

**CBJ DOCKS & HARBORS BOARD**  
**SPECIAL BOARD MEETING MINUTES**  
**For Wednesday, May 19, 2021**

via Zoom

**I. Roll Call -**

The following members were present in person or on zoom meeting: Lacey Derr, David Larkin, Mark Ridgway, Annette Smith, Bob Westmann, James Becker and Don Etheridge.

Absent: Chris Dimond, and James Houck

Also present at the Port Directors Office: Carl Uchtyl – Port Director, Erich Schaal – Port Engineer, Jeremy Norbryhn – Deputy Harbormaster, and Teena Larson – Administrative Officer.

**II. Approval of Agenda -**

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

Motion passed with no objection.

**IV. Public Participation on Non-Agenda Items –**

Mr. Paul Swanson, Juneau, AK

Mr. Swanson said he likes the new location and the installation of the new commercial docks. This is a much better situation than what was planned a long time ago. He said he would like to know if the new slips are going to be assigned to the commercial boats, are they going to be paying year around like thte rest of us, and how many people will be able to come off the waitlist with this new dock.

Mr. Uchtyl said the new docks will not alleviate any persons on the waitlist for Statter Harbor. This is a transient facility and will be managed by the specific users. There will not be assigned slips but the Deputy Harbormaster will work with the various inspected vessels to organize it in a matter that is most efficient for the entire harbor system.

Mr. Matt Leither, Juneau, AK

Mr. Leither asked if the commercial vessels will be paying year round fees or just the time they are there?

Mr. Uchtyl said this is a seasonal for-hire float. This is not reserved moorage and not a year round facility for that purpose.

**III. Public Hearings**

1. Proposed Rate Increase to 05 CBJAC 20.050 (Residence surcharge)

Mr. Uchtyl said this meeting is specifically to hold a public hearing required by CBJ ordinance. After the Board reviewed fee increases, they elected to move forward with a fee increase of \$69 per month for the resident surcharge(live-aboard charge). At this meeting, the Board will decide if this will move forward to the Assembly for action. The Assembly can do one of four things per ordinance.

1. Not take up consideration of the regulation change by moving the regulation with orders of the day, which means the regulations are approved.

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2. Discuss the regulation and move to adopt the regulations.
3. Discuss the regulation and direct the manager to consider reasons to review the regulations again.
4. Direct the Attorney to prepare ordinance or resolution for consideration of the substance of the regulation.

This will go to the Assembly next Monday May 24<sup>th</sup>. If the Board decides to modify what has been publically noticed that will trigger another 21 day public notice period and another public hearing.

Board Questions - None

Public Comment –

Mr. Etheridge said people wishing to comment will be limited to three minutes.

Mr. Erik Wiseman

Mr. Wiseman said he submitted questions to the Board after the last meeting and asked will the questions be answered before a decision is made? He asked why the harbor moorage is decreased but the rent for live-aboards is increased?

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton read a prepared statement-

He said these are unprecedented times and we all agree that the harbor needs to pay for the services provided. He would like to raise criticism about this proposed rate hike and he does not think the Harbor should move forward with the rate hike at this time. This year the City was providing housing assistance, for a different agency to raise the live-aboard fee right now is contradictory and it is deaf to current events and potentially very harmful to some of our residence. There are no harbor to residence on the Board. He is concerned about that. It was decided 225 years ago there should not be taxation without representation. He is concerned with how these fees are being assessed. The fees should be related to the services provided. For instance, if a launch ramp is costing more than what it is taking in with the fees, than the difference should be assessed and then the fee raised. Instead he hears the Board simply discussing what fees they can get away with raising and how they could justify this later. He said he is concerned because this is poor management and poor governance. He also heard the Harbor has to support the Port side of operations. He said this is insane. One single Port project is equivalent to an entire annual Harbor budget. His impression is that the Port is spending millions in Capital improvements for as long as he has lived here. Meanwhile the Douglas Harbor remains unlit, unpaved, and without any restroom facilities. This is a bad time to move forward with any fee increase but specifically live-aboard fees.

