



DOCKS AND HARBORS SPECIAL BOARD MEETING MINUTES

October 04, 2023 at 5:00 PM

Assembly Chambers/Zoom Webinar

A. CALL TO ORDER: Mr. Etheridge called the meeting to order at 5:00 p.m. in CBJ Assembly Chambers and Zoom Webinar. There was technical difficulty with the zoom participants hearing the participants in the Chambers. The meeting resumed at 5:33pm.

B. ROLL CALL: The following members attended in the Assembly chambers or via zoom webinar - James Becker, Debbie Hart, Matthew Leither, Mark Ridgway, Annette Smith, Shem Sooter, and Don Etheridge.

Absent: Paul Grant, and Albert Wall.

Also in Attendance: Mr. Uchtyl – Port Director, Matthew Creswell – Harbormaster, Emily Wright – CBJ Law, and Teena Larson -Administrative Officer.

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES – No Changes

MOTION By MS. HART: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS –

Emily Wright with CBJ Law. Ms. Wright said last week at the Operations-Planning Committee meeting, the question came up about Mr. Stopha's email regarding the possible surcharge added to cruise ship moorage fees and whether this was actually a head tax? Docks & Harbors can increase the dockage fees in the 200' and greater range which would be a policy call. The proposal by Mr. Stopha adding a fee to a cruise ship passenger would be considered a head tax. There are no current cruise ship agreements. We did have a CLIAA settlement a few years ago. She said she spoke with the City Attorney Palmer and if Docks & Harbors wants to raise the head tax that will need to be done separately.

Ms. Smith asked if we implemented a surcharge, would it be subject to the lawsuit that directs how money can be spent under the head tax.

Ms. Wright said that is correct. The surcharge Mr. Stopha proposed was based on per vessel/per passenger and that would be subject to the head tax.

E. PUBLIC COMMENT ON THE PROCESS TO INCREASE ALL RATES 9%.

Mr. Etheridge commented this topic will be limited to clarification questions only.

Clayton Hamilton, Juneau, AK

Mr. Hamilton said he is a fisherman and has been following this for a while. He started by thanking the board for backing off a flat rate raise because that was crazy and insane and totally unjustified at least. He commented that the 26 motions on the agenda address Docks & Harbors as they are one enterprise. He said the Docks side is facing growing costs and the Harbors are already chipping in more than their share. The solution would be to move ahead on the first three motions increasing the Docks fees and leave the Harbors alone because they are in the black. There are two separate enterprises in which we are talking about Docks short comings with rapidly growing costs. Why are we talking about Harbors at all because we are in the black, doing fine, and no reason to raise rates. He would leave all harbors fees alone. He said he is not against tourism, but the Harbor users are paying too much. He commented that he appreciated Mr. Uchtyl bringing Ketchikan fees forward and suggested the Harbors should be tied to a regional average based on a statewide average. There is already an annual adjustment and the Harbors is doing fine. He said he is

pleased by the progress made but do not destroy local businesses and impact local residences negatively by raising rates.

