SPECIAL DOCKS & HARBORS BOARD MEETING AGENDA

September 8, 2026 at 5:00 PM

Valley Public Library/Zoom Webinar

https://juneau.zoom.us/j/84600348003 or Dial: 1-833-548-0276 Meeting ID: 846 0034 8003

A. **CALL TO ORDER** (5:00 pm in Mendenhall Valley Library and via Zoom)

B. **ROLL CALL** (James Becker, Steve Box, Tyler Emerson, Robert Horchover, Matthew Leither, Nick Orr, Annette Smith, Mark Ridgway, and Shem Sooter)

C. **PORT DIRECTOR REQUESTS FOR AGENDA CHANGES**

D. **APPROVAL OF THE AGENDA AS PRESENTED OR AMENDED**

E. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** (not to exceed five minutes per person, or twenty minutes total time).

F. **HEARING: WHETHER TO INCREASE THE PASSENGER FOR HIRE FEE FROM $2.05 PER PASSENGER**

1. **Statter Harbor Overview**

    a. Presentation by Port Director
    b. Board Questions

2. **Charter Vessel Operations – What the D&H Board Needs to Know**

    a. Presentation by SEAWWA
    b. Board Questions

3. **Public Testimony**

    a. Board Questions

4. **Board Discussion & Future Action**

G. **COMMITTEE ADMINISTRATIVE MATTERS**

H. **ADJOURNMENT**

Port of Juneau

155 Heritage Way • Juneau, AK 99801
Phone (907) 586-0292

From: Carl Uchytil
Port Director

To: Docks & Harbors Board

Date: September 8, 2026

Re: PASSENGER FOR HIRE FEE – ADDITIONAL QUESTIONS

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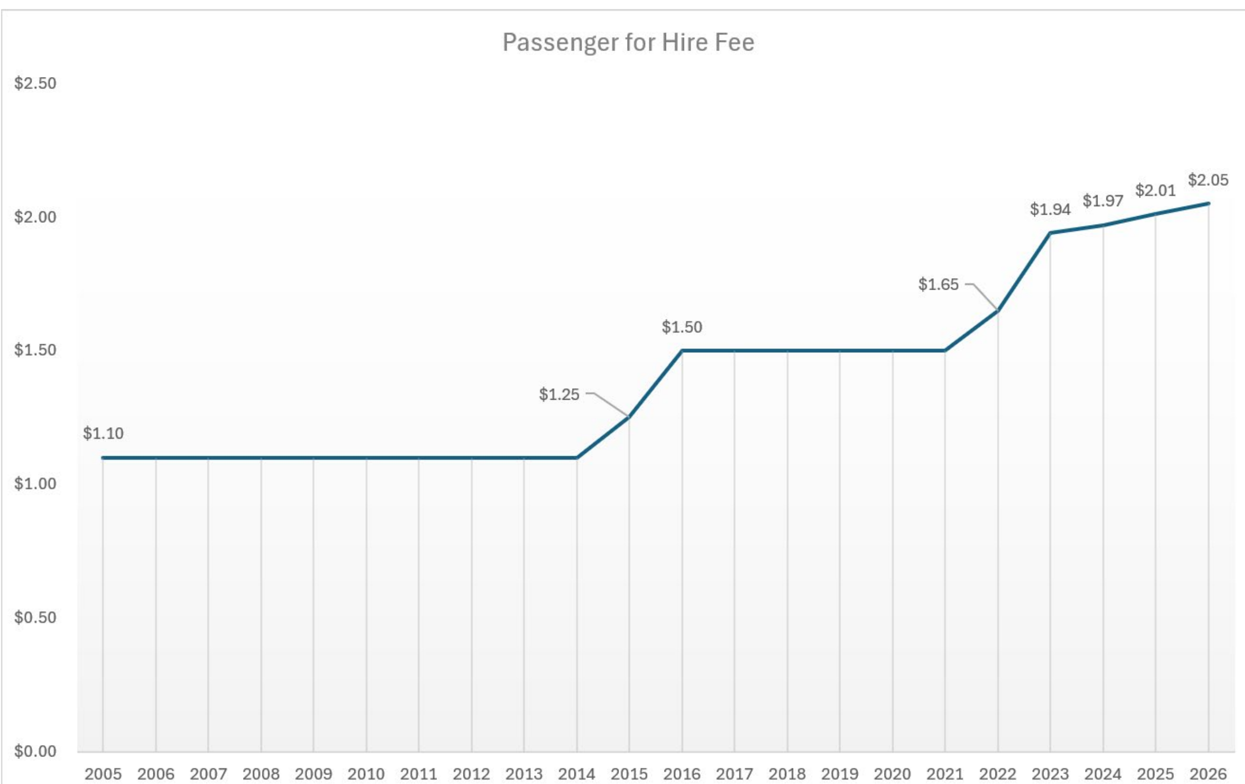
1. At the August 27th Docks & Harbors regular Board meeting, members reviewed the August 18th and August 20th memorandums and elected to hold a public hearing to determine whether to increase the $2.05 passenger for hire (PFH) fee. As a follow-up to those meetings, Board members have requested additional information.

2. Questions:
   A. When was the Passenger for Hire fee established and how has it changed over the years?
   Background/Answer: The fee was first established in 2005 at $1.10 and is now subject to annual CPI adjustment. The $1.10 fee would now be equivalent to $1.89 after adjusting for inflation.



