

**DOCKS & HARBORS
FINANCE SUB-COMMITTEE
MEETING**

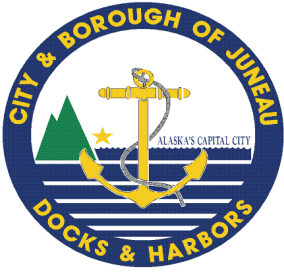
Wednesday, January 26th, 2022
Via Zoom Meeting - <https://bit.ly/3DHlhGk>
Meeting ID: 813 0169 6995
Passcode: 731967
Call In: (253) 215-8782

- I. Call to Order** – January 26th, 2022 at 5:00pm
- II. Roll Call** (Lacey Derr, James Becker, David Larkin, Matthew Leither, Mark Ridgway, Don Etheridge and Bob Wostmann)
- III. Approval of Agenda**
- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total time)
- V. Approval of Wednesday January 12th, 2022 Finance Sub-Committee Meetings Minutes.**
- VI. Items for Information/Discussion**
 1. Proposal – Statter Harbor Moorage Fee Surcharge
Presentation by Sub-Committee Member Leither

Committee Discussion/Public Comment
 2. Wordsmithing - Justification Criteria for CPI Fee Linkage
Presentation by Sub-Committee Chair/Port Director

Committee Discussion/Public Comment
 3. QA - Regulation Changes for Consumer Price Index (CPI) Update
Presentation by Port Director

Committee Discussion/Public Comment
- VII. Sub-Committee Action Items**
- VIII. Good of the Order**
- IX. Next Meeting** – February 9th, 2022
- X. Adjournment**



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Via Zoom Meeting

- I. Call to Order:** Mr. Wostmann called the meeting to order at 5:00 p.m. on January 12th, 2022 via zoom meeting.
- II. Roll Call:** The following members were present in the Port Director's Conference Room or via Zoom - Lacey Derr, James Becker, Matthew Leither, Mark Ridgway, Don Etheridge and Bob Wostmann.

Absent: David Larkin

Also present: Carl Uchytel – Port Director, Matthew Creswell – Harbormaster and Teena Larson – Administrative Officer.

- III. Approval of Agenda**
MOTION By MR. ETHERIDGE: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

- IV. Public Participation on Non-Agenda Items - None**

- V. Approval of December 22nd, 2021 Finance Sub-Committee Meetings Minutes.**
Hearing no objection, the December 22nd, 2021 Finance Sub-Committee minutes were approved as presented.

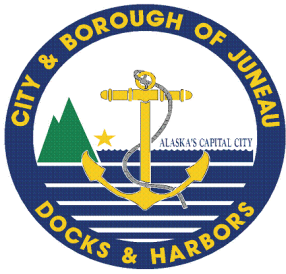
- VI. Items for Information/Discussion**

1. Budget Cycle Review FY22 & FY23/24 Biennial Budget

Mr. Uchytel asked members to see page seven of the agenda packet. Staff is working on finishing the FY22 budget as well as submitting the biennial budget for FY23 & FY24. He said after consultation with the Finance Department what is presented here tonight will meet the requirement in the City Charter, meaning our revenue will exceed our expenses. As an enterprise we must meet this criteria as well as our bond covenant. Mr. Uchytel went through the budget overview spreadsheet explaining line items for the Docks Enterprise and Harbors Enterprise. Mr. Uchytel is projecting a zero balance budget.

Committee Discussion

Docks Enterprise:



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Mr. Wostmann asked about a few line items with large discrepancies from prior years. His first question was about *Contractual Training* and the large increase from prior years like FY19.

Mr. Uchtyl said much of that training has to do with the facilities security training requirements for Mr. Jeremy Norbryhn - Deputy Harbormaster and Mr. Scott Hinton – Port Operations Supervisor.

Ms. Larson said there will also be contractual training for the part-time limited employees. They will all need CPR/First Aid training, flagger training and safety training.

Mr. Wostmann asked about the line item *Repairs*. It took a significant jump from FY19 at \$7,000 to projecting FY22, FY23 and FY24 as high as \$60,000.

Ms. Larson said a lot of that figure was for the lighting on the cruise ship docks. The first repair we had on the CT Dock was over \$30,000 and we have additional repairs expected.

Mr. Wostmann asked about the equipment and if these types of repairs were normal.

