

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES

Wednesday, August 23rd, 2023

@ 5:00pm in CBJ Room 224 & Zoom meeting

Meeting recording started @ 5:50pm

A. Call to Order: Mr. Ridgway called the meeting to order at 5:12pm in CBJ Room 224 and via Zoom.

B. Roll Call : The following members were in attendance - Don Etheridge, Matthew Leither, Annette Smith, Shem Sooter, and Mark Ridgway.

Absent: James Becker, Paul Grant, Debbie Hart and Albert Wall.

Also in Attendance: Carl Uchtyl – Port Director, Matthew Sill – Port Engineer, Matthew Creswell – Harbormaster, Emily Wright – CBJ Law, Nichole Lynch – CBJ Law, Andrea Shaw – Administrative Assistant, and Teena Larson – Administrative Officer.

C. Port Director requests for Agenda changes

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

Motion passed with no objection.

D. Public Participation on Non-Agenda Items - None

E. Approval of Minutes

1. July 19th, 2023 minutes

Hearing no objection, the July 19th, 2023 meeting minutes were approved as presented.

F. Unfinished Business

2. Harbor Rate Increase (9%)

Mr. Uchtyl said on page 16 in the packet shows the proposed rate increase schedule. The next step shown is to start the 21 day public notice on August 31st and to have the public hearing on September 28th which is the September Board Meeting. He has heard criticism for having a public hearing at a Board meeting and staff is proposing to have a Special Board meeting on October 4th. On page 17 in the packet is the start of the regulation for the rate changes. He has been working with CBJ Law on these changes. Because the fees have been being adjusted by CPI, the fee change in regulation looks more than just the 9% but on pages 30 and 31 in the packet shows the current rate and what it will change to with the 9% increase. Pages 30 and 31 is the notice of the proposed changes that will be advertised. Providing the fiscal note estimating the approximate revenue is required in regulation which is stated on page 32 in the packet.

Committee Questions –

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Mr. Ridgway asked Mr. Uchytel if he knows of any issues with this moving forward.

Mr. Uchytel said he has not received any public comments.

Public Comment - None

Committee Discussion/Action

Mr. Ridgway asked to make the font larger on the notice of proposed changes.

REVISED MOTION By MR. ETHERIDGE: TO RECOMMEND TO THE FULL BOARD TO DIRECT DOCKS & HARBORS STAFF TO COMMENCE REQUISITE PUBLIC NOTICE FOR A PUBLIC HEARING FROM THE PROPOSED SEPTEMBER 28TH TO OCTOBER 4TH TO INCREASE FEES 9% TO APPLICABLE REGULATIONS AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. Potentially Available Breakwater – Reuse in Juneau

Mr. Uchytel said he was contacted by the Ketchikan breakwater owner again to see if Docks & Harbors was interested in purchasing this. The owner has to move it and is checking in with us again before he does. Mr. Uchytel said he would like to get a condition assessment before moving forward.

Committee Questions

Mr. Leither asked what would Docks & Harbors use this for?

Mr. Uchytel said it could be used as a net float by the Aurora Harbor Breakwater, or it could be used at the Auke Bay Loading Facility as a breakwater and net float.

Mr. Creswell said in the winter during the sea cucumber and crab season, one whole side of the dock at the ABLF is unusable. The ideal place for this breakwater would be at the ABLF as a floating breakwater and could also be used for net repair.

Ms. Smith asked where it would be located at the ABLF?

Mr. Creswell said he would need to figure that out and would make sure to work with Mr. Sill and the nearby tideland owners.

Ms. Smith asked if the heavy waves and wind at the ABLF location would shorten the lifespan of the breakwater?

Mr. Creswell said it is designed to be a breakwater.

Mr. Ridgway said this breakwater is in good shape and is designed for heavy waves and wind. He asked what are the resources needed for the next move for this purchase?

Mr. Uchytel said it will be less than \$20K to have a condition assessment and for someone to go look at it.

Mr. Leither asked how much they are asking for it?

