

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Monday, May 3rd, 2021

Zoom Meeting

- I. Call to Order** – Mr. Etheridge called the Regular Board meeting to order at 5:00 pm via zoom meeting.
- II. Roll** - The following members were present via zoom or in person; Lacey Derr (arrived at 6:46pm), James Houck, Mark Ridgway, David Larkin, Annette Smith, Bob Wostmann, and Don Etheridge)
Absent - Chris Dimond, and Jim Becker
Also Present – Carl Uchtyl – Port Director, Erich Schaal – Port Engineer, Matthew Creswell – Harbormaster, and Teena Larson – Administrative Officer.
- III. Approval of Agenda**
- MOTION By MR. RIDGWAY: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.**
- Motion passed with no objection.**
- IV. Approval of March 25th, 2021 Board minutes**
- Hearing no objection the March 25th Board minutes were approved with no changes.
- V. Public Participation on Non-Agenda Items**
Mr. Matt Leither, Juneau, AK
Mr. Leither said he wanted to make sure the Board members received his email regarding the liveboard rate increase proposal. He said with the proposal on the table, it seems that Harbors expects to collect \$230,000 annually and all of the garbage, sewer and water combined is \$231,000 annually. If we are looking for fairness, that does not seem fair.
- VI. Consent Agenda** – None
- VII. Unfinished Business**
1. RAISE (formerly BUILD & TIGER) and Port Infrastructure Development Program Grant
<https://www.transportation.gov/sites/dot.gov/files/2021-04/FY%202021%20RAISE%20grants%20NOFO%20%28Final%29.pdf>
<https://maritime.dot.gov/office-port-infrastructure-development/port-and-terminal-infrastructure-development/2019-port-1>
Mr. Schaal provided information on two grant opportunities and Harbors current plan for leveraging the grant opportunities to improve our facilities. The RAISE Grant has a minimum ask of \$1M and a Maximum of \$25M. Because we are a rural applicant, there is no match requirement and we are limited to three applications. The Port Infrastructure Development Program Grant (PIDP) has a minimum ask of \$1M, it is unclear what the maximum ask can be but the grant limit per state is \$57.5M. There is only \$230M available in the program. There is a match requirement but it could be waived by the secretary. There is a limit of only one application per entity.

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Staff recommends to submit the three applications for the RAISE grant. The application for the Fisherman's Terminal would be \$3M will be for planning efforts to allow us to tie into existing facilities to be able to continue operations during construction. We have applied for this project for the last five or six years. The Docks Electrification project would be \$12M per dock so based off the electrification study, we will look at electrification for either one or both of the docks. Even with electrification for both docks, it is still within the maximum amount of \$25M. For the Small Cruise Ship Infrastructure project, staff would recommend to apply for the \$25M.

For the PIDP grant application, staff believes the Juneau Fisherman's Terminal meets the requirements for this grant opportunity of \$25M.

Mr. Schaal said staff had a meeting today with the acting Administrator of MARAD, Lucinda Leslie who is the top person with the Maritime Administration. Staff was given an opportunity to speak about Juneau and Alaska's maritime needs. Staff was able to gain information on what they look for in a grant application.

Committee Questions –

Mr. Ridgway asked with the cost of lumber increase, which of the construction cost estimate will be most impacted?

Mr. Schaal said the Small Cruise Ship Infrastructure project is the most current and the Docks Electrification project has been around since 2015 so he believes there would be cost adjustments with the Dock Electrification project.

Mr. Ridgway asked out of the projects discussed, which has the greatest potential to generate revenue for Docks & Harbors?

Mr. Uchytel said it would probably be the Small Cruise Ship project to generate the most revenue. The Juneau Fisheries Terminal is rebuilding an aging facility and adding infrastructure for commercial fishing, and then the dock electrification would be the least revenue generator.

Ms. Smith asked with the new administration if the Dock electrification project would have a better chance to be successful?

Mr. Uchytel said the new administration is focused on clean energy so the Dock electrification could be the most compelling.

Ms. Smith asked because the Dock electrification project would benefit AEL&P, would there be any funding opportunity from AEL&P?

Mr. Uchytel said no, AEL&P has never approached Docks & Harbor with a recommendation to expand electrical power for the existing cruise ship docks.

Mr. Ridgway asked about how much revenue the surcharge would generate from the electric at the Docks?

Mr. Schaal said we are RCA regulated so we can not charge a per unit cost for electricity. Any fees will be a use fee. Whether we are a firm or interruptible customer, Docks will pay AEL&P as a facility owner. If a vessel uses power, we would be wise to charge

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more than what we are charged to cover our infrastructure investment. To make this worth while, we would need to recoup about \$500,000 annually.

