

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, November 10th, 2021

Zoom Meeting
<https://bit.ly/3pm7HnJ>
Meeting ID: 896 6437 7438
Passcode: 291407
Call In: 253 215 8782

- I. Call to Order** (5:00 p.m. via Zoom)
 - II. Roll Call** (James Becker, Lacey Derr, Don Etheridge, Paul Grant, David Larkin, Matthew Leither, Annette Smith, Bob Wostmann and Mark Ridgway).
 - III. Approval of Agenda**
- MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED**
- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total)
 - V. Approval of Thursday, October 20th, 2021 Operations/Planning Meetings Minutes**
 - VI. Consent Agenda - None**
 - VII. Unfinished Business**

- 1. Follow up to Board Strategic Retreat
Presentation by the Docks & Harbors Board Chair/Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TBD

- 2. Docks & Harbors Rate Setting Policy Statement
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

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MOTION: TBD

VIII. New Business

1. 05 CBJAC 15.060 Vessel lightering Fee
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO INCREASE 05 CBJAC 15.060 VESSEL LIGHTERING FEE FROM \$600 TO \$1700.

IX. Items for Information/Discussion

1. Finance Sub-Committee Update on Proposed CPI Discussion
Presentation by the Finance Sub-Committee Chair

Committee Discussion/Public Comment

2. Maritime Administration (MARAD) Disposition letter - Sealift Haulout
Presentation by the Port Engineer

Committee Discussion/Public Comment

X. Staff & Member Reports

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting-**Wednesday, December 8th, 2021**

XII. Adjournment

**CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE
MEETING MINUTES
For Wednesday, October 20th, 2021**

Zoom Meeting

I. Call to Order Mr. Ridgway called the meeting to order at 5:00 p.m. via Zoom at the Port Director's Office.

II. Roll Call The following member were present in the Port Director's conference room or via zoom; James Becker, Lacey Derr, Don Etheridge, Paul Grant, David Larkin, Matthew Leither, Bob Wostmann, and Mark Ridgway

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

Absent: Annette Smith

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, September 15th, 2021 Operations/Planning Meetings Minutes Hearing no objection, the September 15th, 2021 meeting minutes were approved as presented.

VI. Consent Agenda - None

VII. Unfinished Business

1. Regulation Change: 05 CBJAC 20.080 (Passenger-for-hire fee)

Mr. Uchtyl said on page 18 in the packet is the proposed amendment to the regulation increasing the passenger-for-hire fee by 10%. The changes are bolded and underlined and the old language is struck out. One of the big changes is that we are not going to list out all our facilities but say this fee is assessed to all our managed facilities. Mr. Uchtyl went over the additional proposed changes in this regulation. If this is approved by the Board staff will go out with the public notice.

Committee Questions

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Mr. Etheridge asked with striking out section (4) would the Captain Cook and Adventure Bound be paying the passenger for hire rates?

Mr. Uchytel said yes.

Mr. Grant asked about the change in definition of the sub-paragraph (a). Are there any other fees that would be affected going from an individual to a universal definition.

Mr. Uchytel said not under the heading for passenger for hire fees.

Mr. Grant asked if the 10% increase applies to the cranes?

Mr. Uchytel said the cranes are operated with a key fob and a person is charged per use. The direction of the Board was to only increase the passenger for hire fees, the vessel and the per passenger by 10%. The reason is so the industry can plan for the 2022 operations. This is a starting point for the increase and it could go up again.

Mr. Leither asked if the passenger for hire vessels that operate downtown pay the regular passenger for hire fee the same as Statter Harbor or do they pay something different?

Mr. Uchytel said they do not pay us anything for passenger for hire activities because their pick up and drop off has been done at a private dock. They have had a place previously at our dock to drop off and pick up and did not ever pay the lightering fee.

Mr. Ridgway asked to have a better definition for passenger for hire to be more clear on what passenger for hire actually is. He said given the last Finance Meeting, he wanted to check with staff to see if the Committee is missing something in terms of security that may need to be added in the fees.

Mr. Uchytel said the security requirements for downtown are due to the foreign flagged vessels.

Mr. Ridgway asked if staff time has increased since we have last revised these fees.

Mr. Uchytel said over the last decade, we have seen the passenger for hire activity increase and due to that it requires more staff time.

Mr. Etheridge said this fee should be looked at again in our rate study.

Mr. Wostmann said this 10% was a starting point and it was done because of the large investment for the new passenger for hire facility. The Finance Committee decided not to do a large increase at one time and this rate will be addressed again after the rate Study. The industry needed to know to have time to plan for next year.

Mr. Ridgway asked for better clarification on the definition for passenger for hire.

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Public Comment - None

Committee Discussion/Action

MOTION By MR. ETHERIDGE: TO PROCEED WITH A PUBLIC NOTICE PERIOD AND NOTIFICATION OF PUBLIC HEARING SET FOR DECEMBER 8TH, 2021 TO AMEND 05 CBJAC 20.080: PASSENGER-FOR-HIRE FEE AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Renaming Archipelago Lot to Peratrovich Plaza

Mr. Uchytel said this is on page 21 in the packet. At the last Board meeting the Board directed Mr. Uchytel to draft language for a resolution to be forwarded onto the Assembly for this name change from Archipelago Lot 2A to Peratrovich Plaza. Also in the packet is a biography of Elizabeth Peratrovich, the overview of the area to be renamed, and a picture of the mural located on the side of the Library.

