



DOCKS & HARBORS BOARD DOCKS FEE REVIEW COMMITTEE MEETING MINUTES

Thursday, November 10th, 2016
CBJ Room 224

I. Call to Order Mr. Bush called the Docks Fee Review Committee meeting to order at 5:01pm in CBJ room 224.

II. Roll Call The following members were present: Tom Donek, Weston Eiler (via telephone at 5:16), David Seng, and John Bush.

Also present: Carl Uchtyl – Port Director; and Dave Borg – Harbormaster

Absent: David Summers

III. Approval of Agenda

Mr. Uchtyl wanted to add an Up to Date Plan for the Comprehensive Fee review under Unfinished Business.

MOTION By MR. DONEK: TO APPROVE THE AGENDA AS AMENDED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Approval of October 10th, 2016 Docks Fee Review Committee Minutes.

The October 10th, 2016 minutes were approved as amended.

Motion passed with no objection.

V. Public Participation on Non-Agenda Items - None

VI. Unfinished Business

1. Up to Date Comprehensive Fee Review Plan

Mr. Uchtyl said Docks & Harbors fees have been brought forward to the Committees to discuss in numeric order of regulation. At last night's OPS/Planning meeting, the Committee acted on the Loading Zone Permit fees, but during the fee review through this Committee, the Limited Loading Zone fees were overlooked. There has probably only been one issued in the last five years. The Committee can leave it as is, have the Regular Board discuss it next week, or delete it. Mr. Uchtyl said the Docks Fee Review has only one more fee to review and will be complete.

Committee Questions –

Mr. Bush asked if the Limited Loading Zone could have a loop hole that could cause stress to the other loading zone permits?

Mr. Uchtyl said it is possible.

Mr. Donek said because the other loading zone fees were increased by a CPI adjustment, for consistency, this fee should also be increased by CPI. This is such an unused fee, he



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suggested to take it directly to the Board after this meeting. He recommended to raise the daily fee to \$20 and \$400 per year.

Mr. Uchtyl asked if the Committee wanted to remove the annual amount and just leave the \$20 per day. The other thing to think about is the seat fee in the regular A and B zone loading zone permit fees. This fee does not include the seat fee.

Mr. Donek asked why there is an annual fee with the limited loading zone fee?

Mr. Borg said he believes this fee was for delivery vehicles that used the B-zone for off loading, however, this has not been used for that type vehicle anymore.

Mr. Bush asked if there was a definition for the Limited Loading Zone Permit?

Mr. Donek recommended to bring the A and B Loading Zone and the Limited Loading Zone fees back to this Committee for further discussion and decide on a motion to move forward to the OPS/Planning Committee.

Public Discussion – None

No Motion, this will be brought back to this Committee at the next meeting along with the Regular Loading Zone fees.

VII. New Business

1. Vessel Lightering Fee (05 CBJAC 15.060)

Mr. Uchtyl said this is a \$600 fee that is assessed to vessels at anchor that use Docks & Harbors lightering dock. On page nine in the packet is the amount of revenue collected for this service. There were 25 lightering days last year but we are anticipating only 11 lightering days next season. There are personnel costs associated with lightering. It is required to have a Harbor Tech or Harbor Officer at the site the entire time of lightering operations. Mr. Uchtyl said this is not a big money maker, but the existing \$600 per lightering operation meets the personnel expense.

Committee Questions-

Mr. Donek asked about the maintenance expense for this float?

Mr. Uchtyl said every year staff will secure the through bolts and make sure the cleats are tight. Last year Docks & Harbors purchased a new tide gauge sign. Maintenance has been minimal at the current lightering float. At the new lightering float, we are also collecting revenue for moorage so that will need to be figured into the equation and if all the fees collected are meeting the maintenance needs for our new lightering float. Currently the new float has little maintenance needs, but five to ten years out that could change.



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Mr. Bush asked if a CPI adjustment should be added to this fee?

Mr. Uchytel said in coming years, with more ships coming to Juneau, there might be a need to reestablish the Marine Park Lightering float.

Mr. Eiler asked how far out do we know if a ship is going to lighter or go to a dock location?

Mr. Uchytel said it is typically two years out and Drew Green from Cruise Line Agencies makes all the decisions on assignments of berths and anchoring based on operations.

Public Discussion-

Drew Green, Juneau, AK

He said he is the Port Manager for Cruise Line Agencies, and this fee only pertains to the Cruise Ships. The \$600 fee is not outrageous and it does cost Docks and Harbors staff and maintenance. Sometimes there are two staff members on the lightering dock when other vessels are operating at the same lightering dock. This is to keep the operations separated, and is more involved than a ship coming to dock. There is also the Port Maintenance Fee that is \$.055 per net ton that a ship at anchor pays. Depending on the size of the ship, the revenue generated is from \$2,000 to \$4,400. As Industry sees it, they are paying \$8.00 per head plus the \$5.00 State Excise Tax, the \$600 for lightering operations, and the Port Maintenance Fee. He said he thinks Juneau is the most expensive lightering port in the world. He understands that Docks & Harbors doesn't get the \$13 per head unless there is a request put in for those funds, however, those funds just built the new lightering float below the Port Field Office. He said he doesn't see a need for the \$600 fee to go up. Mr. Green said the definition for this fee doesn't match the actual operation, it just refers to vessel and not cruise ship lightering. The regulation for this fee needs to include the Port Field Office float which is the float designed to use for lightering in the future. The IVF should be removed in regulation because it is not intended for lightering anymore. Under (b), there is no 100 gross ton vessels doing lightering. The support vessels from the 100 gross ton vessels are the vessels doing the lightering. The Passenger for hire also needs to be reworded. Under (c), this fee is for a ship that is at anchor and shifts to a dock. We don't pay the \$600 lightering fee if a ship shifts to a berth because they then pay the \$3.00 per foot dock fee. This doesn't happen very much, but it does happen on occasion. Something to consider with the growing small cruise ship operations, there is not sufficient room for them downtown. In the past when a small ship anchored, all the people, luggage, garbage, and supplies were taken off the ship from anchor, and it was awful. There is no more weekend docking times available. This problem will be coming within a few years.