Mr. Russell Peterson, Juneau, AK

Mr. Peterson said he thinks it is crazy that everyone on the Board voted to discount their own moorage by a nickle and selectively only double the live-aboard fee which is not a right thing to begin with back when Joe Graham first introduced it at \$19.99 in the 90's. He said everyone pays for trash and water. When you pay moorage part goes for trash and part goes for water for everyone, and it is not selective. We all share the same stuff. Nobody uses more than anyone else except for the commercial users making money at what they are doing. He also saw people claim that we are getting so many things like

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lighted parking lots and security. He said his gas just got siphoned again which cost him \$150. There is no security and nothing extra for the \$70 per month and he does not believe he should even be paying that. There is a legitimate challenge for even that because of all of this, we do not get anything extra for that. He said this is shameful the optics of this that the Harbor Board has no live-aboards. There are 500 slips and there are 148 live-aboards making it 30% of all user groups yet no representation on the Board. That is more than the commercial fisherman combined, and charter operators combined. That is 30% of the entire harbor that is unrepresented and not even a recognized user group. The Board chose to decrease everyones stall rent by a nickle and brag about it, and then double the live-aboard fee to make up for an extra \$117,000 all while we secretly or openly talk about spending \$8M on buying the UAS property which we do not even need in the first place. We are talking about spending \$8M in one breath but talking about raising the live-aboard fees in another.

Barbara and Norval Nelson, Juneau, AK

Ms. Nelson said she just printed the information off about five minutes ago and not sure she can process all the information of the amended detail of the charges. She said her and her husband are in favor of the opposition and support the greivances heard tonight. She said her family pays close to \$15,000 annually for stall fees, but what confuses her is that the agenda item states Port fees and Charges and she is not sure how this impacts them. She said her request is to have this item tabled and moved to the September meeting or August meeting giving her more time as a stakeholder to process this. She thought this hearing would unpack the language in these proposed changes and we would learn and be able to take a position on it that is more informed.

Mr. Starr Parmley, Juneau, AK

Mr. Parmley said the optics are bad and the timing has a shortness of compassion that he can not agree with. COVID is happening and this is not the time. He urges one of the options to send this back to review. His connections to the Assembly, it does not seem it will make it through the Assembly. He would be really disappointed that all our time was waisted because of that. He would recommend user networks, and speaking with people on the Assembly and really see if this will move forward first before we all get riled up. He said the pot is stirred now and there are a lot of people that have something to say. Having representation on the Board is an issue that should be discussed a little more. He would like to see that on the agenda minutes in the future. He said he is a land owner in Douglas, owns a couple of businesses, and lives in Douglas Harbor. He said his neighbors and him find this a little embarrassing. It seems like their peers on the Board are either not fighting for them or not prioritizing. There is no doubt fees need to increase, but maybe 4% increase written in the regulation but to raise our rates 100% seems a little short on compassion. Being a guardian of the people and the peoples wills he would like to see the tribute.

Eric Antrim, Juneau, AK

Mr. Antrim said he is not happy having to attend this meeting to say what should be obvious that he does not want to pay for services he does not receive. He said he opposes the proposal to double the residential surcharge. He said he is happy to pay the actual cost for the facility and services he uses. He said he wants to see the accounting. The extra water and garbage he uses as a resident can not possibly total \$69 per month little alone

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\$138 per month. He has not seen any public notice for this proposal. He said he would not have known about this meeting if it were not for his concerned neighbors. Juneau is a small community and we can treat people better than this. We can simply and transparently total the costs and charge it to the beneficiaries. He does not understand why the fees should suddenly double and where those funds would go.

Mr. Matthew Leither, Juneau, AK

Mr. Leither said one of the things frustrating about this whole process is that it does not feel like there is any accounting or financial reasoning behind this fee change. He said he wrote a letter looking at different costs of the services we receive with garbage and sewer, and we would pay \$230,000 under the new proposal and all the cost for water, sewer, and garbage totals \$231,000 in the whole harbor, so it boggles him. He said someone brought up at the last meeting capital expense and that we need to take into account for the cost of repairs. He said he can get behind that if we can show him the math, but so far the only people showing the math are people testifying publicly. We have not seen any math from the Director and he would like to see that. In his opinion, this is a cost that benefits the whole harbor and the whole harbor should pay for it. If there is a need for additional revenue, then all the people in the Harbor should pay for that.

Paul Marks, Juneau, AK

Mr. Marks said he just found out about this meeting a few minutes ago. To increase this fee 100% is not fare without giving any notice. We have a commercial business but we have not been able to capitalize on that. The tours have not been able to come in and he is sure they brought in a lot of revenue. He does not see why live-aboards have to pay for the revenue that was generated from the tours without even giving a warning. He said he is in agreement with a lot of the testimony here tonight. He is not happy and this is not a good idea. This will make a lot of people very unhappy.