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Mr. Uchytel said he is not sure but the owner told him they were offered \$200,000 for it. He believes it could be worth several millions, if purchased new.

Public Comment - None

Committee Discussion/Action

Mr. Uchytel said he told the owner that they could move the breakwater to our tidelands at the ABLF if they need to move it quickly.

Mr. Ridgway commented that staff would need to work with the Coast Guard to have it properly lighted/marked if it will be on our tidelands.

MOTION By MR. ETHERIDGE: TO DIRECT STAFF TO EXPEND RESOURCES TO EVALUATE CONDITION AND VALUE OF 180 FOOT BREAKWATER POTENTIALLY AVAILABLE TO BE REPURPOSED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

G. New Business

4. Boat Shelter Sale - Board Right-of-First Refusal to Purchase

Mr. Uchytel said on page 36 in the packet is a letter asking if the Board would want to purchase boat shelters AG-24 & AG-25. This is required in regulation.

Committee Questions - None

Public Comment - None

Committee Discussion/Action

MOTION By MR. ETHERIDGE: TO WAIVE THE DOCKS & HARBORS BOARD RIGHT-OF-FIRST REFUSAL TO PURCHASE BOAT SHELTER AG-24/25 FOR \$65K AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

5. Dock Electrification Update & Pursuit of EPA DERA (Diesel Emissions Reduction Act) Grant

Mr. Uchytel said the memo in the packet on page 37 and 38 is to provide an update to the Assembly. He said he and Mr. Sill have been meeting with different agency experts in Dock Electrification weekly throughout the summer. He is recommending a revenue bond; however, CBJ Law now determined that all bond initiatives requires a referendum. This will be another hurdle as staff moves forward with a plan for design and construction working with the Manager's office with allocating head tax directly or getting put on a bond initiative in October of 2024. In the letter to the Assembly it does point out the Haight & Associates 2022 Dock Electrification study which estimated \$25M for both CBJ berths electrification but today's numbers are approximately \$20M for each CBJ berth electrification. Talking to experts in this industry, this will be one of

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the most challenging locations in the world to bring dock electrification to because of the 69kV which is the transmission voltage power on the hillside. This will need to come down the hillside and to another float that is limited by the dolphins in each of our berths. It can be done but there is no other model in the world that has done what we are planning to do. We will get there but we are not going to throw money at it until we have a full understanding of what we need to do. The other part of this is there is a EPA grant opportunity that closes in December, called DERA(Diesel Emissions Reduction Act) which has been around a long time. Docks would be eligible for \$1.5M from that Grant. This is worth pursuing because in the spring we would be eligible for another EPA grant (Clean Ports Initiative) which has \$3B of money available.

Committee Questions –

Ms. Smith said she heard on the news that Alaska received more money from the Feds than any other state in the nation. She asked if that would affect our ability to be successful in applying for these grants?

Mr. Uchytel said he believes that Alaska probably did receive more federal money than any other state. He said he does not see that will be an issue and he recommends to apply for everything available and see what we get.

Mr. Ridgway asked about paragraph three in the memo. It really states that AELP may not have the expertise to get this project completed. The two take aways from the memo is that this is going to be a really hard project and it is more expensive than originally thought.

Mr. Uchytel said whoever ends up designing this will not be AELP because they do not have the expertise and it would need to be outsourced. He was trying to point out in paragraph three that he would like AELP to take the lead in the design as far as they can. It makes sense with the Huna-Totem Dock, Franklin Dock, and AJ Dock, three different owners in this Port, and the Assembly's expectation to have every berth ready for dock electrification. Having the capabilities to power up more than one at a time does not matter at this point. The expectation and direction we are moving in is to have all berths able to provide power. Staff could do this on our own without AELP's partnership but AELP should be driving what system will bring the power to the cruise ships. Having the same system at each of the five berths makes sense. Currently an IBEW lineman has to hook up the cruise ships at the Franklin Dock and he is not sure if that would have to be a lineman. Those are things that would make sense to have continuity from one dock to the other.

Mr. Ridgway asked with this level of shorepower design, and Mr. Sill so busy, is this something staff would pass this off to someone else?

