

**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