Shane Krause, Juneau, AK

Mr. Krause said he is a liveaboard and recreational user and owns two vessels in the Harbor totaling 100' of dock. He supports the fishing industry and all commercial users. He said this is a big impact to him and his family. He used to work for the Port of Friday Harbor as the leasing agent responsible for adjustments and he has never seen something like this as a flat recommendation. He said the survey that was done was flawed and should be readdressed. He said he fully supports raising fees for the cruise ships, they are big money and taking the majority of their money back with them to their town. They own too many businesses in town and the money does not stay here. On the Harbors side, there is no need to raise fees because it has been in the black. The Harbors does not need to grab the money and keep doing projects one after another. The Harbors is currently in the black and if a project needs to wait a couple of years because it does not have enough money, then it will just need to wait. He said meanwhile, maintenance is not being held up. He has asked for the Douglas parking lot pot holes to be fixed and they are just getting worse every day it rains. Nothing has been done but promises were made to put chip seal on the lot to protect vehicles. He is not sure if that is still going to happen. He has also heard Harbors has been working on adding restrooms with showers. He wants to know for who, because there are two restrooms right across the street. Parks & Rec manages two other facilities right close and they have the Port a Potties at the Harbors. Meanwhile, we have a lot of security issues that are not being addressed. We need gates on the ramps and more security at night and not fancy facilities. There is one security person covering all the Harbors and Docks and he is over worked. He is unable to be in all the places at once. It has been left up to the Liveaboards to provide security and documentation of things happening when people walk onto our property and steal our stuff while we are present. That is a recipe for disaster. We asked for simple things like lights in the parking lot but Parks and Rec is providing street lights along Savikko Park and there is sufficient lighting in the parking lots now. The \$50,000 set aside for the lights can be put back in the budget. The dumpsters have been being abused by the general public and more so now because the dump fees have gone up. He said in a previous meeting it was stated that the Harbors pays \$250,000 in trash fees and probably 90% of that is from outside Harbors. Yet nothing is being done. He said he was told to take pictures of license plates and confront people but he is not on the payroll and that is not his job. It is also openly stated that liveaboards should be dissuaded from using the facilities. If the liveaboard presence in the Harbors is pushed out, the problems are just going to increase. He said he reported a watermain break a few weeks ago on a Saturday at 4:30 pm when staff was heading home for the weekend and they were able to come shut it off and not have it run wide open all weekend. There was a float home in Douglas that came untied at 2:00 am. Another Liveaboard saw this and got help to get it secured. He went and further secured it in the morning. If that had ended up on the rocks overnight there would have been a bigger mess to deal with. Raising these fees will end up with a lot more derelict vessels as people are forced to abandon them. There will be more problems in the Harbors with less people there. With the fact that there is a waitlist because Aurora Harbor has not been built out is not justification to raise rates.

Lacey Derr, Juneau, AK

Ms. Derr said she is a former Board member and was on the Finance Committee that was part of this rate study. She is calling in favor of the rate increase because she knows the work that has been done and what the numbers came down to. At this time, Harbors is barely breaking even because of the cuts being made just to survive. The patrons want the services to remain and she heard in the earlier testimony that the patrons want increased services. The only way to increase services is to increase rates. This is the cost of inflation, parts, and services. This will mean her rates will increase also and this is not something she looks forward to but she knows this needs to be done in order to be successful. This is a hard decision for the Board but this is a starting point and she is in favor of it.

F. PUBLIC HEARING

1. Proposed Regulation change to 05 CBJAC 15.030 - Dockage Charges

Mr. Uchytel said this fee is for vessels docking at the Alaska Steamship Wharf, the Cruise Ship Terminal, the Intermediate Vessel Float, the Port Field Office float, and the Inside of the Cruise Ship Terminal Float. With the exception of yachts and fishing vessels, these fees go into our Docks revenue. He stated the rate increase amounts and fiscal note change is in the packet on page eight.

Board Questions - None

Public Comment

Clayton Hamilton, Juneau, AK

Mr. Hamilton said the fishing vessel fee was charged and he did pay it. He wanted it known that this is a Docks Enterprise fee and should be moved forward and leave Harbors alone.

Board Discussion/Action -

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE DOCKAGE CHARGES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Proposed regulation change to 05 CBJAC 15.040 - Port Maintenance Fee

Mr. Uchytel said this fee is a Docks Enterprise fee and assessed at the Alaska Steamship Wharf, Cruise Ship Terminal, and the Intermediate Vessel Float. It is to provide for maintenance and improvements to the facilities. He stated the rate change and the fiscal note is on page eight in the packet.

Board Questions –

Mr. Ridgway asked if the letter in the packet from CLIAA was responded to that talked about the Port Maintenance fee being very similar to the head tax?

Mr. Uchytel said he did not plan to respond. The letter is in tonight's packet. He said he will respond if the Board wants a response. The position CLIA-Alaska is representing on behalf of their membership is that Docks should sunset the Port Maintenance fee because this was established for maintenance, and improvements to the facilities, but we are using the head tax for the majority of the maintenance and recapitalization needs. That is a fair statement, but if we did not have the maintenance fee we would have to increase dockage fees even more.