Amanda Neyenhouse, Juneau, AK

Ms. Neyenhouse said she wanted to echo the prior statements from her fellow live-aboard community. One issue she has with the current system, especially with the proposed increase of charge, is that we are being charged the same amount for live-aboards be it one person on the boat, or four people on a boat. After the fourth person, there is an increase of \$23 per person. That times four is \$92. Where are those rates coming from. She does not believe four people are using as little resources as one person. She is curious why there is that aspect to the rate. As other people have stated, there is minimal security at the harbors and she has had to file police reports for damage to her boat. In the winter, the live-aboards are not guaranteed water. In Douglas Harbor, you can not have permanent connection to water. In the spring and summer the garbage is overflowing but not in the winter. In Douglas Harbor there are three port-a-johns in the summer and only two in the winter. She said the live-aboard community provides an invaluable service to the harbor and community. They have presence in the Harbor 24/7 and see problems, help neighboring boats, contact the harbor to report wind damage, and various things. She does not think there is enough of a police force currently to provide adequate security to the Harbors if the live-aboard community were to become smaller or non-existent. She said she is against this proposed increase and she would like the answers to the questions we have all asked.

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Board Discussion/Action

Mr. Wostmann said he read all the letters sent to the Board and listened tonight. He believes there were several comments tonight that the Committee did not adequately consider initially. He is struck by the opposition to this fee increase is unanimous. No one has spoke in favor of this increase. He believes there is valid reasons for this increase but he would like to send this back to the Board for further consideration.

Mr. Ridgway said this Enterprise is tasked with a way to maintain \$300M worth of infrastructure with very limited funding sources. The Harbor is in a tough spot and we need to raise rates. There were some things pointed out tonight that he had not considered, specifically, is the equation regarding four people versus one person.

Ms. Smith said she read the letters and listened to the testimony tonight. She said the Board got ourselves into this situation for continually kicking the can down the road and as a result of that instead of having regular small increases, we are catching up for 12 years. She believes to move forward with the increase.

Mr. Larkin said he read all the letters sent to the Board and listened carefully to all the public testimony tonight. Everything tonight has been appropriate. He said it occurs to him that the Board has done a poor job of articulating the reason for moving this things forward in a manner that people would understand. Some of the things heard was that we are considering spending \$8M on the UAS property but we have not educated that we will be spending that money anyway for the lease and if we purchased the property we would end up owning it. He heard the live-aboards do not have representation on the Board. Clearly the Board has done a poor job explaining that the Board members are their representation. He would recommend any of the live-aboard to apply for a Board seat next time an opening comes up. He said the Board is open to suggestions.

Mr. Etheridge said a correction to Mr. Larkins comments is that the Board is looking at purchasing the UAS property for just over \$2.5M and we are looking to the Assembly to help with that purchase. This fee increase is not for that purchase.

Mr. Ridgway said after this meeting is the Operations/Planning Meeting where we will discuss a security gate at Harris Harbor which may be the first of several. Clientele in the Harbor has been asking for this item in addition we will be discussing increased Harbor Security measures including patrol, but these things need to be paid for. The last time this fee was raised was 2008.

Ms. Smith said 2021 there is going to be a large increase in water & sewer, in 2022 another increase, 2023 another increase, and 2024. Those are increases coming to us from the City that we will have to deal with.

Ms. Derr said she read all of the letters and listened and she has tried to do her homework. She has called condo associations to see what services they provide and at what cost. The average condo association cost is over \$400. She looked into garbage and sewer and observed patron behavior. She watched an individual flood the Harbor parking lot with the Harbor spigeot just to feed birds. That was thousands of gallons of water and that bill came to us. She said the research could have been presented by the Board better, and the reason for this increase, but this has not been addressed since 2008. If we continue to keep

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putting this off, we will be in a much worse position than we are now. She said she is in support of the increase, but maybe double is not the way to go and maybe go half one year and half the next year. She also commented that she was also in support of keeping the moorage rate the same this year and not decreasing them which was based on the Anchorage CPI.

Mr. Ridgway commented that this has been before the Board members for two months now. Everything is getting more expensive and rate increases are coming.

