Minutes
Visitor Industry Task Force Draft Recommendations Review Special Committee
August 27th, 2020

Special Committee Attendees: Chair Don Etheridge, Bob Wostmann, James Houck
Also in attendance: Carole Triem, Carl Uchytil, Jim Becker

5:01 PM Chair Etheridge called to order

There was no public comment on non-agenda items.

The mission statement was approved.

1. Mission Statement: The Docks & Harbors Visitor Industry Task Force Review Committee shall evaluate the April 27th, 2020 DRAFT Task Force Recommendation and forward suggestions to the full Docks & Harbors Board.

2. Public Comment on Visitor Industry Task Force DRAFT Recommendations

3. Special Committee Review of April 27th, 2020 DRAFT Task Force Recommendation:

a. Mayor's charge: Regarding Management of the Visitor Industry

b. Mayor's charge: Regarding reviewing and updating the Long Range Waterfront Plan

c. Mayor's charge: Regarding the persistent idea of a restriction on the number of visitors

d. Mayor's Charge: Considering methods for collecting public opinion

e. Subport Development/Upcoming Norwegian Cruise Line Dock Proposal

Mr. Uchytil described the mission of the Special Committee was to provide comments for the full Board's consideration. There are specific elements relating to the Mayor's Visitor Industry Task Force Draft Recommendations which merit Board input both positive and negative. He believed that the Assembly was intending to meet this fall to deliberate on the Draft Recommendations from the Task Force.

Task Force Chair Ms Triem explained that the Assembly has not taken action on the Draft Recommendations. After speaking with the Mayor, she indicated that the original plan was for the Assembly to take up the Draft Recommendations following the 2020 summer. The Draft Recommendations were written at a different time and different world, given the pandemic, many things have changed there is some uncertainty to whether the Assembly takes action.

Mr. Kirby Day, concurred with the uncertainty and attempting to manage tourism growth will still remain a priority for the community and the industry. There likely remains an appetite for the Task Force to come back in the fall or winter to update the Draft Recommendation. Many of the recommendations are relevant for 1.5M tourists or for something much less. He suggested it would be up to the Chair of the VITF and the Mayor to whether the group reconvenes.

Mr. Wostmann proposed taking a first pass relatively quickly of the current Draft Recommendations and tagging those items which would be of concern to Docks & Harbors for more thorough discussion at a later time.

Mr. Wostmann agreed to lead the discussion and walked the Committee through his review edits:

Under Mayor's charge: Regarding Management of the Visitor Industry, it was suggested to tag
5. Waterfront Museum; and,
6. Small vessel docking study
Page 4:
2. Docks & Harbors Waterfront Management
a. Commercial Use Permitting of Docks and Harbors
b. Dock Maintenance c. Seawalk Maintenance
3. Docks & Harbors / CBJ Assembly a. Tidelands management

Page 4 Recommendation #2
CBJ should determine community goals (emissions, shore power, congestion mitigation, etc.) and develop and implement an action plan to achieve these goals. a. Complete the Blueprint Downtown sub-area plan and address land use and zoning, as well as incentivizing local business development in the downtown core.

Item 4 ordinance regulation on effecting D&H areas of responsibility:
CBJ should adopt ordinances and regulations to establish consistent management of commercial tour use on all lands, including parks, docks and harbors, right-of-ways, and other lands owned by the CBJ.

Page 5:
d. Require all tourism operators receiving Commercial Use Permits to be active members in good standing of TBMP and comply with TMBP guidelines, and where applicable, also be active members in good standing with WhaleSENSE and comply with WhaleSENSE guidelines.

e. Work with related agencies and partners, such as NOAA, on reducing speed and wakes from whale watching vessels in Statter Harbor, Auke Bay and other impacted areas.

b. Maximize use of shore power by all cruise lines by requiring CLAA to assign shore power configured ships to electrified docks once additional shore power infrastructure is in place.

c. Limit water usage by ships in periods of drought.

Page 6
ii. In 2020 and going forward, should a ship wish to call in Juneau at CBJ operated facilities on a day other than what was originally scheduled due to weather or other factors, CLAA should review this

request with CBJ prior to confirming this call in order to evaluate how the change affects congestion and other impacts to the community

iv. In 2022 if the NCL berth is operational as the fifth dock, prohibit hot berthing as a scheduled practice.

Page 6.
a. In 2020 and going forward, prohibit docking or anchoring of passenger cruise ships of any size in Auke Bay, specifically Statter Harbor, except for emergency purposes.

