

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA

For Wednesday, March 23rd, 2022

Zoom Meeting: <https://bit.ly/3HAE0oO>

Meeting ID: 850 1945 1878

Passcode: 933368

Call In: (253) 215 8782

- I. Call to Order** (5:00 p.m. via Zoom)
- II. Roll Call** (James Becker, Lacey Derr, Don Etheridge, Paul Grant, David Larkin, Matthew Leither, Annette Smith, Bob Wostmann and Mark Ridgway).
- III. Approval of Agenda**

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED
- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total)
- V. Approval of Wednesday, February 16th , 2022 Operations/Planning Meetings Minutes**
- VI. Consent Agenda** - None
- VII. Unfinished Business**

- 1. Amendment to FY23/FY24 Biennial Budget
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO RECOMMEND APPROVAL OF AMENDED FY23/FY24 BIENNIAL BUDGET.

- 2. Special Discount under 05 CBJAC 15.030(i) - Dockage Specials
Presentation by the Port Director

Committee Questions

Public Comment

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, March 23rd, 2022

Committee Discussion/Action

MOTION: TO RECOMMEND SETTING A PUBLIC HEARING TO CONSIDER EXEMPTING VESSELS SUBJECT TO PASSENGER FEES FROM CY2022 DOCKAGE FEE INCREASES.

3. Implementation of CY2022 Docks & Harbors Fee Changes
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO DIRECT STAFF TO ENACT RECENT REGULATION FEE CHANGES AS PRESENTED.

VIII. New Business

1. US DOT Grant Opportunities & Strategies ([RAISE](#), [PIDP](#), INFRA)
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO DIRECT STAFF TO PURSUE [RAISE/PIDP/INFRA] GRANT OPPORTUNITIES.

IX. Items for Information/Discussion

1. October 2022 1% Sales Tax Initiative
Presentation by the Port Director

Committee Discussion/Public Comment

2. Future Docks & Harbor Board/Committee Meeting Locations
Presentation by the Port Director

Committee Discussion/Public Comment

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, March 23rd, 2022

X. Staff & Member Reports

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting-Wednesday, April 20th, 2022

XII. Adjournment

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**
Meeting Minutes – February 16, 2022

I. Call to Order

The CBJ Docks & Harbors Operations/Planning Committee Meeting, held in the Port Director's conference room and broadcasted virtually via Zoom, was called to order by Committee Chair Ridgway at 5:00p.m.

II. Roll Call

Committee Members Present: Lacey Derr, Paul Grant, David Larkin, Matthew Leither, Bob Westmann (via Zoom); James Becker, Don Etheridge and Mark Ridgway.

Committee Members Absent: Annette Smith

Staff Present: Port Director Carl Uchytel, Harbormaster Matthew Creswell, Port Engineer Erich Schaal, Administrative Officer Teena Larson, and Tourism Manager Alexandra Pierce.

III. APPROVAL OF AGENDA

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

Hearing no objections, the motion passed by unanimous consent.

IV. Public Participation on Non-Agenda Items - None

V. Approval of January 19, 2022 Operations/Planning Meeting Minutes

Hearing no objection, the January 19, 2022 minutes were approved as presented.

VI. Consent Agenda - None

VII. Unfinished Business - None

VIII. New Business

1. [CY2021 Urban Alaska CPI](#) & FY23 Harbor Rates

Mr. Uchytel asked members to see page thirteen in the agenda packet. The Urban Alaska Consumer Price Index (CPI) increase for FY23 is 4.9%. The rate sheet shows the increase, although, Statter Harbor does not increase by the CPI, rather the same dollar amount as Aurora Harbor, Harris Harbor and Douglas Harbor. This was voted on by the Board several years ago so Statter Harbor moorage did not increase its rates at a higher amount. This CPI increase is locked in unless the Board would like to take action to stop the adjustment.

Committee Questions

Mr. Ridgway asked about Statter Harbor and if the difference in the CPI adjustment is in regulation.

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**
Meeting Minutes – February 16, 2022

Mr. Uchytel said going forward the Statter Harbor rate will be adjusted by CPI and not the same as the downtown harbors.

Public Comment - None

Committee Discussion/Action

MOTION By MR. ETHERIDGE: TO ACCEPT THE CY2021 URBAN ALASKA CPI OF 4.9% AND APPLY THE RATE INCREASE TO ALL RELEVANT FEES AND ASK UNANIMOUS CONSENT.

Hearing no objections, the motion passed by unanimous consent.

IX. Items for Information/Discussion

1. Introduction of CBJ Tourism Manager – Alexandra (Alix) Pierce

Mr. Uchytel introduced Ms. Pierce and welcomed her to the meeting. Ms. Pierce works directly for the City Manager. Ms. Pierce previously worked for the City and Borough of Juneau Community Development Division (CDD).

Ms. Pierce spoke about her roll to help the City Manager and relieve some of the duties relating to tourism and the cruise ship industry. Ms. Pierce has been working with the Port Director and Port Engineer on projects like the Long-Range Waterfront Plan Amendment for the Juneau Cruise Ship Terminal. She is also working on dock electrification and the political aspect of that. Ms. Pierce has taken over the Marine Passenger Fee Program and started a group called Port Communities of Alaska. The purpose of this group is to share goals and challenges related to being a cruise port. The Port of Seattle and the Port of Vancouver have both reached out with interest in joining the group. She also works on community relations with regards to tourism.

Committee Discussion

Mr. Ridgway said an interest of the Board is small cruise ship and yacht marketing.

Public Comment

Mr. Kirby Day – Juneau, Alaska

Mr. Day said he thinks Ms. Pierce will do an excellent job. This position will be a big job and he has worked with Ms. Pierce in the past. Mr. Day and Ms. Pierce are working very closely together along with Tourism Best Management Practices (TBMP).

2. Update – February 24th Public Hearing CPI Adjustment Omnibus

Mr. Uchytel asked members to see page fifteen in the agenda packet. This is the latest version of the CPI omnibus regulation package. The next public hearing for this omnibus is on February 17th, 2022 at the Special Board meeting. Mr. Uchytel has been working with the Law Department to get this out for public notice. One small change from what the Committee has seen previously is the cruise ship season dates are now from April 1st

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**

Meeting Minutes – February 16, 2022

to November 1st. He also mentioned there could be public interest with this regulation change. Many rates have not increased in fifteen years and they will be going up almost 5%. Mr. Uchytel said he is in the process of deciding if the Board should vote on each fee separately and ask for public comment, or do it as an omnibus.