B. What was the purpose and history of establishing the Passenger for Hire fee?
Background/Answer: Docks & Harbors staff has researched available electronic meeting minutes (both Assembly and Docks & Harbors) going back before the implementation of this fee. Encl (1) is the result of AI generated summary of the available meeting minutes which are reasonably available to Staff. The summary of minutes, over two decades, does suggest that the Board has tried to act in a fair manner but the discussion on purpose is limited.

C. How was Statter Harbor Improvements Phase III funded?
Background/Answer: The four elements to Phase III were funded by a variety of Docks & Harbors, CBJ and State of Alaska funds. The original plan was to leverage passenger fees (head tax) to create a facility which segregated the charter vessel from other Statter Harbor User groups and provide an efficient transportation hub. The 2019 CLIA Alaska settlement provided this language and limited passengers fees to less than $10M of the total cost of the $16.2M project.

> 4. **Statter Harbor Improvement Project**. CBJ has developed construction plans for improvements to Statter Harbor that will promote marine commerce in the area and provide services to vessels. CLIA contends the full scope of construction of the Statter Harbor Project may be beyond the scope of permissible expenditure of Fees set forth in the MSJ Order, but for purposes of this Agreement, CLIA does not object to a Fee expenditure up to seventy-five percent (75%) of a total project budget not to exceed twelve million four hundred thousand dollars (US$12,400,000.) CBJ agrees to finance the remainder of the Statter Harbor Project construction through other funding sources.

The break out of the funds for the Statter Harbors Improvements Phase III are:

Docks Enterprise Funds	$2,968,528.11
Harbor Enterprise Funds	$1,089,942.48
State Marine Passenger Fees	$9,866,000.00
Marine Passenger Fees	$450,000
CBJ 1% Sales Tax	$139,918.96
ADF&G (Clean Vessel Act)	$49,751.10
CBJ General Fund	$1,593,682.61
Total	$16,157,823.26

D. How much has Docks & Harbors collected in PFH since inception?
Answer: $3,349,539.

#

Passenger-for-Hire Fee History

Development, Justification, Adoption, Implementation, and Current Discussion | 1998-2026

Overview

The historical record reviewed from 1998 through 2008 shows that the Passenger-for-Hire (PFH) fee developed incrementally from Docks & Harbors' existing commercial-use and launch-ramp fee system. The central policy change was not simply an increase in price; it was a transition from permits and vessel-capacity charges toward a fee tied to actual passenger activity at CBJ small boat harbors and launch ramps.

Key Implementation Milestones

Year	Milestone
2000	$1.10-per-customer-per-day commercial launch-ramp model documented.
2001	Commercial launch-ramp fee expressly linked to tour companies picking up and unloading passengers.
2002	Annual Commercial Tour/Charter Vessel fee adopted at $150 + $6 per passenger seat.
2004	Existing structure described as a "vessel and seat fee"; per-person charter charging proposed.
2005	$1.10-per-person Statter proposal developed using North Douglas as the model.
2006	Board unanimously adopts $300 annual permit + $1.10 per actual passenger for inspected vessels.
2007	New per-passenger PFH fees go into effect.

Historical Development

1998–2003 — Development of Commercial-Use Fees

The earliest records establish the commercial-use framework from which PFH later developed. In 1999, Docks & Harbors approved taking over commercial beach-access permitting at or adjacent to launch ramps; Port Director Joe Graham noted that the change would streamline administration and generate revenue.

In April 2000, while reviewing commercial kayak, freight, and other launch-ramp activity, Graham stated that a $1.10-per-customer-per-day fee would be established. The discussion also identified operational impacts such as ramp occupancy, float damage, and staging of materials.

In December 2001, the connection to tour passengers became explicit. When a charter operator questioned increased Commercial Launch Ramp fees, Graham stated that the intent of those increased fees was for tour companies picking up and unloading passengers at launch ramps.

On May 2, 2002, the Board adopted a specific Annual Commercial Tour/Charter Vessel category of $150 plus $6 per passenger seat. This tied the commercial charge directly to passenger capacity. By 2003, commercial loading/unloading rates remained under review while the Board was also documenting conflicts and facility pressures associated with commercial and tour activity at Auke Bay/Statter.

Sources: REG1199.DOC — CBJ Docks & Harbors Board Regular Meeting Minutes, December 2, 1999; REG0400.doc — Regular Meeting Minutes, April 27, 2000; REG1201.doc — Regular Meeting Minutes, December 27, 2001; REG0402.doc — Regular Meeting Minutes, May 2, 2002; REG BOARD 0903.doc — Regular Meeting Minutes, September 25, 2003.

2004 — Transition Toward Per-Person Charging

The January 29, 2004 Regular Meeting provides a clear transition point. Allen Marine Operations Manager Jim Collins proposed that, instead of the existing "vessel and seat fee" for for-profit charters, only a per-person fee be charged. This confirms both the existing vessel/capacity structure and an industry proposal to move toward passenger-based charging.

By March, a commercial operator at Statter Harbor asked whether the revised fee schedule meant paying a loading-zone fee plus a fee for each passenger. The record does not establish that the modern PFH system had already been adopted, but it shows that passenger-based charging was part of the active fee discussion. Later in 2004, the Board also began developing a longer-term approach in which user fees would help support capital projects.

Sources: January 29, 2004 Meeting Minutes.pdf — CBJ Docks & Harbors Board Regular Meeting, January 29, 2004; REG BOARD 0304.doc — Regular Meeting Minutes, March 25, 2004; Regular Board 01-06-05.doc — Regular Meeting, January 6, 2005, reporting the November 18, 2004 Finance Committee discussion.