Committee Questions

Mr. Becker asked if there has been any dissent for the new name?

Mr. Uchytel said he did receive an email and he forwarded to the Board members about a month ago from Mr. Don Paige who made a recommendation to name this lot after commercial fishermen or miners that built Juneau and Mr. Paige made comment that there are sufficient other Alaska Native names that recognize the contribution of the Alaska Natives in Juneau. Mr. Uchytel said KINY, the News of the North, has posted stories on this name change. When Mr. Wostmann and myself were on action line with Pete Carran, Pete told me that was the best idea I ever had. He did talk to Elizabeth's son Roy Peratrovich Jr, and Granddaughter Betsy Peratrovich, and they are both supportive for this naming. He said he reached out to Crystal Worl who is the artist for the Elizabeth Peratrovich mural and the Sealaska Heritage Institute, Jay Zeller, who are also in support of this naming.

Mr. Becker said there was only one person who wrote a letter not in support of this naming. He said he supports the name change.

Mr. Ridgway asked Mr. Uchytel in his outreach if there were any suggestions to use her Tlingit name?

Mr. Uchytel said no. When he spoke to the individuals, he said the Board is considering Peratrovich Plaza or some like name and no one was against Peratrovich Plaza. Staff is looking for a catchy name to identify the bus lot and he believes Peratrovich Plaza is an appropriate name.

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Mr. Ridgway commented that this naming was to increase the way finding for the bus lot and he sees the logic for naming it the Peratrovich Plaza with the Elizabeth Peratrovich mural right there.

Public Comment

Mr. Kirby Day, Juneau, AK

Mr. Day said he is in support of recognizing this area. When you mention the Archipelago lot, no one knows where that is so he supports this name change. If this gets passed, he is assuming there will be signage or a placque explaining why this is named after Elizabeth Peratrovich and the history behind it.

Committee Discussion/Action

Mr. Grant said he is an unreserved admirer of Elizabeth Peratrovich and he has the utmost respect for native culture. He said he believes Elizabeth Peratrovich is the most recognized native leader in Alaskan history. She has a state holiday, a mural, and she is sufficiently honored and we can accomplish our goals by honoring someone or something else. We have limited naming opportunities for our facilities and Elizabeth is already honored throughout Alaska and we could come up with something else that will serve the purpose. He recommended to name it Patsy Ann Plaza. This is a difficult position for him to take given the respect he has for her and her contributions to the State. We should put up some interpretive information next to the mural but also naming a parking lot after her is superfluous. He would recommend we look for a different name.

Mr. Ridgway said Ms. Peratrovich is well represented in Alaskan place names and there is a lot more depth to regional culture than one individual. He said there is a large mural and there would be a natural flow to name this area Peratrovich Plaza.

Mr. Larkin said he is wondering if there is a meet in the middle. He suggested to open up a survey on our website for 30 days to let the public suggest names for this area.

Mr. Etheridge said we have had a couple of hearings already and there will be an Assembly meeting that will draw attention and if the Assembly has enough public concern he is sure the resolution will not pass the Assembly.

Mr. Grant said if this goes to the Assembly it is a done deal. Effectively we are making the decision and this needs more time. Having a survey gets the public involved in this space. That requires we need to table this resolution or defeat it.

Mr. Leither commented he is new to Alaska and he didn't know about Elizabeth Peratrovich. He said the people that are going to be using this space are going to be tourists getting off the cruise ship and walk through that area that probably never heard of Elizabeth Peratrovich.

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Mr. Grant said Elizabeth Peratrovich is not well known outside Alaska, and there needs to be some interpretive information explaining the mural but the mural is a whole lot focus of an attraction than the parking lot. If they want to know something about Elizabeth Peratrovich they should be able look at a large engraved plaque that explains her crucial role in Alaska history.

Mr. Becker said he just took a cruise to Alaska and they do Alaska native speakers in the evening on the cruise ship and that is part of the culture. They talked about Glacier Bay and the native history. What this does is further introduce the tourists to Elizabeth Peratrovich and all the great work that was done in the 30's and 40's. He believes she should be introduced to the traveling passengers and tell how she was instrumental in giving civil rights to the people of Alaska.

Ms. Derr said the proximity of the mural is what makes this idea beautiful and its simplicity to honor a great woman. She is supportive of moving forward. She said she likes Mr. Larkin survey idea and she would like to incorporate that in future outreach.

MOTION By MR. ETHERIDGE: TO RECOMMEND THE ASSEMBLY ADOPT RESOLUTION 2968 RENAMING ARCHIPELAGO LOT 2A TO PERATROVICH PLAZA AND ASKED FOR ROLL CALL.

James Becker – Yes

Lacey Derr – Yes

Don Etheridge – Yes

Paul Grant – No

David Larkin – Yes

Matthew Leither – Yes

Bob Wostmann – Yes

Mark Ridgway - Yes

VIII. New Business

1. Docks & Harbors Rate Setting Policy Statement

Mr. Wostmann said a few months ago it became clear to the Finance Committee that one of the things that needed focus on was the rate structure and making sure we can rebuild our finances. The Committee discussed this and came to a conclusion that what was needed was a better approach to how rates are to be set, justify, and make transparent to the public. This was discussed in the Finance Meeting three times. He went over paragraph three in the “Background” section of the document on page 27 in the packet. The intent of the Docks & Harbors Board is to provide a rate setting policy which meets the following criteria;

1. It must be fair and reasonable
2. It must be consistent
3. It must be supported by data and an explanation of how the data justifies the rate

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4. It must be sufficient to support the operations of Docks & Harbors
5. It must replenish capital investments
6. It must build reserves for contingencies and future growth
7. Where currently significant disparity exists between the cost allocation to user groups these need to be adjusted in a fair and appropriate manner.