Ms. Larson asked members to see page seventeen in the packet. This is where the change is located removing language requiring Statter Harbor to increase fees at the same amount as the Downtown/Douglas harbors.

Mr. Grant asked about the wording that gives the Board the right to take action to keep the fee the same as the previous year. This is listed on each regulation making it so the Board can pick and choose what rates would be adjusted by CPI instead of doing it universally. Mr. Grant is also concerned this wording would limit the Board from doing a partial adjustment. He wanted to know if this locks the Board into either a full increase or no increase.

Mr. Ridgway said he agreed with Mr. Grant and would like the Board to have the ability to do a partial adjustment.

Mr. Uchytel said he understands the desire to have the flexibility. He is not sure if this would be a substantive change and require us to go back out to public notice.

Mr. Wostmann has the same concern. With the CPI going the way it is this year and possibly the next few years, the increase could be substantial. A future CPI could go as high as 8% and we as a board might only want to raise it 5%. He would also like a statement listing the two components of the rate, one being the base rate and one being the CPI adjustment.

Committee Discussion

Mr. Grant said his concern with the language being the same for each regulation is we could start a fight between user groups. He thinks the CPI adjustment should be universal for all rates, whether it is kept the same as the year before or raised by a percentage. He would like to avoid any implication we are providing favoritism to certain user groups.

Mr. Ridgway said a separate regulation that limits the Board to only apply the CPI uniformly across all rates might help alleviate his concern. Mr. Ridgway is not supportive of the Board being required to do that and overly restricting their power. He can see a user group banning together and petitioning the Board to not raise their fee, while other groups see their fees increase.

Mr. Becker can see the Board only raising rates by 2% instead of 5%. He does not want to get in the position where rates are not being raised for fifteen years again.

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**

Meeting Minutes – February 16, 2022

Mr. Uchytel said he can have a discussion with the Law Department and see if the language could be changed. He will also find out if the change will require us to restart the public notice process.

Mr. Ridgway said it might be worth it to just remove the sentence saying “The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year.”

Mr. Grant said he would feel better if that sentence was removed as well. He would also like to discuss creating a regulation that goes over all rates and makes the CPI adjustment universal.

Ms. Larson said this sentence gives the Board the authority to change the CPI adjustment without going to the Assembly for approval. Any time we do a rate adjustment that is not already in regulation you will need to get the Assembly’s approval first.

Mr. Grant and Mr. Ridgway said that clarity changes their thinking on removing the sentence.

Mr. Wostmann asked if we needed a regulation to apply the CPI adjustment uniformly or if we can just add something that says “It is the intention of the board to adjust the CPI uniformly to all user groups.”

Mr. Ridgway said he thinks it is best to discuss this with the Law Department to get better clarification on the best way to move forward.

Mr. Larkin asked if there was a way to have a regulation that says the CPI adjustment will apply to the following rates, and list them.

Mr. Uchytel said he would like a representative from the Law Department to come to the Finance Sub-Committee meeting next week, then again, the Board meeting the following night. He also made a comment about binding future Board’s decision making and how we always hope each Board will make the best decision for the community.

Mr. Ridgway said he had Ms. Larson run some preliminary numbers and it looks like with the FY23 CPI adjustment we can count on approximately \$100,000 more in revenue.

Ms. Derr commented on how to present this motion at the Board meeting. Due to public comments and wanting to give the community a chance to give input we should go line by line for each regulation.

Public Comment

Mr. Dennis Watson – Juneau, Alaska

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**

Meeting Minutes – February 16, 2022

Mr. Watson said Docks & Harbors is spending a lot of money on a rate study. This study was supposed to let everyone know what a fair appropriate rate is for each fee. He is concerned you will run into the squeakiest group will get the reduction. The harbors have been on a CPI adjustment for many years and it has worked. The conversations he is hearing tonight from the members is familiar. He cautions the committee to not set itself up for more problems than they can handle.

3. Statter Harbor Facility – Repairs, Needs & Recommendations

Mr. Schaal gave an update on Statter Harbor and the repairs needed for the D Float strand failure. It has been temporarily secured and he is in the process of going out to bid for the repairs. That bid opening is scheduled for Tuesday, February 22, 2022. There are some changes with completion dates due to workloads this summer and the challenges with procuring materials. He changed the substantial completion date to the middle of May with the final completion due in June. If the bids come in under \$100,000 the Board can approve the project, if it comes in over \$100,000 it must go through the Assembly. We are putting this loss through as a claim with our CBJ insurance.

Docks and Harbors is working with the Marine Exchange of Alaska to install a weather sensor on the Statter Harbor Breakwater. Storm events are having more of an impact at Statter Harbor and we would like to have real-time monitoring there. Mr. Schaal said last week there was another storm event causing concrete damage on the main walk. It was not a complete failure of the float and repairs were able to be made. There was also a failure of an intermediate tensioning unit (ITU) bolt on C Float. He thinks this failure is in direct relation to the mooring actions of the U.S. Coast Guard Cutter Liberty. The replacement bolt and labor runs about \$2,000. Mr. Schaal also shared photos of past damage that is once again happening on the Statter Harbor Breakwater energy dissipating units. The failed units are about ten years old.

Mr. Schaal spoke about Statter Harbor Phase IIIC. This project is for the uplands and adding amenities for the new passenger for hire floats. Currently we are talking about scaling back on Phase IIIC. Originally we were planning to build restrooms and a commercial spot for a restaurant or other businesses. We received \$3M from the Assembly but with today's material and labor costs we do not think we will be able to get as far as we hoped.

Committee Discussion

Ms. Derr asked if the harbors downtown are seeing similar weather events.

Mr. Schaal said Statter Harbor is in a more precarious situation because of its location and age. Our downtown harbors are protected with large rock barriers and breakwaters. Statter Harbor is open and large enough when waves and high winds come from a certain direction there is a lot of energy and force put on our structures. The Breakwater helps but is nowhere as effective as a large rubble mound barrier.

Mr. Ridgway asked about future failures and how we budget for these types of expenses.

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**
Meeting Minutes – February 16, 2022

Mr. Schaal said we are entering a period where we will see more failures due to the age of the facility. The larger risk is if we have a storm event that overwhelms the facility and we see more than an ITU bolt failure but significant concrete sections could fail. This definitely builds our case to the U.S. Army Corps of Engineers about our need for the wave attenuator.

Mr. Wostmann asked Mr. Schaal what the cost estimate was for the reduced scope of work for Phase IIIC.