2005 — PFH Proposal Takes Its Recognizable Form

In August 2005, the Finance Committee received a comparison of passenger rates at the North Douglas Launch Ramp and Statter Harbor. By December, the Board was explicitly discussing "passenger for hire fees" and considering a per-person Statter fee designed to mirror North Douglas, where the charge was assessed per person crossing the facility.

The December discussion provides the clearest explanation of the proposed change. One charter operator had used three boats during the season and paid approximately $1,000 to use the facility despite more than 1,000 passengers likely crossing City docks. The proposed Statter rate was $1.10 per passenger. The discussion contemplated passing the fee to customers, with operators serving as the collection conduit, rather than simply requiring operators to absorb the entire charge. Implementation was proposed for the 2007 season to provide time for businesses to adjust.

Sources: Regular Board 08-25-05.doc — CBJ Docks & Harbors Board Regular Meeting Minutes, August 25, 2005, reporting August 18 Finance Committee; Regular Board 12-29-05.doc — Regular Meeting Minutes, December 29, 2005, reporting December 14 Finance Committee.

2006 — Modern PFH Structure Adopted

On March 30, 2006, the Board held a public hearing on Passenger-for-Hire Fee Regulation Amendments. Charter operators Jack Cadigan, Bob Janes, and Louis Jergens generally accepted the concept of commercial-use fees but argued that charges should be based on actual passengers carried rather than Coast Guard-rated vessel capacity. Janes also stated that the fees would help bring the harbors toward being self-supportive.

The Board unanimously adopted the amendments. For inspected vessels, the adopted structure was a $300 calendar-year permit plus $1.10 per actual passenger for each calendar day that passenger-for-hire activity occurred. The action applied to PFH activity within CBJ small boat harbors and launch ramps and was forwarded to the Assembly for review and final approval. The minutes state that the changes would not take effect until 2007.

Source: Regular Board 0306.doc — CBJ Docks & Harbors Board Regular Meeting Minutes, March 30, 2006.

2007 — Implementation

The 2007 minutes confirm implementation. On May 31, the Finance Committee reported that new commercial fees were going into effect, specifically the per-passenger-for-hire fees. By June 28, a Steamboat Company representative had questioned his PFH charge, reviewed the available methods, and determined that the method being used was the least expensive.

At the same time, CBJ continued planning and funding major Statter/Auke Bay improvements as commercial passenger activity increased. The implementation of PFH therefore occurred alongside continued public investment in the facilities serving passenger and commercial marine activity.

Sources: Regular Board 05-31-07.pdf — CBJ Docks & Harbors Board Regular Meeting Minutes, May 31, 2007, reporting May 24 Finance Committee; Regular Board 06-28-07.pdf — Regular Meeting Minutes, June 28, 2007, reporting June 21 Finance Committee.

2008 — Post-Implementation / Infrastructure Phase

The 2008 Regular Board minutes reviewed do not show a major reconsideration of the $1.10 PFH rate. Board attention had shifted toward harbor revenues, Statter Harbor planning and rehabilitation, and construction of the Auke Bay Loading Facility. In October, the Board discussed Statter improvements and reported that the Auke Bay Loading Facility was expected to open June 1, 2009; the Board also pursued a $5 million request for Statter Harbor and launch-ramp rehabilitation.

For PFH history, 2008 is best understood as a post-implementation year: the passenger-based fee was operating while CBJ continued developing the infrastructure serving harbor and commercial passenger activity.

Sources: Regular Board Minutes 10-30-2008.pdf — CBJ Docks & Harbors Board Regular Meeting Minutes, October 30, 2008; Regular Board Minutes 9-25-08.pdf — Regular Meeting Minutes, September 25, 2008; Regular Board Minutes 12-04-2008.pdf — Regular Board Meeting Minutes, December 4, 2008.

Purpose and Rationale Reflected in the Record

Across the historical record, several recurring considerations explain the development of commercial and passenger-based fees:

- Commercial use of municipal harbors, launch ramps, loading areas, and related public facilities.
- Passenger loading and unloading and the amount of actual commercial activity occurring at those facilities.
- Congestion, competition for limited space, and conflicts among commercial, recreational, fishing, and tour uses.
- Operating and maintenance costs associated with harbor and launch-ramp facilities.
- Long-term maintenance, rehabilitation, and replacement of aging harbor infrastructure.
- A broader Harbor Enterprise Fund model in which user fees contribute to the cost of operating and maintaining the system.

Restrooms and similar services. A 2007 Port Director response concerning launch-ramp fees identified restroom service, trash and litter pickup, snow removal, security/patrol, routine maintenance, insurance, and CBJ overhead among the services supported by the Harbor Enterprise Fund. That correspondence concerns launch-ramp fees generally, not PFH specifically. The records reviewed do not establish that PFH was created specifically to fund restrooms, toilet paper, or any other single operating expense.

Source: April 2 2007 Launch Ramp Fees Response.doc — correspondence from Port Director John Stone, April 2, 2007.

Conclusion

The historical record indicates that the current PFH fee was not created as a new stand-alone tourism charge in 2006. It developed from CBJ's existing commercial-use and launch-ramp fee structure. Over time, the charging method evolved from commercial permits and vessel-capacity charges to a fee based on actual passenger activity. The $1.10 passenger rate proposed for Statter in 2005 was expressly modeled on the existing North Douglas passenger approach, and in 2006 the Board unanimously adopted the $300 annual permit plus $1.10-per-actual-passenger structure for implementation in 2007.