Mr. Uchtyl said all of the LED lighting along the catwalk has failed and needs to be replaced. The cost is unfortunate, but with the placement right along the water and exposure to winds it is something that can occur.

Mr. Wostmann said lighting is very important, it is just unfortunate it needs to be replaced. He also asked when the lighting was installed.

Mr. Uchtyl said it was installed in 2016 and 2017.

Mr. Wostmann asked about the *Building Maintenance Division Charges* line item. It increased from \$19,000 in FY19 to \$30,000 in FY24.

Ms. Larson said the price is set by CBJ and cannot be changed.

Mr. Wostmann asked for clarification on *Spec & Prop*.

Mr. Uchtyl said it was specialty property insurance and the cost has doubled since FY19.

Mr. Wostmann also asked if there was a shift in where we record *All Other Workforce* expenses.



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Mr. Uchytel said it is for the engineering staff. Their salaries are required to be paid through CIP projects with the exception of about 10% to 15% of their time is attributable to the Docks Enterprise and Harbors Enterprise.

Mr. Wostmann wanted clarification on the *Port Development* fee in FY21 in the amount of \$350,964.

Mr. Uchytel said it was to get us close to the \$448,500 we normally receive from Marine Passenger Fees that we did not collect in FY20. We received the same amount but it came from through different revenues account to offset the loss.

Harbor Enterprise:

Mr. Uchytel said the Harbor Enterprise is 50% salaries and 50% commodities and services. We have close to a neutral budget between our revenues and expenditures. We are currently forecasting almost \$240,000 in additional lease expenses for the UAS property. We also have an increase in payroll with the new part-time limited FTE's and the addition of a Harbor Security Officer position.

Mr. Ridgway asked for an explanation in the discrepancies in the *Licenses, Permits and Fees* section.

Mr. Uchytel said that is where we moved money from the Dock Enterprise to the Harbor Enterprise. The bulk of that was for what we anticipated for the nine Vendor Booth Permits which are \$30,000 each.

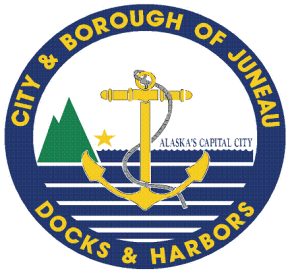
Ms. Larson said last season they did not start until July of 2021, which was FY22. The permits were at a discounted rate, but will be accounted for twice in FY22.

Mr. Leither inquired about the *Rents* line and asked if the significant increase was due to the UAS lease increase.

Mr. Uchytel confirmed it was significantly higher to show the rental increase for the UAS property.

Mr. Wostmann inquired about the large increase for the *Repairs* line.

Mr. Uchytel said he looks at the budget like an authorization to spend. It is one of those numbers where we do not know what the future will be. FY21 actuals are at \$124,000 and we have had an austerity program the last few years because of Covid. There is a need to do repairs at the Fisherman's Terminal and at Taku Harbor. He worked with the Harbormaster to come up with the figure here, which also includes



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lighting needs at the Auke Bay Loading Facility. If there is money left over we are able to use it to buy things like the up-and-out rescue ladders. It is a large number but it gives us flexibility to make repairs as needed.

Mr. Wostmann again pointed out the cost doubling for the *Building Maintenance Division Charges*.

Mr. Uchtyl explained there was a policy change within CBJ on the process. In FY19 we paid CBJ \$30,000 for a maintenance contract, but we also paid a fee anytime we made a call-out. The new guidance gives us unrestricted use up to a certain level. Once we reach that level we move into an extraordinary costs section. This is a non-negotiable fee, but in the long-term we will get more for our money.

Mr. Creswell said we used to be charged for services, but now they have gone to full cost allocation and look at two or three years previous to forecast the next two years. As we get new facilities and our old ones get older there is bound to be an increase in the maintenance needs and costs. The more maintenance we do in-house the lower this CBJ fee will be going forward. The other nice aspect of this change is when a large cost is incurred it does not come out of our budget immediately, it gives us time to budget for it accordingly.

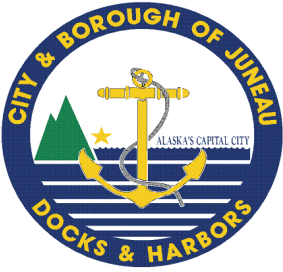
Mr. Wostmann wanted to go over the *Fleet Replacement Reserve* line.

