alaska CPI.

**MS. SMITH MADE THE MOTION TO ACCEPT THE CY2025 URBAN ALASKA CPI OF 2.1% AND APPLY IT TO ALL APPLICABLE DOCKS ENTERPRISE FEES AND ASKED FOR UNANIMOUS CONSENT.**

**Motion passed.**

**6. CY2025 Urban Alaska Consumer Price Index (CPI) – Application to Harbors Enterprise Fees**

**Presentation by Port Director**

Mr. Uchytil said that this includes loading permit fees, boom truck usage fees, special annual mortgage fees for skiffs, daily mortgage fees, monthly moorage fees, fees for tenders, resident surcharges, recreational boat launch fees, fees for commercial use of boat launches, passengers for hire fees, Statter Harbor bus lot fees, bridge use fees, crane use fees, storage fees, staff labor fees, reserve moorage waitlists, Auke Bay loading float fee, float moorage, Auke Bay facility mechanical work zone fees, daily moorage fees, monthly moorage fees and tender fees, etc. These are all regulations that have the CPI adjustment. The fees assessed on this section will be equal to the previous fiscal year's fee adjusted by the Urban Alaska CPI as reported by the Alaska Department of Labor and Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbor's Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI.

a. **Committee Questions-None**
b. **Public Comment-None**
c. **Committee Discussion/Action-None**

**MOTION MADE BY MS. SMITH TO ACCEPT THE CY2025 URBAN ALASKA CPI OF 2.1% AND APPLY IT TO ALL APPLICABLE HARBOR ENTERPRISE FEES AND ASKED FOR UNANIMOUS CONSENT.**

**7. Transfer of Remaining Funds Statter Harbor Office Roof Project to Secure Storage - Little Rock Dump Project**

**Presentation by Port Director**

Mr. Uchytil said that funds had been moved in FY25 of $400,000 from the balance of the Statter Harbor roof replacement. The project was executed by Dawson Construction for $199,000. After the overhead project and design and inspection there was about $173,000 from that project that could be transferred to another project, or it could go into our fund balance for another project. $300,000 has been moved from the fund balance for the Little Rock Dump secure storage. He recommended taking the remainder amount that wasn't used from the Statter roof replacement and putting it int the Little Rock Dump Storage so that that job can get advertised and move forward.

a. **Committee Questions-None**
b. **Public Comment-None**
c. **Committee Discussion/Action-None**

**MOTION MADE BY MS. SMITH TO RECOMMEND THE ASSEMBLY TRANSFER REMAINING FUNDS IN STATTER HARBOR ROOF (CIP H51-133) TO SECURE STORAGE – LITTLE ROCK DUMP (CIP H51-136).**

**H. ITEMS FOR INFORMATION/DISCUSSION**

**8. Harbors Overview of Snow Removal Activity**

**Presentation by Harbormaster**

Mr. Creswell said that the first storm hit December 5$^{th}$ and brought about 25" of snow during a 3-day period. Then it got cold and again, and it brought another 3-day storm which 20". It got cold and on

December 27th a big storm hit and gave us another 12-18" each of the next 5 days. Over the past 4-week period, everything they did in the department revolved around snow, moving snow, fixing things that were broken from the snow, etc. The official report for the month of December was 82" at the airport and at Amalga Harbor it was 130". It was the second snowiest December on record. The staff did everything they could for 4 weeks to keep up with the snow and took a lot of pride in trying to keep the harbors open and accessible. We did fine the first two storms but in the third storm we had some equipment break. On Monday, December 29th we had some vessels sinking left and right. Ten vessels sunk and 3-4 dozen other vessels that were in imminent danger of sinking. People couldn't keep up with shoveling their vessels. He was happy to say that every vessel that they were able to get a shovel on before it sank, they were able to save. Even though the City was shut down, administrative staff were working remotely on their laptops, forwarding phones from the offices to their homes and making calls for the field staff to keep vessels cleared of snow. On that Monday, snow was piling up in the parking lots and boats started sinking. Vessels sunk in four different harbors and as boats were sinking there were two people dealing with that, so they lost their snow removal force. Looking back, he said that they lost the ball on the snow removal as it was snowing over 1" an hour and they couldn't keep up.