Mr. Uchytel said staff can do this, and this is a priority of the Assembly. We do not want to forward this to the Engineering Department to do.

Mr. Ridgway said he would not like to lose the Port Engineer to the Dock Electrification project.

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Mr. Sill commented regarding his time. These projects are so specialized, that beyond setting up the initial contracting and paying the bills, his role will be somewhat limited. He will be project manager overseeing project managers that oversee project managers. This is a big project in financial terms because everything is so expensive but it is not like rebuilding the cruise ship docks that was a tremendous footprint of infrastructure. Once the project is underway, it will not be a huge strain on Docks & Harbors staff.

Public Comment - None

Committee Discussion/Action

MOTION By MR. ETHERIDGE: TO FORWARD DOCK ELECTRIFICATION MEMO UPDATE TO THE ASSEMBLY AND STAFF APPLY FOR \$1.5M EPA DERA GRANT AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

H. Items for Information/Discussion

6. Open Meetings Act - Primer

Ms. Nicole Lynch from CBJ Law went over the power point in the packet starting on page 39 going over the CBJ Charter & Code, Open Meetings Act, Public Records Act, and Conflict of Interest.

Committee Questions –

Mr. Leither commented that the conflict of interest is a difficult thing. We all have boats and use the harbors and we are making decisions that directly affect us.

Mr. Ridgway asked for more guidance with the conflict of interest?

Ms. Lynch said having people who have actual experience with harbor use is who the Assembly likes on the Board.

Ms. Wright with CBJ Law said, when in doubt of a conflict to disclose it. That will clear up the disclosure, and if needed, the Board could vote to see if it is a true conflict.

Mr. Ridgway said the proposed rate change affects all the Board members and how is that not a conflict?

Ms. Wright said those are the easy ones and considered a generalized impact. The Assembly raises the mil rates and they all have houses. It is the more narrow ones that gets a little harder. For instance the conflicts that might be closer to your job.

Mr. Uchytel asked on page 43 in the packet, in our by-laws we have special committees. He asked if the advisory-only boards are for the empowered boards.

Mr. Etheridge said he appoints a sub-committee of two to three people to work on a specific topic.

Mr. Uchytel asked if always three Board members can meet and discuss, but if there are four, that needs to be declared as a meeting?

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Ms. Wright said yes.

Mr. Etheridge asked if he puts two or three meetings on a sub-committee we are okay.

Ms. Wright said yes.

Mr. Uchytel asked why the Assembly was able to go into executive session to interview a potential City Manager?

Ms. Wright said because that could defame or prejudice a person and is also a reflection of their character and reputation. When dealing with personnel matters, the person being interviewed could ask for it to be public but it will automatically always be in executive session if not asked to be public.

Mr. Ridgway asked if to enter into executive session a motion needs to be made?

Ms. Wright said yes.

Mr. Uchytel asked if a person wants to recuse themselves due to a conflict they need to have this approved by the Board first?

Ms. Wright said that is correct or they could call CBJ Law first and see if they have an actual conflict that they would need to recuse themselves.

Mr. Leither commented that people in the State that really don't want to vote have been just voting present.

Ms. Wright said CBJ does not allow a "present" vote.

Mr. Ridgway asked if when someone does recuse themselves, are they to physically leave the table?

Ms. Wright said yes.

Mr. Uchytel asked under the public records act on page 46, can IT search the Board emails?

Ms. Wright said yes.

Mr. Ridgway asked what emails? He said he has a CBJ email and would expect those to be searchable but he also has a work email and personal emails.

Ms. Wright said if there are lawsuits, they can take your personal phone and get subpoena's to search your job and personal emails.