Ms. Smith said in the motion, she added that this would be tied to the Anchorage CPI and it would be increased or decreased by the CPI. That way, in the future, there will be smaller increases.

Mr. Etheridge commented the Finance Sub-Committee is working on how to have smaller annual adjustments.

**Mr. Wostmann lost connection.**

Mr. Becker said he read the letters and heard the comments. Sending this back to the Finance Sub-Committee, the approach will be somewhat different. Rate increases are coming and we can not afford to do all the things the Harbors needs to do with the current financial situation we are in. The Board wants to be sympathetic to people, but the service we provide is very important to people and he respects that, but there will be an increase coming. If anyone is in a financial situation that they can not pay this fee, there are a lot of agencies that provide financial assistance.

Mr. Etheridge said the comments that this was not advertised is not true. The Board held several different meeting on this topic during a two month period. This was noticed for 21 days and has been in the public for comment.

Mr. Uchytel said people new to our process, we had public notice ahead of our Finance Sub-Committee meetings, before two of the Operations Committee meetings, and before two Board meeting. This was published in the public libraries, on our website and Facebook page, and in the Juneau empire. When he spoke on Action Line he talked about this public hearing date. Before the first meeting on this item we also sent out a letter or email to all the live-aboards. This item was put in Docks & Harbor monthly newsletter. Staff tries to get the word out on all items. Anyone wanting to be on the list to receive the monthly newsletter can let any staff know and we can get you set up to receive one electronically.

Mr. Schaal said he has been listening to the concern that people have not been notified about this fee change. If anyone feels they have not been contacted, please contact staff at [harbormaster@juneau.org](mailto:harbormaster@juneau.org) and let staff know your preferred notification so we can include that communication avenue. We have our webpage, Facebook, our newsletter, and the City Public Information Officer who posts information for Docks & Harbors.

**Mr. Wostmann is back in the meeting.**

Mr. Wostmann said sending this back to the Finance Sub-Committee does not mean this rate will not be increased. He agrees that the Board has not done a very good job justifying

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the proposed rate increase and items brought up that were not considered. He commented that a rate change of some degree is almost certainly going to be required but there needs to be more work on how and what. The other item he heard tonight is the CPI being applied to the general moorage rates. This was decided by the Board several years ago and he felt this was keeping faith with the community to apply the CPI whether it is up or down. The general moorage rates are on our next Finance Sub-Committee meeting agenda whether the moorage base rate needs to be adjusted. The Committee approach was to first look at the rates that have not been adjusted at all in a long period of time, and the last step would be to look at the base moorage rates to see if an adjustment is necessary to balance our books. We are an Enterprise Board and we are required to generate enough revenue necessary to cover our expenses.

Mr. Ridgway asked with staff using Lucity, our maintenance program, would this be able to track how much time is spent dealing with live-aboard type issues. He suggested a rate be established from the overall refuse cost, the utility cost, the maintenance cost and then what percentage would be the live-aboard fee. At that time, we would have tools that we did not have in the past to establish the base line rate and whether it should be linked the the CPI.

Mr. Uchtyl said Lucity probably could track that, but it would be very onerous for a Harbor Officer to have to enter that he took a call from a live-aboard versus another user. He said Mr. Etheridge could also testify that the vast majority of his security efforts are for the live-aboard patrons but it is not tracked in that manor.

Mr. Ridgway asked Mr. Etheridge to verify what Mr. Uchtyl just mentioned.

Mr. Etheridge said most all the complaints he has received are from live-aboards. They want more security patrol and they feel insecure in the Harbors. He has increased his patrols on the floats and in the parking lots to help with that and 90% of the people he encounters at night are the live-aboards.

Mr. Ridgway said his experience on the Board has been complaints of theft from the Commercial users.

Mr. Schaal said Lucity is used in several ways. We keep track of the work on the frozen water lines and it does not specifically note for live-aboard but there is the expense to maintain the water lines year round. The other work tracked is the snow removal so we know how much time and what equipment it takes to keep the floats and parking lots cleared. Another time tracked is the impounded vessels, with pumping, inventory, and such. As indicated in previous meetings there is a high correlation between a vessel being a live-aboard and at risk of being a derelict vessel.

Mr. Ridgway asked with our costs increasing, what will be the impact if this did not take affect for a couple of months.

Mr. Uchtyl said staff receives multiple requests for better lighting, security gates, up and out ladders, and a number of things that should be done, but he would not move forward without the assurance of a revenue stream that would make them happen.