Mr. Ridgway asked if the infrastructure is paid by a grant, what would the surcharge fee pay back?

Mr. Schaal said the rate would be low if we did not have very much out of pocket expense. We are still waiting for the rate study to be completed.

Public Comment-

Mr. Steve Benke, Juneau Commission on Sustainability

Mr. Benke said he believes the RAISE grant is a great opportunity for money to fund the Docks Electrification project for several reasons;

- Climate & Renewable Energy Goals
- Assembly Goals
- Community Support
- Federal Funding
- Meets Criteria the Closest

The Juneau Commission on Sustainability is willing to help Docks & Harbors apply for this grant and he urges the Board to approve the motion.

Mr. Duff Mitchell, Juneau, AK

Mr. Mitchell said climate change is addressed 16 times in the RAISE grant. The grant application also asks how does your project affect the climate action plan. Many communities do not even have a climate action plan. Juneau is uniquely situated because of our action plan. Docks electrification is not going away. This is an opportunity to use federal money for this project and he believes Juneau will compete very well for this grant.

Committee Discussion/Action

MOTION By MR. RIDGWAY: TO DIRECT STAFF TO PROCEED WITH FEDERAL GRANT APPLICATIONS FOR JUNEAU FISHERIES TERMINAL (PLANNING ONLY), SMALL CRUISE SHIP INFRASTRUCTURE MASTER PLAN, MARINE SERVICES CENTER AND DOCK ELECTRIFICATION - CONSISTENT WITH AVAILABLE FUNDING AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Update of FY21/FY22 Budgets Reflecting Zero Large Cruise Ships in CY2021

Mr. Uchtyl said after the Assembly Finance meeting where our budget was approved six to three we were asked to come back with an updated budget. The updated budget is on page 32 in the packet. This is the best information we have to date because we may now see cruise ships so this could change again. We will need to draw approximately \$717,400 from our Docks fund balance and Harbor fund balance will increase by approximately \$177,400.

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Committee Questions

Mr. Wostmann asked Mr. Uchytel to explain why with no cruise ships there is less needed from our fund balance?

Mr. Uchytel explained that is due to not hiring our seasonal staff and water expense.

Public Comment - None

Committee Discussion/Action

MOTION By MR. RIDGWAY: TO UPDATE THE ASSEMBLY WITH THE REVISED BIENNIAL BUDGET REFLECTING ZERO LARGE CRUISE SHIPS FOR THE UPCOMING SEASON AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

VIII. New Business –

1. Letter of Award – FY20 ADOT Harbor Facility Grant - Acceptance

Mr. Uchytel said in CY19 staff applied for Alaska Department of Transportation Harbor grant for Harris Harbor Pile Anodes. We were successful for up to \$125,000. Does the Board want to accept this grant?

Committee Questions - None

Public Comment - None

Committee Discussion/Action - None

MOTION By MR. RIDGWAY: TO ACCEPT AN HARBOR FACILITY GRANT FOR UP TO \$125,000 TO INSTALL HARRIS HARBOR PILE ANODES AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Bid Award for Project DH21-036 Harris Harbor Pile Anode Installation

Mr. Uchytel said the results of the bid opening are on page 39 in the packet. The Engineers estimate was \$253,600 and Global Diving & Salvage was the low bidder at \$174,650. If approved tonight this will go to the Assembly for approval on May 12th.

Committee Questions - None

Public Comment - None

Committee Discussion/Action - None

MOTION By MR. RIDGWAY: TO RECOMMEND THE ASSEMBLY APPROVE A BID AWARD TO GLOBAL DIVING & SALVAGE, INC FOR \$174,650 FOR HARRIS HARBOR ANODES AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

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3. Proposed CY2021 – Passenger for Hire & Loading Zone Permit Fees

Mr. Uchytel said at the Operations meeting this item was discussed and approved but the C-Zone operations were not included. The C-zone is in red on page 41 in the packet and that would include the Pedicabs.

Committee Discussion - None

Public Comment

Mr. Kirby Day, Juneau, AK

Mr. Day commented on behalf of TBMP that this decrease in fees should help and thanked the Board.