Public Comment - None

7. Aurora Phase IV – ADOT Harbor Facilities Grant Submission

Mr. Sill said on August 4th staff turned in our grant application to the state for phase IV of the Aurora Harbor project. On page 67 in the packet shows the layout for phase IV and the additional components for phase III that we were not able to do due to bid costs. He knows DOT is reviewing our application and we wait now to see if we will be awarded

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the grant. Staff asked for the \$5M match to match what we received from the 1% sales tax initiative money. This project ends up being a little over \$11M adding all the contingency funds but staff is hoping to get this finish in the \$10M range. Typically the rankings are announced at the September AAHPA conference and if the program is funded, the highest rankings will move forward. Staff feels this is a good, strong application and we have a lot of reasons to receive this money. For phase III, we brought in R&M to do our permitting for us so we asked them to do the permitting for phase IV as well by just updating the phase III permit application. He asked what level of public involvement the Board wants to do for phase IV? This was designed from the waitlist at the time and since then our waitlist has been overhauled and more accurate now but not a lot different. Is the Board still okay with staff working off the waitlist and using our judgment to move forward that way.

Mr. Uchytel pointed out that we are really not eligible for this and on page 71 in the packet was the letter written to the State asking for a waiver. The good news is that they are looking at our application and we hope they will grant our waiver. The grant application in the packet is only 30 pages of a 120 page document. There are currently 91 vessels, various sizes, on the waitlist for the downtown Harbors.

Mr. Sill commented that the reason we are not eligible for this grant and needed to ask for a waiver was that we did not finish phase III yet.

Committee Discussion

Mr. Etheridge recommended the phase IV design should be from the Board based off recommendation of staff. Everyone is going to have their own opinion of what they want to see and the Board will have the overall good of the order.

Mr. Ridgway suggested to put the final design out on social media and have people send any comments to the Board.

Mr. Leither asked if the waitlist has changed?

Mr. Sill said the waitlist has been better organized. There may have been vessels under the previous system that were not captured but are now.

Mr. Creswell said Harbors has over 1,600 followers on facebook.

Mr. Leither asked if the waitlist was still representative to the design with the waitlist change?

Mr. Creswell said there is a broad range of vessels from 32' to 100' and a broad range of needs.

Mr. Uchytel commented that staff demolished the North end of Auroa and he believes during the pandemic people had money and they bought boats which added to the waitlist.

Mr. Sill provided an update for Aurora Harbor phase III –

- We received our permits last month and we can legally pile-drive now.

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- He contacted the company that helped in the past for marine mammal observation and they will likely work on this project as well.
- The majority of the electrical submittals have been reviewed and purchased.
- The submittal for the floats and steel is on his desk waiting for review.
- This project is moving along at the proper pace and are still on track for construction to start just after Christmas.

Public Comment - None

8. Downtown Safety Rail - Update

Mr. Uchtyl showed a video of a man riding his bike and rode off the edge of the Seawalk. The letter went out to the Assembly last month regarding the safety rails and he has not heard anything.

Committee Discussion

Mr. Ridgway said at the last meeting he asked for a picture of the new safety rail that was installed by Marine Park.

Mr. Uchtyl said he did forward the picture to the Board.

Mr. Creswell said for this incident, the guy was riding his bike, and went over the bull rail into the water. On every cruise ship there is a live bridge watch from when they tie up. The crew saw this person go over and they sounded the man over board alarm. Ship's staff came to the aid of the person in the water. Someone on the Seawalk threw in one of our life rings. The person in the water was able to self rescue to the ladder and climb out. He tied his bike off to the life ring and that was hauled out. He was injured with either a broken or severally sprained ankle. Mr. Hinton called 911 as soon as he arrived on scene and CCFR was there within a couple minutes. He was taken to the hospital and treated for mild hyperthermia and his ankle. He came back to the Port to get his bike a couple days later and thanked everyone for their help.

Mr. Leither asked if the City Assembly has this video we saw tonight?

Mr. Uchtyl said no he did not send it to the Assembly. They have not responded to the letter from last Board meeting. He did send the link to the City manager, the tourism manager, CBJ Law, Risk, and he has not heard from anyone.

Mr. Ridgway commented that we are presenting information about danger, risk and liability and when we talk to the Assembly members and the City Manager point out that a safety railing would have saved this guy from a broken ankle.