Ms. Larson said it was required throughout all of CBJ to be able to pay for all anticipated fleet needs for ten years. We were not able to meet that so they asked us to increase our contribution.

Mr. Wostmann asked if our equipment was not lasting for ten years, or if there was another reason we were not meeting past contributions.

Ms. Larson said she thinks our equipment has actually been lasting longer than projected but we have big needs coming up with a loader, a boat and several other things.

Mr. Creswell said CBJ requires all of our major equipment to be on a fleet replacement reserve and have the funding in place. We have been lucky to recapitalize, with the exception of a couple vehicles most equipment is six to eight years old. He is hopeful when it comes to a loader or boat we can apply for a grant to cover the cost, but we still need to have that listed and the funding in place.



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Mr. Leither asked about the *Bank Card Fees*, and why it costs \$80,000 per year.

Mr. Wostmann explained they are the fees charged by the credit card processor. He said he was interested in a discount for receiving cash or check, or maybe we could pass that charge on to the customer so we do not need to budget it as an expense. He explained CBJ has contracts with the credit card processor and we cannot change the company.

Public Comment – None

2. Regulation Changes – Consumer Price Index (CPI)

Mr. Uchtyl said the Law Department has indicated a willingness to advance CPI adjustments to multiple rates at once.

Committee Discussion

Mr. Ridgway asked if it would be last year's CPI added to these rates if it passes. He also wanted to know what date the CPI would change the rate.

Mr. Uchtyl said most of the moorage fees are tied to our fiscal year. Typically the 1st of July is when our moorage rates increase that already have a CPI adjustment included in the regulation. He would like to discuss with Law to clarify the date for cruise ship fee adjustments. Every year in January we communicate with the cruise ship industry and Mr. Kirby Day and give them the rates. He agreed with Mr. Ridgway that we need to write it into regulation so it will be for an entire cruise season and not a fiscal year.

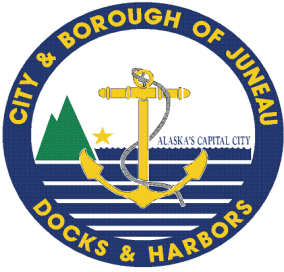
Mr. Wostmann asked if staff has a preference on the date to change the cruise ship fees. Whether it should be like the others at the beginning of the fiscal year, or the tourist season on May 1st.

Ms. Larson said she thinks moorage is fine changing July 1st. She liked Mr. Uchtyl's suggestion about the cruise industries CPI adjustment on May 1st.

Mr. Ridgway asked about the struck-out language regarding rounding to the nearest cent. He was curious if anyone saw a source of complication with the current wording.

Mr. Uchtyl said he worked with Law trying to be as consistent as possible for all the fees so there is predictability.

Public Comment



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Mr. Kirby Day – Juneau, Alaska

He said the industry deals with this in a variety of ways all over the world. For instance, Hawaii's season is from October to March. He thinks it would be beneficial to have one fee per cruise season. It is not impossible to have it change in July, but it would be much simpler to have a standard fee for the entire season. The industry usually budgets a year out and completes their budgets in June.

3. Harbor Rate Study - Update

Mr. Uchtyl met with HDR and we are close to executing a contract. We have discussed the order of their work and if there will be interviews ahead of the document reviews.

Committee Discussion

Mr. Leither spoke about how this has been moving along with the different committees and he thought there would be a vote on it at some point. He remembered Mr. Uchtyl said in previous meetings that a vote was not needed for him to proceed, but he thought a vote would be done anyway.

Mr. Uchtyl said he could bring it to the Operations/Planning Committee next week if that is the will of the Board.

Mr. Wostmann said he would feel more comfortable with one last quick look at it. He also thought the final decision to move it to the Operations/Planning Committee should be up to the Chair, Mr. Ridgway.

Mr. Ridgway asked for clarification from Mr. Leither on what he was requesting. Does he want an Operations/Planning Committee vote to award the contract?

Mr. Wostmann said he wanted it clearly understood that the vote would not be for negotiations of the contract, only an up or down, yes or no vote to award the contract. If a member had a significant issue with what is proposed they could address it.