On page 74 of 77, staff had an Executive Hot Wash meeting. The takeaway want that they expended 1,382 labor hours on snow removal for total labor costs of $78,716 for a grand total for December snow of $171,906. Two loaders were rented for a total of $14, 728. Docks and Harbors equipment usage cost $78,716 for a grand total of $171,906 for December snow removal. Not all that time is staff that was scheduled in the 37.5-hour work week. He said much of the work was not included in the budget. Three seasonal benefited workers were brought back, Sarah Mikesell, Sean McKeown and Kelly Leamer and we created five emergency hire positions paid at the Harbor Technician rate. Of those five positions, they filled four of them. It's the vessel owner's responsibility to clear their boats and the fingers leading to their boats. Many people were out of town, or they were physically limited by saving their houses before they could get around to clearing the snow off their boat or finger near their dock. Harris Harbor was hit hard because of the buildup of ice from people trying to clear snow from their boats onto the docks or into the water. Once it got trampled over and packed down, it was difficult to remove it. With the rain, it melted the snow away and didn't have as much snow on the ground. Much of the work got down though, and most of the Docks and Harbors equipment held up. The City's Streets and Fleets came out to work on our loaders as there were problems. We were able to get a medium sized loader from Tyler rental. Permission was requested and authorized by DEC to allow the harbors to put their parking lot snow into the water. However, that doesn't allow for any hauling in snow or other people's snow. They got permission for snow to be hauled to the Yacht Club area and Douglas Harbor to push it into the water. Communications were outstanding. Facebook/social media posts reached 2.5 million people and on his personal Instagram posts reached 1.9 million. The Weather Services was great at keeping people well-informed.

Goals were created for future weather events with an immediate 30-day, short term 30-90 day, and a long-term 90–180-day time frame which can be seen page 76. There are some areas that they must fix. There's a problem with the D float gangway in Douglas Harbor. They could potentially lose the gangway because of the snow load and the way it sits on that landing float. They will be installing some heated mats on that gangway to keep the snow from building up. With dozens of boats sinking or in danger of sinking there was an emergency with the lack of dewatering pumps available as they were all sold out. They are going to make sure that they have an inventory of working pumps to respond to vessels in an emergency in the future. They will continue to have emergency dewatering and safety drills.

**a. Committee Questions**

Mr. Hamilton asked if they were liable if the ramp wasn't passable during a snow event. If an ambulance crew had to get a stretcher down on the dock, could they. He wondered if Docks and Harbors could lean on Streets and Fleets Department even more to clean up our harbors. He asked if Docks and Harbors could hire a private contractor for snow removal.

Mr. Creswell said that they have a hierarchy of snow removal priorities that start with the entrances from the street to the harbor. Next, they look at the entrance from the parking area to the gangways and then the gangways to the docks. He thought 97% of the time they can keep up with access. This storm, they ran out of available staff during the 4-day event. He thought that they could do better in the future. Mr. Creswell said that whether they could get stretchers down to the docks was not question he could answer. Streets and Feets are already stretched out on their capacity to handle more, and we have difficulty finding where they could put the snow. Streets and Fleets are understaffed, and they can barely do what they must do. He said he couldn't comment on hiring a private contractor for snow removal.

Mr. Sooter commented that he didn't think anyone was immune from the amount of snow that fell.

Ms. Smith commended staff on their efforts.

**8. Uninsured Vessel Surcharge - Update**

Mr. Creswell said that they had 10 vessels fully submerged during the storm and that some of those led to the uninsured vessel surcharge. Most of the vessels sunk between December 29-31 and then there were a few that sunk after January 1st. Of the 10 vessels that sank, 4 were uninsured. One was a skiff and was able to be raised and there was no loss to the harbor. Three of the uninsured vessels were federalized by the Coast Guard. The largest boat was the Julianne, a 58' seiner, on the H-Float at Aurora Harbor. It sank on December 30th. The owner was responsive but didn't have the means to raise the boat. When the Coast Guard federalizes the boat, they solely are getting the pollutants off boat and mitigating the pollution threat to the environment. The smaller boat contractors will raise and pump them off or haul them out to shore. The F/VJULIE ANN was an expensive operation as Global Diving gave them an astronomical number to raise the vessel and remove the pollutants. It then became the owner's responsibility for the raising of the vessel, and they didn't have the financial means. It then became Docks and Harbors responsibility. They are currently working on a competitive bidding process which will close on January 28th.