Public Comment - None

I. Staff & Member Reports

Mr. Creswell reported

- The launch ramp survey closed on August 16th with 246 responses. He has all the information compiled and will have that information in September. The two

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launch ramp permit winners were contacted today and that will be publicized at the right time.

- The operations tempo is crazy right now and he will give a full report at the Board Meeting.
- The Army/Coast Guard Dive teams last day was today. They did several special projects for us.
- An abandoned Bayliner made in on the beach at AML and we are working along side John Melino to get that boat raised and on a trailer so it can be disposed of.

Mr. Leither asked why we are disposing of a boat that crashed on AML land?

Mr. Creswell said it is on the CBJ tidelands.

Mr. Ridgway asked for an estimate on how much money and time was put into this vessel.

Mr. Creswell said he does not have that at this time.

Mr. Uchytel reported August has been very busy for VIP's coming to Juneau.

- August 8th was a CODEL (Congressional Delegation) with six Congressmen led by the chair of the House Transportation & Infrastructure committee. They oversee a lot of the grants we apply for. As well as Coast Guard Vice Admiral Tionson in attendance. We facilitated meetings regarding cruise ship issue and the NOAA dock for about half a day.
- The following week we had Senator Murkowski and USDOT Secretary Buttigieg and was given two minutes to brief them on Docks & Harbors issues both locally as well as statewide. He made sure they knew Harbors was applying for a PIDP grant for the drive down float at Aurora Harbor.
- The following day, Senator Murkowski's lead infrastructure staffer, Kevin Swanson was in town and for half a day he was briefed on Docks & Harbors issues and staff took him to Statter Harbor. He is a big ally for Juneau Docks & Harbors. Grants are difficult to get but Mr. Uchytel feels there is good support.
- Yesterday Army Corps of Engineers senior leaders were in town. The Alaska District Commander, who lives in Anchorage and his Deputy. As well as an SES from Army Corps HQ in Washington, DC. We met at Statter Harbor and briefed them on Docks & Harbors issues and then walked them to the Breakwater. The breakwater wave attenuator has been on the list for funding for several years. They were very complimentary of staff and the operations at Statter Harbor and surprised on how well we are doing. They are going to move forward with the general investigation study in FY24 if the \$500K funds Senator Murkowski earmarked in the congressional spending is approved with a clean appropriation bill. The study is \$3M and we will eventually have to come up with \$1.5M for this study.
- Mr. Uchytel commented that there is a need to have a quorum to conduct business and staff appreciates the responses for attendance from the Board Members.

Ms. Smith said she will be at all meetings unless she tells us she will not.

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Mr. Leither asked where we are in the process for the proposed changes presented by the City Manager?

Mr. Uchtyl said the proposed changes are in title 85 and title 3. This item was on the agenda for tonight but removed because Mr. Watt was not prepared for tonight. Mr. Uchtyl said he and Mr. Etheridge will meet with Mr. Watt and the Mayor on Friday on this topic.

Mr. Sill reported –

- Today he started sending out solicitations for quotes for the Harris Harbor gate fabrication. He sent the request for quotes to two fabricators so far and inquired with three others to see if this would be something they would be interested in pursuing. The intent is for us to buy the fabricated components and then have our term contractor install it. The fabricators will have a month to come up with a concept and a narrative that meets our requirements. Staff hopes to have it built after we receive a quote that comes in under our budget. There has been interest in the project and he is optimistic we will get our three quotes. This is being advertised as a quote for under \$50,000 and the local preference is not relevant for quotes. The fob system is not included in the request for quotes. This would need to be wired by an electrician after the gate is installed.

Mr. Ridgway suggested when looking into the fob system for the gate to include a fob system for an access to our dumpsters. He recalls seeing a couch in our dumpster and with the new garbage rates the fob system would probably pay for itself in short order.

Mr. Uchtyl said staff ran the report for garbage and there was not much change.

Mr. Creswell said the rate for commercial increased \$.01. Staff has not seen an increase in our garbage expense.

J. Committee Administrative Matters

Next Operations/Planning Committee Meeting-**Wednesday, September 20th, 2023**

K. Adjournment – The meeting adjourned at 7:06pm.