

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, December 16th, 2021
Zoom Meeting

I. Call to Order: Mr. Etheridge called the Regular Board Meeting to order at 5:00 p.m. via Zoom.

II. Roll Call: The following members were present in the Port Director's conference room or via Zoom. Lacey Derr, Paul Grant, David Larkin, Matthew Leither, Mark Ridgway, Annette Smith, Bob Wostmann, James Becker and Don Etheridge.

Also in attendance: Carl Uchtyl – Port Director, Matthew Creswell – Harbormaster, Erich Schaal – Port Engineer, Christine Woll – Assembly Liaison, Scott Hinton – Port Operations Supervisor and Teena Larson – Administrative Officer.

III. Approval of Agenda

MOTION By MR. RIDGWAY: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Approval of minutes

1. November 5th, 6th & 10th Board Retreat; and,
2. November 18th, 2021 regular Board meeting; and,
3. December 8th, 2021 Special Board meeting.

Hearing no objection all Board minutes were approved as presented.

V. Public Participation on Non-Agenda Items - None

VI. Unfinished Business -

1. Marine Passenger Fee Request

Mr. Uchtyl asked the Board to see page 46 in the agenda packet. He reviewed the Area Wide Port Operations Fee request. Some changes were made to shift revenue from the Port Enterprise to the Harbor Enterprise. He also added the maintenance and monitoring of the Peratrovich Plaza. A new request was made for maintenance and repairs of the Visitor's Kiosk.

Mr. Uchtyl reviewed the request for the Port-Customs and Visitor Center Building Maintenance Support. He is requesting \$2.66 per square foot, per month equaling \$133,500.

Mr. Uchtyl said the safety guardrail along the dock face request has been increased for the amount needed from \$1M to \$1.2M. This increase was due to materials and supply chain issues.

Board Questions

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Mr. Grant asked how the maintenance and monitoring of the Columbia Lot, and Peratrovich Plaza get split between the Docks and Harbor Enterprises, and CBJ maintenance team. He asked if it matters who funds a project, or if it is based on location.

Mr. Uchtyl said there was a resolution from 2003 where the City Manager became responsible for the Seawalk. Docks & Harbors is responsible from Marine Park to the Franklin Dock. There is some give and take with other departments, and we regularly work with Parks & Rec. We do pay for landscaping, where at one time we had a handshake agreement with Parks & Rec for them to do the landscaping. The Port Field Office takes care of Peratrovich Plaza to the best of their ability. It is a coordinated effort that seems to work between Docks & Harbors, Parks & Rec, the Library, CCFR and JPD.

Mr. Grant asked if we had any written agreements or if we just get what we can from the City Manager.

Mr. Uchtyl said no, we just work with the different departments and get things done.

Mr. Ridgway asked if the Peratrovich Plaza is on our books, and is there a basic responsibility per code?

Mr. Uchtyl said it goes by the Assessors database. It will show a parcel owned by CBJ, but might say Lands Division or it might say Docks & Harbors. Other than that, there is no centralized catalog where land is owned, just managed. There is a lot of tideland property still in the Lands Division's name, and we have not seen a reason to go to the Assessor and ask to have it changed.

Mr. Schaal said the Lands Division and CBJ does maintain the list of lands that are managed by different departments. Docks & Harbors works with Dan Bleidorn, the Lands & Resources Manager to keep an updated list.

Public Comment – None

Board Discussion/Action – None

MOTION By MR. RIDGWAY: TO ACCEPT THE PROPOSED RECOMMENDATIONS TO THE CITY MANAGER FOR MARINE PASSENGER FEE (MPF) REQUESTS AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objection.

VII. New Business

1. Ordinance Authorizing Docks and Harbors to Execute a Reservation Agreement with Private Dock Owners

Mr. Uchtyl asked the Board to see page 55 of the agenda packet. This ordinance was brought in front of the Operations/Planning Committee last week. There was a non-

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code ordinance created earlier this calendar year which allowed Docks & Harbors to enter into a reservation agreement with Goldbelt to manage reservations for their Seadrome Dock. We met with Goldbelt recently and they shared a desire to continue having us manage the reservations and billings for their dock. This past summer Docks & Harbors collected close to \$17,000 in revenue at the Seadrome Dock. Per our agreement Docks & Harbors kept 30%, or around \$5,000. This relationship has worked well will administrative staff that already manages the Intermediate Vessel Float. When the IVF is full, it's a natural path to suggest the Seadrome Dock as an alternative and book them at that time. The Seadrome Dock is twice as expensive as the IVF and Statter Breakwater.

Board Questions

Mr. Grant asked what changes were made from this draft to the one given at the Operations/Planning Committee meeting.