Mr. Schaal said Docks & Harbors wants to create and build as much as possible with the budget given. He is hoping to have at least enough to pave the lot and build the restrooms.

Mr. Leither asked if we have an expected lifespan for Statter Harbor. When it was built was it estimated to last 30-50 years, or is there an age we should be expecting.

Statter Harbor was built by the Alaska Department of Transportation in the mid 1980's. There are some inconsistencies with the records and Mr. Schaal was unsure if there was a lifetime expectation when it was being built. He feels most of it is in very good shape.

Mr. Larkin asked if we plan to construct the Phase IIIC building so it could take on a second story if money were to become available at a later time.

Mr. Schaal said the conditional use permit from the Planning Commission stated no CBJ monies could be spent on the second floor. We will make sure the foundation can accommodate a second floor but further development will be paid for by private funds.

Public Comment

Dennis Watson – Juneau, Alaska

Mr. Watson asked if the Breakwater Float has sunk over time. He can remember it being higher out of the water than it is now.

Mr. Schaal said he would need to look into the As Built plans and see if it was supposed to be higher than it is now.

Mr. Watson said he thinks more water is coming over the Breakwater even with moderate winds. He is concerned this current failure and repair will cause the next float down to fail. He gave an example of the failure on the C Float a few years ago, then the next float down failed.

Mr. Schaal said he works closely with the Harbormaster to make sure we are allowing the proper size vessels to tie up.

4. American Society of Civil Engineers (ASCE) Juneau Branch – Project of the Year

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**

Meeting Minutes – February 16, 2022

Mr. Schaal said Docks & Harbors was very fortunate to receive this year's Outstanding Project of the Year award from the local American Society of Civil Engineers. The award was for Phase IIIA and IIIB at Statter Harbor. Docks & Harbors was also in the running for the Downtown Waterfront Improvement Project. (Presentation cut short due to technical difficulties)

Committee Discussion - None

Public Comment – None

X. Staff & Member Reports

Mr. Uchtyl said next week there is a Legislative Fly-In for American Society of Civil Engineers (ASCE) from around Alaska. They will provide an updated engineering infrastructure report card for the state of Alaska. This will be presented on Gavel to Gavel and at the State Capital. Mr. Uchtyl was the author of the Ports and Harbors section of the report card. He is also a member of the ASCE and plans to be in Washington D.C. for the National Fly-In to lobby on behalf of ASCE. There is also a Fly-In for the Alaska Association of Harbormasters and Port Administrators (AAHPA) next week that Mr. Uchtyl and Harbormaster Creswell will be hosting. We will be lobbying for the full funding of the Alaska Department of Transportation Grant Program. Mr. Uchtyl also spoke about the upcoming Finance Sub-Committee meeting next week and asked Mr. Wostmann to be thinking about agenda items.

Mr. Ridgway spoke about Ms. Angel Holbrook – Executive Secretary for the AAHPA. He has been in contact with her and it seems many Alaskan harbors and ports are struggling with setting rates. It seems many harbors are also spending down their fund balances similarly to us. He asked if there has ever been any discussion on banding together and doing a regional rate study.

Mr. Uchtyl said the Alaskan harbors are very cordial and tend to share information freely. He is not aware of a group rate study ever being done.

Ms. Derr asked staff about the amount of derelict vehicles at the harbors. She was wondering if the Board can do anything to help with the problem or funding needed.

Mr. Creswell said he is happy to report he has already started dealing with this problem. He said he has changed the process and it is working. He is putting a 30 day notice on the vehicles for abandonment. It is a 55 day process until we are able to remove the vehicles and dispose of them. We are required to auction any vehicle that is worth money. He also said our new Harbor Security Officer is in charge of this process and is doing amazing. JPD dispatch has also been helping us tremendously and bending over backwards to get us contact information for registered owners. There is a \$1,100 disposal charge to the registered owner if Docks & Harbors removes and disposes of the vehicles. We get in contact with the owner and let them know about the free recycling project through CBJ and how much cheaper it will be to dispose of the vehicles themselves.

**CBJ DOCKS & HARBORS
OPERATIONS/PLANNING COMMITTEE**

Meeting Minutes – February 16, 2022

Mr. Etheridge said he echoes Mr. Creswell's statement. There has been a vast improvement in the number of vehicles being removed. He is very happy with Mr. Creswell and the Harbor Security Officer for putting in so much work to get these vehicles removed, and most of the time without it costing us any money.

Mr. Becker asked if there is still a problem finding the lot space to put impounded vehicles.

Mr. Creswell said that was under the old policy where we were required to work with JPD to get vehicles impounded and taken to their lots. Recently we created a new process after working with the Law Department where we are able to impound vehicles in-place, then dispose of them. This new process is done entirely through Docks & Harbors and we do not need to involve JPD or worry about their lot space availability.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting – **Wednesday, March 23rd, 2022**

XII. Adjournment – The meeting adjourned at 6:48pm.

Revised due to Insurance/Fleet Increases and projected revenues from new fees - March 2022

Docks & Harbors - Docks

OVERVIEW

	FY21	FY22		FY23	FY24
	Actuals	Amended Budget	Projected Actuals	Proposed Budget	Proposed Budget
EXPENDITURES					
Personnel Services	\$ 665,800	700,000	854,600	1,300,500	1,313,000
Commodities and Services	632,000	700,000	742,200	982,000	976,800
Capital Outlay	-	1,000	6,000	-	-
Support to:					
Marine Passenger Fee	-	-	-	-	-
Capital Projects	-	-	-	-	-
Total Expenditures	1,297,800	1,401,000	1,602,800	2,282,500	2,289,800
FUNDING SOURCES					
Interdepartmental Charges	15,100	15,100	15,100	15,100	15,100
Charges for Services	49,500	330,000	1,090,000	1,730,000	1,760,000
Licenses, Permits, and Fees	-	-	-	-	-
Investment and Interest Income	12,900	70,000	21,300	21,300	21,300
Support from:					
Pandemic Response	-	-	-	-	-
Marine Passenger Fees	97,500	448,500	448,500	717,000	717,000
Port Development Fees	-	-	-	-	-
State Marine Passenger Fees	351,000	-	-	-	-
Capital Projects	-	-	-	-	-
Total Funding Sources	526,000	863,600	1,574,900	2,483,400	2,513,400
FUND BALANCE					
Beginning of Period	2,589,800	1,818,000	1,818,000	1,790,100	1,991,000
Increase (Decrease) in Fund Balance	(771,800)	(537,400)	(27,900)	200,900	223,600
End of Period Fund Balance	\$ 1,818,000	1,280,600	1,790,100	1,991,000	2,214,600
STAFFING	13.74	13.74	13.74	19.20	19.20