Mr. Ridgway said he sees a connection in past discussions that Statter Harbor is a more expensive Harbor as far as rates go, one of the justifications for that in an anecdotal sense is that it is a very sought-after Harbor. There are a lot of people that want to be there and that is somehow connected to the rate. In terms of the Docks fees, is that same logic used for the dockage fee and port maintenance fee that the Juneau docks are highly sought after?

Mr. Uchytel said we do not. There was an attempt a couple of years ago to raise dockage fees and the Assembly did not approve the increase. The Dockage and Port Maintenance fee has not increased or been adjusted by CPI since 2005. It is now tied to CPI as of two years ago. We have not taken the stance of adjusting sought-after docks because of the politics behind these fees.

Ms. Hart said referring to CLIA's public input letter's last paragraph, does the Docks & Harbors Board only have oversight on the Port Development Fee?

Mr. Uchytel said the Port Development Fee is a head tax and the Board does not have a direct impact on the Port Development fee. The Finance Department pays the bonds on our behalf for the cruise ship docks and Seawalk. The Port Maintenance Fee is under the Board's oversight.

Public Comment –

Clayton Hamilton, Juneau AK

Mr. Hamilton said Mr. Stopha's letter did not suggest a per passenger fee assessment. He suggested a per ship fee assessment and talked about how it would break down by the cost per passenger. There is a big difference. Everyone is afraid of duplicating a head tax but that is not what Mr. Stopha is proposing. The fee would be incumbent to the boat. This fee is very low. He would start by raising this fee by 9% and keep raising it. He suggested to see if Docks would be prepared for the next COVID year? The Port Maintenance Fee should be for maintaining the port facilities and their huge costs even during bad years.

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE PORT MAINTENANCE FEE 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. Proposed regulation change to 05 CBJAC 15.060 - Vessel Lightering Fee

Mr. Uchtyl said this is an anchoring fee for the cruise ships when using the Port Office Field Float or the Intermediate Vessel Float to drop off passengers. He stated what the rate will change to and the fiscal note on page eight in the packet.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE VESSEL LIGHTERING FEE 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

4. Proposed regulation change to 05 CBJAC 15.080 - Loading Permit Fee

Mr. Uchtyl said this is a bus loading fee for downtown lots for the A, B, and C zones. There is a Company fee and a onetime seat fee. He stated the fee increases and the fiscal note increase on page eight in the packet.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE LOADING PERMIT FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

5. Proposed regulation change to 05 CBJAC 15.110 - Boom Truck Usage Fee

Mr. Uchtyl said Docks & Harbors owns a boom truck acquired through a Tiger Grant in 2012. He stated the fee increase and the fiscal note on page eight in the packet. The boom truck was purchased with the idea that we could help commercial fisherman move their gear around. The fee was intentionally higher than other commercially available boom truck so not to compete with them. The direction was to only move gear around our yards and not to take it to private properties. This is a very valuable tool for Docks & Harbors but in the last year there has been no revenue generated from the boom truck use. He

said it was used when the cranes were down at the Juneau Fisheries Terminal which helped commercial fisherman with changing their gear.

Board Questions - None

Public Comment –

Clayton Hamilton, Juneau, AK

Mr. Hamilton said as noted, this fee is already higher than commercially available so there is no reason to raise it. There is a private company that has a boom truck down, so it is recommended to have this ready for use. Not every Harbor has a boom truck but we are charging more than Wrangel.

Board Discussion/Action

Mr. Sooter said the \$136.00 boom truck rate is far cheaper than the current going rate of \$185.00.

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE BOOM TRUCK USAGE FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

6. Proposed regulation change to 05 CBJAC 20.020 - Special Annual Moorage Fee for Skiffs

Mr. Uchytel said this fee is for open hulled vessels less than 21' in length for Aurora, Harris, Statter, and Douglas Harbor. He stated the fee increase and the fiscal note on page eight in the packet.