Mr. Uchytel said based on the input from that meeting, the only change was the Board can delegate authority but cannot delegate responsibility. The committee was trying to give the Port Director the authority to set the fair market value on the services provided.

Mr. Grant asked about paragraph four in the ordinance, releasing CBJ from liability. He did not think the language is enough to indemnify CBJ and wants someone from Risk Management to take a look.

Mr. Ridgway asked if there was a contractual agreement with Goldbelt last year.

Ms. Larson said there was an agreement and the previous ordinance did go through Risk Management.

Mr. Ridgway commented the ordinance makes it so Docks & Harbors can take reservations for any private dock, not just the Seadrome Dock owned by Goldbelt. He would like Risk Management to look over the contract with Goldbelt before it is signed.

Mr. Uchytel said the premise is we are only responsible for the reservations, not the infrastructure. We only provide phone reservation services, we do not go down to the dock, help with electrical or anything else like that.

Ms. Larson said Goldbelt will create a contract if this ordinance passes. We are only responsible for reservations, invoicing and collecting payments.

Mr. Grant said he believes we need better language indemnifying CBJ from more than just a botched reservation, but injury and dock damage.

Mr. Becker asked if we are notified when Goldbelt owned vessels moor at the dock.

Ms. Larson said we keep a schedule of their boats and when they will be docked there. Only one person at Docks & Harbors manages the reservations so it works well and we are very careful not to double book any reservations.

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Mr. Ridgway asked if we are tracking our expenses to confirm it's a worthwhile endeavor. He said he would be happy to take the Administrative Officer's intuition on expense as it is hard to keep track of actual time spent.

Public Comment

Mr. Kirby Day – Juneau, Alaska

Mr. Day said he has supported this in the past and thinks it is a good idea to have the City more involved with scheduling reservations for small ships and yachts. He thinks if Law approves this and it is beneficial to Docks & Harbors, he support it.

Board Discussion/Action – None

MOTION By MR. RIDGWAY: TO DIRECT STAFF TO INITIATE EFFORTS TO ADVANCE AN ORDINANCE CHANGE ENABLING DOCKS & HARBORS TO EXECUTE RESERVATION AGREEMENTS WITH PRIVATE DOCK OWNERS AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

VIII. Items for Information/Discussion

1. CY22 Port Staffing Needs

Mr. Hinton shared a PowerPoint presentation on Port personnel needs for the 2022 cruise ship season. Our Port is the busiest cruise ship port on the West Coast. He spoke about the Maritime Transportation Security Act (MTSA) and how the U.S. Coast Guard (USCG) requires multiple security requirements. MTSA spells out our passenger screening requirements. The Facility Security Officer can be criminally liable for violations of our Port Security Plan. Our Port is the tourism transportation hub, most tours start at our properties. Docks and Harbor employees are the first on scene in the event of an emergency. Another of the Port employee's duties is to keep our Port clean.

Current Staff:

- 1 Port Ops Supervisor 1.0 FTE (Scott Hinton)
- 6 Harbor Officers .5 FTE
- 5 Harbor Technicians .5 FTE
- 6 Part-time limited Harbor Technicians .33 FTE (unbenefited)
- 1 Port Administrator .21 FTE

We have new passenger screening requirements implemented in 2021. They require dual identification checks for each passenger. It is exactly like an airport and TSA checks. You need to show your shipcard (ticket) and a government issued identification. If a passenger does not have both, they need to be escorted down to the ships security team to be verified. This process can take anywhere from two seconds to two minutes depending on the situation. A four thousand passenger ship will require five thousand identification checks, some will be checked twice and then there is also crew.

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Future Staff Needs:

- 1 Port Ops Supervisor 1.0 FTE (Scott Hinton)
- 2 Harbor Officers .67 FTE
- 4 Harbor Officers .5 FTE
- 5 Harbor Technicians .5 FTE
- 20 Part-time limited Harbor Technicians .33 FTE (unbenefited)
- 1 Port Administrator .21 FTE

The request is for two Harbor Officers going up to .67 FTE (eight months) to help in the beginning of the season and end of the season. It will cost about \$39,000 total for PPE, uniforms and training for the additional new employees. Mr. Hinton shared a sample of what a schedule looks like for a typical week. Between our current cost and future cost there is an increase of \$228,082. We will get an additional fourteen new staff members for that increase.

Potential Funding Sources:

- Pass the dockage rate increase
- \$300,000 request for Maine Passenger Fees to the City Manager
- Impose a \$1,000 security fee to each large cruise ship calling upon the AS and CT Dock
- Lightering fee increase to \$1,700

Board Discussion

Mr. Ridgway asked about the potential funding sources and if staff had a recommendation.