In the “Approach” section it goes over the components to be considered when setting a rate:

1. Recovery of operational costs
2. Recovery of capital investment
3. Build a reserve for contingencies and to build new capital for future growth
4. Equity adjustment.

The last item he wanted to point out and we need to be sensitive to was item (5) Sticker Shock on page 28 in the packet. He said the Board wants to be reasonable and not hit any user group with a sudden increase. One of the ways to do that is to have a policy and a consistent way to review our rates. In the “Rate Adjustment” section as a matter of policy apply the CPI adjustment to every rate that is appropriate. He said additionally we need an established review process.

Committee Questions

Mr. Grant said the one term that he has a problem with is “replenish capital investment”. Is this something different than reserves and contingencies for future growth? Is this saying the rates need to accumulate sufficient capital so we can rebuild a structure that failed? How does this relate to routine maintenance of facilities?

Mr. Wostmann said we clearly need to set a rate to cover our normal operational cost but also plan for replacement and the fund for a match will need to come out of a component of a rate. He said when we talk about replacing capital investment and future growth those are overlapping concepts. He said he thinks of capital investment being more facilities and future growth being growth of the use of the facility.

Mr. Grant said he is uncomfortable with the word replenish? Would “replacement” be accurate. “Rates must replace Capital Investments”.

Mr. Wostmann said he would be happy with replacement but that is the same as replenish in his mind.

Mr. Ridgway asked Mr. Wostmann how he wanted to receive comments on this document?

Mr. Wostmann said he welcomes edits. We can change replenish to replace for Mr. Grant.

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Mr. Etheridge said this rate setting policy is no longer in the Finance Sub-Committee but it is now in the Operations Committee and this is where the action is taken unless this Committee returns it to the Sub-Committee.

Mr. Ridgway recommended for all the members to read this policy and if there are requested changes to bring back to the Operations Committee.

Mr. Wostmann said there will be several months that go by before the study is complete and that gives us time to think about this more.

Mr. Ridgway said to send comments to Mr. Uchytel and bring back to the next Operations meeting.

Mr. Grant asked Mr. Wostmann if this should go back to the Finance Meeting due to the discussion tonight.

Mr. Etheridge said it should stay in the Operations Committee meeting so all members have an opportunity to comment on this policy.

Mr. Wostmann said it should stay in the Operations Committee but if there are issues that need further work then it should go back to the Finance Meeting.

Public Comment - None

Committee Discussion/Action

NO MOTION

IX. Items for Information/Discussion

1. Strategic Retreat Planning

Ms. Derr said in the packet on page 29 is the draft retreat agenda.

Mr. Uchytel said Mila Cosgrove will be our facilitator and she is online tonight. The direction from the Board is to have the retreat on Friday November 5th from 5pm to 9pm and Saturday November 6th from 10am to 2pm. This will be at the Bartlett Board Room. The reason for this is the Assembly has been modified and does not have a simple phone system anymore and the Board wanted to meet in person. Being at the Bartlett Board Room we can meet the Open Meetings Act requirement but not allow any public because there is a limit of 12 people in the Board room at a time. The public can participate by calling into the conference line and listening.

Ms. Derr said the item 5 a. The review of Docks & Harbors strategic planning is a power point presentation.

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Committee Discussion

Mr. Etheridge said for any Board members that do not know what some of the facilities are on the CIP list to ask staff to walk you through what the project is in advance of the retreat.

Mr. Ridgway asked if the discussion about the UAS property should be on the retreat agenda?

Mr. Uchytel said the UAS property is under the Fisherman's Terminal purchase.

Mr. Grant asked if there was anything on the retreat agenda for completing the North end of Aurora?

Mr. Uchytel said it would fall under the prioritization of the CIP's.

Mr. Ridgway asked if we could add an information item on larger City planning efforts and projects or private projects. He suggested to have someone from CDD come talk about things that might affect our planning decisions.

Mr. Uchytel said CDD does have several planning efforts. He does not want to ask his colleagues to come on a Friday night or Saturday but will invite CDD to the Operations or Board meeting.

Mr. Etheridge recommended to have CDD staff member come to the Operations or Board meeting to talk about some plans or projects that could affect Docks & Harbors.

Mr. Ridgway suggested to have CDD come to the next full Board meeting.

Mr. Uchytel asked Mr. Wostmann and Mr. Grant if they wanted the By-Laws update they were working on put on the retreat agenda.

Mr. Wostmann said he has not yet completed the revised copy of the work Mr. Grant and he completed. The changes being proposed are basically bringing the document up to date with current situation and current technology.

Mr. Grant commented the By-Law changes could be handled at a Board meeting.

Mr. Leither asked if the power point from 2019 was the same he heard in his orientation?

Mr. Uchytel said he was not sure but he will look into it.

Mr. Leither commented he never did a retreat before and wanted to know how it will be run?

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Mr. Uchytel said it is more like a work session. General notes will be kept and no motions but it does follow the Open Meetings Act. Staff will walk away with what to pursue and come back with an action plan to bring to the Board.

