

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Zoom Meeting

I. Call to Order - Mr. Ridgway called the June 16th meeting to order at 5:00 p.m. via Zoom.

II. Roll Call - The following members were present at the Port Director's office or via Zoom meeting. James Becker, Chris Dimond, Don Etheridge, James Houck, David Larkin, Bob Wostmann and Mark Ridgway.

Absent - Lacey Derr, Annette Smith, and Bob Wostmann.

Also present at the Port Director's Office: Carl Uchtyl – Port Director, Erich Schaal – Port Engineer, Matthew Creswell – Harbormaster, and Teena Larson - Administrative Officer.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items - None

V. Approval of Thursday, May 19th, 2021 Operations/Planning Meetings Minutes.
Hearing no objection the May 19th, 2021 minutes were approved as presented.

VI. Consent Agenda - None

VII. Unfinished Business

1. Dockage Fee – Next Steps

Mr. Uchtyl said on page nine in the packet is a letter drafted to the City Manager in response to the May 24th Assembly meeting where the Assembly directed the City Manager to consider reasons to review the proposed regulation changes for dockage fees. The delay in having this move forward will hurt Docks & Harbors with loss of revenue for this season.

Committee Questions

Mr. Etheridge said this document includes the reasoning behind this increase, provides information on the public outreach, and the public hearing. The City Manager should have everything he needs to know from this document on Docks & Harbors process.

Mr. Ridgway asked Mr. Uchtyl if he has a number on the loss of revenue from this not being passed at the Assembly level?

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Mr. Uchtyl said it would be approximately \$150,000 loss in yacht revenue.

Mr. Ridgway suggested to add the potentially loss revenue of \$150,000 to the draft letter. His example was “lack of this change will cost us potential revenue of \$30,000 per month”. He suggested to also add the efforts of Docks & Harbors to reduce costs with not bringing back seasonal staff.

Mr. Uchtyl said he would propose to set up a sub-committee of three to provide input on this letter at a non-public meeting and bring it to the full Board next Thursday.

Mr. Ridgway appointed Mr. Etheridge, Mr. Larkin and himself to that sub-committee.

Public Comment –

Kirby Day, Juneau, AK

Mr. Day commented that it is important this change is decided in the next 60 days or so because the cruise industry typically budgets well ahead of the following season.

Mr. Uchtyl said we are already getting yacht reservations well into August. He said current reservation will not change to the increased fee if this is changed. Only new reservation will pay the increased fee.

Committee Discussion/Action

Mr. Larkin verified that the rates at the time of reservation would be honored.

Mr. Uchtyl said yes.

Mr. Ridgway asked Mr. Uchtyl to send an email out to the full Board letting everyone know the sub-committee will be meeting and if anyone has comments they can be sent to Mr. Etheridge, Mr. Ridgway, Mr. Larkin, or Mr. Uchtyl. The draft letter from this sub-committee will go to the Board meeting next Thursday.

No motion.

VIII. New Business

1. Fee Modification for Tour Sales Permits (05 CBJAC 10.040)

Mr. Uchtyl said on a normal year we have 11 permits available that start at a minimum of \$30,000 to sell independent tour packages along our waterfront. Last year the Board elected to return the \$30,000 fee that was collected in February. This year, the Board elected to reduce the fees for the loading zone permits and the passenger for hire permits due to the loss of tourism revenue. Recently he has received inquiries on these permits to see if this would be free this year or a reduced fee for the permits. This was discussed at the Finance Sub-Committee meeting and he said he recommended a fee of \$1,500. He came up with this number by guessing Juneau may have 10% of the passengers from 2019 numbers and with the shortened season of only ten weeks. He believes this is an appropriate fee to move forward with.

Committee Questions

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Mr. Etheridge asked if the \$1,500 was also recommended by the Finance Sub-Committee.

Mr. Uchytel said yes. The other unknown is how the dock agreements with the individual cruise lines will be written. There could be less opportunity for these permit holder to sell independent tours as we think about it today.

Mr. Ridgway asked if the process for this fee is in CBJ code?