Taken as a whole, the record shows a consistent policy rationale: commercial users generating activity at public harbor facilities were expected to contribute toward the costs and infrastructure associated with that use. PFH emerged as a more direct way to relate the commercial charge to actual passenger activity rather than solely to the vessel or its rated capacity.

Detailed 2005-2006 Fee Review and Justification

Financial basis for review

By fall 2005, Docks & Harbors was examining whether revenues associated with PFH and related commercial activity were sufficient in relation to expenses attributed to that activity. At the October 20, 2005 Finance Committee meeting, staff reported estimated annual expenses of $42,226 and annual revenue of $22,301, a difference of approximately $19,925. The same discussion estimated approximately 40,000 people used Statter Harbor each year and noted that staff was considering a per-passenger approach rather than relying solely on a per-seat fee. The $42,226 figure was not identified as the total operating cost of Statter Harbor, and the minutes reviewed do not itemize its components.

Sources: Fin1005.doc - Docks & Harbors Finance Committee, October 20, 2005; Fin1205.doc - Finance Committee, December 14, 2005.

Alternatives considered

The Committee did not move directly to the final structure. In November 2005, a proposal included $250 per inspected vessel per year plus $1.10 per passenger, with a $100 daily vessel alternative. By December, the proposal had changed to $250 per year plus $0.55 per passenger, with a related $0.55 passenger charge for commercial vehicles at Statter. Operators raised concerns about passenger-counting complexity and proportionality, and the Committee requested further analysis. In January 2006, the existing inspected-vessel structure was described as $300 annually plus $7 per passenger seat, while another proposal would increase the seat charge to $15. Testimony showed differing interests among small, large, occasional, and high-volume operators.

Sources: Docks & Harbors Finance Committee Minutes PDF - November 17, 2005; Fin1205.doc - December 14, 2005; Fin 0106.doc - January 19, 2006.

Revision toward use-based charges

In February 2006, staff proposed moving the inspected-vessel charge from an annual per-seat fee toward a daily-use method. At the March 16 Finance Committee meeting, Port Director John Stone summarized the purpose as trying to more closely match costs incurred with revenues generated. The methodology changed repeatedly as the Committee considered annual capacity, daily use, actual passenger activity, administrative workability, and fairness.

Sources: Fin 0206.doc - Docks & Harbors Finance Committee, February 16, 2006; Fin 0306.doc - Finance Committee, March 16, 2006.

Final Board and Assembly action

At the March 30, 2006 public hearing, Jack Cadigan, Bob Janes, and Louis Jergens generally accepted the concept of commercial-use fees but favored actual passenger counts over registered vessel capacity. The Board amended the inspected-vessel fee to a $300 calendar-year permit plus $1.10 per actual passenger for each calendar day PFH activity occurred. The amended motion passed unanimously and was forwarded to the Assembly. On April 24, 2006, the Assembly considered the regulation; the minutes record no public comment and no Assembly objection. The changes were intended to take effect January 1, 2007.

Sources: Docks & Harbors Regular Board Meeting Minutes PDF / Regular Board 0306.doc - Regular Board Meeting and Public Hearing, March 30, 2006; 2006-04-24-Assembly_Minutes.pdf - CBJ Assembly Regular Meeting, April 24, 2006.

2026 - Current PFH Discussion

The August 19, 2026 Operations & Planning Committee discussion revisited the same broad themes found in the 2005-2006 record, but with more explicit attention to both direct operating impacts and major capital needs at Statter Harbor.

Direct operating impacts

Board members asked about costs associated with heavy passenger use, including toilet paper and cleaning. Staff responded that those expenditures are tracked on a spreadsheet, although the amount was not available during the meeting. Robert Horchover suggested that separate summer cleaning staff could reduce the need to divert harbor personnel from regular duties. In the same discussion, he said that $5 per passenger would be his initial estimate and indicated that a rate should also consider future expansion needs.

Source: D&H Operatoins and Planning Transcript 08.19.26.docx - Operations & Planning Committee, August 19, 2026, approximately 00:34:22-00:36:39.

Capital and recapitalization needs

Later in the meeting, Port Director Uchytil placed those operating costs in the context of the larger capital question. He referenced restroom supplies, cleaning effort, and possible additional harbor staffing, then framed the larger issue around the charter industry's fair and reasonable share of the local contribution needed for major Statter infrastructure, including an approximately $20 million local share associated with a roughly $100 million breakwater investment. Another Board comment emphasized that operating costs such as toilet paper alone would not provide a sufficient basis for a new PFH rate and asked staff for a recommended rate supported by substantive justification, including larger capital obligations such as the Auke Bay breakwater and Horseshoe.

Source: D&H Operatoins and Planning Transcript 08.19.26.docx - Operations & Planning Committee, August 19, 2026, approximately 01:12:00-01:13:22 and 01:20:52-01:22:11.

Combined Conclusion

Taken together, the records show both the history of how PFH came into existence and the discussion that shaped its design. The fee evolved from commercial-use permitting and launch-ramp charges into a vessel-and-seat system and ultimately into an actual-passenger methodology. During the 2005-2006 review, Docks & Harbors considered cost recovery, proportionality, administrative practicality, and fairness among operators. The final $300 annual permit plus $1.10-per-actual-passenger structure reflected that progression and was implemented in 2007.