Mr. Ridgway said if Mr. Leither really needed to see it, but he has faith in staff and said staff has been doing things like this for a very long time. He said Mr. Uchtyl can put it on the agenda if he would like, but please be brief. Mr. Ridgway said he personally does not feel it is needed. If Mr. Wostmann and Mr. Leither need further assurance that is fine.

Mr. Wostmann said he has no doubt Mr. Uchtyl has done a good job of negotiating the contract. He feels a final review by the authority is always a good idea, although,



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he does not feel that strongly about this. If members here tonight disagree and feel we should go ahead without putting it forward he was fine with that too.

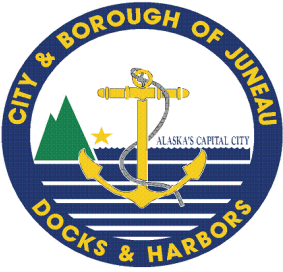
Mr. Etheridge said we already set the maximum fee that can be charged. He does not understand what we would be looking at to approve. Are we trying to vote on the methods the consultant uses?

Mr. Leither said throughout this process he feels he has asked several times at what time does this become final. He keeps hearing once we advance it out of committee, we will then have a final chance to take a look at things. Now it seems things are done and he isn't sure when or how that happened. He is afraid the study will tell us to increase the rates by 6% across the board, and we do not need a study to do that at the cost of \$50,000. He would be happy to vote for this if there was data proving it was worth the expense. Mr. Leither would also like to see sample work and multiple explanations for why rate increases would be needed.

Mr. Ridgway said the first mention of a rate study was over a year ago. We were looking at financial darkness and realizing we have not raised rates in many years, some had not changed in over a decade. He does not want to slow this process down but it might be a legitimate step to take. He asked Mr. Leither what type of motion he was hoping for if this went to the Operations/Planning Committee, and finally the Full Board. He remembers speaking about the scope of work over many meetings and even voting on that for the study. We also approved the funding for the study as a group. He is not 100% sure what the motion would be.

Mr. Leither said the motion he sees as needed is approving the consultant and seeing the contract that Mr. Uchytel has created. He needs to see the consultant is taking it in a very detail oriented way to feel comfortable voting for it. He wants to see an exact reason for increasing or decreasing fees. He would like to see if they are truly the best company. He never saw the selected company's proposal.

Mr. Wostmann said there was a solicitation to all of the Board members to see if they would like to be a part of the selection committee and participate in the evaluation process. The evaluation team did just that by listening to the approach they would take and about what type of data they would collect. He said Mr. Leither's concerns were not presented to this committee, but they were addressed. He is not opposed to a final review but they did approve an RFP, which gave the approval for Mr. Uchytel to go ahead with the rate study. As a matter of fact, he was specifically directed to do so. He feels the Board would be pushing the envelope to ask for further review.



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Mr. Leither said he remembers the meeting with the RFP and is frustrated he did not get the answers he was looking for. He kept asking what is next, and is this the end. The answer he received was, “we advanced it, and then we can look at it later”. Then we could approve the budget set aside for this. He was out of town for a meeting and might feel better if he could get a sample of the consultant’s work.

Mr. Wostmann said due to the way Mr. Leither feels, and the confusion, we should put this on the agenda for the next Operations/Planning Committee. This would give Mr. Leither or any other member a chance to voice concerns. The only option with the motion would be to vote it up or down. Once the Port Director is given instructions to proceed and negotiate the contract that is the time for members to voice concerns. He does not think it should become policy for the members to second guess the director every time we have a contract.

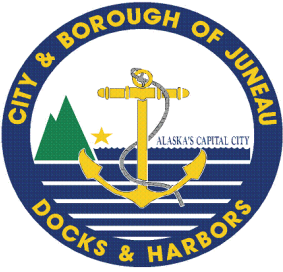
Mr. Etheridge agreed and said every member had the opportunity to sit in on that selection committee and only two did. He feels everyone did an excellent job on the interviews. We did not just accept their written responses but also did an oral interview on the final two. We spent a lot of hours with staff going through the interviews and paperwork. He feels we are now trying to pull the rug out from underneath Mr. Uchytel. We gave him the okay to negotiate the contract. His recommendation is for Mr. Leither to get together with Mr. Uchytel so Mr. Leither can state his concerns and ask questions.

Mr. Ridgway said it is fine if we add this to the Operations/Planning Committee agenda. We can then take a roll-call vote on awarding the contract. He wants Mr. Leither to speak with Mr. Uchytel and get his answers. He feels this rate study will go through especially with all the work that has gone into it so far.