Mr. Grant asked if there should be on the agenda item “COVID strategy” in terms of Docks & Harbors operations.

Ms. Derr said she could add that.

Mr. Uchytel commented on a question, is the strategic retreat for project planning or is it looking out a decade or two decades? Sometimes there is so much focus in the here and now, but we need to be thinking past our time on the Board to where are we are going to be in 2033? Are we going to have the harbors full of boaters or in ten years did we lose the boating public to kayaks and canoes. We all want to build things and get things done right now but there is also that need to look out a generation to make sure we are positioned to be successful.

Public Comment –

Mr. Kirby Day, Juneau, AK

Mr. Day recommended to start talking about the Archipelago Lot and the Morris communication project that may not happen. If it does not, do we end up with a dirt lot for another fifteen or twenty years or figure out if they are going to do the project or not. There is nothing that is keeping them from selling this lot to whoever they wish. He suggested to put this on a future Board meeting agenda.

2. Docks & Harbors Calendar Schedule - 2022

Mr. Uchytel said the proposed 2022 meeting calendar is in the packet on page 53. Staff used the traditional dates used year after year. He asked if the November and December schedule looks appropriate for the meetings?

Committee Discussion

Mr. Wostmann commented that there are a couple of months that do not have Finance Sub-Committee meetings and this can be discussed at our next meeting. We could set dates tentatively and they could be cancelled if there is not enough on our agenda.

Public Comment - None

3. Worldwide Cruise Ship Operations - Update

Mr. Uchytel showed a power point presentation that is in the packet starting on page 30 and ending on page 52.

Committee Discussion - None

Public Comment - None

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X. Staff & Member Reports

Mr. Uchytel said staff had the pre-proposal meeting yesterday for the rate study RFP. There were three companies that participated, all out of Juneau. The next milestone will be the submission of their proposals on November 9th. He asked Board members to reach out to him if they are interested in being on the selection Committee. Mr. Uchytel said he will not be on the selection committee for this RFP due to a harbor patron accusing him of being impartial to one of the firms. After November 9th, he would like to have everything wrapped up in a week to ten days. He wants it awarded before Christmas and the company could start in January with completion no longer than six months.

Mr. Ridgway asked what are the rules for modification to a contract?

Mr. Uchytel said his expectation is the contract will be less than \$50,000. The process is to make it fair for all contractors and once it is awarded based on the quality of their submission, then there is the award of the contract and in the contract there is more opportunity to say we want specific items.

Mr. Leither asked if Board members can speak with the contractors before bid award?

Mr. Uchytel said this is not a bid and professional services are treated differently than a commodity. The professional services for a consultant like this or for engineering services, are selected based on qualifications. Then we will enter into negotiations for a contract for the amount to be paid.

Mr. Ridgway said the contractor provides a statement of qualifications.

Mr. Leither asked if we are committed at that point or if we select someone and then we decide to commit?

Mr. Uchytel said the selection Committee could do interviews after the proposals have been received and evaluated. We have never done interviews like that but it is allowed and specified in the RFP solicitation.

Mr. Leither commented to make sure he understands, we have the companies' provide a proposal and a company is picked and then we decide after that whether we want to award a contract. It is not that a contract is ready to sign after they are selected but there is a step in between the selection and the contract.

Mr. Uchytel said we are not planning on doing interviews. The process is the Selection Committee will meet and every member will get the proposals, the members will grade all the proposals on their own, and the members will evaluate based on the same criteria and they will grade it. The Committee will come back together, each member is asked how they rated the companies, we will bring that information together which should

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separate one company from another. In the event there is a tie, there is the option to do in person interviews.

Mr. Leither asked, once the selection is made, if we cannot come to terms on a price or a contract, can we still back out if we accept their proposal.

Mr. Uchytel said we will pick a company. Then we will negotiate for a contract and if it is signed, then we are wedded. If we can not come to an understanding with the level of work and the cost, and no contract is signed, then we are good to walk away.

Mr. Uchytel said he will be at the AAHPA meeting next week in Anchorage but he will attend all the meetings via zoom.

Mr. Etheridge reported on Ms. Smiths presentation to a group that he attended. At the end of her presentation there were the following questions and comments;

- Re-installing the Marine Park lightering dock?
- On the North End of Aurora we need to make a Lake Union House boat situation.
- The North Douglas Launch Ramp issues – there was a lot of interest in this topic and they wanted more parking.
- Improving the Website so people interested in our projects can figure out where they are and the status.
- Waitlist questions – are people moving on the waitlist?

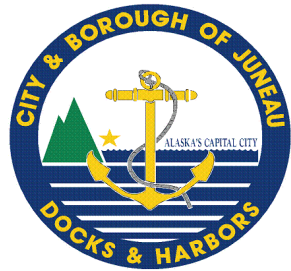
Mr. Uchytel said the last cruise ship of the season sailed today. It was the Norwegian Cruise Lines, M/V Norwegian Encore. The total number of passengers for the season for the large cruise ships was 115,000 and 7,200 for the small cruise ship passengers.