The 2026 discussion returns to the same underlying policy question: what constitutes a fair and reasonable commercial contribution for intensive passenger use of Statter Harbor. The current record identifies two distinct categories of justification - direct operating impacts, such as cleaning, restroom supplies, and staff time, and larger capital/recapitalization needs associated with Statter Harbor infrastructure. The historical record supports considering both cost recovery and fairness, but it also shows the importance of clearly documenting the costs and assumptions used to justify any revised rate.

Port of Juneau

155 Heritage Way • Juneau, AK 99801
Phone (907) 586-0292

Carl Uchytil

From: Port Director

To: Docks & Harbors Board

Via: Docks & Harbors Operations-Planning Committee

Date: August 18, 2026

Re: PASSENGER FOR HIRE – POTENTIAL FEE INCREASE

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1. At the June Operations-Planning Committee meeting, you were briefed on the numbers of vessels engaged in charter vessel excursions as well as revenue collected from staging in Statter Harbor. The graphics relating to charter numbers and revenue collect are provided as enclosure (1). Revenue from the passenger for hire fee has increased significantly since completion of Statter Harbor Improvement Project Phase IIIB in 2023 and now exceeds $0.5M. The Docks & Harbors invested a total of over $13M in Phase III which covered dredging/blasting, float installation, covered waiting area with bathroom and paved parking area for buses. The source of the funding was from passenger fees and Docks Enterprise fund balance.

2. Regulations pertaining to passenger for hire are in 05 CBJAC 20.080. In 2026, each inspected charter vessel paid $711.45 per vessel for the season plus $2.05 for every passenger embarked. Additionally, most but not exclusively, charter vessels are moored in Statter Harbor and are subject to moorage fees. As an example, a 45-foot vessel would be subject to a monthly moorage fee of $430. Each of these fees are adjusted annually to the Urban Alaska Consumer Price Index.

3. Enforcement and day-to-day operations within the Statter Harbor facilities is under the supervision of the Deputy Harbormaster, who also has responsibilities for the Auke Bay Loading Facility, Auke Bay Marine Station, Amalga Harbor and Echo Cove. The Deputy Harbormaster is provided with four harbor officers and one harbor technician to manage these facilities with coverage expectations from 0600 to 1900 seven days week from Memorial Day to Labor Day. Anecdotally, the Port Director believes that, despite Docks & Harbors' efforts to provide better and more efficient facilities, the charter vessel fleet, writ large, requires more regulatory oversight by Statter Harbor staff. This may be the result of the charter industry being under greater scrutiny from both recreational patrons and commercial fisherman. Nonetheless, it appears that the charter fleet requires more oversight than what the Harbor staff can adequately provide currently.

4. Docks & Harbors remains fiscally sound; however, our Harbor Enterprise projected fund balance at the end of FY27 is anticipated to be only $1.2M, perhaps the lowest amount ever for the account. The FY27 CBJ Budget also is not transferring the State Fisheries Business Tax (aka Raw Fish tax) to the Harbors Enterprise which results in an unexpected loss of $450K per year of revenue in the

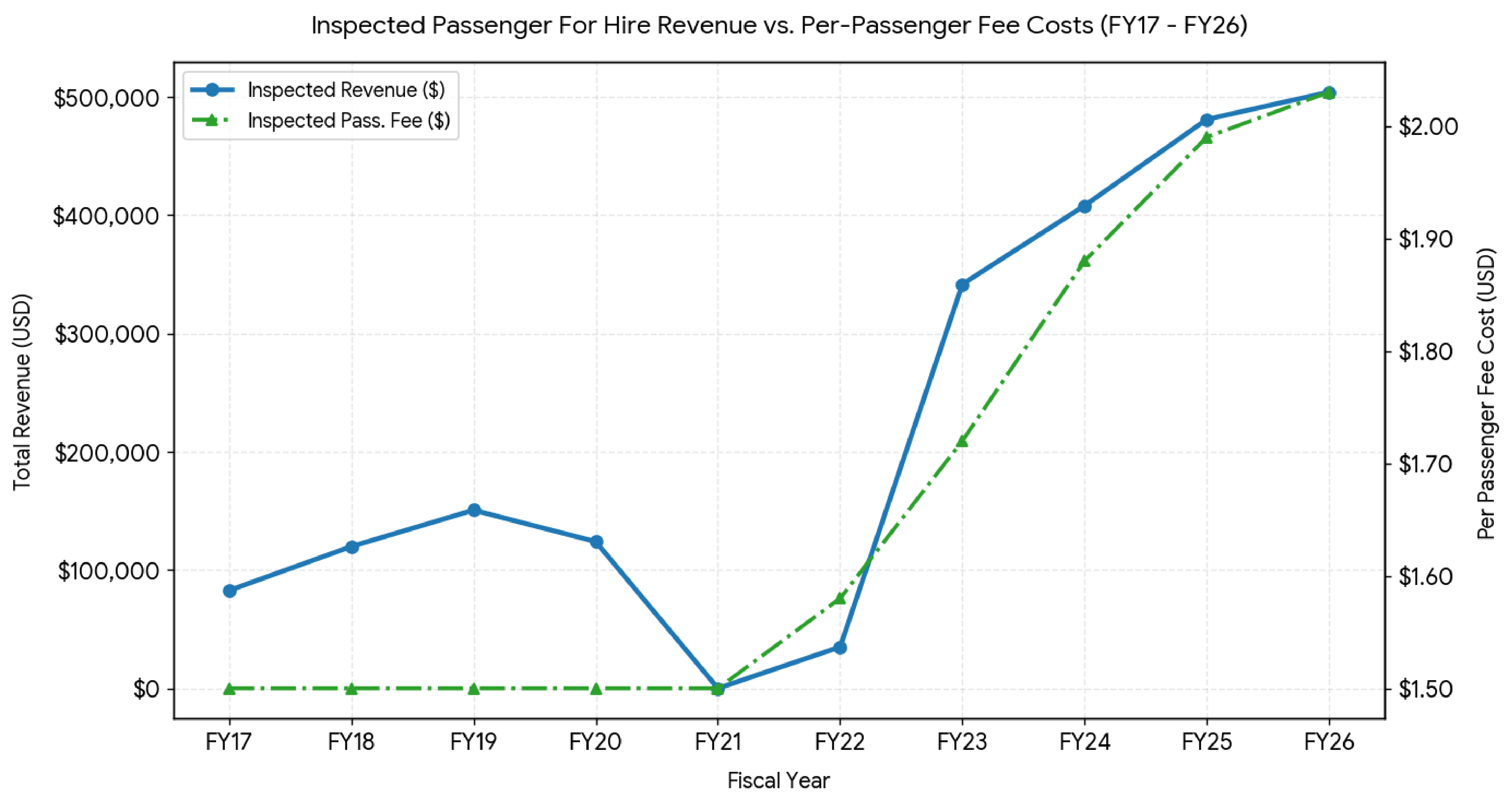
foreseeable future. Recent Board direction has identified expansion of the North Douglas Launch Ramp facility, replacement of the Statter Harbor breakwater, recapitalization of the Aurora Harbor Office Building, Douglas Harbor uplands improvements, purchase of the UAS property between Harris/Aurora Harbors and Statter Phase IV as needed capital improvement projects in excess of tens of millions of dollars.