The next vessel was in Harris Harbor, the 29 foot vessel AK4704J which is a cabin cruiser style vessel. It's uninsured and was federalized, raised and fuel pumped. The cost of that goes back to the owner, but they don't have the financial means so now that's come to Docks and Harbors so they will be working on the disposal of that vessel which they will bill them for.

Another vessel, the CAREFREE, sank at Statter Harbor on 12/31. The owner is trying to do the right thing and even though it's uninsured. They have a kicker on this sailboat and he's working on making it seaworthy. Due to the snow load and no installed engine, he can do a seaworthy test and then the vessel is allowed to stay in the harbor.

The OLD BLISTER sank in Auke Bay Harbor has been raised and hauled out and been destroyed. There was no cost to us.

The NANOOK was at A float in Douglas Harbor and insured. They are working on getting that one out of the harbor. They have until next Wednesday, January 28th to present a salvage plan to make all-out disposal.

The LITUYA was famous because it was straight up and down in the water. It was ensured, raised and he has until the 28th to have a salvage plan for an all-out disposal.

The AQUILA was a boat that was impounded by Docks and Harbors and was listed for sealed bid auction in Douglas Harbor. The auction closed January 6th and did not sell. The vessel stayed up fine during the snow and was being shoveled off by our staff. On the morning of the 9th, it sank. Their best guess was that during the super cold, during the big freeze something froze and broke and got the thaw on January 9th had water intrusion during the night and no one was on site. The vessel has been raised, and staff are destroying it now.

Those were the 10 boats that sunk. The VALKYRIE, 110-foot boat in Aurora that nearly sank. It was laid over on the piling they were holding it up. Staff were able to save that one. The LEOTA, a 70-foot wooden bustling in Aurora Harbor that was uninsured and nearly sank. Our staff was able to go over and save that vessel. We had a boat shelter that belonged to the Deckers. The boat kept it from going all the way down. On the side there was melting snow that allowed the house to pop back up. Once all the snow came off it, it was fine.

**a. Committee Questions**

Mr. Hamilton asked if there were statistics on how many boats they intervened on.

Mr. Creswell said he referred to that in his last presentation that nobody was in the office and that all staff were on the docks. Under normal circumstances they would have done that. The first time they are intervening they let the boat owner know and the 2nd and 3rd time the boat owner gets charged. The biggest game for Docks and Harbors was keeping boats from sinking.

Ms. Smith asked if this is the first year that we put in the new uninsured vessel fee.

Mr. Creswell answered that it is correct.

Mr. Leither asked if Mr. Creswell could talk about the safety concerns of a 110-foot boat sitting up on pilings.

Mr. Creswell said that the boat was resting on its port side and the pilings basically kept it from listing more. By the time our staff had got there, good Samaritans had already begun to shovel it off and the vessel was already starting to right itself by the time our staff arrived. All staff are required to wear a PFD any time they are working over the water or on single docks.

Mr. Orr asked if we would be behind or ahead of what they'd collected on uninsured vessels.

Mr. Creswell said that this past calendar year FY25, they collected $114,177.94. He ran the numbers and they have not been finalized and didn't include the cost of the boats that sank in the recent storm. He said they'd spent roughly $50,000 on vessel disposal in FY25. He asked for guidance from the Board, based on the numbers he has, he'd like to formalize at the February Board meeting for action that the rate drop by a dollar for the calendar year beginning July 1st through June 30th, 2027. They could also take every vessel that sank prior to January 1st and consider that a 2025 expense as those costs come in. He said they could also wait and see what happens with this calendar year. He thought that it would balance out if they went up to $3 instead of dropping it down to $1 so that they could balance the cost. He would like to have Board's guidance as to how they would like to proceed with what was paid for with vessels that sank in calendar year 2025 or vessels that they are having to pay for as he factors those costs.