Mr. Leither said he understands the Assembly is going to make a sizeable contribution with the purchase of the UAS property and he will not bring the proposal forward he talked about at the last Finance meeting.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting-**Wednesday, November 10th, 2021**

XII. Adjournment – The meeting adjourned at 7:13pm



DOCKS & HARBORS STRATEGIC RETREAT MEETING

November 5th & 6th 2021

Because of conference room constraints due to COVID
Public Participation will be telephonically only

Call in: 907-713-2140

Passcode: 370829#

- I. Call to Order –**
 - a. November 5th at 5:00 pm
 - b. November 6th at 10:00 am

- II. Roll Call** (Lacey Derr, James Becker, Paul Grant, David Larkin, Matthew Leither, Mark Ridgway, Annette Smith, Bob Wostmann, and Don Etheridge)

- III. Approval of Agenda**

- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total time)

- V. Welcome Comments –** Chair Etheridge

- VI. Docks & Harbors Board Strategic Planning Overview –** Facilitator Cosgrove

- VII. State of the Juneau Port & Harbors -** Port Director

- VIII. Board Member Round Robin Introduction, Reflection, Goals & Vision for Docks & Harbors –** Each Board Member (up to 5 minutes each)

- IX. SWOT Analysis (Strength, Weakness, Opportunities & Threats) –** (Time Permitting & Potential evening break)

- X. Items for Information/Discussion**
 1. Financial (Facilitated by Mila Cosgrove)
 - a. Goals
 - b. Fiscal Priorities
 - c. Rate Study/Adjustment prior to adopting study
 2. Board Public Outreach & Participation – Roles & Assignments (Facilitated by Lacey Derr)
 3. Capital Projects, Plans and Prioritization (Facilitated by Mila Cosgrove & Staff)
 - a. CIP List
 - b. 1% Sales Tax Projects
 - c. Board Member Wish list
 4. Advancing the common good (Facilitated by Mila Cosgrove)
 - a. COVID Strategy – Docks & Harbors operations
 - b. Expectation of Staff
 - c. Staff request of the Board

- XI. Good of the Order**

- XII. Adjournment**

DOCKS & HARBORS FINANCIAL HEALTH

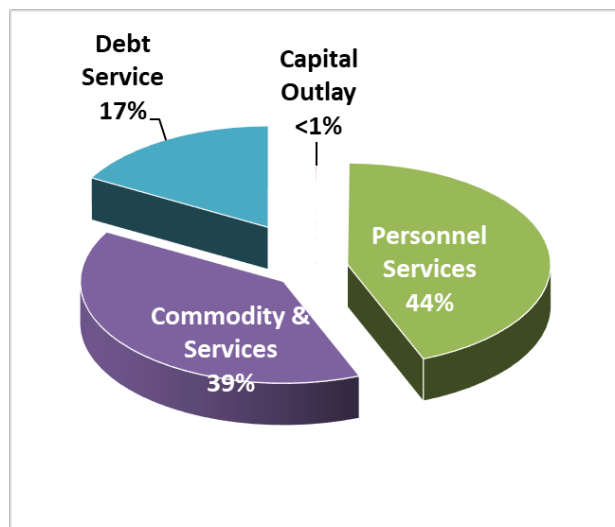
Available Fund Balance Summary

Harbors Fund

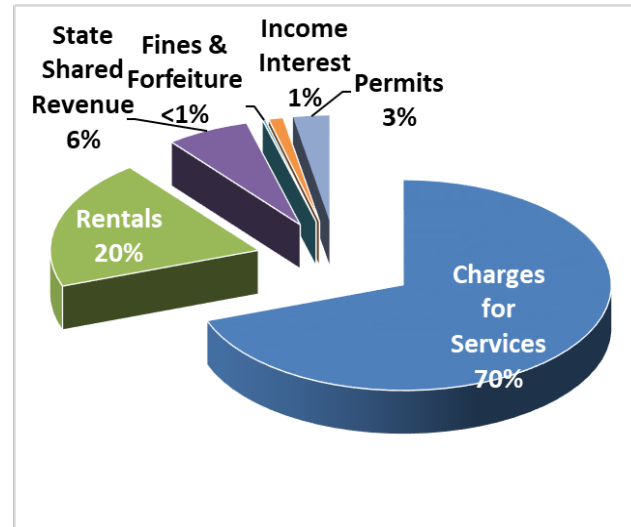
Last Update: 11/2/21

	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Budget	FY23 Budget
Revenues:	4,227,700	4,570,689	4,076,370	4,240,000	
Expenditures:	(3,206,900)	(3,181,726)	(3,004,430)	(3,525,000)	
Transfers to/from Capital Projects	-	-	-	-	
Debt Service	(639,900)	(646,325)	(656,736)	(737,600)	
***Other Financing Sources (Uses):	(29,537)	(211,029)	(7,048)	52,500	
Increase (decrease) in Fund Bal (FB):	351,363	531,609	408,156	29,900	-
Beginning Available FB	213,002	564,365	1,095,974	1,504,130	1,534,030
Ending FB, including Bond Reserve:	564,365	1,095,974	1,504,130	1,534,030	1,534,030
Less Reserve	(749,500)	(782,344)	(791,859)	(791,859)	(791,859)
Ending Available Fund Balance	(185,135)	313,630	712,271	742,171	742,171

Harbor Enterprise Expenditures (typical)



Harbor Enterprise Revenue (typical)



2007 Harbor Bond Services - ~\$10.2M

Auke Bay Loading Facility - \$4.4M

Harbors deferred Maintenance - \$4.4M

DeHarts Marina - \$1.4M

Refunded (i.e. refinanced) in 2015

~\$740K annual payments to FY2033

Grant Applications Submitted:

Juneau Fisheries Terminal – Design Efforts (\$3M RAISE)

Juneau Fisheries Terminal – Drive Down Float (\$10M PIDP)

Aurora Harbor Phase III (\$2M ADOT Harbor Facility Grant)

Future Funding Proposed

Recapitalization Statter Breakwater (USACE)

TBD (October 2022 CBJ 1% Sales Tax Initiative)

BIF/BBB Federal Bill (~\$15B for US ports & harbors over 5 years)

Proposed CBJ Assembly transfer to Harbors Enterprise

UAS/Juneau Fisheries Terminal (\$2.88M) – proposed at 11/1 COW

DOCKS & HARBORS FINANCIAL HEALTH

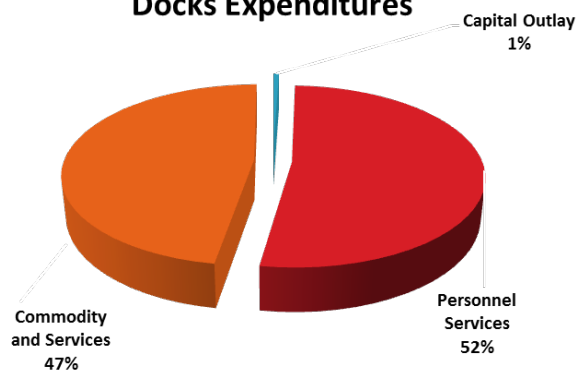
Available Fund Balance Summary

Docks Fund

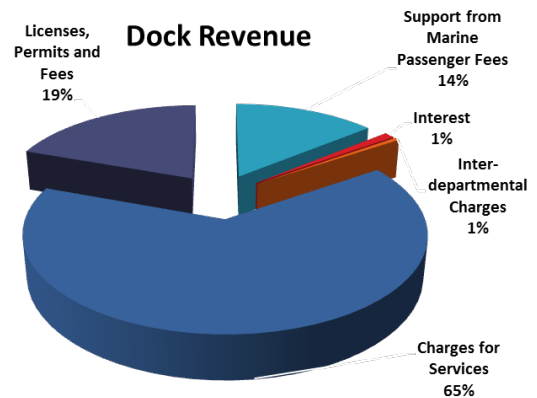
Last Update: 11/2/21

	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Budget	FY23 Budget
Revenues:	2,028,300	1,290,600	62,434	415,100	-
Expenditures:	(1,711,100)	(1,399,191)	(1,282,693)	(1,400,000)	-
Transfers to/from Capital Projects	(2,235,000)	-	-	-	-
Debt Service					
***Other Financing Sources (Uses):	428,045	417,907	449,290	447,500	-
Increase (decrease) in Fund Bal (FB):	(1,489,755)	309,316	(770,969)	(537,400)	-
Beginning Available FB	3,769,378	2,279,623	2,588,939	1,817,970	1,280,570
Ending FB, including Bond Reserve:	2,279,623	2,588,939	1,817,970	1,280,570	1,280,570
Less Reserve	-	-	-	-	-
Ending Available Fund Balance	2,279,623	2,588,939	1,817,970	1,280,570	1,280,570

Docks Expenditures



Dock Revenue



Grant Applications Submitted:

- Dock Electrification (\$25M RAISE)
- Small Cruise Ship Infrastructure (\$25M RAISE)
- Small Cruise Ship Infrastructure (\$25M Economic Development Administration (EDA) BBB grant)

Future Funding Proposed

- Small Cruise Ship Infrastructure (\$10M EDA – ARPA Travel, Tourism & Outdoor Recreation grant)
- BIF/BBB Federal Bill (~\$15B for US ports & harbors over 5 years)

Proposed CBJ Assembly ARPA transfer to Docks Enterprise

- ~~\$1M to Docks Enterprise Fund Balance removed at 11/3 AFC~~
- ~~\$1M to construct Seawalk Guard Rail removed at 11/3 AFC~~
- \$3M to construct Statter Phase IIIC (uplands)
- ~~\$3.4M~~ \$2.5M for Seawalk improvements (@ Marine Park & elsewhere) lowered at 11/3 AFC

Harbor Debt Service

2007-3 Revenue & 2015-II Refunding

	FY16			FY17			FY18			FY19		
	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc
2007-3 Unrefunded	310,000	43,925	353,925	330,000	26,325	356,325	345,000	8,625	353,625			0
2015-II		268,558	268,558		362,100	362,100		362,100	362,100	380,000	362,100	742,100
			622,483			718,425			715,725			742,100

FY20			FY21			FY22			FY23		
Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc
		0			0			0			0
395,000	343,100	738,100	415,000	323,350	738,350	435,000	302,600	737,600	460,000	280,850	740,850
		738,100			738,350			737,600			740,850

FY24			FY25			FY26			FY27		
Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc
		0			0			0			0
470,000	271,650	741,650	495,000	248,150	743,150	515,000	223,400	738,400	540,000	197,650	737,650
		741,650			743,150			738,400			737,650

FY28			FY29			FY30			FY31		
Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc
		0			0			0			0
565,000	170,650	735,650	595,000	142,400	737,400	625,000	112,650	737,650	655,000	81,400	736,400
		735,650			737,400			737,650			736,400

FY32			FY33			Total Bond Repayment		
Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc	Principal	Interest	Total FY Debt Svc
		0			0	985,000	78,875	1,063,875
675,000	55,200	730,200	705,000	28,200	733,200	7,925,000	4,136,108	12,061,108
		730,200			733,200			13,124,983



MEMORANDUM

DATE: November 9, 2021
TO: Docks and Harbors
FROM: Katie Koester, Engineering and Public Works Director
THROUGH: Carl Uchytel, Port Director
SUBJECT: Legislative Capital Priority List

The purpose of this memo is to provide information on the FY 2023 City and Borough of Juneau Legislative Capital Priority Process and solicit the Parks and Recreation Advisory Committee's participation in the process.