Mr. Uchytel said later in this meeting we will discuss the budget and where we stand. He wants to ask the City Manager for \$300,000 in Maine Passenger Fees. Mr. Uchytel said he believes we will run a deficit in FY22 due to having so few cruise ships in the beginning of the fiscal year.

Mr. Ridgway does not want anyone to think because we increase the lightering fee it will solves all of the issues with added expense for security. We still need the added revenue from sources like Marine Passenger Fees.

Mr. Etheridge reminded everyone we also have dockage fee increases with the City Manager and he is hopeful that will go through.

Ms. Smith asked if staff foresees wage increases in the next year or two.

Mr. Uchytel said with inflation he feels MEBA has never been in a better position to negotiate for raising union salaries. He feels by July 2022 there will be some sort of increase to wages, they start negotiations in January 2022.

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Mr. Wostmann asked about the employee schedule and were there are twelve hour shifts for part-time limited employees, would we need to pay overtime for that?

Mr. Hinton said they are ten hour shifts, with nine and a half hours paid. That is a regular schedule with payroll so there would be no overtime.

Mr. Uchytel said Juneau is the 28th largest cruise ship port in the world.

Public Comment

Mr. Kirby Day – Juneau, AK

Mr. Day said he had similar experiences with security needs on the Franklin Dock. He spoke about the Princess Cruise medallion process and how that does help with the amount of time to check identifications and limits staff needed. He confirmed Mr. Hinton's presentation and said checking dual identifications for every passenger takes substantial time and manpower. He also spoke about how difficult it is to stare at two identifications and faces for hours at a time and how staff need breaks so they do not lose focus.

2. CBJ Budget Cycle Update

Mr. Uchytel asked the Board to see page 78 of the agenda packet. This is the Harbor Enterprise revenue and expenses. He spoke about the comparison from FY20 to FY22. These are not the best years to look at with Covid and lost revenue.

Mr. Uchytel asked the Board to see page 78 of the agenda packet. This is the Dock Enterprise revenue and expenses. The red figures are estimates if the current 2022 cruise ship calendar is accurate. We are also trying to add the additional personnel we need for May and June of 2022. Staff anticipates being out about \$1M due to lost revenue from the lack of cruise ships from Covid.

Board Discussion

Mr. Etheridge said with the smaller number of employees last year there is a backlog of maintenance that did not get done. We will need to play catch-up and it will cost a bit more.

Ms. Larson said she wanted the Board to know the FY23 and FY24 budgets are due to the Finance Department by January 13th, 2022. She is in the process of updating the personnel and fleet schedules. She is hoping to have figures available to the Finance Sub-Committee by the December 22nd, 2021 meeting. Hopefully we will have it presented in two Finance Sub-Committee meetings and to the Regular Board meeting on January 27th, 2022.

Public Comment – None

3. Selection of HDR for Professional Services to execute Harbor Rate Study

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Mr. Uchytel asked the Board to see page 80 of the agenda packet. The Harbor Rate Study Committee met recently and interviewed the top two candidates, HDR and Northern Economics. The committee recommended to offer the professional services contract to HDR. He said all three companies that submitted proposals have been notified. We are now past the protest stage and are ready to start contract negotiations.

Board Discussion – None

Public Comment – None

4. [Governor's FY2023 Proposed Budget](#)

Mr. Uchytel said the Alaska State Constitution requires the Governor to provide a proposed budget by December 15th each year. Of interest to Docks & Harbors is the request for the Harbor Grant Program. We were disappointed when we looked at the operations budget and did not see any mention of the program. It could still be submitted by Legislative action.

Board Discussion – None

Public Comment – None

5. Preparation of Joint Docks & Harbor/Assembly Meeting

Mr. Uchytel said typically the Docks & Harbors Board is invited to meet with the Assembly once a year. He asked the Board if anyone had any strategic ideas they wanted to add for the meeting.

Board Discussion

Mr. Ridgway asked if staff could go back over the last couple of years and send the agendas to all Board members. He also asked Mr. Uchytel what he thought was important to share with the Assembly.

Ms. Derr asked Mr. Uchytel to tell the Board what types of things are normally talked about in these joint meetings.

Mr. Uchytel said there was some disappointment when the dockage fee was not raised in May. It would be valuable to have an honest communication with the Assembly on our struggles and why we request rate increases. Hopefully the Assembly sees us trying to raise revenue with this rate study. It would be good to tell the Assembly how we intend to close this financial gap. The Assembly has been very supportive, especially this last week with money. He believes to pinpoint a few strategic goals and having an honest dialog would be helpful for all of us.