7. Incentivize Juneau as a turn port for smaller ships.

Page 7.
2. Small bus staging at the Archipelago area (2022) – Deckover of tideland area close to the Marine Parking Garage to provide space for passenger bus loading.
3. Open space at the Archipelago area – Private project adjacent to the Marine Parking Garage to develop commercial and open space on the waterfront.
6. Dock Electrification planning.
7. Seawalk Infill at Marine Park – Install Seawalk decking over the area where the lightering ramp and float was removed. This will extend the Seawalk to connect to Marine Park.
8. Seawalk expansion South to AJ Dock planning.
11. Cruise Ship Real Time Wastewater Monitoring - Install instrumentation and control systems to track strength and flow rate of discharges to allow for efficient plant management.
12. Franklin Dock Floating Berth – Private project evaluating replacing the current cruise ship dock with a floating berth.
viii. Encourage and incentivize electrification of tourism vehicles.

Page 8
3. Prioritize dock electrification and continue to work with the electrical utility to monitor electrical capacity available for purchase on either an interruptible or firm basis.
4. Limit expansion of downtown dock infrastructure to allow for no more than one additional larger cruise ship.

Page 9
2. Complete development of the Seawalk.
Whether the LRWP needs to be updated?

Page 10

1. Limit by Infrastructure Whether or not to lease tidelands for a new dock (or docks) to accommodate larger cruise ships is the most pressing capacity question that Juneau will face in the foreseeable future. The CBJ Assembly should spend a significant amount of time studying this issue. A new dock may or may not supplant the existing anchoring and lightering and may or may not result in significant ship visitation growth. However, that analysis is greatly over simplified.

2. Limits on Ship Scheduling The revenue bonds that financed the construction of CBJ owned cruise ship docks and lightering float (commonly known as 16B) requires that the debt service not be placed in jeopardy. The bonds are scheduled to be paid off in 2034, but the CBJ can prepay the bonds as early as March 1, 2026. Limitation on dock availability (such as instituting "no ship days" at CBJ facilities) at the municipal docks may cause such jeopardy.

Page 11
Methods and means to limit number of ships and ship calls.
#7. CBJ should work with the various agencies including CLAA, CLIA and individual ship lines to discourage or prohibit anchoring and lightering by larger ships if an additional dock is constructed. If a Subport dock is constructed, the CBJ should more thoroughly investigate and completely understand under what circumstances the USCG would remove or restrict the current anchorage. Working with CLAA to control anchoring.

Page 12
Activating safety valves – approach to reducing congestion downtown;
The use of dynamic positioning navigational systems, which when in use, designate vessels as "underway' vs. "anchor" should also be discussed as this may change the ability of agencies to utilize certain management tools to control the anchorage; and,
3. Ocean Center

Page 13
Cruise Ship Size Discussion The task force report includes many recommendations related to cruise ship size, especially as related to a potential new NCL dock and anchoring of ships. In the report, the term 'larger' cruise ship is used and a specific definition of larger ship is not; and

Develop Juneau as a home port for smaller ships.

Page 14
Definition of a 'larger ship' as it proceeds with tourism management.

Ms. Triem agreed it was good list of overlap with Docks & Harbor responsibilities. She indicated the Task Force struggled with identifying a small vessel. Mr. Uchytil explained that the Small Cruise Ship Infrastructure Master Plan used 275 linear feet as the cut off between large and small cruise ship. This length was selected because American Cruise Lines has the vessel CONSTELLATION which is 273 feet in which they wanted to use facilities downtown but Docks & Harbors is unable to meet their request because of their size.

Mr. Wostmann indicated concerns regarding limitations if the reference is to passenger counts. Some large yachts may only carry 12 passengers but could be kept out of Auke Bay because of the overall length.

Mr. Etheridge recommended ensuring dayboats such as the Fjordline ferry to be given consideration to operate in Auke Bay.

Ms. Triem was asked about the dynamic positioning navigational systems mentioned in the Draft Recommendations. She indicated it is possible dynamic positioning could limit the ability to regulate anchoring and the limiting the number of vessels in port.

Mr. Houck asked to include Page 4 recommendation #1. CBJ should implement centralize tourism management function.

Chair Etheridge recommended started at the top and work our way down.

Mr. Houck asked Ms. Triem if she could expound on different time and place and expectations from the Mayor regarding the Task Force. Ms. Triem indicated the Mayor would like the Task Force to reconvene in the future. No dates have been established.

Ms Triem indicated that there are references to several plans in the Draft Recommendations which are intended to be background information on page 3 and on page 7. Some of the studies are also simply status reports. She didn't think Docks & Harbors needed to dive into whether the studies should be completed or not.

Mr. Wostmann recommended that this committee indicate that certain studies are currently underway, such the Small Cruise Ship Infrastructure Master Plan.