5. Should the Docks & Harbors Board desire to change the Passenger for Hire fee from $2.05 per passenger, I recommend the Board schedule a hearing at a future meeting to solicit input from those impacted from any rate change. Although not a direct comparison, the US Forest Service currently charges excursion companies $7 for every tourist taken to the Mendenhall Glacier, this does include $5 for access to the Visitor Center. The US Forest Service is also contemplating tripling this fee. Also enclosed, which may be applicable to this deliberation, is a Board policy statement pertaining to adjusting fees according to Consumer Price Index. A final data point to share is encl (3) which encourages commercial operators to provide $4 per passenger for tours which visit the National Shrine of St Therese.

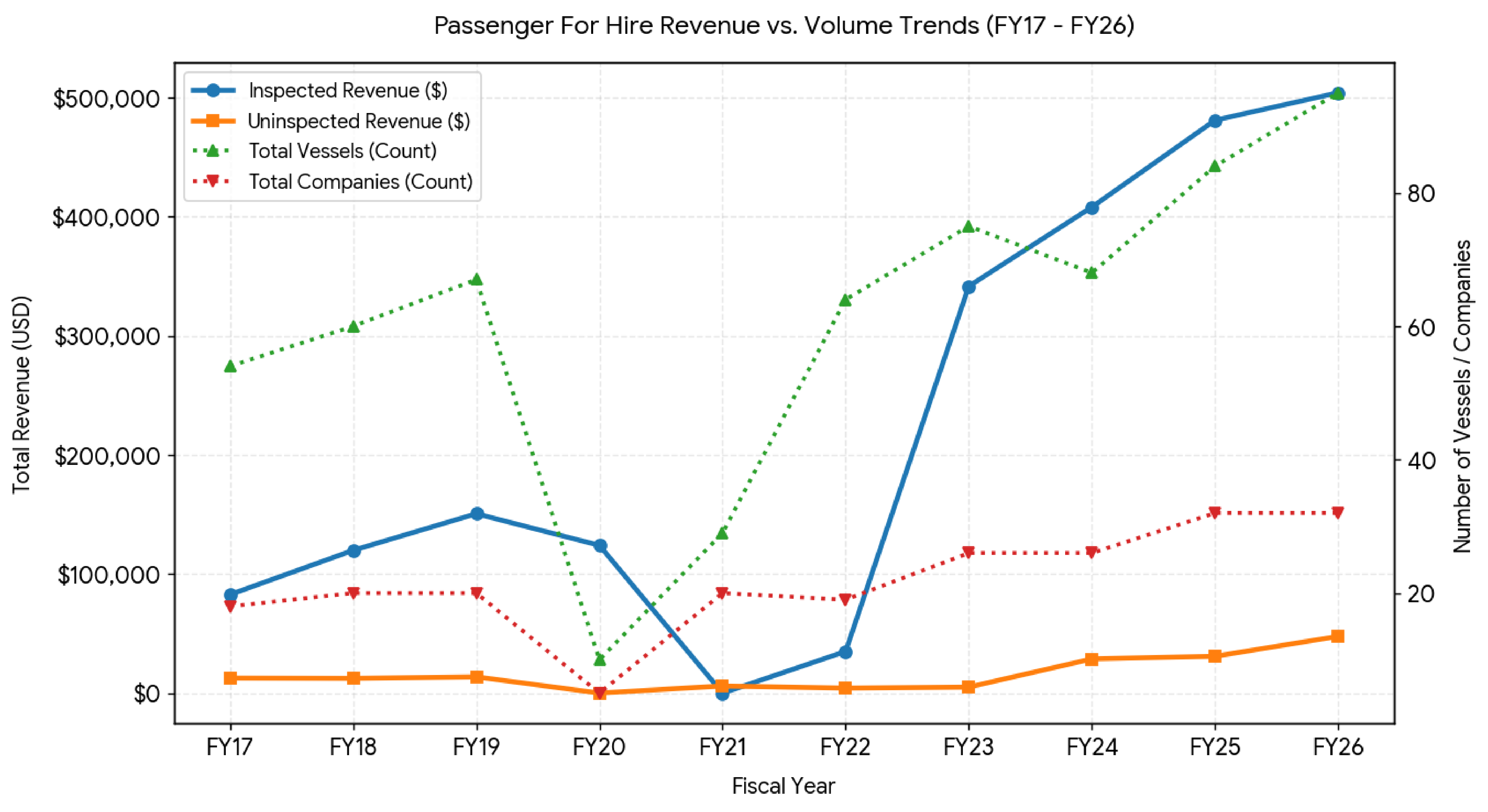
#

Encl (1) Passenger for Hire – Graphics
Encl (2) Docks & Harbor Board – CPI Justification Policy dated January 27, 2022
Encl (3) National Shrine of St Therese – August 2026 Letter to Commercial Operators & Drivers

Passenger for Hire Revenue – Inspected Vessels



Passenger for Hire Revenue - # Vessels - # Companies



DOCKS & HARBORS BOARD

CONSUMER PRICE INDEX (CPI) JUSTIFICATION

The Enterprise Funds are operated and financed in a manner similar to private business. The intent of the governing body is to provide goods and services to the general public on a continuing basis and be financed or recovered primarily through user charges. Unlike other municipal taxes such as sales tax or property tax, the increase in revenue is organically tied to inflationary economics. Service fees which Docks & Harbors reply upon for its operational budget is disadvantaged if these fees are not periodically adjusted.

CBJ Docks & Harbors Board has established a rate setting policy which meets the following criteria:

1. *It must be fair and reasonable*
2. *It must be consistent*
3. *It must be supported by data and an explanation of how the data justifies the rate*
4. *It must be sufficient to support the operations of docks and harbors*
5. *It must replenish capital investments*
6. *It must build reserves for contingencies and future growth*
7. *Where currently significant disparity exists between the cost allocation to user groups these need to be adjust in a fair and appropriate manner*

A discussion of how these criteria's have been applied to the proposed CPI adjustments are provided below.

Criteria 1 – It must be fair and reasonable

Is it reasonable?

Over time the cost of labor and materials changes, usually up, sometimes down. The best measure we have in Juneau of those changes is the Department of Labor Consumer Price Index for Urban Alaska (CPI). Applying the CPI keeps the rate reasonably in sync with the general cost of living. This is reasonable.

Is it fair?

In recent years a CPI adjustment has been applied to some rates and not to others. Applying the CPI to all rates is fair. Applying a "catch up" rate to rates not adjusted in many years is also fair, particularly to those who have had their rate revised and adjusted by the CPI in recent years. It is proposed that the "catch up" period be no more than 10 years and that it not exceed 5% in any one year. This is also fair.