Mr. Etheridge said he and Mr. Uchytel usually come up with an agenda with input from the Board.

Ms. Woll said she thinks it is great to be proactive and think about what the Board would like to discuss with the Assembly. She suggested to think about topics that the community is interested in, like dock electrification and rate increases.

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Ms. Derr said she would like to share our intent to go for grants like the Build Back Better grant opportunity and our legislative hopes.

Mr. Uchytel said the electrification study is posted on the Docks & Harbors website seeking public comment until January 17th, 2022. It might be a good idea to schedule the meeting after all the comments are received so they can be shared with the Assembly.

Mr. Ridgway said individual Board members should email suggestions to Mr. Etheridge and Mr. Uchytel. He thinks this should be added to the January 19th, 2022 Operations/Planning Committee meeting as an item for discussion.

Public Comment – None

IX. Committee and Member Reports

1. Operations/Planning Committee Meeting - December 8th, 2021

Mr. Ridgway reported that the committee discussed:

- Docks & Harbors reservation ordinance for privately owned docks,
- Marine Passenger Fees list being forwarded to the City, and
- The CIP list

2. Finance Sub-Committee Meetings – November 23rd & December 7th, 2021

Mr. Wostmann reported the sub-committee discussed:

- The rates overview spreadsheets and covered which rates need the CPI added,
- The UAS property purchase and what the Finance Department thought was our best avenue for the additional funding, and
- Capping rate increases at 5% per year.

3. Member Reports

Mr. Etheridge spoke about the Assembly approving \$2M for the UAS Property. He said he and Mr. Uchytel fielded a lot of questions by the Assembly.

4. Assembly Lands Committee Liaison Report – None

5. Auke Bay Neighborhood Association Liaison Report

The Lands Committee is in discussion about some property behind the Auke Bay Elementary School. This should not affect Docks & Harbors.

6. South Douglas/West Juneau Liaison Report

Ms. Smith said the last meeting was cancelled and has not been rescheduled yet. She will be making a presentation for Docks & Harbors at their next meeting.

X. Port Engineer's Report

Mr. Schaal reported;

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- The Taku Seawalk Releveling Project that began this week. The contractor is already removing timbers. They have a barricade up around the site so the public can still use the Seawalk.
- The Statter Harbor D Float repair. Bellingham Marine Industries (BMI) is looking for the design specifications for our floats that were made back in the 80s. They will be making two new floats and getting tension specifications for the repairs needed. We plan to seek bids for the repair this spring.

XI. Harbormaster's Report

Mr. Creswell reported;

- Staff has spent most of their time dealing with frozen water pedestals and heat traces.
- There will be a few hearings tomorrow for impounded vessels.
- There are several items for sale on the public surplus website.
- The impounded vessel Hazel S just sold so we do not need to pay for any disposal fees.
- There were some temporary repairs to lighting around the crane dock.
- There will be some new lighting in the Aurora Harbor Annex Yard.
- He spoke about the Board request for information on live-streaming video surveillance to the public. There is currently one camera that live-streams through our website. He has a few more cameras to install and then he will work with MIS and see if it is a possibility to live-stream them all.
- Mr. Creswell spoke about the deferred maintenance issues Mr. Etheridge mentioned. A lot of things were put off during the height of Covid when things were so uncertain financially so we are playing catch up.

Mr. Etheridge mentioned the safety blocks that were installed to help with slippery ramps. They have worked out well and hopefully prevent further injuries.

Mr. Ridgway asked about the water monitors and if they can help detect freezing problems.

Mr. Creswell said the water monitoring systems we have is working well and we are continuing with the installation of that. There is an option to place temperature sensors on them and staff is debating whether it would be worth it.

XII. Port Director's Report – None

XIII. Assembly Liaison Report

Ms. Woll reported what was discussed at the recent Assembly meeting and what affected Docks & Harbors.

- \$2M for the UAS property purchase
- \$5.5M for the Statter Harbor Ph III & Marine Park
- Approval of the Lisa Haffner lease in Tee Harbor
- Approval of the rate increase for Passenger for Hire fees.

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- The upcoming budget process and some cruise ship information coming out. The Assembly repealed the cruise ship sales tax exemption and there was a tourism study published this week.
- At the Assembly Retreat they lowered some of their priorities for the upcoming year.

XIV. Board Administrative Matters

- a. Finance Sub-Committee Meeting – Wednesday, December 22nd & January 12th
- b. Special Docks & Harbors Board Meeting, Wednesday, January 19th, 2022
- c. Ops/Planning Committee Meeting – Wednesday, January 19th, 2022
- d. Board Meeting – Thursday, January 27th, 2022

XV. Adjournment – The Meeting adjourned at 6:39 p.m.