Board Questions –

Ms. Smith asked if that means that someone is paying \$30.83 monthly for their skiff?

Mr. Uchytel said that is correct.

Public Comment –

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said he is opposed to moving this rate increase forward. This only affects locals and there are not enough spots for these skiffs already. He has used this skiff moorage fee for a couple years for his personal boat and often there is not space for a skiff. You will be charging people more for something that is not 100% provided.

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE SPECIAL ANNUAL MOORAGE FEES FOR SKIFFS 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

7. Proposed regulation change to 05 CBJAC 20.030 - Daily Moorage Fees

Mr. Uchytel said this fee is charged on a daily basis for vessel at Aurora, Harris, Douglas, Norway Point float, National Guard Float, Fisherman's Terminal Float, and Statter Harbor. We have the same daily rate downtown as we do at Statter Harbor. He stated the fee increase and the fiscal note on page eight in the packet.

Board Questions - None

Public Comment –

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said this is just locals the Board is talking about taking the hide off. He said to not do this. Juneau is already the most expensive Harbor just looking at Downtown and Douglas and even more expensive than Sitka. He said he knows there is a discount if you can get there in the one week it is

available in July. This makes our Harbors less competitive regionally. He knows businesses that have moved to Hoonah, Pelican, and Haines because of costs. We should be good to our residence and be good to our regional neighbors too. He said he would like to see a competitive harbor system in Juneau. This is already adjusted annually and do not raise this fee even higher. We do not need to do this.

Board Discussion/Action

Mr. Leither commented that he wanted it on record why he is voting for this increase. He said nobody likes this increase including himself. He said his biggest concern and the reason he is voting for this increase is because he looks at the replacement analysis in the study and the fact that we have aging infrastructure which will need replacement at some point in the future. When he first came on the Board he thought the Harbors is in the black and doing fine but if you look at the reserve replacement analysis the Harbors will need millions and millions of dollars to run what we have. He said he is not advocating this fee increase to balloon the system but replace what we have.

The alternatives would be –

- Close harbors - but they are already used to capacity,
- Take out bonds when the Harbors need to be replaced - but then we are paying interest for years and costing more in the long run,
- Depend on Government grants - but those are hard to come by and not always successful

He said looking toward the future, even though this fee increase is painful, this is the most reasonable way forward.

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE DAILY MOORAGE FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

8. Proposed regulation change to 05 CBJAC 20.035 - Monthly Moorage Fees

Mr. Uchytel said there are two fees for the monthly moorage fees. There is the downtown rate (charges to vessels at Harris, Douglas, Aurora, Norway Point, National Guard, Fisherman's Terminal) and the Statter Harbor monthly moorage fee. He stated the fee increase and the fiscal note on page eight and nine in the packet. He noted that there is a 10% discount for pre-paying monthly moorage annually and 5% discount for prepaying six months moorage.

Board Questions –

Ms. Smith asked if it would be a difficult thing to pull out the commercial fisherman fleet and phase this fee in.

Mr. Uchytel said staff will do whatever is directed by the Board.

Public Comment –

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said he wanted to address Mr. Leither's comment. He said we would not have airports, roads, or you name it without public money. Harbors are public things and built with Army Corps of Engineers money and have been maintained in the interim with Army Corps of Engineer money and when the time comes, we will get more of the Army Corps of Engineers money. He believes we should not be talking about our replacement responsibility when little communities all across the state are figuring it out. Cordova and Hoonah is figuring it out but here in the big city we can not figure it out and that is embarrassing.

Mr. Shane Krause, Juneau, AK

Mr. Krause brought up the comparison with Sitka's permanent moorage to downtown. He believes Statter is a better comparison and with that comparison Juneau is charging twice Sitka's moorage rates. We were just hit with an 8% increase and 9% on top of that is hard to swallow.

Board Discussion/Action

Ms. Hart said for discussion purposes she wanted to put a motion on the table acknowledging Mr. Leither and other public comment throughout this process.

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE MONTHLY MOORAGE FEES 9% AND ASKED FOR A ROLL CALL VOTE.