Revised due to Insurance/Fleet Increases and projected revenues from new fees - March 2022

Docks & Harbors - Harbors

OVERVIEW

	FY21	FY22	FY22	FY23	FY24
	Actuals	Amended Budget	Projected Actuals	Proposed Budget	Proposed Budget
EXPENDITURES					
Personnel Services	\$ 1,572,300	1,875,000	1,777,100	1,905,700	1,909,200
Commodities and Services	1,432,100	1,680,100	1,682,100	2,053,200	2,061,900
Capital Outlay	-	-	-	-	-
Debt Service	656,700	737,600	737,600	740,900	741,700
Support to:					
Capital Projects	-	-	-	-	-
Total Expenditures	3,661,100	4,292,700	4,196,800	4,699,800	4,712,800
FUNDING SOURCES					
Charges for Services	2,791,900	3,000,000	2,825,000	3,415,000	3,425,000
Licenses, Permits, and Fees	-	130,000	350,000	350,000	350,000
Rentals and Leases	855,400	800,000	860,000	860,000	870,000
State Shared Revenue	391,400	300,000	407,000	350,000	350,000
Federal Revenue	-	24,700	-	-	-
Fines and Forfeitures	7,400	10,000	10,000	10,000	10,000
Investment and Interest Income	30,300	52,500	27,600	27,600	27,600
Support from:					
Pandemic Response	-	-	-	-	-
Capital Projects	300	-	-	-	-
Total Funding Sources	4,076,700	4,317,200	4,479,600	5,012,600	5,032,600
FUND BALANCE					
Debt Reserve					
Beginning Reserve Balance	791,900	791,900	791,900	791,900	791,900
Increase (Decrease) in Reserve	-	-	-	-	-
End of Period Reserve	\$ 791,900	791,900	791,900	791,900	791,900
Available Fund Balance					
Beginning of Period	226,900	642,500	642,500	925,300	1,238,100
Increase (Decrease) in Fund Balance	415,600	24,500	282,800	312,800	319,800
End of Period Available	\$ 642,500	667,000	925,300	1,238,100	1,557,900
STAFFING	16.33	16.33	16.33	16.83	16.83

REGULATIONS OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Amendment of Title 05, Chapter 15 FEES AND CHARGES

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 Charges.

- (a) *Definition.* The charge assessed to vessels for berthing at the Steamship Wharf, the Cruise Ship Terminal, the Intermediate Vessel Float (IVF), the Port Field Office Float (PFO), and the Inside of the Cruise Ship Terminal (ICT)
- (b) *Basis for computing charges.* Dockage charges are assessed upon length-over-all (LOA) of the vessel. Length-over-all is defined as the linear distance, in feet, from the forward most part at the stem to the aftermost part of the stern of the vessel, measured parallel to the base line of the vessel.

Length-over-all of the vessel, as published in "Lloyd's Register of Shipping" will be used and, when not published, the Port reserves the right to measure the vessel or obtain the length-over-all from the vessel's register.

- (c) *Dockage period; how calculated.* The period of time which dockage will be assessed shall commence when the vessel is made fast to an allocated berth or moored, or comes within a slip and shall continue until such vessel casts off and has vacated the position allocated. All time is counted and no deductions shall be allowed because of weather or other conditions, except when the Port Director provides for such allowance for good cause shown.
- (d) *Charges when a vessel shifts to different berth.* When a vessel is shifted directly from one position to another berth or slip, the total time at such berths or slips will be considered together when computing the dockage or charge.
- (e) *From May 1 to September 30, dockage for all vessels, except those vessels paying dockage fees set out in 05 CBJAC 15.030(f) and (h), will be assessed for each 24-hour period or portion thereof as follows:*
 - (1) \$3.00 per foot for vessels less than 65 feet in length overall;
 - (2) \$5.00 per foot for vessels with a length overall from 65 feet up to 200 feet; and

- (3) \$3.00 per foot for vessels greater than or equal to 200 feet in length overall.
- (f) From May 1 to September 30, fishing vessels will be assessed dockage at ~~\$0.75~~ \$1.50 per foot of length overall for each 24-hour period or portion thereof, except there will be no charge to vessels staging to offload at Taku Dock, provided the duration of staging is less than four hours.
- (g) From October 1 to April 30, dockage will be assessed as set out in 05 CBJAC 20.030 and 05 CBJAC 20.040.
- (h) From May 1 to September 30, vessels loading passengers as part of a for-hire tour or experience with a duration less than 24 hours shall comply with the requirements set out in 05 CBJAC 20.080(c) and shall pay passenger-for-hire fees as set out in 05 CBJAC 20.080(d).
- (i) *Dockage specials.* The Docks and Harbors Board may after public hearing establish special and promotional rates of a temporary nature in order to encourage use of facilities, to respond to unusual economic circumstances, or to promote revenue development.

Section 3. 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 February 1, 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: 3/1/2022

Matthew Creswell Acting Port Director
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: 25 February 2022

Benjamin E. Brown
Benjamin E. Brown
Assistant Municipal Attorney

Assembly Review

These regulations were presented to the Assembly at its meeting of 2/28/2022. They were adopted by the Assembly.

Date: March 2, 2022



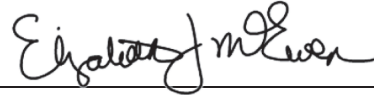
Elizabeth J. McEwen, Clerk

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 8:30 a.m. p.m. on the 2nd day of March, 2022.
- (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: March 9, 2022.

Date: March 2, 2022



Elizabeth J. McEwen, Clerk

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 charges.

...

- (j) *CPI Adjustment.* For each calendar year after 2022, the fee assessed in this section will be equal to the previous fiscal year's fee, adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 – November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 15.040 Port maintenance fee.

...

- (f) *CPI Adjustment.* For each calendar year after 2022, the fee assessed in this section will be equal to the previous fiscal year's fee, adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 – November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 15.060 Vessel lightering fee.

...

- (f) *CPI Adjustment.* For each calendar year after 2022, the fee assessed in this section will be equal to the previous fiscal year's fee, adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 – November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 15.080 Loading permit fee.

...

- (d) *CPI Adjustment.* For each calendar year after 2022, the fee assessed in this section will be equal to the previous fiscal year's fee, adjusted by the Consumer Price Index – Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 – November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 15.110 Boom truck usage fee.