Chair Etheridge recommended the Port Director provide an update to the Mayor and Assembly regarding on projects and recapitalization efforts, such as the electrification study and Small Cruise Ship Infrastructure Master Plan which will be presented to the Assembly PWFC. Chair Etheridge suggested that this Special Committee focus on the "recommendations" stated in the Draft Recommendations.

<u>CBJ should establish a centralized tourism management function funded by CBJ with full-time staff to guide implementation of the 2002 Tourism Management Plan (TMP) where applicable. The TMP provides an example of how this could function.</u>

Mr. Houck indicated he is most familiar with the pedicab, multiples of efforts to permit separate entities. JPD requires a safety check, D&H has permitting requires as well as Parks & Rec. He runs 4 pedicabs and is out $3K before May 1st rolls around and not sure that all the requirements are necessary. He would support better alignment across the city.

Mr. Wostmann recognizes that Docks & Harbors has a role to play but unsure how a centralized tourism management would impact the Port Director's role.

Mr. Uchytil thought the intent of the recommendation was to have a CBJ employee as a tourism Czar to oversee the bits & pieces. There is nothing currently centralized in the visitor industry in Juneau. He was unsure whether the onerous and multi-divisional permitting requirement would be solved with a tourism Czar.

Ms. Triem indicated that the request for a centralized tourism management function was requested by several members of the public.

Mr. Day thought items #1, #2 & #3 and would work together.

*[1. CBJ should establish a centralized tourism management function funded by CBJ with full-time staff to guide implementation of the 2002 Tourism Management Plan (TMP) where applicable. The TMP provides an example of how this could function.*

*2. CBJ should determine community goals (emissions, shore power, congestion mitigation, etc.) and develop and implement an action plan to achieve these goals. a. Complete the Blueprint Downtown sub-area plan and address land use and zoning, as well as incentivizing local business development in the downtown core.*

*3. The TBMP program should be augmented and supported by CBJ. TBMP remains an industry driven and operated program. As an industry program, peer and industry pressure achieves compliance that would be difficult to obtain under a regulatory regime]*

Mr. Wostmann summarized that the #1 would help streamline tourism and be a resource but wouldn't necessarily assume the responsibility of the permitting requirement.

Chair Etheridge asked the Port Director whether action is required from this Committee for this topic.

Ms. Triem asked whether this Committee work will go back to the Assembly or to the Task Force?

Chair Etheridge indicated that this Committee work will work up thorough the full Docks & Harbors Board and then send recommendations to the Assembly.

<u>CBJ should determine community goals (emissions, shore power, congestion mitigation, etc.) and develop and implement an action plan to achieve these goals. a. Complete the Blueprint Downtown sub-area plan and address land use and zoning, as well as incentivizing local business development in the downtown core.</u>

Mr. Uchytil stated that Docks & Harbors has an ongoing study with Haight & Associates to research the shorepower requirements. Haight & Associates is a Juneau company who designed the Franklin Street Dock. A good portion of the study will be to determine whether AELP has sufficient power for more than one dock to be electrified. He suggested this is a complex evolution that no one should assume

powering a cruise ship is as easy as plugging in another electrical connection. The study will not be complete until April 2021.

Chair Etheridge ask Ms. Triem about the sub-paragraph (a) on completing the Blueprint Downtown. Ms. Triem indicated that some members of the public and a Task Force member wanted to discuss zoning and staff indicated that zoning is outside the VITF but zoning issues will be addressed under the Blueprint Downtown.

*4. CBJ should adopt ordinances and regulations to establish consistent management of commercial tour use on all lands, including parks, docks and harbors, right-of-ways, and other lands owned by the CBJ. Management considerations should include:*

Mr. Wostmann agreed that this topic is a Docks & Harbors see value in commenting one, especially as it pertains to the Auke Bay. The Operations Planning Committee has dealt with managing leased property and acknowledges that there are inconsistency in how Docks & Harbor permits certain activity which may be different than others. At some point a matrix will need to be drafted to work with the various entities. He indicated subparagraph e [*Work with related agencies and partners, such as NOAA, on reducing speed and wakes from whale watching vessels in Statter Harbor, Auke Bay and other impacted areas.*] would be of interest.

Chair Etheridge indicated that the staff had made some efforts to address the wake issues at Statter Harbor.

Mr. Wostmann mentioned subparagraph b. *[Consider whether there should be commercial tour permitting on city streets and sidewalks for commercial tours such as guided hikes or guided micromobility tours; and if so, regulations should be developed in the same way that CBJ regulates parks and trails, to determine impacts, including days, times and capacity.]* That there should be a policy under the Assembly to permit activity in a consistent manner. This is not a problem unique to Docks & Harbors.