Mr. Leither commented in his mind this regulation change is to support Docks & Harbors for years and years to come but he is also acknowledging times are tough right now. He believes the rate needs to increase 9% but would be more in favor of that over two or three years.

Ms. Hart asked if Mr. Leither was asking for a friendly amendment to her motion?

Mr. Leither said he would like to make a friendly amendment to spread this fee increase out over three consecutive years with 3% each year.

Roll Call Vote

Jim Becker – Yes

Debbie Hart – Yes

Matthew Leither – Yes

Mark Ridgway – Object

Annette Smith – Yes

Shem Sooter – Yes

Don Etheridge – No

Amendment to the Motion passed

Ms. Smith wanted to clarify that the 3% spread out over three years will be in addition to the cost of living increase done annually.

Mr. Etheridge said that was correct.

Roll Call Vote on the full Motion

Jim Becker – Yes

Debbie Hart – Yes

Matthew Leither – Yes

Mark Ridgway – No

Annette Smith – Yes

Shem Sooter – Yes

Don Etheridge – No

Motion Passed as amended.

9. Proposed regulation change to 05 CBJAC 20.045 - Fee for Tenders

Mr. Uchytel said this fee is applied to tenders that moor alongside their primary vessel in the water. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions –

Ms. Hart asked who would be charged this fee?

Mr. Uchytel said this fee is not routinely used but it is in our regulation.

Mr. Creswell said he does not know of a time when this was used. When we generally think about tenders it is the yachts with reservation moorage and their tenders fall under the reservation rate for moorage. It was probably charged to the seine fleet when we had a fleet.

Public Comment

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said that is different than what Ms. Larson explained to me yesterday. This fee does apply to the tenders that work at Icy Strait and AGS. He said this will come out of his revenue ultimately. That is fine that yacht's are charged this but please leave local businesses alone and do not raise this fee.

Board Discussion/Action

MOTION By MS HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE FEE FOR TENDERS 9% AND OPEN IT UP FOR DISCUSSION.

There was no additional discussion

Roll Call Vote

Jim Becker – Yes

Debbie Hart – Yes

Matthew Leither – Yes

Mark Ridgway – Yes

Annette Smith – Yes

Shem Sooter – Yes

Don Etheridge - Yes

Motion Passed

10. Proposed regulation changes to 05 CBJAC 20.050 - Residence Surcharge

Mr. Uchytel said this fee is assessed to the owner of a vessel when the vessel is used for their residence for three or more days in a calendar month. There is an additional fee for vessels having over four individual residing aboard the vessel. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions

Mr. Becker asked Mr. Uchytel to explain how the additional charge for over four people is applied.

Mr. Uchytel said for up to four people is the regular residence surcharge. When there is a fifth or sixth person they are each charged the fee for over four residence.

Ms. Smith asked if in addition to these the residence are charged water, sewer, and electricity, or nothing?

Mr. Uchytel said they would also pay moorage, there is no water or sewage charge and we provide pump out services at all our facilities. The liveaboards typically have electricity in their name with AELP so we collect no revenue for our electrical infrastructure.

Mr. Becker commented that the fisherman just received a break by breaking down moorage 3% per year but we are not giving the Liveboards that benefit? They are paying stall rate based on their own financial circumstances whereas fisheries pay their stall rent over their product of fishing and it does not seem fair.

Mr. Leither said he is a Liveboard and he believes the last proposal for the monthly rate of spreading the 9% out over three years was passed was because that fee affects everyone with their boat in the Harbor. That does give the liveboards, fisherman, and recreational users a break. He wanted it clarified that the liveboards are also going to receive the break from the monthly fee being spread out over three years.