Mr. Leither said he is not trying to denigrate the work that has gone into this rate study thus far. He is frustrated with the process and is happy with a vote at the next Operations/Planning Committee meeting. He asked if he was able to get a sample of the work given by this company.

Mr. Uchytel said he did not want a copy of the proposals released prior to the selection committee making a decision. We can now make all three proposals available to members.

Mr. Leither said he only wants to review the work of the company that was selected by the committee.



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Mr. Uchytel said part of hiring professional services is a trust that once you interview them, evaluating them against their peers, you make the best choice you can and have confidence they will perform.

Public Comment – None

4. Proposal – Statter Harbor Moorage Fee Surcharge – **Cancelled due to time constraints. Will be moved to the next Finance Sub-Committee meeting agenda.**

VII. Sub-Committee Action Items

To read Mr. Leither's proposal on the Statter Harbor Moorage Fee Surcharge ahead of next week's meeting.

VIII. Good of the Order - None

IX. Next Meeting – January 26th, 2022

X. Adjournment – The meeting adjourned at 6:29 p.m.

At the last Finance Sub-Committee meeting (12/22/2021), board members were asked to brainstorm ideas to generate additional revenue in light of anticipated short falls in harbor enterprise funding. Although any rate increase can be painful to our users, and we should be sensitive to this, I would like to present an argument for instituting a permanent moorage surcharge for Statter Harbor. **Specifically, I would like to propose that we add a 25% surcharge for permanent moorage at Statter Harbor in addition to regular moorage rates.** Below is some information and reasoning to support this proposal.

- 1.) **Possession of a permanent slip offers multiple benefits over transient moorage, and costs should reflect this.**
 - a. Users of permanent slips have guaranteed moorage even on the most congested harbor days. This is an especially valuable benefit considering that on many weekends in the summer, transient users are forced to tie to the outside of the breakwater or even anchor in the bay due to lack of available moorage. This has led some users to forgo taking trips on weekends due to the fear that they will not have a spot to tie to when they return.
 - b. Slips are easier for boat operators to enter than parallel parking on the main fingers.
 - c. Users of permanent slips are not subject to rule that they must move their boats every 10 days.
 - d. Permanent slips have year-round water.
 - e. Permanent slips are closer to the harbor office and more visible, which may offer a security benefit.
 - f. Permanent slips are closer to the gangways. This makes for easier access and easier gear transportation.
 - g. Permanent slips likely have less wind and wave/swell action due to closer proximity to shore and greater distance from the breakwater.
- 2.) **Demand greatly outstrips supply for permanent slips in Statter Harbor.** There are currently 63 patrons on the 32-foot waitlist for stalls, while the next-in-line patron has been on the waitlist for almost 7 years (since 3/2/15). There are 48 patrons on the 42-foot waitlist for stalls, while the next-in-line patron has been on the list for approximately 7.5 years (since 8/6/14). It seems likely that these figures actually understate demand for permanent slips. Many users who would otherwise be interested in a permanent slip may not sign-up on the waitlist due to the apparent difficulty in ever attaining a permanent slip. Laws of supply and demand suggest that our demand can support this relatively modest surcharge. In personal conversations with patrons in the harbor, I have spoken people who say they would be willing to pay double the current rate for the privilege of permanent moorage.
- 3.) **In the current system, patrons with permanent slips have the opportunity to pay less in total harbor fees than those in transient moorage.** This is because electricity is metered in the permanent slips, while it is paid on a flat rate in transient. As an example, a non-liveaboard in transient who is hooked up to electricity will pay \$54 as a flat rate in the summer, regardless of how much electricity is being used. Many of those in transient are primarily using their power hook-ups to run trickle chargers to top off their batteries. The user in this example is likely using significantly less electricity than they are paying for. Conversely, a similar user in a permanent slip running a trickle charger to keep batteries charged will be charged only for the power they use, resulting in a total cost savings. The opportunity for users of permanent slips to pay less in total costs does not seem fair when

the same opportunity is not afforded to our transient users. The opportunity for patrons using permanent moorage to pay less in overall fees is especially troubling when the benefits of permanent moorage (listed above) are considered.