Mr. Seng clarified that the vessels that are lightering are being charged correctly, but just the wording needs to be fixed.

Mr. Green said that is correct.



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Mr. Eiler asked if Mr. Green can show Juneau being the most expensive lightering port with comparable ports.

Mr. Green said he can work on comparables with other ports.

Committee Discussion/Action-

Mr. Donek recommended to have Mr. Uchtyl clean up the language in the regulation for this fee and bring back to the Committee.

Mr. Bush recommended to change the 100 ton and 100 passengers in section (b). It should include smaller ships to be charged for lightering as the industry changes.

Mr. Uchtyl said he would work with Mr. Green to clean up the language and bring it back to this Committee.

Mr. Donek said the regulation needs to include lightering operations for the smaller cruise ships also.

No Motion, this will be forwarded to the OPS/Planning Committee meeting.

VIII. Future Business

1. Waste Water Off Load Fee (no regulation currently exists)

Mr. Uchtyl said on page 12 in the packet is the contract that exists with CBJ and the Franklin Dock. This is going to be a complicated fee and a lot of moving parts. The waste water in discussion is only for the gray water from the galley and laundry. The next step is to sit down with CBJ waste water department, Kirby Day, and Drew Green and come up with a Juneau Port plan on how to manage discharge. All four docks need to work on a protocol for what ships get to discharge. The fee ranges from \$1,000 to \$17,000 depending on how much Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) there is in the water. The other cost associated is hooking up the hose for discharge include Admiralty Environmental for the testing, and Carson Dorn who oversees the testing, handling, and valuation of the BOD and TSS. There are three fees associated with the discharge, testing, environmental engineering oversight, and the fee to CBJ Waste Water to receive the waste water. Docks & Harbors does not have a fee for this currently. Mr. Uchtyl said he is not sure if this fee should go in regulation or be a permit. He will continue to work on the waste water discharge and bring it back when he has more information.

Mr. Donek asked what a ship does with the black water?

Mr. Green said they store it and discharge elsewhere. CBJ is not able to handle the black water because it is too rich. The ships are only allowed to discharge treated gray water.



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Mr. Uchytel asked Mr. Green how many ports in Alaska take the gray water?
Mr. Green said Ketchikan will in an emergency situation, but only Juneau under normal situations.

Mr. Bush clarified that Mr. Uchytel will continue to work on this and bring back to the Committee for review.

2. Water Fee Small Cruise Ships (no regulation currently exists)

Mr. Uchytel said this is due to more and more smaller cruise ships coming to the IVF and at this time, those ships are not charged for water because the IVF is not equipped with the water meters per spicket.

Mr. Borg said this also includes the smaller vessels that go to the inside of the CT as well as the Port Field Office Float(new lightering float).

Mr. Donek asked how much is Docks & Harbors paying for water at these locations?

Mr. Borg said it does increase substantially in the summer, but he didn't bring exact numbers tonight.

Mr. Donek asked if this was worth charging for.

Mr. Uchytel suggested to have a set fee to charge for the smaller cruise ships for water. Another fee that should be discussed is the trash.

Mr. Borg said the IVF dumpster has been increased to a 20 yard, and we are also working with Taku Smokeries to have a dumpster for cardboard recycling on their property.

Mr. Bush recommended to look into the garbage fee and treat all the smaller cruise ships in the same way. He made a suggestion to give a discount on garbage expense if the ship recycles most of their garbage.

Public Comment-

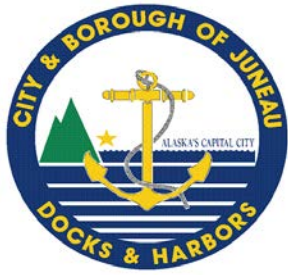
Dennis Watson, Juneau, AK

He said currently there are large yachts at Auke Bay that are larger than the Sea Lion that are hooked up to the water the whole time they are docked which is all free. The water is not expensive, but if this is going to be used more, the water rate should be reviewed.

Mr. Bush suggested to add the word "commercial" to water usage.

Mr. Uchytel asked if the Committee wanted to add another water fee for mid-range vessels, meaning there are recreational vessels, mid-range vessels, and cruise ships. There is already a fee established for cruise ships. The mid-range vessels can't be metered and would need to be a set fee.

3. Port Dues (85.02.105) – No discussion at this time.



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- IX. Next Docks Fee Review Meeting-** Proposed meeting January 19th, 2017
- X. Adjournment -** The Docks Fee Review Committee Meeting adjourned at 6:05 pm