Public Comment

Mr. Shane Krause, Juneau, AK

Mr. Krause said there has been a list in the past published about all the benefits the liveboards receive. Those are available to everyone and not just specific to liveboards. The water service is available to everyone and some people abuse it and leave hoses running, but those are not liveboards and he has shut hoses off multiple times. The electricity is typically paid to AELP. As noted previously, the garbage is heavily abused by the general public and the liveboards garbage is not what is filling the garbage bins. The pump outs are not exclusive to liveboards. Some boats have treatment onboard and do not use the pump out facilities. Snowblowing is required for the docks. It was noted in the past that these fees need to be increased due to the snowblowing for the liveboards. These fees should not be increased but decreased because the only benefit would be the pump out because the cart is brought to the vessel and that does not affect all boats.

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said the comments in this packet do not include the comments provided by liveboards on fixed income from the August meeting where they said they were on a fixed income and he believes there were three individuals. We could look at the record but no one recorded their comments. This is not just a money grab but it is morally repugnant. This is the most affordable housing in town. He remembers a couple of years ago Mr. Leither's comments when the Board was trying to increase by 100% that the Harbors was already receiving more than what the liveboards receive. He said you can take it out of the poorest people in our community if you feel good with that, but this is bad management. He is going to keep telling everyone in town what the Board is doing, keep arguing against this, and make a stink at every level he can. The Board is hurting the poorest people in town and there is already a housing problem. He said do what you think best.

Board Discussion/Action

Ms. Hart said for full disclosure she has a houseboat in Aurora Harbor and pays this fee.

MOTION MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE RESIDENCE SURCHARGE FEES 9% BUT DO 3% FOR THE NEXT THREE CONSECUTIVE YEARS.

Ms. Wright said she is currently seeking clarification on the previous motion on the moorage fees. She believes it would apply to this one as well. You can spread this out over three years but there needs to be clarity about the CPI and compounding. To do the math, are we doing 3% plus CPI for the next three years. That will end up being a lot more than just the 9% or are we doing 9% over the three years and not doing a CPI. If your intent is not touching CPI and just spreading the 9% over the three years is what she believes is the intent of the Board but she needs clarification.

Mr. Uchytel said the intentions tonight would be to start this fee increase January 1st and the CPI is not added until the new fiscal year that starts July 1st. In this case the CPI is always adjusted July 1st. He understands the Board wanting to increase the fees by 3% in January for the next three years.

Mr. Etheridge asked Ms. Wright to provide information pertaining to a conflict of interest for Board members that are liveboards.

Ms. Wright said the conflict of interest would be the Chair's decision. The question is, whether this is broad enough in application overall, that the Chair would be comfortable allowing them to vote. Do they have a financial and personal impact. If the Chair allows the Liveboard-Board members to vote, any Board member can call a question and overrule what the Chair has decided.

Mr. Leither and Ms. Hart both declared they are Liveboards.

Mr. Etheridge ruled that the two Board member Liveboards can vote on this topic.

Mr. Leither commented that he is sympathetic to what is being discussed but his concern is when we start picking out individual groups and deciding to increase slowly and not increase other things slowly is a difficult thing to defend. Raising all the rates at the same time has been okay with him because individual groups are not being picked out. The reason he felt comfortable with the monthly moorage raising over three years was because it affects almost everyone in the Harbor so the argument of being favorable to individual groups does not apply. He does not support doing a slow increase for the Liveboard fee.

Mr. Ridgway commented that the Board has been working on this rate study for several years and this year has been economically difficult for some people. He does not believe this is the only option Board members have if there are individuals that need help. If the fisherman are *in extremis* next year, the Board can do something. The whole reason we are in this position is because over 14 or 15 years we did not adjust our rates. He did hear comment the Harbors is in the black but that does not mean there is enough money. We have to have matching funds for grants, and we have to have money in our fund balance to be able to provide services and do maintenance. The rate increase tonight that has been talked about for years does need to happen. If any member of the Board sees a specific part of our community that needs additional support we can find other ways to help them. These rates are not our only tool.

Ms. Smith made a friendly amendment to spread this 9% increase over three consecutive years.

Mr. Etheridge objected to the motion.

Ms. Hart removed her motion.

MOTION By MR. RIDGWAY: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE RESIDENCE SURCHARGE FEES 9% AND ASK UNANIMOUS CONSENT.