Mr. Uchytel said this was changed in 2015 to increase the minimum bid from \$5,000 to \$30,000. There is still interest for these permits currently, but that may change someday.

Public Comment-

Kirby Day, Juneau, AK

Mr. Day said there is still uncertainty even with the ships coming. We do not know how many passengers will be on board during the 10 or 12 weeks and how many people will walk off the ship and buy an independent tour. Some of the CDC guidelines indicate that some of the ships' unvaccinated passengers may only be allowed to go ashore and take a cruise ship sponsored tour and then go right back to the ship. He said he supports this reduced fee for these permit holders.

Jeff Fanning, Douglas, AK

Mr. Fanning said the proposal is more than fair and he appreciates the opportunity to get a little bit of business back after the last couple of tough years. He would like as much time as possible to figure out if this will be a worth while investment based on what the cruise lines end up doing and if there are customers that are allowed to purchase independent tours.

Mr. Ridgway asked what he meant by as much time as possible?

Mr. Fanning said he was referring to waiting until mid to end of July when we know exactly what the status is and what the passengers are and are not able to do.

Committee Discussion/Action

MOTION By MR. ETHERIDGE: THAT DUE TO THE EXTRAORDINARY ECONOMIC HARDSHIP FOR CY21, THAT THE FEE FOR TOUR SALES PERMIT BE REDUCED TO \$1500 FOR THE REMAINDER OF THE CY2021 CRUISE SEASON FOR ANY COMPANY WHICH WAS PERMITTED IN CY2019 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IX. Items for Information/Discussion

1. Auke Bay Loading Facility – Update & Needs

Mr. Uchytel said at the Auke Bay Loading Facility, the area by the ramp has five guide piles. The guide piles restrict the ability for some barges to come in and load and unload. We have received requests recently from some construction companies to move rock

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

from Stabler Point Quarry through this facility. The guide piles are located at the edge of our property so we can not set them out further, but we can remove them. There also may be an opportunity for Docks & Harbors to collect some revenue under 05 CBJAC 20.180 Other fees. There is no money in the budget to do this. One idea the Port Engineer had was to declare these pilings as surplus and the person who bids on them would need to come remove them.

Mr. Schaal said the original design for the ramp is about 60 feet and with the boarding float it narrows it down to 51 feet. The larger barges in town tend to be 52 or 53 feet wide and that makes the area too small to use the ramp. Removing the guide piles opens it up. It is a very busy facility for the landing crafts. The option to come up with a fee for a barge landing would be a good idea because the small landing crafts have an hourly rate and that rate will not work for a longer loading time that a large material barge would want to use.

Committee Discussion

Mr. Ridgway asked where the barges will tie up.

Mr. Schaal said the barge will go between the Glacier Seafood dock and the multiple piles that hold our boarding float. The distance between the guide piles and the boarding float is 51 feet. If you do not have a 50 foot barge, you will not fit. The barge would pull up and drop their bow to connect to the concrete float to drive their forklifts on and off loading quickly. A barge that will load gravel will have a longer drop gate to go on and off of. The rock will most likely come from Stabler Point Quarry.

Mr. Ridgway asked if all five piles absolutely need to be removed? Do we have the name and address of the design engineer for this facility.

Mr. Schaal said PND was the design engineer for this facility. The design was to fit this facility into our footprint. A large barge at that location will be very close to Alaska Glacier Seafood. The guide piles would serve a purpose if we could keep them but staff also feels confident the boarding float is engineered for heavy loads and has more piles than guide piles. This is the design use for this facility, we just need to address the constraints.

Mr. Ridgway asked if the guide piles were removed, would this make us more liable?

Mr. Schaal said there is always a level of risk. The guide piles serve as a fender system. We need to be cognizant of the weather. This is a multi use facility used for barges, the sealift, and small landing crafts.

Mr. Becker asked if Alaska Glacier Seafood has been contacted yet with this proposal?

Mr. Schaal said staff wanted to bring this to the Board first.