Mr. Sooter said that he wondered whether they could take an average of three years expenses to determine costs.

Mr. Creswell said that that was talked about when determining the costs with the understanding that it be between $1$3, somewhere in the middle with it not exceeding 20% of the actual cost. In normal circumstances 20% give them that padding they need. The JULIE ANN in Aurora Harbor, they are anticipating it being potentially $250,000. He's trying to avoid that effect on their budget.

Mr. Hamilton said that it seems like the Board has a process to see what the rates will be and if it doesn't work then it could be revisited.

Mr. Creswell said that there could potentially be a spike in rates followed by a decrease. He thought it was worth bringing it to the Board to ask community representatives what they would like to see Docks and Harbors do.

Ms. Smith asked about the JULIE ANN that went down and is going to cost a quarter of a million dollars, on December 30th, would that be calculated in calendar year 2025.

Mr. Creswell said that regulations are currently written that the cost would go into next year's cycle because they haven't spent money on it. The cost incurred in 2026 even though the boat sank in 2025. The rates are adjusted based on what happened in calendar year 2025. They immediately engaged in conversing with their insurance on the big sunken vessels. The vessel that caused dock damage as it sat up on top of a new dock caused the beams to split and the bolts pulled out. To a lesser extent, the LITUYA, there may be some tug damage to that dock. They're filing claims and are working with adjusters. A marine surveyor flew in over the weekend, and he said he was getting him drawings but was cautiously optimistic that they may be receiving some insurance money back on some but didn't know for sure.

Mr. Sill said that the repair cost for this type of work is generally high. They got a cost back on repairs to the Stockade Point float around $40,000 for less work than what they will need to repair the float next to the JULIE ANN. He thought spending $100,000 on repairs was not unreasonable.

Mr. Hamilton asked if there were constraints on limiting those who can come into our harbors.

Mr. Creswell responded that he was bound by our codes and regulations. Within those, there are certain provisions in there for saying this person can't be in the harbor in this case or that case. He said he doesn't have blanket authority for saying who can't come into the harbor. If they meet all the requirements and aren't breaking any codes they are allowed.

Mr. Leither said that there are boats that are perfectly seaworthy that are uninsurable and that insurance companies refuse to insure them because they're 60 years old. He asked the Board to exercise caution as some of the boats are taken care of.

Mr. Orr summarized by asking if the Board wants to implement the rates as they are written or do they want to smooth them out. He said that because the Board has already had the discussion not to smooth them out, that he was inclined to execute them as they are written.

Mr. Creswell said that he would go with the way it was written for calendar year 2025, as actual cost incurred.

Mr. Uchytil added that they have a bid opening that is scheduled for January 28th and so the bid opening for the salvage and the disposal of the vessel will be brought before the Board assuming they're favorable. If the bids are over $100,000, they go to the Assembly, so the Board should be expecting that information next week after the bid opening.