- 4.) **If patrons with permanent slips are unwilling or unable to pay the proposed surcharge, there remain opportunities for moorage in the transient section of the harbor.** Although it is important to be sensitive to any additional demands on our patrons' finances, this proposal should not be thought of as "forcing out" current permanent slip holders. There is still moorage in Statter Harbor that is available for all users, and no one will be losing access to the waters north of Juneau if they do not wish to pay the proposed surcharge. Statter Harbor has historically been managed as a transient harbor. Considering the benefits listed above, permanent moorage should be considered a luxury in our current system, and as such should be billed as a luxury.
- 5.) **Based on current rates (pre-rate study), this additional surcharge would generate \$47,367 per year.** It seems likely that the actual additional revenue would be greater than this for two reasons. First, the general moorage rate may increase after our rate study, which would in turn lead to more revenue from the proposed surcharge because it is linked to the general moorage rate. Secondly, these calculations assume that all users pay by the slip size (for instance, a user of a 32' slip would pay for 32 feet). However, this is not the case. Permanent users actually pay for the length of their vessel *or* the length of the slip, whichever is greater. So in fact, the total feet of permanent moorage paid is likely greater than the figures shown below. It may be valuable to move forward with this proposal sooner rather than later so that any additional revenue it provides can be factored into the calculations which our consultants will be making in the rate study.

Slip Size	Total # of slips	Cost per slip per boat per year	Total Revenue from slips per year	Additional Revenue from proposal
Up to 32'	53	32' x \$7.30 per foot x 12 months x 90% (for yearly payment discount) = \$2523 per boat per year	53 x \$2523= \$133,719	\$133,719 x 25%= \$33,294
32-42'	17	42' x 7.30 per foot x 12 months x 90% (for yearly payment discount) = \$3311 per boat per year	17 x \$3311= \$56,292	\$56,292 x 25%= \$14,073
	70		\$133,719 + \$56,292= \$190,011	\$33,294+\$14,073 \$47,367

Justification for applying CPI to all pertinent CBJ docks & harbors rates and adjusting for rates not reviewed for many years.

Based on the recently adopted Rate Setting Policy the basis for applying a CPI adjustment to all applicable rates is as follows:

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 data 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 even when 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 the answer to 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 the answer to this question once the rate study has been completed.

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

By applying a “catch up” adjustment not to exceed 5% for rates which have not been adjusted in many years, the disparity between user groups will be diminished significantly while limiting the impact to any one user group by applying the 5% cap.

Approved by Docks & Harbor Board
January xxth, 2022

REGULATIONS OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Amendment of Title 05, Chapters 15, 20, 30 & 40 FEES AND CHARGES – APPLICATION OF CONSUMER PRICE INDEX

PURSUANT TO AUTHORITY GRANTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, THE DOCKS AND HARBORS BOARD PROPOSES TO ADOPT THE FOLLOWING AMENDMENT TO REGULATIONS:

Section 1. Authority. These regulations are adopted pursuant to CBJ Ordinance 01.60, 85.02.060, and 85.02.100.

Section 2. Amendment of Section. 05 CBJAC 15.030 is amended to read:

05 CBJAC 15.030 Dockage Charge.

...

(j) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 3. Amendment of Section. 05 CBJAC 15.040 is amended to read:

05 CBJAC 15.040 Port maintenance fee

...

(f) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 4. Amendment of Section. 05 CBJAC 15.060 is amended to read:

05 CBJAC 15.060 Vessel Lightering fees

...

(f) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 5. Amendment of Section. 05 CBJAC 15.080 is amended to read:

05 CBJAC 15.080 Loading permit fees

...

(d) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 6. Amendment of Section. 05 CBJAC 15.110 is amended to read:

05 CBJAC 15.110 Boom truck services

...

(c) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 7. Amendment of Section. 05 CBJAC 20.020 is amended to read:

05 CBJAC 20.020 Special annual moorage for skiffs

(a) An owner with an open-hulled vessel 21 feet or less in length, excluding engines, may apply to the Harbormaster for moorage in the limited access areas of Aurora Harbor, Don D. Statter Harbor Facility, and Mike Pusich Douglas Harbor. The Harbormaster will assign moorage in these areas on a first-come, first-serve basis. If assigned moorage by the Harbormaster, all requirements pertaining to annual moorage apply, except the annual moorage fee that the owner shall pay.

(b) The annual moorage fee shall be \$300.00 per calendar year (January 1 through December 31).