Mr. Uchytil indicated this section is an example as to what makes things onerous for some operators, as Mr. Houck mentioned earlier. The in consist manner of various permitting entities such as Parks & Rec, JPD and Docks & Harbor could make it harder for say a segway tour company to permit and operate. That said, Docks & Harbors takes a narrow view of what is permissible along the waterfront and with few exceptions does not allow commercial operations. He was concerned that a one size fits all mentality could be construed to mean permits are managed similarly say with Parks & Rec at False Outer Point and at the downtown Docks.

Chair Etheridge shared his concerns of the downtown waterfront becoming a “Little Tijuana” if not managed properly.

Mr. Houck indicated that as pedicab operator that Docks & Harbors has been proactive in trying to resolve regulatory conflict when they arise. He explained that Docks & Harbors would not initially allow

advertising on the pedicabs until regulatory changes were enacted. He suggested it is more complex dealing with Parks & Rec who have an annual fee plus a per passenger charge. He thought there is room for improvements and may be cost saving to the city to issue permits centrally or through a super department head.

Ms. Triem said the feedback on the permitting process is helpful to her. The recommendation from the Task Force to have a Staff position dedicated to permitting was not just for technical issues but for a broader policy level discussion which the community was requesting. An established staff position could provide community tourism direction under the policy guidance of the Assembly. This recommendation would make permitting easier but that was not the exclusive reason.

Chair Etheridge suggested bringing this up at a future meeting. There was no objections from the Committee.

Mr. Uchytil informed Chair Etheridge that Mr. Day had left the conference call and the Committee Members, Mr. Becker, Ms. Triem and Andrew Green were now on the call.

Chair Etheridge ask Mr. Green if he would like make comments.

Mr. Green thanked the Board for taking time to review and have a special meeting. CLAA, the maritime agency operating in Alaska, has concerns about the scheduling implications from the recommendations. He does not want to have the CLAA hands tied when it comes to scheduling vessels in Juneau as it affects other ports of calls in Alaska. He indicated that they are currently scheduling for 2022 and need certainty with impacts arising from the Task Force. He would like a three year lead to make changes as to what is available or not available in Juneau. He indicated that there has been some good things that have come out of the Draft Recommendations items which he hadn't considered.

Mr. Green recommends taking a different approach to the direction of the recommendations that of being supportive of the cruise industry. That Juneau is open for business, that Juneau needs the support of the cruise industry. Juneau needs to send a positive message to the industry and the Draft Recommendations does not do that.

Chair Etheridge moved the discussion to item 5b [*5. CBJ should require Cruise Lines International Association (CLIA) member cruise lines to operate in the following manner: b. Maximize use of shore power by all cruise lines by requiring CLAA to assign shore power configured ships to electrified docks once additional shore power infrastructure is in place.]*

Chair Etheridge suggested the use of shore power will be discussed in deal with the Haight & Associates study and we can move on to the next item.

Item c. [*Limit water usage by ships in periods of drought*.] Chair Etheridge asked Mr. Uchytil if this doesn't already happen?

Mr. Uchytil confirmed that it does. He said maybe four years ago, when water rationing to ships did occurred, that CLAA would consult with the CBJ Water Division to determine how much water could be provided to a vessel. The cruise lines were not upset that they didn't receive water during periods of rationing. Since then, head tax was used to construct the Salmon Creek Water Filtration Plant which now serves 33% of all water needs in Juneau. He said providing water to the cruise ship hasn't been an issue recently and the recommendation is already occurs.

Mr. Green indicated the industry supported the request to solve water issues in Juneau including a 1.5M tank to be built in the Last Chance basin, a massive well water development in the Last Chance basin and UV treatment at the Salmon Creek Dam. He was told that there should be very difficult to run out of water. The industry will always throttle back water request, waste water, shore power or any other service to be equitable to all. The industry was successful in lobbying for funds either head tax or state marine passenger fees.

Mr. Etheridge asked Mr. Uchytil whether we should agree with the Task Recommendation regarding water usage and move on to the next item?

Mr. Uchytil referenced Mr. Green's concerns that perhaps the language is written in a manner which does not send a good message to the industry. The cruise industry really isn't the problem and industry interests actually helped to solve a community problem with water.

Chair Etheridge indicated we should draft responses to the Draft Recommendation with those comments that the industry is already doing this.

Mr. Wostmann agreed we Chair Etheridge that we should comment on issues including those issues which we don't have concerns.

Chair Etheridge agreed we should comment and inform the public on things we have completed and document in our report such as our effort for the electrification study.