**9. Downtown Waterfront Improvement Phase II - Update**

**Presentation by Port Engineer**

Mr. Sill requested the Board look at page 68 of the packet which looks at the downtown waterfront improvements between the library and Pier 49. It consists of property, land transfer, lot consolidation between Docks and Harbors and the private uplands owner. There was a material procurement phase, and then the deck over constructions phase was what they were calling Phase 1. Once they got into construction, they had a contractor and then they got a call from the City Manager who requested they put the CBJ Museum on the deck over timber portion. The original plan for the area included a restroom and a covered shelter along with a stage and some landscaping amenities, such as planter boxes and perhaps a fire pit. In Phase 2 they were looking at the future project, but they halted that since it could interfere with the placement of the City museum on the site. What was envisioned in the original project, and what is remaining there currently is the plan for a restroom, a covered waiting area, the landscape improvements, and the outdoor amenities. The Assembly did approve the installation of the Lone Sailor statue at this location as well as a covered walkway out to the parking lot but that was deleted because it would interfere with construction equipment in the future phases or to build the museum. There are provisions for electric bus charging stations. The next group of slides show the Phase I & II Overview of the plan. Items of interest in Phase I, show that in the middle of that deck over portion is a restroom facility and a combination, restroom and covered shelter, like the restroom and covered that they put out at Statter harbor. Phase II, show the raised stage and there is a raised stage, over in the corner next to the library, a foundation for the restroom and there was the parking canopy. He said he was bringing this project back to life and has been operating off the original concept. As the property has since been sold, there's a developer working on a different concept, but all his plans were from 2018. The architect that was working on the plan in 2018, a structure that harkens to the turn-of-the-century, commercial buildings, fishing and the Juneau Cold Storage Building and the Auke Bay Fish Cannery, as structure that is reminiscent of those buildings. The restroom shows 4 stalls on each side, two family stalls and an open area. From their experience at Statter Harbor, which has seven women's stalls and the men's that has two urinals and two heads, it can get overwhelmed by traffic so thought that four for each gender was not enough at this location downtown given the foot traffic. The following slides show what was envisioned back in 2018 for the restroom area. The dirt lot adjacent to the City's property has recently been sold and there's a private investor that is working on a plan for that property. Docks and Harbor's plan is to go before the Planning Commission as they're concerned that if they don't get their development under way, it may get blocked at this location. They will be going back to the Assembly to ask if they will change their mind and let them move forward with the restrooms and allocate the museum funds somewhere else. He said he believes the museum is an obstacle and the Assembly will move for them. They have submitted a marine passenger fund request for this restroom, which has the support of the tourism director and, they think, has broad support of the community. They brought back the original engineer-architect team when this project was stopped back in 2019. There was still funding remaining on their contract and helping with visualizing and rescoping. They are planning a public meeting, with the desire to have a public space that could be rented out for various purposes, and they would like to evaluate that again and see if they still want that to be a part of this project. The original plan for the restroom size is too small to meet the needs so that also must be reevaluated. After the public meeting they will work with the architects and engineers to establish a scope for this project and will be working through the design process.

**a. Committee Discussion/Public Comment**

Ms. Smith asked if the plan was to have the facility open year-round.

Mr. Sill said the plan is to have an enclosed area around the restroom and open year-round. The plan is to have a public space that is heated, but they will have to see that the public response is.

Ms. Smith followed, saying her concern is for the homeless, addicts who use the facility. She remembered when needles went into our septic system and asked if they had done any engineering to mitigate those issues.

Mr. Creswell said the facility would like to run similarly to the Statter Harbor bathrooms where the bathrooms would be closed in the evenings. They want to make provisions to have restrooms available, but the family room would have limited access.

Mr. Sooter asked if the bathroom on the side of the library/parking garage was closed during the winter.

Mr. Sooter confirmed that it was closed during winter months.

**10. Future Docks & Harbors Meeting in Chambers**

**Presentation by Port Director**

Mr. Uchytil asked the Board if they would like to start using the City Chambers to hold their meetings. CBJ has recently improved the audio/visual abilities in the City Chambers. He said the Docks and Harbor's Board meeting room has experienced problems in the past. He said he didn't need to know tonight but wanted the Board to think about it.

**a. Committee Discussion/Public Comment - None**

**I. STAFF, COMMITTEE, AND MEMBER REPORTS**

**a. Assembly Liaison Report –** Ms. Hall left at 7:00 PM

**b. Visitor Industry Task Force Liaison Report**

Mr. Sooter there was not a lot to report but they had their first meeting, which was an inter-visionary meeting and the second meeting was a survey.

**c. Harbormaster Report** - **None**

**d. Port Engineer Report**

Mr. Sill said that for over a year they had been trying to find a Deputy Port Engineer, and they finally were able to bring Nimmy Philips in as the Deputy Part-Time Limited Engineer architect to assist with engineering tasks. Prior to owning the restaurant Spice, she was a partner in an electrical engineering firm. Her background is in electrical engineering, and she's been working on some downtown projects and helping to move them forward.

**e. Port Director Report** - **None**

**J. COMMITTEE ADMINISTRATIVE MATTERS**

**K. ADJOURNMENT by Mr. Orr at 8:00 PM**