(c) *CPI Adjustment.* The fee assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous year.

Section 8. Amendment of Section. 05 CBJAC 20.030 is amended to read:

05 CBJAC 20.030 Daily moorage fees

...

(d) *Daily moorage fees.* Except as provided for reserved daily moorage, daily moorage fees will be assessed for each 24-hour period or portion thereof as follows:

- (1) From July 1, ~~2013~~ ~~2021~~ 2022 through June 30, ~~2014~~ ~~2022~~ 2023, \$~~0.53~~ \$0.58 per foot; and
- (2) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

~~(2) Each moorage year after June 30, 2013, a fee equal to the previous year's fee adjusted by the Anchorage Consumer Price Index as reported by the Alaska Department of Labor for the calendar year preceding the start of the moorage year, rounded to the nearest cent, unless the docks and harbors board takes action to keep the fee the same as the previous year~~

Section 9. Amendment of Section. 05 CBJAC 20.035 is amended to read:
05 CBJAC 20.035 Monthly moorage fee

...

(d) *Monthly moorage fee.* Monthly moorage fees will be assessed for each calendar month or portion thereof as follows:

- (1) *Downtown harbors.* From July 1, ~~2022~~ ~~2016~~ to June 30, ~~2023~~ ~~2017~~: \$4.25 per foot.
- (2) *Statter Harbor.* From July 1, ~~2022~~ ~~2016~~ to June 30, ~~2023~~ ~~2017~~: \$7.15 per foot.

(e) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

~~(e) *Moorage fee adjustment.* Each moorage year, beginning July 1, 2017, the moorage rates at the Statter and Downtown Harbors will be adjusted by an amount equal to the change in the Downtown harbors moorage rate when adjusted by the Anchorage Consumer Price Index as reported by the Alaska Department of Labor for the calendar year preceding the moorage year, rounded to the nearest five cents, unless the Docks and Harbors Board takes action to keep the fee the same as the previous year.~~

Section 10. Amendment of Section. 05 CBJAC 20.045 is amended to read:
05 CBJAC 20.045 Fee for tenders

...

(d) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 11. Amendment of Section. 05 CBJAC 20.050 is amended to read:
05 CBJAC 20.050 Residence surcharge

...

(e) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 12. Amendment of Section. 05 CBJAC 20.060 is amended to read:
05 CBJAC 20.060 Recreational boat launch fees

...

(i) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous year.

Section 13. Amendment of Section. 05 CBJAC 20.070 is amended to read:
05 CBJAC 20.070 Fees for commercial use of boat launches

...

(f) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous year.

Section 14. Amendment of Section. 05 CBJAC 20.080 is amended to read:
05 CBJAC 20.080 Passenger-for-hire fee

...

- (d) *Inspected vessel fees.* The Harbormaster shall assess permit fees to the owner of a vessel engaged in passenger-for-hire activities that is regulated under Subchapter T and S of 40 CFR 33 as follows:
- (1) Calendar year 2015 permit: \$300.00 per vessel plus \$1.25 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2016 permit: \$400.00 per vessel plus \$1.50 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2017 permit: \$500.00 per vessel plus \$1.50 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.
 - (2) Each calendar year after 2017, a fee equal to the previous year's fee adjusted by the Anchorage Consumer Price Index (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the moorage year, rounded to the nearest \$1.00 for the vessel permit and nearest \$0.10 per passenger, unless the docks and harbors board takes action to keep the fee the same as the previous year.
 - (3) No charge for non-profit use when approved by the Harbormaster on a case-by-case basis.
- (e) *Uninspected vessel fees.* The Harbormaster shall assess permit fees to the owner of a vessel engaged in passenger-for-hire activities that is not regulated under Subchapter T and S of 40 CFR 33 (OUPV - operator of uninspected passenger vessels) as follows:
- (1) Calendar year 2015 permit: \$50.00 per vessel plus \$1.00 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2016 permit: \$100.00 per vessel plus \$1.25 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2017 permit: \$150.00 per vessel plus \$1.50 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.
 - (2) Each calendar year after 2017, a fee equal to the previous year's fee adjusted by the Anchorage Consumer Price Index (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the moorage year, rounded to the nearest \$1.00 for the vessel permit and nearest \$0.10 per passenger, unless the docks and harbors board takes action to keep the fee the same as the previous year.
 - (3) No charge for non-profit use when approved by the Harbormaster on a case-by-case basis.
- (f) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous year.