Criteria 2 – Is it consistent

By applying an annual CPI adjustment to all rates which are based on an underlying cost which is subject to the change in the cost of goods and services we are consistent in applying rate changes to all user groups.

Criteria 3 – Is it supported by data and an explanation of how the date justifies the rates?

The CPI is supported by extensive data gathered by the U.S. Bureau of Labor Statistics and is generally recognized as the best available measure of the underlying change in the cost of goods and services.

Criteria 4 - Is it sufficient to support the operations of docks and harbors?

Currently this question does not have a clear answer. For those rates which have not been reassessed for a decade or more just applying the CPI evenly and applying a "catch up" factor as well, a further rate adjustment may be necessary. Docks & Harbors is in the process of retaining the services of a qualified firm to help in determining whether the base rate to which the CPI is being applied is appropriate or whether additional rate changes should be considered. The application of the CPI where it has not been applied historically is an interim measure until we have better data.

Criteria 5 - Is it sufficient to replace capital investment?

As in the previous question Docks & Harbors will be better able to answer this question once the rate study has been completed.

Criteria 6 – Will it build reserves for contingencies and future growth?

As in question 4, Docks & Harbors will be better able to answer this question once the rate study has been completed.

Criteria 7 – Does it address disparities between user groups in a fair and appropriate manner?

As in question 4, Docks & Harbors will be better able to answer this question and determine the best approach to setting a rate if a large increase is indicated once the rate study has been completed.

Approved by Docks & Harbor Board
January 27th, 2022

The National
Shrine of Saint Thérèse
21425. Glacier Highway, Juneau, Alaska 99801 907-789-9815 juneaushrine@live.com shrineofsainttherese.org

August 2026

An Invitation to Our Valued Commercial Operators and Drivers

Thank you for sharing the peace and beauty of the Shrine with visitors from around the world. We deeply appreciate your hard work in giving guests an unforgettable experience in Juneau! While we love welcoming your tour groups, we need to share an urgent heart-to-heart with our transportation partners.

Many people are surprised to learn that **the Shrine receives zero government funding and no financial support from the Church.** We are a 100% self-funded ministry. Every clean restroom, pristine pathway, and flowering garden is maintained entirely through individual generosity.

To keep our 46-acre campus open and safe, we invite you to join our ministry through a standard partnership contribution of **$4 per passenger**. This gift goes directly toward the heavy daily upkeep of the facilities your guests enjoy:

- **Restrooms:** Main bathrooms, extra porta-potties, paper products, and cleaned multiple times daily.
- **Water:** The Shrine operates its own Small Public Water System.
- **Grounds & Care:** Maintenance of the driveway, trails, historic chapel, and gardens.