The state legislative delegation has requested CBJ submit capital priorities to the Alaska State Legislature by February of 2022. In 2021, CBJ put together a list with input from the Public Works and Facilities Committee, Docks and Harbors, and Planning Commission. However, with more time we can collect input from additional CBJ advisory bodies and empowered boards for the Assembly to consider when making their list. It is important to note the Legislative Priorities are not a funding request, it is a way to articulate larger or more complicated funding needs to the Legislature, the federal delegation, and the public. One example where this list could be useful is in supporting the decision for CBJ to apply for a grant. Nevertheless, this is not a comprehensive list. Rather it represents the CBJ Assembly priorities for a given year.

What is the Role of Docks and Harbors?

Docks and Harbors is being asked to both nominate projects that the Commission would like to see on the list and/or provide input on project priorities. This information, in conjunction with inputs from other CBJ boards and commissions, will be used by the Assembly to amend and reprioritize the list.

A prioritized list is only useful if there is the discipline to keep in manageable and relevant. Please keep that in mind when making your recommendations.

Please make the following recommendation:

Two projects the Board would like to see on the Legislative Priority list (either from the draft list or a proposed new project on the form provided)

To assist the Board in the Legislative Priority review process, I have included the following materials:

- 1) Draft FY 2023 Legislative Priorities (this was updated by staff with last year's adopted list as a starting place)
- 2) Proposed New Projects to the Legislative Priority List form

The recommendations will be forwarded to the full Assembly for consideration no later than January 25. See the schedule included in the draft FY 2023 Legislative Priorities for more information. Thank you for your time and participation in this important planning process.

DEPARTMENT CAPITAL IMPROVEMENT PRIORITIES

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

Docks

Project Name	Priority	Estimate	Project Notes
Dock Waterside Safety Railings		\$1,000,000	Designs and installs handrails all along the seawalk from the AS Dock to the CT Dock. The style would match the current handrails at the docks and incorporate new features around the Aquileans and original bollards.
Small Cruise Ship Infrastructure		\$25,000,000	Designs and constructs the project as envisioned in the recent masterplan. Provides a 350' drive down float with the water, sewer and electrical connections. Also provides new uplands to accommodate small cruise ship passenger and provisioning needs.
NOAA Dock Acquisition		\$3,000,000	Related to Small Cruise Ship Infrastructure Project. Possible property purchase or improvements.
Downtown Waterfront Improvements Ph II (Restrooms)		\$3,000,000	On hold due to City Museum. Completes design and constructs a new restroom and waiting area at the Peratrovich Plaza.
Shore Power at Cruise Ship Berths		\$1,000,000	Based on the ongoing study. Designs and constructs shore power infrastructure to supply cruise vessels with shore power at both the AS and CT docks.
Deck Over at People's Wharf		\$3,000,000	Part of Marine Park to Taku Smokeries Planning Study. Decks over an open section of water between Tracy's Crab Shack and the seawalk for more public space.
Lightering Float Replacement		\$650,000	Replaces removed lightering float to provide a public float that accesses the water in the vicinity of Marine Park
Total		\$36,650,000	

Harbors

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

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

05 CBJAC 15.060 Vessel lightering fee.

- (a) *Definition.* The charge assessed to vessels for dropping-off or picking-up passengers at the Marine Park Lightering Float or the Intermediate Vessel Float.
- (b) *Applicability and basis for computing charges.* A vessel lightering fee shall be assessed to any vessel over 100 gross register tons, carrying more than 100 passengers-for-hire which makes voyages lasting more than 24 hours, of which any part is on the high seas when such vessels lighter passengers to the Intermediate Vessel Float or the Marine Park Lightering Float. Gross tonnage means the gross tonnage measurement of the vessel under 46 U.S.C. Chapter 143 or Chapter 145. The Port reserves the right to obtain the gross tonnage from the vessel's register.
- (c) *Vessel lightering fee period.* The period of time which the vessel lightering fee shall be assessed shall commence when the first lightering tender is made fast to an allocated berth or moored, comes within a slip, and shall continue until the last lightering tender such vessel casts off and has vacated the position allocated, or terminates lightering operations. All time is counted and no deductions are allowed because of weather or other conditions, except when the Port Director provides for such allowance for good cause shown.
- (d) *Charges when a vessel shifts to different berth.* When a vessel is shifted directly from one position to another berth or slip, or shifts lightering operations, the total time at such berths or slips, or lightering operation shall be combined when computing the lightering fee.
- (e) *Vessel lightering fees assessment:*

Unit	Charge
Each 24-hour period or portion thereof.	\$600.00

(Eff. 5-1-2005)

CBJ Docks & Harbors - Rate Setting Policy

Introduction

The Enterprise Funds are operated and financed in a manner similar to private business. The intent of the governing body is to provide goods and services to the general public on a continuing basis and be financed or recovered primarily through user charges. The acquisition and improvement of the facilities have been financed from existing cash resources, issuance of revenue and general obligation bonds, and state and federal grant funds.