Mr. Becker recommended moving the piles over but put them back in for protection to Alaska Glacier Seafood. He asked what the process to move them would be?

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Mr. Schaal said pulling them and replacing them is simple. Getting the permits to do that is complicated. The benefit of these piles is that they are sleeved and can be removed with little effort. Four of the five piles could be removed at an extreme low tide. The piles farthest from shore would need to be dead pulled. If any equipment making sound is used there would be a need to obtain a permit. Moving the piles over will not work for the property lines and the time it would take to get the permits we would lose this whole summer.

Mr. Ridgway asked if the piles are sleeved, will this still need a permit?

Mr. Schaal said we know in water work requires permits. If work is completed in the dry, we do not need the permits.

Mr. Etheridge asked if we need a permit to pull the piles.

Mr. Schaal said we can pull them if they are out of the water and we do not use vibratory equipment.

Mr. Ridgway asked what the path forward for this is?

Mr. Schaal said staff is supportive of this plan and we have been contacted again to remove these piles. We also have in our fee structure an avenue for temporary pricing for this work.

Mr. Ridgway recommended to look into this in more depth to ensure all the liability is covered.

Mr. Etheridge wanted to make sure our infrastructure and the neighboring facility is protected.

Public Comment

Mr. Dave Hanna, Juneau, AK

Mr. Hanna said he was the latest request to remove the piles. When this facility was first built, it was presented to the industry as a multi-use barge facility. It was very unfortunate when we found out it was not large enough for all the barges we wanted to use. He has used the ramp a lot over the past years with landing crafts but there are things that require a barge. Having to go around Douglas Island has thrown some projects off the board. We have multiple people and multiple places who need rock and CBJ has a rock quarry and they could sell a lot of rock. We have missed out on work in the past because of logistics and if this was opened up we would be able to haul rock from Stablers. He said anyone who operates at this facility should have proof of liability insurance and be aware they have to protect the ramp when they are operating. The trucks in and out of this facility will not be a big impact. If this gets opened up to the bigger operators it will produce more revenue for the Harbor Department.

Mr. Dennis Watson, Juneau, AK

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Mr. Watson said he had some concerns, the eel grass that needed to be planted by Alaska Glacier Seafood, and the outfall coming from the condominiums adjacent to this facility. There was damage to that at one point and he is unsure if it was replaced or removed.

Mr. Jim Sidney, Juneau, AK

Mr. Sidney said when this facility was first built he was surprised that the barges did not fit. It has been expensive over the years trucking rock to downtown facilities to load barges. He would like the Board to follow through with this guide pile removal.

Mr. Jeremy Sidney, Juneau, AK

Mr. Sidney said he hauls rock to several different barge facilities downtown. There is interest for rock at remote locations and this is a needed thing. If this was opened up for the larger barges, there would probably be more use.

Mr. Hanna commented that the barge operators will not intentionally let their barge ground on the ramp because that makes more issues for them. They will put boards or tires under it if it looks to be necessary. He said this can be done successfully.

Mr. Ridgway recommended staff look into why this facility was built like it is with this being a multi-use facility before moving this forward.

2. Professional Consulting Services for Comprehensive Fee Review

Mr. Uchytel said this dialog was started at the June 7th Finance Sub-Committee meeting. On page 35 in the packet is the most recent rate study conducted by Northern Economics which was for Homer. The Finance Sub-Committee directed staff to continue to look into conducting a rate study for our operations. Is a rate study what Docks & Harbors should pursue and if so, what does it look like? We can always afford what we prioritize.

Committee Discussion

Mr. Etheridge asked if this is what the Board wants to do, what is the next step?

Mr. Uchytel said staff would draft an RFP and bring it back to the Board for approval. The RFP would have to be advertised and we would have a selection process. This RFP would not be selected based on cost but on qualifications. The cost of this rate study would be under \$100,000 so it would not require Assembly approval and Docks & Harbors Board could approve a contract.

Mr. Etheridge asked if the Board was unhappy with the RFP results, do we need to proceed?

Mr. Uchytel said there is no obligation for a contract.