Right now, we are facing a mountain we cannot climb alone. For the entire month of July, our driver drop-box collected just $330. That breaks down to $11 a day—covering **less than 3 guests per day**. We all know this is a tiny fraction of the hundreds of visitors arriving by van and taxi daily. Currently, one single company is generously funding the vast majority of these operations, leaving most other trips completely unfunded.

We know your guests value this stop immensely, and we want to remain a premier destination! However, we simply cannot sustain the campus on $330 a month. Our goal is to keep access smooth, happy, and voluntary without creating check-in delays that disrupt your tight tour schedules.

How You Can Partner with Our Ministry Today:

- **Scan and Pay via QR Code:** Use the fast, secure QR code at the drop-box station to pay digitally with your smartphone in seconds.
- **Drop Cash on Every Trip:** Deposit the $4 per-passenger fee in the drop box next to the Shrine office. Envelopes are provided—please include your company name and license plate number.
- **Pay Monthly:** Arrange for your company to pay monthly in advance. To set this up, please contact Joe at **joesehnert@gmail.com** or by cell at **636-628-7270**.

Thank you for your warm partnership, professionalism, and heart. By contributing your share, you are actively keeping the gates open for this beautiful ministry.

With prayers and gratitude,

Pax Christi,

Joseph C. Sehnert

Joe Sehnert

Shrine Executive Director

CITY & BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
DOCKS & HARBORS

Port of Juneau

155 Heritage Way • Juneau, AK 99801
Phone (907) 586-0292

From: Carl Uchytil
Port Director

To: Docks & Harbors Board

Date: August 21, 2026

Re: POLICY & QUANTITATIVE DISCUSSION - PASSENGER FOR HIRE FEE

1. At the August 19th Operations-Planning Committee meeting, members reviewed an August 18, 2026 memorandum regarding whether to initiate a process to increase the $2.05 passenger for hire (PFH) fee. As a follow-up, staff agreed to provide quantitative recommendations to support the broader policy discussion regarding appropriate fees for commercial charter vessel operations. This memorandum and the discussions from the August Operations-Planning Committee meeting are intended to complement one another.

2. The Docks & Harbor Board is charged with policies to facilitate the safe and efficient use of public infrastructure, practically used by every Juneau citizen. Operating without local property or sales tax subsidies, the management of the two entrusted *Enterprise Funds* is the Board's most critical responsibility. In every harbor office, there are signs posted: "The *Enterprise Funds* are operated and financed in a manner similar to private business. The intent of the governing body is to provide goods and services to the general public on a continuing basis and be financed or recovered primarily through user charges. The acquisition and improvement of the facilities have been financed from existing cash resources, issuance of revenue and general obligation bonds, and state and federal grant funds".

3. Docks & Harbors is right to be proud of the recapitalization efforts over the past decades throughout all our facilities. The completion of the Statter Harbor Phase III project (blasting/drilling, float installation, covered waiting area/restrooms, and paved/landscaped parking bus parking lot) created a facility uniquely suited for the Juneau business community engaged in vessel charter operations. This $15M phase, primarily funded by passenger fees and Docks Enterprise funds, should serve this industry into the future. Though new, the PFH facility requires financial planning and consideration to ensure staffing, supplies, material and cleanliness meet the expectations of our user groups.

4. It is also crucial that the Board evaluate the horizon for future needs of our customers and patrons. This includes recognizing all facilities will need recapitalization or new capital project funding. The Army Corps of Engineers will be completing the feasibility cost analysis study in September 2027. It is anticipated that the Docks & Harbors local match will be $20M for the Army Corps to construct a replacement breakwater. Following a new breakwater, we envision a $100M project to

expand moorage in Statter Harbor. These projects and other harbor needed infrastructure needs are not currently funded, and it is unlikely that CBJ or the SOA will be in position to fiscally support community harbor needs as we advance these projects.

5. As the Board considers additional revenue sources and whether to increase the $2.05 PFH fee, please consider my August 18th memo and two comparable fees provided. I was asked to provide encl (1), which the Forest Service notice announcing the proposal of tripling of day fees to Mendenhall Glacier. Based on the services provided and the future Statter Harbor expansion needs, an increase of the PFH to $7.50 could be reasonably justified. I recommend scheduling a public hearing to solicit input from those affected by a large increase to this fee.

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Encl (1) Forest Service Notice of Proposed new fees for Mendenhall Glacier

Proposed Recreation Fees Information and Comment Page

In 2004, Congress passed the Federal Lands Recreation Enhancement Act (REA), which allows the Forest Service to retain funds collected at certain recreation sites and use these funds locally to operate, maintain, and improve these sites. These additional funds along with 95 percent of the revenue from recreation fees remains on the forest to operate, maintain, and improve facilities. The resources derived through collection of fees helps provide quality recreation opportunities that meet the modern expectation of visitors and creates a more financial sustainable developed recreation program for the benefit of future generations.

Current Status

The public comment period starts May 22nd, 2026 and ends July 20th, 2026 for the following:

Site Name	Current Fee	Proposed Fee
Mendenhall Glacier Visitor Center	Day Fee: $5 per person Season/Year Fee: $15 per group Late Season/Year Fee: $10 per group Group size: 2	Day Fee: $15 per person Season/Year Fee: $20 per person