Harbors Enterprise – To account for operations, maintenance and capital improvement to the four City-owned boat harbors and numerous launch ramps.

Dock Enterprise – To account for operations, maintenance and capital improvements of the city-owned docks, which are heavily used by over 500 cruise ships during the summer months.

Background

Over the last few decades, the D&H board has set and adjusted rates on an individual basis as the need arose for additional revenue or where significant changes in the quality of facilities or services suggested that a rate revision would be justified. As a result, some rates have not changed since 2005 while other have been adjusted multiple times as recently as this year. Starting in 2005, the board added a CPI adjustment to some rates and left some untouched.

While generally these rate adjustments were discussed in multiple public meetings, distributed via various media channels, and often presented at public comment opportunities, the impression remains with too many users of D&H facilities that the rate setting process is opaque and not justified by the underlying cost and services.

It is the intent of the CBJ Docks & Harbors Board to establish a rate setting policy which meets the following criteria:

1. It must be fair and reasonable
2. It must be consistent
3. It must be supported by data and an explanation of how the data justifies the rate
4. It must be sufficient to support the operations of docks and harbors
5. It must ~~replenish~~ **replace** capital investments
6. It must build reserves for contingencies and future growth
7. Where currently significant disparity exists between the cost allocation to user groups these need to be adjust in a fair and appropriate manner

Approach

Components

In general, there are several components which must be considered when setting a rate:

1. Recovery of operational costs
2. Recovery of capital investment
3. Build a reserve for contingencies and to build new capital for future growth
4. Equity adjustment

5. Sticker shock

Rate Adjustment

After a rate has been set there should be consistency and predictability going forward. The proposed policy would be to apply the CPI adjustment annually on all rates and to set a review schedule for each rate based on issues such as the changes in the underlying cost structure as well as user demand and changes in the use of facilities or services. The underlying rate should be reviewed at least every five years and in order to provide stability for the user community not more often than every three years. The board will always have the discretion to deal with exceptional circumstances such as the 2020 COVID impact on cruise ship revenues.

Discussion

Rates must be fair and reasonable

Fair and reasonable is primarily a subjective issue of perception. However, by implementing a defined and consistent approach and striving to allocate an equitable share of the cost to every user the D&H board strives to be fair to all users.

Rates must be consistent

By establishing this rate setting policy we will have a consistent approach to every rate and rate change. This will give commercial users the ability to plan for future years. Normally CPI changes will be applied starting April 1st and base rate changes either January 1st or July 1st as determined by the Board. Other starting dates may be established by the Board at its discretion.

Rates must be supported by data and an explanation of how the data justifies the rate

Meeting this component of the policy will present a significant challenge to the Board as well as D&H staff. In order to create a starting point and baseline for the underlying components of each rate the Finance Sub-committee is recommending that a professional consultant firm be retained to perform a rate study

Rates must be sufficient to support the operations of docks and harbors

This item will also present a challenge for staff as in most harbors both the facility as well as the staff support multiple user groups each of which can have their own rate structure.

Rates must ~~replenish~~ replace capital investments

This item can normally be clearly defined for each facility. Policies will need to be established in consultation with the CBJ Finance director for facilities where funds from multiple sources were used. The rate study is expected to provide guidelines determining remaining useful life and repayment schedules.

Rates must build reserves for contingencies and future growth

Setting a target for building reserves will be largely a board decision but the basis and need for additional reserves must be clearly defined.

Where currently significant disparity exists between the cost allocation to user groups these need to be adjusted in a fair and appropriate manner

In some cases where rates have not been adjusted in many years a large increase may be indicated. This should be recovered over a reasonable number of years.



U.S. Department
of Transportation
**MARITIME
ADMINISTRATION**

1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

November 4, 2021

Subject: Equipment Disposition Instructions Request for a Sealift & Brand Self-Propelled Boat Lift Purchased with Tiger 1 Grant Funds for the Auke Bay Loading Facility, Phase II.

Dear Erich Schaal,

Per your letter dated September 29, 2021 address to Ms. Natasha Pavlovich, Supervisory Grants Management Specialist our response is as follows.

The Port of Juneau is approved to sell the 45-ton Sealift boat lift and purchase a functionally similar piece of equipment.

The replacement equipment should have the same major functionality as the original equipment. For example, another boat lift that performs the same purpose as under the original TIGER grant.

Please note procuring replacement property is not considered “disposition” under 49 CFR 18.32, so the Port will have to continue to follow the requirements on use and property management until final disposition occurs of the replacement property.

Please also be aware that applicable Buy American requirements, in addition to any other Federal requirements attached to the original grant award, would still apply to a purchase to replace grant-acquired property since the Federal Government will retain Federal interest in the replacement property. Juneau may not use proceeds from the grant-acquired equipment to purchase foreign replacement equipment.

Please reply with information regarding the price, model, and description of the purchased equipment. Please calculate the new federal share of the replacement equipment based on the sale price of the 45-ton Sealift and the purchase price of the replacement boat lift.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kelly B. Mitchell-Carroll', written over the word 'Sincerely,'.

Kelly B. Mitchell-Carroll
Grants & Cooperative Agreement Officer, Office of Acquisition
USDOT Maritime Administration
1200 New Jersey Avenue, SE
Washington, DC 20590