Mr. Green was asked to speak on the topic of landfill, international law and waste management and whether the recommendation is appropriate.

Mr. Green said that many vessels added emission scrubbers to improve air quality – many but not all vessels previously had two incinerators. Some vessels removed an incinerator for a scrubber resulting in lower volume of waste being capable of to store aboard ships. This resulted in an increase in trash being brought to the landfill, up to three containers of waste may be transferred off a vessel. The international Maritime Pollution Act require port facilities provide certain services such as oily waste and offloading of trash from vessels engaged in international voyages, some ports have exemption. In SE Alaska, Juneau is the only port which can accept trash off loaded from a cruise ship. Whittier and Seward also have limited ability to handle trash and no local ability. The offloaded trash is regulated and it must be hauled to USDA approved land fill. It's a very complex and an operationally necessity. Mr. Green believes that only the absolutely necessary trash is removed from the cruise ships. He had heard

that mattresses had be taken to the Juneau landfill which was the result of Canada not permitting the removal of mattresses without sterilizing, which was not possible. The industry would not want to lose the opportunity to offload trash in Juneau as there are no other options. He also said that the amount of material which is deposited at the landfill from cruise ship is a small percentage of the overall waste.

Mr. Wostmann indicate we should include this topic in our report to the Assembly.

Chair Etheridge read Item *ii. In 2020 and going forward, should a ship wish to call in Juneau at CBJ operated facilities on a day other than what was originally scheduled due to weather or other factors, CLAA should review this request with CBJ prior to confirming this call in order to evaluate how the change affects congestion and other impacts to the community.*

Chair Etheridge asked Mr. Green how often this happens.
CLAA would notify Docks & Harbors, Travel Juneau, TBMP list, Customs and US Coast Guard, if there was a change or cancellation. Mr. Green stated there are infrequent times when a vessel gets blown out of Skagway due to weather, as an example. CLAA looks for options to accommodate the vessel elsewhere and maybe it might be diverted to Juneau and then rerouted to Skagway.

Mr. Wostmann asked how big of problem this is? I think our response this is not a problem doesn't happen often and due to unforeseen reasons.

Mr. Green said we had two cancellations in 2019 and no diversions. He indicated there was one vessel which stayed later because of need with waste water or water bunkering. There may have also been a mechanical issue causing a vessel not to sail on time. Passengers in this case were on board and stayed on.

Ms. Triem indicated that this was a community concern which was voiced even though it doesn't happened often. Similarly, the issue with mattresses was brought to the attention of the Assembly but it sounds like Mr. Green has it under control. Because the community expressed their concerns and recommendations are in the Draft, there would probably be some push back from the community if it were removed.

Mr. Uchytil stated he did not know the intentions of the requirement that "CLAA shall review this request with CBJ" . Who would CLAA consult with Port Director, City Manager, and Tourism Staffer?

Chair Etheridge directed Mr. Uchytil to include it in the response letter.

Chair Etheridge discussed the recommendation: 2022 if the NCL berth is operational as the fifth dock, prohibit hot berthing as a scheduled practice.

Mr. Wostmann asked what authority we would have to limit NCL from hot berthing?

Mr. Uchytil said that pre-COVID, NCL was looking to construct a cruise ship berth and would have acquiesced to most any demand from CBJ. He indicated the city would have leverage through a Conditional Use Permit or the lease of the commercial tide lands.

Chair Etheridge suggested that there will many legal issues to resolve.

Mr. Green was asked to comment on iii. In 2021, stagger arrival times of ships by 30 minutes.

Mr. Green stated this is misleading that we recklessly schedule ships. Safety is number one concern. They are timed closely with Alaska pilots. It already happens. The implication is rather negative on how Juneau thinks about this topic.

Mr. Wostmann recommends it be removed from the report.

Mr. Uchytil asked Mr. Green about longshore and whether they can provide arrives any sooner than 30 minutes apart? He indicated that there is also a limited labor pool for longshore which cannot expedite arrivals any sooner .

Chair Etheridge indicated he would like more time to think about 6a. *[In 2020 and going forward, prohibit docking or anchoring of passenger cruise ships of any size in Auke Bay, specifically Statter Harbor, except for emergency purposes.]* will go on next meeting.

Likewise #7 Incentivize Juneau as a turn port for smaller ships, will be placed in the next Special Committee meeting.

Mr. Wostmann recommended 1b be placed on the next meeting. *[(1b) Is the approach adequate within the existing dock infrastructure and within other foreseeable public or private infrastructure projects for the growth anticipated.]*

Meeting was adjourned at 6:52 pm.