Section 15. Amendment of Section. 05 CBJAC 20.090 is amended to read:

05 CBJAC 20.090 Statter lower parking lot permit fee

...

(d) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous year.

Section 16. Amendment of Section. 05 CBJAC 20.100 is amended to read:

05 CBJAC 20.100 Grid usage fees

...

(e) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 17. Amendment of Section. 05 CBJAC 20.110 is amended to read:

05 CBJAC 20.110 Crane use fees

...

(d) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 18. Amendment of Section. 05 CBJAC 20.130 is amended to read:

05 CBJAC 20.130 Storage fees

...

(d) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 19. Amendment of Section. 05 CBJAC 20.140 is amended to read:

05 CBJAC 20.140 Staff labor fees

...

(4) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar

year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 20. Amendment of Section. 05 CBJAC 20.150 is amended to read:
05 CBJAC 20.150 Reserved moorage waitlist fee

- (a) A person applying for placement on the reserved moorage waitlist shall pay an initial sign-up fee of \$50.00 and an annual fee of \$10.00 payable by March 1 of each year that the person wishes to remain on the waitlist.
- (b) CPI Adjustment. The fee(s) assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous year.

05 CBJAC 20.210 Auke Bay Loading Facility—Float Moorage.

The fee to use the Auke Bay Loading Facility Float shall be as follows:

- (1) No cost for the first two hours using the float.
- (2) \$0.75 per linear foot per calendar day for using the float for more than two hours and up to three calendar days.
- (3) \$1.50 per linear foot per calendar day for using the float for more than three calendar days and up to seven calendar days.
- (4) \$3.00 per linear foot per calendar day for using the float for seven calendar days or more.

CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

05 CBJAC 20.220 Auke Bay Loading Facility Float—Mechanical Work Zone.

The rate for the Docks and Harbors Auke Bay Loading Facility Float Mechanical Work Zone shall be as follows:

- (1) \$0.75 per linear foot per calendar day for the first three days.
- (2) \$1.50 per linear foot per calendar day for days four through seven.
- (3) \$3.00 per linear foot per calendar day in excess of seven days.

CPI Adjustment. The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 21. Amendment of Section. 05 CBJAC 30.010 is amended to read:
05 CBJAC 30.010 Shorepower access fees

...

(j) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 22. Amendment of Section. 05 CBJAC 40.010 is amended to read:
05 CBJAC 40.010 General moorage management policy

...
(j) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 23. Amendment of Section. 05 CBJAC 40.065 is amended to read:
05 CBJAC 40.065 Vessel anchoring requirements

...
(e) *CPI Adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may—by motion—keep the fee(s) the same as the previous fiscal year.

Section 24. Notice of Proposed Adoption of a Regulation. The notice requirements of CBJ 01.60.200 were followed by the agency. The notice period began on **January XX**, 2022, which is not less than 21 days before the date of adoption of these regulations as set forth below.

Adoption by Agency

After considering all relevant matter presented to it, the agency hereby amends these regulations as set forth above. The agency will next seek Assembly review and approval.

Date: _____

Carl Uchytel
Port Director

Legal Review

These regulations have been reviewed and approved in accordance with the following standards set forth in CBJ 01.60.250:

- (1) Its consistency with federal and state law and with the charter, code, and other municipal regulations;

- (2) The existence of code authority and the correctness of the required citation of code authority following each section; and
- (3) Its clarity, simplicity of expression, and absence of possibility of misapplication.

Date: _____

Robert H. Palmer III
Municipal Attorney

Assembly Review

These regulations were presented to the Assembly at its meeting of _____. They were adopted by the Assembly.

Date: _____

Elizabeth J. McEwen, Clerk

Filing with Clerk

I certify, as the Clerk of the City and Borough of Juneau, that the following statements are true:

- (1) These regulations were accepted for filing by the office of the clerk at ____:____ a.m./p.m. on the _____ day of _____, _____.
- (2) After signing, I will immediately deliver or cause to be delivered copies of this regulation to the attorney and the director of libraries.
- (3) A permanent file of the signed originals of these regulations will be maintained in this office for public inspection.
- (4) Effective date: _____.

Date: _____

Elizabeth J. McEwen, Clerk