...

- (c) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 20.020 Special annual moorage fee 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 fees 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 & Workforce Development for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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, 2021 through June 30, 2022, \$0.58 per foot; and
 - (2) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 20.035 Monthly moorage fees.

...

- (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, 2021 to June 30, 2022: \$4.40 per foot.
 - (2) *Statter Harbor.* From July 1, 2021 to June 30, 2022: \$7.30 per foot.
- (e) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 20.045 Fee for tenders.

...

- (d) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 20.050 Residence surcharge.

...

- (e) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 fees 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 & Workforce Development for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 fees 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 & Workforce Development for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 2022 permit: \$569.80 per vessel plus \$1.65 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.
 - (2) Each calendar year after 2022, a fee equal to the previous year's fee adjusted by the Consumer Price Index - Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 – November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.
 - (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 2022 permit: \$171.60 per vessel plus \$1.65 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.
 - (2) Each calendar year after 2022, a fee equal to the previous year's fee adjusted by the Consumer Price Index - Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 – November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.
 - (3) No charge for non-profit use when approved by the Harbormaster on a case-by case basis.

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

05 CBJAC 20.090 Statter Boat Harbor Lower Parking Lot permit fee.

...

- (d) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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

05 CBJAC 20.100 Grid usage fees.

...

- (e) *CPI Adjustment.* The fees 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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 & Workforce Development for the

calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

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 & Workforce Development for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

Section 21. Amendment of Section. 05 CBJAC 20.210 is amended to read:

05 CBJAC 20.210 Auke Bay Loading Facility—Float Moorage.

- (a) 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.
- (b) *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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

Section 22. Amendment of Section. 05 CBJAC 20.220 is amended to read:

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

- (a) 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.
- (b) *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 & Workforce Development for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

Section 23. Amendment of Section. 05 CBJAC 30.010 is amended to read:

05 CBJAC 30.010 Shorepower access fees.

...

- (i) *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, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

Section 24. Amendment of Section. 05 CBJAC 40.010 is amended to read:

05 CBJAC 40.010 General moorage management policy.

...

- (i) *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, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

Section 25. 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, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

Section 26. 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 February 1, 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: 3/1/2022

Matthew Creswell Acting Port Director
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: 25 February 2022

B. E. Brown
Benjamin E. Brown
Assistant Municipal Attorney

Assembly Review

These regulations were presented to the Assembly at its meeting of 2/28/2022. They were adopted by the Assembly.

Date: March 2, 2022



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 8 : 30 a.m./p.m. on the 2nd day of March, 2022.
- (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: March 9, 2022.

Date: March 2, 2022



Elizabeth J. McEwen, Clerk



Port of Juneau

Fees and Charges – Application of Consumer Price Index by date

Staff proposed changes -

05 CBJAC 15.030	Dockage Charge – (only on new reservations)	April 1 st , 2022
05 CBJAC 15.060	Vessel Lightering fees	April 1 st , 2022
05 CBJAC 15.080	Loading permit fees	April 1 st , 2022
05 CBJAC 20.090	Statter lower parking lot permit fee	April 1 st , 2022
05 CBJAC 20.140	Staff labor fees	April 1 st , 2022
05 CBJAC 20.045	Fee for tenders	April 1 st , 2022
05 CBJAC 15.110	Boom truck services	July 1 st , 2022
05 CBJAC 20.020	Special annual moorage for skiffs	July 1 st , 2022
05 CBJAC 20.030	Daily moorage fees	July 1 st , 2022
05 CBJAC 20.035	Monthly moorage fee	July 1 st , 2022
05 CBJAC 20.050	Residence surcharge	July 1 st , 2022
05 CBJAC 20.060	Recreational boat launch fees	July 1 st , 2022
05 CBJAC 20.070	Fees for commercial use of boat launches	July 1 st , 2022
05 CBJAC 20.100	Grid usage fees	July 1 st , 2022
05 CBJAC 20.110	Crane use fees	July 1 st , 2022
05 CBJAC 20.130	Storage fees	July 1 st , 2022
05 CBJAC 20.150	Reserved moorage waitlist fee	July 1 st , 2022
05 CBJAC 20.210	Auke Bay Loading Facility—Float Moorage	July 1 st , 2022
05 CBJAC 20.220	Auke Bay Loading Facility Float—Mechanical Work Zone	July 1 st , 2022
05 CBJAC 30.010	Shorepower access fees	July 1 st , 2022
05 CBJAC 40.010	General moorage management policy	July 1 st , 2022
05 CBJAC 40.065	Vessel anchoring requirements	July 1 st , 2022
05 CBJAC 15.040	Port maintenance fee	April 1 st , 2023
05 CBJAC 20.080	Passenger-for-hire fee	April 1 st , 2023

#



City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240 | Facsimile: 586-5385

TO: Chair Triem and Assembly Finance Committee
FROM: Rorie Watt, City Manager
RE: One Time Funding Opportunities

DATE: March 10, 2022

At this time, the Assembly has a remarkable ability to provide funding to a number of worthy purposes and projects. At hand are the following:

1. **Fund Balance** – Currently, the Assembly has the ability to allocate \$20M-\$23M of fund balance.
2. **1% Sales Tax** – In the fall, it will be time to renew the temporary 1% Sales Tax, presumably for another 5 years. This would net \$55-60M that is available for capital projects or other one time uses.
3. **General Obligation Bonds** – Our current debt is low and is rapidly coming off the books. Over the next five years, CBJ has the ability to incur \$25-\$50M of debt without increasing the traditional debt mil levy.

In many cases, these three fund sources are more or less suited for particular funding needs.

I advise the Assembly to agree on a process for allocating these funds in a coordinated manner. Absent an agreed upon process, we will face continued ad hoc requests and ensuing considerations. In my advice, the Assembly should allocate funds that philosophically accomplishes these concepts:

- A. Meets Assembly adopted goals.
- B. Funds Assembly adopted legislative funding requests.
- C. Funds capital projects that cannot be accommodated in the annual CIP.
- D. Reduces ongoing operating costs.
- E. Provides funding now for needs that are certain to require future funding.
- F. Takes Pressure off of Future Assemblies – provide funding now that we are certain will be required.