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Mr. Ridgway said if this is delayed, will there be an impact to improvements in our harbors? Does that extend to the Harbor services?

Mr. Uchytel said the services would be status quo. For the current Harbors budget, we should have a surplus of about \$70,000 and this is not very much.

Mr. Etheridge said that will not even cover the Douglas launch ramp lights. We could maybe only do the Harris gate project.

Mr. Ridgway said if this vote is sent back to Committee for more review, that should impact the Operations/Planning meeting agenda items of Harris gates and more security if we can not afford them.

Mr. Etheridge said yes.

Mr. Etheridge said this is the second time he has been on the Board going through major fee changes and it is never a good time and it is never easy and that is why it has been over 10 years. Setting this up so there are small increases over time will be easier on patrons and keep Harbors on track. This has to happen in order to maintain what we are trying to accomplish in the Harbors and make some of the improvements patrons have been asking for. He said he fully supports the increase.

**MOTION By MS. DERR: TO RECOMMEND THE ASSEMBLY ADOPT PROPOSED FEE CHANGES AS PUBLICLY NOTICED AND ASK UNANIMOUS CONSENT.**

Mr. Wostmann objected. He said there have been enough issues raised to justify sending this action back to Committee for more work and incorporate some of the suggestions heard from the public.

**Roll Call Vote**

**Lacey Derr – Yes**

**David Larkin – No**

**Mark Ridgway – No**

**Annette Smith – Yes**

**Bob Wostmann – No**

**James Becker – No**

**Don Etheridge – Yes**

**The motion does not pass 4 – No , 3 – Yes.**

Mr. Uchytel asked if this will go back to another meeting?

Mr. Etheridge said yes.

Mr. Uchytel provided for clarity that this will go back to a Finance Sub-Committee meeting and then to the Board for approval to go out with another 21 day public notice with the new proposal.

2. Proposed Rate Increase to 05 CBJAC 15.030 (Dockage Charges)

Mr. Uchytel said this proposed amendment is on page 6 of this meeting. This fee amendment proposes fees associated with the Steamship Wharf, the Cruise Ship Terminal,



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the Intermediate Vessel Float (IVF), the Port Field Office Float (PFO), and the Inside of the Cruise Ship Terminal (ICT). This also affects patrons that make reservation at the Statter Harbor Breakwater. This does not affect small boat harbor moorage fees. This is primarily the larger yachts as well as the large cruise ships that come to Juneau. The proposed change for vessels under 65' will be \$3.00 per foot from \$1.50, vessels 65' up to 200' will be \$5.00 per foot from \$2.50, and vessels over 200' will be \$6.00 per foot from \$3.00. There is also a dockage fee for fishing vessels that is rarely used but will go from \$.75 to \$1.50 per foot.

Board Questions

Mr. Ridgway said he believed there was one person that spoke against this proposed increase but did not see a letter.

Mr. Uchytel said Mr. Drew Green from Cruise Line Agencies spoke against the increase at one of our earlier meetings. He said Mr. Green did indicate that maybe he could be in favor of the proposed increase with the reduction in the Port Maintenance fee. The fees we charge for the yachts are much less than what other's charge in Juneau for similar facilities.

Mr. Etheridge said the other part of that request was to provide enough notice to be able to adjust their rates.

Mr. Uchytel said staff sends a letter every year indicating what our fees are for the current calendar year. Within ordinance, the Board has the discretion for special promotional rates. Even after this is passed, the Board has the discretion to reduce a fee for a purpose. Should this be passed, he would suggest a promotional rate for this calendar year.

Mr. Ridgway asked if staff logs their time in Lucity based on where they work?

Mr. Uchytel said we do not ask staff to do that. Typically when the Port Field Office is in full operation, that staff would take care of vessels at the IVF.

Public Comment - None

Board Discussion/Action

Mr. Ridgway said he believes this is well supported in the documentation from the Port Office.

**MOTION By MR. RIDGWAY: TO RECOMMEND THE ASSEMBLY ADOPT PROPOSED FEE CHANGES AS PUBLICLY NOTICED FOR 05 CBJAC 15.030 (Dockage Charges) AND ASK UNANIMOUS CONSENT.**

The motion passed with no objection.

**IV. Staff or Member Reports –**

**VII. Adjournment –** The meeting adjourned at 6:17pm.