Mr. Becker asked if we are bound to go to bid for this rate study or just select a company we are familiar with?

Mr. Uchytel said CBJ procurement code says up to \$5,000 there is no need to compete, but between \$5,000 and \$50,000 it requires quotes. Because this is professional services and not a commodity, it requires this RFP process to select on qualifications and not solely based on price.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Mr. Ridgway asked how many areas of our current regulation would need to be changed with a rate study similar to the Homer one?

Mr. Uchytel said it depends on how many fees we want the rate study to look at and to what detail.

Mr. Becker asked if the Board could establish an interim rate for the live-aboards and let people know the rate could change after the rate study is completed?

Mr. Uchytel said an interim live-aboard rate could not be set without the Assembly approval and we would back to where we are now.

Mr. Becker said we could make the argument with the Assembly that this is what we want to do until we have a completed study.

Mr Uchytel we have not done that before.

Mr. Ridgway said this is a complicated thing to have rational behind what a rate should be. The rate should be equal to our expense. He supports this rate study because the Board and staff just spent a lot of time to look at two rates and neither one was approved. If the Board is going to proceed with a rate study, he wants all the revenue generating rates as possible to be reviewed. He said this rate study is a must have in his mind.

Mr. Etheridge said we have the authority to hire a consultant for a rate study, but his concern is if the rate study is too large, will it be completed in a timely manner to be useful to us. We need to make this so it is useful in a timely manner.

Mr. Uchytel said narrowing the rate study could be spelled out in the RFP.

Mr. Ridgway recommended staff draft a RFP for a rate study for all our fees that could be cut down in section.

Mr. Larkin said he does not want a small rate study but to have as many fees evaluated as possible. This will not be a quick or inexpensive process. We heard from the public the Board needs to be careful spending their money. He wants this to be a long term process so we do not have to keep fixing this again and again.

Mr. Becker said he is thinking about Docks & Harbors cash flow dilemma. We have not moved forward with the gate at Harris Harbor because we do not have any money for it. The little bit of tourism we are going to see this year is probably not even enough to do anything. Will we not be able to do any projects until this rate study is completed?

Mr. Uchytel said we can afford what we prioritize. We do not have the money to do everything people want to do on this Board. This fiscal year we spent close to \$70,000 to get rid of the Lumberman. A new fiscal year starts July 1st. He said staff is taking a lot of yacht reservations this year and we remain hopeful fishing will be good this year as well.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Mr. Schaal commented that if the Board moves ahead to bring a consultant in, that is not a sure thing to get the Assembly approval. We will still need a plan to get this approved by the Assembly.

Public Comment – None

Mr. Uchtyl asked if the Committee wants this to be brought to the Board meeting next week.

Mr. Ridgway said yes. He also recommended a couple Board members get together to author a letter letting the Assembly know that we are looking into hiring a consultant to conduct a rate study. The members are Mr. Larkin, Mr. Etheridge, and himself.

3. Aurora Harbor Phase III – Planning

Mr. Schaal said it sounds like the Governor's budget still has full funding for the Municipal Harbor matching grant. With full funding of this program, staff is hopeful we will receive the \$2M to match our \$2M to get moving forward with Aurora Harbor phase III(A). With the \$4M we would be able to build the new head walk and maybe a finger or two. There needs to be a plan now with the ability to add fingers in the future after the initial head walk construction. In the packet on page 51 is the original master plan for Aurora Harbor. The last floats to figure out are H through N floats. Mr. Schaal said looking at the waitlist on page 53 in the packet shows it would be wiser to build the north end of Aurora for vessels 38' and up. He would like to hear the Board's perspective on the market needs today. Looking at the original design on page 52 in the packet, there are things that should be changed and that could add cost to the budget. The Army Corps of Engineers was able to dredge to a -14 in the basin so this area will be good for the larger vessels.

Mr. Uchtyl said this was presented tonight to get the Board thinking what the north end of Aurora should look like and have a plan on how to tie it all together. The next opportunity to ask for money is next year for the 1% for sales tax initiative.