I have attached a number of documents to assist in your thinking and planning, they include:

- i. Assembly Goals
- ii. Assembly Legislative Priorities Synopsis
- iii. 2017 1% Sales Tax Extension (ballot information)
- iv. 2012 1% Sales Tax Extension and GO Bonds (ballot information)
- v. Memo to PWFC from 11/29/21
- vi. Memo to AFC from 2/1/22 (aka the "Straw Dog" memo)
- vii. Summary of Fund Balance from Finance Director

Recommendation:

Agree on a process. I recommend that you consider the attached spreadsheet that attempts to assign funds in accordance with our stated goals and a number of operational needs.

I recommend that the goal for this meeting be to try to agree to a draft allocation of \$20M of fund balance, forward an Ordinance to the Assembly for action. This action can be informed by preliminary thinking about the 1% sales tax and/or bond projects.

Notes/Comments/Opinions on Funding Contenders (alphabetical, not prioritized):

ABP – Hit by construction cost inflation. Recommend we maintain the same scope of facility work, phase in the work as the construction market allows, provide inflationary funding.

Affordable Housing Fund – Ranks very high and repeatedly in Assembly goals.

Airport - Has substantial CARES Act funding reserved (~\$15M). They have sufficient funding to address their capital project needs.

BRH – Has fund balance to pay for desired capital project needs.

Capital Civic Center – Next step is to complete 35% plans, secure federal, state or foundation funding.

Comprehensive Plan – Fund through the operating budget.

Docks – Projects can be paid for with passenger fees (larger ones like Dock Electrification will need a financing vehicle).

Eaglecrest – Has no current fund source to pay for projects. Unclear where and how installation of the gondola will be funded (roughly \$8M)

Federal Match - Assembly may prefer to reserve funds in Fund Balance or put funding directly in projects.

General Fund Departments – Rely on infrequent opportunity of 1% or GO bonds. Departments and programs include: Parks, Trails, Deferred Building Maintenance, Sportsfields, Police, Fire, Streets, Transit, RecycleWorks, Libraries, Museum,

Harbors – Has no fund source that they control for projects. Needs FB, 1% Sales Tax or grants.

Information Technology – CBJ is a diverse organization with many IT needs. We must keep apace with cyber security and system modernization. We need to think about these costs as CIPs, they don't fit in the traditional operating budget framework.

JPD Radio System – JPD owns and maintains a system of radios that is at end of life. A consultant report estimates new system costs in excess of \$12M. The Assembly needs an update on this need and a discussion of potential options. No scenario where we won't need to incur significant costs. Project may be a good candidate for grant funding.

New City Hall – One way or another we are going to spend funds on City Hall. It may be a renovation of the current building (not recommended) or it may be a property purchase and remodel or a new build. Recommend putting funds now into the project.

Restricted Budget Reserve – By policy, should be increased by about \$2M to achieve 2 months of operating cost reserves. A RBR that meets this threshold should make the Assembly more comfortable in having a lower general fund fund balance.

RecycleWorks – Reliant on funding from Assembly/Fund Balance

School Facility Deferred Maintenance – Due to avoidance of constitutional duty of the State, no other source but the Assembly for these facilities. Article 7.1 of the State Constitution: *"The legislature shall by general law establish and maintain a system of public schools open to all children of the State"*. I do have concerns about school age population trending (following up a bit on Monday's discussion) and will schedule deeper consideration of such for a future Joint Assembly/JSD facilities Committee.

Teal Street Project – Hit by the same construction inflation as all CBJ projects. It's a great project for the community, I'm sympathetic to additional funding as their good work greatly benefits the community and CBJ operating Departments.

Water & Wastewater – The Utilities can pay for projects with user rates. I'm not adverse to supporting the utilities with GF, but I am very opposed to any action that results in CBJ holding down utility rates. In the 90's and 00's, CBJ did not appropriately increase fees and the utilities lost significant financial ground to inflation and Assembly driven system growth costs, resulting in multi-year rate shock to utility users. We must keep utility rates apace with inflation or we will be back in a hole. One time money is not particularly helpful to the utility costs as their costs are recurring every year.

Project/Program Recommendation

Fund Source

	Fund Balance	1% Sales Tax Extension	GO Bonds	Notes:
AB Pool Reno Inflation Costs	3			
Affordable Housing Fund	5	3		
CBI Facility Maintenance		8		
CCFR Ladder Truck Replacement		1.2		
Eaglecrest Gondola Installation (8)				Installation Discussion TBD
Harbor Projects/Grant Match		5		
Information Technology Systems	1.5	3		
JPD Radio System Replacement	0.5	2	?	Grants
JSD Facility Maintenance		5	5	State support TBD
Lemon Creek Multi Modal Path Match	1			Grants
New City Hall	6.3	6.3	13	Additional funding from Reduced Rent
Parks/Trails/Sportsfields		5	3	
Pederson Hill Development		3		Lands Fund additional fund source
Restricted Budget Reserve		2.5		
North Douglas Crossing Planning	0.25			
North SOB Parking		5		
Street Maintenance Shop Bays		2		
Teal Street Center Inflation Costs	1.3			
Telephone Hill Redevelopment		3		
USGOV Federal Match	1			
Waterfront Museum		4		Passenger Fees, Capital Fund Advisors, Grants
West Douglas Extension		2		
Totals (Millions):	19.9	60		



City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801

Telephone: 586-5240 | Facsimile: 586-5385

TO: Chair Bryson and Assembly Public Works and Facilities Committee

DATE: November 23, 2021

FROM: Rorie Watt, City Manager

RE: Capital Projects – Big Picture Planning

I recommend that the Assembly take a little bit of time to consider strategic approaches to consideration of capital project funding. There are several concurrent processes that are overlapping, each of which provides the Assembly decision-making opportunities. They include:

- A. Management of General Fund Balance, the Assembly has some opportunity to use fund balance as one one-time funding for capital projects. Fund balance (not including the \$16M restricted budget reserve as defined by Assembly Resolution) is in excess of \$20M.
- B. Allocation of ARPA funds, ~\$12M. Replacement CPV funds from the State are largely unrestricted, the Assembly has decided to treat them as General Fund, and introduced an appropriation Ordinance of \$5.5M at the 12/13 Assembly meeting.
- C. 6-Year CIP – Provides necessary maintenance funding for roads, utilities, roofs, buildings for most departments, parks facilities, etc. Process for FY23 is about to commence.
- D. 1% Sales Tax – During the October 2022 municipal election, the Assembly has the opportunity to propose to extend 1% of the Sales Tax, traditionally proposed for a five year period. If approved, 1% for five years would collect in excess of \$50M.
- E. Management of Municipal Debt Capacity – CBJ is in a very good position with regard to debt. Historic borrowing is coming off of the books and by independent analysis, CBJ can prudently take on significant borrowing for capital improvements without increasing our traditional mil levy rate for debt. Such borrowing could be managed to advance Assembly goals and to allow CBJ citizens to enjoy the benefits of those improvements sooner.