Committee Discussion/Action - None

MOTION By MR. RIDGWAY: THAT DUE TO THE EXTRAORDINARY ECONOMIC CONDITIONS FOR CY21 THAT THE BOARD CHARGE FLAT FEE FOR “A ZONE” AND “B ZONE” BUSES \$200 PER COMPANY; THAT “C ZONE” PEDICAB COMPANIES BE CHARGED \$200 PER COMPANY; THAT STATTER HARBOR BUS PERMITS BE CHARGED \$200 PER COMPANY; THAT INSPECTED PASSENGER FOR HIRE VESSELS BE CHARGE \$150 PER VESSEL AND \$1.50 PER PASSENGER; AND THAT UNINSPECTED PASSENGER FOR HIRE VESSELS BE CHARGE \$100 PER VESSEL AND \$1.50 PER PASSENGER AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IX. Items for Information/Discussion

1. Security Gate Installation at Harris Harbor

Mr. Schaal shared information on a security gate for Harris Harbor. This would be a good test harbor because there is only one ramp access and an engaged live-aboard community that provided ideas. Harris Harbor patrons with permanent stalls have asked for a gate at the top of the ramp preventing a person who does not have a vessel in Harris Harbor from accessing the facility during a predetermined time frame, example 10pm to 6am. Key fob access would control the door lock, just like the Harris bathroom. Video surveillance of the gate access would provide information about the reliability of the system and the rules enacted about allowable uses of D&H key fobs.

Goals -

- Control access during set times
- Allow access to approved Harbor users only during certain hours
- Allow access to emergency responders
- Allow all public access during daytime hours

Systems -

- Keyfob Control
- Cypher Lock- transient boaters could be given a number to unlock the gate
- Security Camera's

Options –

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- Magnetic door prop so the door can be held open and closes automatically at set times
- Lighting – this helps with security
- Cover for inclement weather

Structure –

- Aluminum Fabrication
- Integrated Facility Name Sign
- Constructed on approach dock

Mr. Schaal showed a rendering of a gate at the top of the gangway at Harris Harbor.

Mr. Uchytel said staff put this together from a ask from the Board Chair but the Board has the final decision to move forward with this project. “Does it make sense to put a gate on a public facility”, is still for the Board to decide.

Committee Discussion

Mr Etheridge asked if the Police and Fire would be able to use their key cards in our systems?

Mr. Schaal said if the key fobs Police and Fire carries is not compatible with our system, we will have a Knox box like on all of our facilities.

Mr. Ridgway asked what the expense is for this gate and if there are gates on a roller versus a swing? What is the plan to introduce this to the public?

Mr. Uchytel said according to the City Attorney this is a policy decision to enact or not to enact.

Mr. Schaal said with the prior Harbormasters research on a gate, the expense will probably be less than \$25,000.

Ms. Smith asked how much rates would need to be increased for this gate system.

Mr. Uchytel said this would be about \$25,000 and he would need to ask the Board how fast this needs to be recouped and if we even have this in our budget. We need to plan for this and fund appropriately.

Ms. Smith said with the already proposed fee increase she would not like to hit the live-boards with anymore of an increase but she believe they should have to pay something.

Mr. Etheridge said in the meeting with some of the live-boards, they said they would be willing to pay extra. He believes we need to get this gate installed and see how it works.

Mr. Ridgway said he agrees with Mr. Etheridge. Nothing will eliminate the crime in our Harbors but this will go along way. He encourages staff to continue finding the funds to move this forward.

Mr. Larkin said he supports moving forward with this.

Mr. Larkin left the meeting at 6:18pm

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No public comment

No objection from the Committee to move forward with this.

2. University of Alaska – Juneau Fisheries Terminal – Lease Extension

Mr. Uchytel said UAS has proposed an amendment to our lease to extend for an additional year.

3. State of Florida Lawsuite v. Centers for Disease Control & Prevention (CDC)

Mr. Uchytel said Alaska is also in this lawsuit against CDC. It basically says that no other industry has been subject to so much ownerous oversight and the four phase opening that is required. Since then, the CDC has given guidance now that if the cruise lines can prove that 95% of their crew has been vaccinated and 98% of their passengers have been vaccinated they will relax their requirements from 60 days to five days for opening. This does open the door a little for cruises this summer but there is still the Canadian Ports to get through. He is unsure where those negotiations are.

Committee Discussion

Mr. Ridgway asked how much time will Docks be given before a ship arrival and how much time does staff need?

Mr. Uchytel said we will know two months in advance and we will bring back our seasonal staff and turn the water and wastewater on. It is not that big of a lift for staff.

Ms. Smith asked if the cruise industry comes to town will they be asking for reduced rates?

Mr. Uchytel said they have not. However, one of the fees proposed to raise is the dockage fee. If this fee increase is passed, he would ask the Board to not raise it this calendar year for the cruise ship industry.

Mr. Ridgway asked once the cruise ships can sail again, are we going to be in competition with the private docks?

Mr. Uchytel said there will not be a bidding war for dock space. NCL has a contract with the AJ Dock and that will be honored and the Princess ships at the Franklin Dock will be contractually obligated. We will see the normal ships that come to our docks.

Public Comment

Mr. Kirby Day, Juneau, AK

Mr. Day said in terms of fees, in general, if you are going to raise rates, do it far enough in advance so it can be budgeted.