Committee Discussion

Mr. Etheridge recommended to hear the Harbor needs from Harbor staff before the Board provides input.

Mr. Becker commented that having net floats would help.

Public Comment - None

4. Fireworks Ordinance – Impact on Harbor Facilities

Mr. Uchtyl said on page 66 in the packet is the fireworks use guidelines in the City & Borough of Juneau. On Monday there was a proposal that would have allowed year around use of fireworks outside the fire service area on public properties which would include Echo Cove, Amalga Harbor, and North Douglas Launch Ramp which could have had fireworks year around, but the Assembly did not pass this. Mr. Uchtyl requested the Assembly not take action on the proposal until the Docks & Harbors Board has a chance to weigh in on how this would impact Docks & Harbors facilities.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

Committee Discussion - None

Public Comment - None

5. Harbor Employee Evening Security - Update

Mr. Creswell said one of our seasonal staff has take on the evening security duties last Tuesday. He works Tuesday through Saturday 3:00 pm to Midnight. His duties are maintaining a Harbor Officer presence within Docks & Harbors facilities. This person walks the floats at all the facilities, checks parking, and checks for launch ramp permits. The idea behind this position was that everyone knew the Harbor staff went home at 4:30pm so they did what they wanted, but not anymore. Harbor users already have indicated that they like seeing a harbor staff presence after hours. He has a SOP and a set of guidelines. He is not on a set schedule doing the same thing everyday. He is working with Chair Etheridge and the Deputy Harbormaster Jeremy Norbryhn figuring out the best use of his time. This position is proving to have a lot of added benefits. He is seeing boats tied up at night but not on the morning inventory, lights that are out and need replace, and other maintenance type things not found in the day. If this position is successful, it may turn into a full time position. There is a lot to learn with this new position.

Committee Discussion

Mr. Etheridge said this has worked very well. They are able to communicate and increase patrol in certain active areas. He said he is very supportive of making this a full time position. The difference it has already made in this short time is very noticeable.

Mr. Becker asked if it was legal for a fishing vessel to tie up for a short time and get groceries?

Mr. Creswell said yes. Before COVID, Port staff was on until 11:00 or 12:00 at night and they were given a list of empty stalls in Aurora to be able to communicate to a visiting boater where to tie up. This is another duty the new security position would be able to do.

Public Comment- None

X. Staff & Member Reports

Mr. Creswell reported

- Staff is busy with recreational use of the Harbor. All parking spaces were used at Statter Harbor.
- Admins are processing permits with the cruise ships coming back.
- The new passenger for hire floats are being used. Staff is still trying to figure out the best management of this area.
- Working on repairs at the Fishermans Terminal, and Taku Harbor needs repair work done.
- Staff is actively working to get ready for the cruise ships.
- Drew Baird was offered and accepted the Administrative Assistant III position. He is highly qualified and starts June 25th.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 16th, 2021

- We are looking to hire our seasonal Administrative Assistant I position and will advertise the full time Administrative Assistant I position soon.
- We have six Part Time Limited positions advertised that will be filled on an as needed basis.

Mr. Etheridge said he was approached again from the Spuhn Island people about parking. He does not want an answer tonight but to think about it and let him know if this is something that can happen?

Mr. Creswell said the pot hole at North Douglas was temporarily repaired with gravel and will be repaired with a cold patch next week. He said in regards to the handicapped parking request for a parking space closer to the launch ramp he is still working on.

Mr. Etheridge said it was recommended to have it on the far side of the port a potties.

Mr. Creswell said he is working on it.

Mr. Uchytel reported;

- Docks & Harbors is supporting the Maritime Festival working with JEDC. The festival is Saturday from 11:00am to 5:00pm.

Mr. Ridgway reported he is a volunteer on the fireworks barge and they are receiving support from Docks & Harbors as well.

Mr. Etheridge reported one thing that has been noticeable over the last few weeks is that there is a lot of undeseriable traffic in the harbors and they are watching them closely.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting-**Wednesday, July 21st, 2021**

XII. Adjournment – The meeting adjourned at 7:30pm.