None of this is to imply that we do not face economic and budgetary headwinds. Upcoming operating budgets face difficult trends in the forms of inflation, increased fuel, employee and commodity costs as well as escalating insurance premiums. Ongoing operational costs should be met with enduring revenue sources. This memorandum primarily contemplates the use of one-time fund balance to meet deferred or new capital needs that either advance community goals and/or reduce operating or maintenance costs or fund unanticipated cost increases that have resulted from a COVID19 disrupted supply chain. I have asked Director Koester to prepare a preliminary report of anticipated increases in project costs for ongoing projects, this will be reported to PWFC. At this time, two projects face obvious issues.

Augustus Brown Pool: Delaying renovation of the August Brown Pool has substantially increased costs due to inflation, supply chain problems, current lack of competition. In May of 2020, I recommended that the Assembly pause that project (pandemic and economic uncertainty, concern for evolving air handling standards). We did, however, expend funds and replaced the failing roof.

In 2016, CBJ commissioned a condition survey from JYW Architects which determined that renovation needs would cost \$5.15M and the Assembly subsequently included the project in the ballot information for 1% Sales Tax extension in 2017 for \$5M of funding. The project was delayed to the end of the sales tax funding cycle and the roof repair was split out, increasing costs due to having multiple construction projects and several years of inflationary increases. Unfortunately cost estimates have risen, and completing the contemplated scope of work would require an additional \$2.5M.

Timing Notes: The ABP project is out to bid, with a bid opening on 12/7. The bid is structured with alternates to allow the Assembly to award, with or without major project components. In bid processes, contractor are only required to hold prices for a limited period of time, though protocol is to let them know as soon as possible so that they can lock in material and subcontractor pricing. With the direction of the Committee, we will introduce an appropriation Ordinance on 12/13 with Public Hearing set for January 10th. If the Assembly wished to discuss this project funding or a bigger picture financial discussion, it should choose AFC on 12/1 or 1/5 or the COW on 12/20.

Centennial Hall: Design and bid process for the renovations to Centennial Hall are proceeding, and again costs are escalating. Seismic bracing, a project betterment has been identified as an additional improvement. In order to proceed with the contemplated project scope an additional \$500K is requested.

For both the ABP and Centennial Hall projects, the Assembly can decide to provide further funding, or direct that improvements be scaled to meet the abilities of the project budgets. I recommend that the Assembly take a supportive stance in providing additional funding to the projects. When we renovate a municipal facility, it is most efficient to get the job done, give the facility its due. Building maintenance needs will always proceed apace, incomplete renovations will place more pressure and costs on the maintenance budgets.

Recommendation:

The Assembly should begin to make incremental decisions to expend accumulated fund balance on key community priorities while keeping a focus on the bigger financial pictures. Several necessary steps include:

In the short run: Consider allocating an additional \$2.5M to the ABP and \$500,000 to the Centennial Hall Renovation projects. Provide recommendation(s) to the Assembly and/or Finance Committee.

In the medium term: The Assembly Finance Committee should have a big picture conversation about how to manage fund balance with regard to capital projects. One obvious concept is to consider allocation of a significant portion towards the City Hall project, which ultimately will reduce operating costs.

When appropriate: Discuss with the Finance Committee the level of fund balance that should be maintained to buffer against revenue volatility and uncertainty, cash flow needs.

After the Budget: Set aside time for consideration of large projects that may be funded by unrestricted fund balance, a 1% Sales Tax extension, and/or new general obligation debt.

Assembly Goals 2022

Assembly Goals set at
December 4, 2021 retreat

1. Housing - Assure adequate and affordable housing for all CBJ residents

AA*	Implementing Actions	Responsibility	Notes:
A	P	Revise and improve Title 49 to facilitate housing	Assembly, Planning Commission, Manager's Office, CDD
B	P/F	Implement projects & strategies that advance the goals of the Housing Action Plan	Assembly, Manager's Office
C	P/F/O	Continue a robust use of the Affordable Housing Fund and its sustainability	Assembly, Manager's Office
D	P/F	Reduce barriers to downtown housing development	Assembly, Manager's Office, CDD

2. Economic Development - Assure Juneau has a vibrant, diverse local economy

AA*	Implementing Actions	Responsibility	Notes:
A	F/O	Update the Comprehensive Plan	Assembly, Planning Commission, Manager's Office, CDD
B	O	Adopt and implement strategies developed by the Visitor Industry Task Force to mitigate impacts & increase economic benefits of tourism	Assembly, Manager's Office, Docks & Harbors
C	P/F/O	Examine options for a tourism governing structure that mitigates impacts & increases economic benefits of tourism	Assembly, Manager's Office, Docks & Harbors
D	P/F/O/S	Implement project strategy for Juneau Economic Plan, including revitalizing downtown, with regular updates	Assembly, Manager's Office
E	F	Explore financing for the Capital Civic Center	Assembly, Manager's Office, Finance
F	P/F/S	Support Eaglecrest Summer Operations Task Force & self-sufficiency of Eaglecrest	Assembly, Manager's Office, Eaglecrest
G	P/F	Pursue and plan for West Douglas and Channel Crossing	Assembly, CDD, Planning Commission, Manager's Office

3. Sustainable Budget and Organization - Assure CBJ is able to deliver services in a cost efficient and effective manner that meets the needs of the community

AA*	Implementing Actions	Responsibility	Notes:
A	P/F	Develop strategy for fund balance and protect restricted budget reserve	Assembly, Manager's Office, Finance
B	P/F	Continue to evaluate sales tax structure including equity and evaluate removing sales tax on food	Assembly, Manager's Office, Finance
C	P	Long term strategic planning for CIPs	Assembly, Manager's Office, EPW
D	P/F	Reduce mil rate as appropriate	Assembly, Manager's Office, Finance
E	F/O	Allocate resources to implement Assembly goals	Assembly, Manager's Office, Finance
F	F/O	Maintain Assembly focus on deferred maintenance including BRH and JSD.	Assembly, Manager's Office, EPW, all operating departments with facilities

*Assembly Action to Move Forward: P = Policy Development, F = Funding, S = Support, O = Operational Issue

Assembly Goals 2022

Assembly Goals set at
December 4, 2021 retreat

4. Community, Wellness, and Public Safety - Juneau is safe and welcoming for all citizens

	AA*	Implementing Actions	Responsibility	Notes:
A	P/O/ S	Acknowledge and honor Juneau's indigenous culture, place names, naming policy, and recognize Elizabeth Peratrovich Day	Assembly, Manager's Office	
B	P/S	Explore government to government relations with tribes	Assembly, Manager's Office	
C	P/F/ O	Examine social service funding levels and process	Assembly, Manager's Office	

5. Sustainable Community - Juneau will maintain a resilient social, economic, and environmental habitat for existing population and future generations.