4. Assembly COW Meeting – May 10th

Mr. Uchytel said he has been working with Mr. Watt regarding the UAS property. He knows the Assembly is interested in helping procure the property. The process is still being decided by Mr. Watt. It may need to go to the Lands Committee prior to the COW.

Committee Discussion

Mr. Ridgway asked how the Board members can help?

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Mr. Uchytal recommended to talk to the appropriate Assembly members to request help in procuring the UAS property.

Public Comment –

Mr. Nathan Leigh, UAS Facility Services Director

Mr. Leigh wanted to make sure everyone knows that UAS is committed to the programs that are currently being held and anything UAS does they will need to accommodate for those programs. He does not want any rumors of programs being discontinued because of the efforts here. The University is committed to those programs.

5. Preparation for May 19th Public Hearing – Resident Surcharge/Dockage Fees

Mr. Uchytal said he is bringing this up at this meeting to let the Board know the public hearing will be held at a Special Board meeting prior to the Operations/Planning meeting. This is for the Resident Surcharge and the Dockage Fees.

Committee Discussion

Mr. Ridgway suggested to have staff continue to research comparative rates to keep adding to the packet and be prepared to discuss the fees.

Mr. Uchytal asked if the Board wants the power point presentation that was presented at an earlier meeting or just hear public input. The Board should be asking the question, “are all our fees fair and reasonable”?

Mr Etheridge said at the public input hearing it should be just public input and no presentation. He said we can ask staff for additional information at that time if needed.

Ms. Derr arrived at 6:46pm

Public Comment –

Mr. Matt Leither, Juneau, AK

Mr. Leither commented it would be helpful if these meetings are published well in advance as well as the meeting minutes.

X. Committee and Member Reports

Mr. Etheridge said Ms. Derr has been officially appointed to the Finance Sub-Committee.

1. Operations/Planning Committee Meeting- Thursday, April 21st, 2021

Mr. Ridgway reported the members heard a presentation from the Rotary Club about building a shelter at North Douglas Launch ramp facility, Ms. Derr provided a presentation on refuse in the Harbors and there was discussion on projects and grant opportunity as well as permit fee adjustments.

2. Member Reports – None

3. Assembly Lands & Resources Committee Liaison Report – Ms. Derr said there will be updates to the urban avalanche mapping. The maps currently in place were primarily focused on mitigation for damages trying to move flows away from housing and that was what the maps were generated for and the research. Now they are working to track flow paths with the technology we have today and map where the flows go.

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4. Auke Bay Neighborhood Association Liaison Report – Mr. Wostmann said nothing to report.

5. South Douglas/West Juneau Liaison Report – Ms. Smith said nothing to report.

XI. Port Engineer's Report – Mr. Schaals report is in the back of the packet.

Mr. Schaal reported;

- Statter Harbor Phase III(b) is moving along. The floats are almost all put together and the electrical is almost completed. They are completing the parking lots and installing the hand rails at the top of the gangway. It looks like it will be ready for our ribbon cutting next week Friday. There is a delay with getting the sewer pumping supplies so that may not be ready by next week but everything else should be.
- Answering Mr. Ridgway's question on how much is Docks & Harbors worth? Looking at reports generated from CBJ Finance, Docks & Harbors is worth between \$200M and \$300M.

XII. Harbormaster's Report –

Mr. Creswell reported;

- The Lumberman has been scuttled this weekend.
- The past weekend was Liter Free – there was Docks & Harbors crew and trucks aiding with the cleaning efforts.
- Echo Cove and North Douglas Launch ramps have been scraped and cleaned.
- Staff has been sweeping the gravel out of our parking lots.
- Crane one is back up and running at Fisherman's Terminal.
- Statter Harbor Breakwater chain repair is completed.

XIII. Port Director's Report –

Mr. Uchytel said Infrastructure week is the week starting May 10th. He said he is planning ribbon cutting events for Thursday at the Archipelago lot and Friday at Statter Harbor. Both events will be at noon. Customer Service appreciation is May 14th after the ribbon cutting event. Another event over the last weekend that Docks & Harbors staff participated with was putting up the flags with TBMP. He thanked Kirby Day for organizing that event.

XIV. Assembly Liaison Report - None

XV. Board Administrative Matters

- a. Finance Sub-Committee Meeting – Mr Wostmann suggested to send out a doodle poll for sometime before the next Operations meeting to continue on the items that were not discussed at the last meeting.
- b. Special Board Meeting – Wednesday, May 19th, 2021
- c. Ops/Planning Committee Meeting – Wednesday, May 19th, 2021
- d. Board Meeting – Thursday, May 27th, 2021

XVI. Adjournment – The Meeting adjourned at 7:05pm.