	AA*	Implementing Actions	Responsibility	Notes:
A	P/O	Develop a zero waste or waste reduction plan	Assembly, Manager's Office, EPW, Finance	
B	P/O	Develop strategy to measure, track and reduce CBJ energy consumption.	Assembly, Manager's Office, all departments	
C	P/O/ F	Implement projects and strategies that advance the goal of reliance on 80% of renewable energy sources by 2045	Assembly, Manager's Office, all departments	
D	P/F	Develop a climate change adaptation plan	Assembly, Manager's Office	
E	P/O/ F	Develop strategy to reduce abandoned/junked vehicles	Assembly, Manager's Office, EPW, Law, P&R, D&H	

*Assembly Action to Move Forward: P = Policy Development, F = Funding, S = Support, O = Operational Issue

DEPARTMENT CAPITAL IMPROVEMENT PRIORITIES

For D&H Board Review and Ranking for Discussion at the Wed, November 10th Ops Meeting

Docks

Project Name	Priority	Estimate	Project Notes
Dock Waterside Safety Railings		\$1,000,000	Designs and installs handrails all along the seawalk from the AS Dock to the CT Dock. The style would match the current handrails at the docks and incorporate new features around the Aquileans and original bollards.
Small Cruise Ship Infrastructure		\$25,000,000	Designs and constructs the project as envisioned in the recent masterplan. Provides a 350' drive down float with the water, sewer and electrical connections. Also provides new uplands to accommodate small cruise ship passenger and provisioning needs.
NOAA Dock Acquisition		\$3,000,000	Related to Small Cruise Ship Infrastructure Project. Possible property purchase or improvements.
Downtown Waterfront Improvements Ph II (Restrooms)		\$3,000,000	On hold due to City Museum. Completes design and constructs a new restroom and waiting area at the Peratrovich Plaza.
Shore Power at Cruise Ship Berths		\$1,000,000	Based on the ongoing study. Designs and constructs shore power infrastructure to supply cruise vessels with shore power at both the AS and CT docks.
Deck Over at People's Wharf		\$3,000,000	Part of Marine Park to Taku Smokeries Planning Study. Decks over an open section of water between Tracy's Crab Shack and the seawalk for more public space.
Lightering Float Replacement		\$650,000	Replaces removed lightering float to provide a public float that accesses the water in the vicinity of Marine Park

Total \$36,650,000

Harbors

Project Name	Priority	Estimate	Project Notes
Statter Harbor Passenger for Hire Ph IIIC		\$4,000,000	Designs and Constructs restrooms and waiting area and parking lot improvements for tour passengers and buses. It could include a second floor for lease to a restaurant.
Aurora Harbor Rebuild - Ph III		\$4,000,000	Rebuilds North Aurora, could be combined with Aurora Ph IV
Aurora Harbor Rebuild - Ph IV		\$5,000,000	Rebuilds North Aurora, could be combined with Aurora Ph III
UAS Downtown Property Purchase		\$3,000,000	Purchase of the Fisherman's Terminal crane dock, tidelands, float, travel lift pier and uplands used by the boat yard.
Juneau Fisheries Terminal Development		\$25,000,000	Tied to UAS property purchase. Includes multiple improvement options to add capacity and improve facility's for commercial users at the facility. Based on the Bridge Park to Norway Point Master Plan
Marine Service Center		\$25,000,000	New downtown boat yard located at Norway Point with a 150 travel lift. Based on the Bridge Park to Norway Point Master Plan
Auke Bay Non-Motorized Coastal Transportation Link		\$12,500,000	Baywalk in Statter harbor that connects the Harbormasters Office to the Auke Bay Marine Station with an elevated seawalk that winds around the shore.
Cost Share w/ ACOE - Statter Breakwater Feasibility Study		\$500,000	Match money to partner with the ACOE to design and install a new longer breakwater at Statter Harbor to increase the protected moorage area.
Aurora Harbor Dredging - Tug Slips		\$350,000	Aurora Ph I had an additive alternate to dredge two of the fingers on A float to approx. elevation -20 to allow tug boats to not ground at -5 tides. It was not funded in Ph I.
Wayside Float Maintenance Dredging		\$350,000	The public fishing dock at DIPAC grounds at low tide which is damaging the floatation and the decking is wearing from vehicle use. It needs to be dredged and have major maintenance performed.
Auke Bay Net Repair Float		\$300,000	Net mending locations have been a hot topic for the commercial fishing fleet. For several years there was a barge on loan at the ABLF that served as a net mending float. The barge was sold and there is currently no official net mending float.
North Douglas Boat Ramp Improvements		\$5,000,000	Residents have asked about improving North Douglas Launch Ramp. A 2 lane ramp, 100 parking space sketch has been created to stir discussion and garner public input.
Aurora Harbormaster Building and Shop Replacement		\$3,000,000	Part of Bridge Park to Norway Point Master Plan. The Harbormasters Office is past its useful life. It has sewer issues and the shop has carpenter ants. These buildings are the most in need of replacement in the D&H portfolio.
Douglas Harbor Uplands Improvements		\$2,000,000	Douglas Harbor has a masterplan from the early 2000's that adds curb and gutter, landscaping, paves the lots and builds a seawalk along the top of the retaining wall.
Statter Harbor Shop/Garage/Storage Facility		\$1,500,000	Staff have expressed a need for more vehicle garage space and storage to improve efficiency and levels of service to Statter Harbor and all harbor facilities north of Auke Bay. It's mentioned in the Statter Harbor Master Plan
Fish Sales Facility - Harris Harbor		\$1,000,000	A study was done to look at improving local sales of seafood directly from commercial vessels. It identifies some infrastructure that could improve the publics access to vessels selling seafood.
Taku Harbor/Stockade Point Float Replacement		\$300,000	Parts of the Taku Dock and Stockade Point float are nearing their useful life. This project plans and designs their replacements.
Total		\$92,800,000	

Docks & Harbors Totals: \$166,100,000