Ms. Smith objected. She would like to add an amendment to that motion to spread the 9% out over three years. This is the most affordable housing in town, and we do have a housing problem. She believes a lot of the liveboards are on fixed or low income.

Mr. Ridgway said he appreciates this is affordable housing, and he believes at one point all or almost all the Board members were liveboards. He does not see this as the best way to address this and make it affordable housing. From a business standpoint, this is needed. If we want to find a way of assisting people, we can pursue other ways to do that.

Roll Call Vote on the amendment to the motion which is to spread the fee out for three years.

Jim Becker – No

Debbie Hart – Yes

Matthew Leither – No

Mark Ridgway – No

Annette Smith – Yes

Shem Sooter – No

Don Etheridge – No

Motion failed

Roll Call Vote on the original motion of increasing the Liveaboard surcharge fee by 9%.

Jim Becker – Yes

Debbie Hart – Yes

Matthew Leither – Yes

Mark Ridgway – Yes

Annette Smith – Yes

Shem Sooter – Yes

Don Etheridge – Yes

Motion Passed

11. Proposed regulation change to 05 CBJAC 20.060 - Recreational Boat Launch Fees

Mr. Uchtyl said this fee is for a boat trailer launching a vessel or a vehicle launching a kayak at any of our launch ramp facilities. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions

Ms. Smith asked if the people who use our launch ramp area with ATV's are charged a launch ramp fee?

Mr. Creswell said we do enforce Echo Cove but not as much as we would like. This can be a dangerous area to enforce with just one staff member. A lot of times people are out there under the influence and it can be testy with just one person trying to take enforcement. When we can we do go out with two people for better enforcement.

Public Comment –

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said the next highest launch ramp fee he can find is Petersburg at \$75.00 annually. He said we are already winning. He said he will lay it on heavier if the Board wants. We are already winning guys.

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE RECREATIONAL BOAT LAUNCH FEES 9% AND ASK UNANIMOUS CONSENT AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

12. Proposed regulation change to 05 CBJAC 20.070 - Fees for Commercial Use of Boat Launches.

Mr. Uchtyl said this is a commercial user fee assessed to all of our boat launch facilities. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions

Mr. Becker commented that the passenger vessel is going to go up 9% but what about the passenger fee.

Mr. Uchtyl said the per passenger fee is increasing also.

Public Comment

Board Discussion/Action

MOTION By MS HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE FEES FOR COMMERCIAL USE OF BOAT LAUNCHES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

13. Proposed regulation change to 05 CBJAC 20.080 - Passenger -for-hire fee

Mr. Uchtyl said this is for the Charter Operators primarily operating out of Statter Harbor. Every vessel pays a per vessel fee and then they pay the per person fee. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE PASSENGER-FOR-HIRE FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

5 MINUTE BREAK

14. Proposed regulation change to 05 CBJAC 20.090 - Statter Boat Harbor Bus Lot Permit Fee

Mr. Uchtyl said much like the downtown bus fee we have a bus fee at Statter Harbor. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions -

Public Comment - None

Board Discussion/Action

MOTION: TO RECOMMEND TO THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE STATTER BOAT HARBOR BUS LOT PERMIT FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

15. Proposed regulation change to 05 CBJAC 20.100 - Grid Usage Fee

Mr. Uchtyl said this is a per foot fee for use of the grid. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions

Ms. Hart asked who uses this fee?

Mr. Creswell said it is a variety of users.

Public Comment –

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said it feels like he is talking to himself. We are already paying twice as anywhere else. The grid has not been improved ever in the time he has lived in Juneau. Maybe with this increase we

will see 9% improvements or maintenance, or maybe not. He said Harri's is the only other place to get hauled out with a boat like his and due to the increases in their lease from the harbors they have increased their rates over 50%. Everyone is paying more for less. Grids are too expensive and the poorest people use this because they cannot afford to haul their boat. He said he is sure the Board already understands that.

Board Discussion/Action

MOTION By MS HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE GRID USAGE FEES 9%.

Roll Call Vote –

Jim Becker – Yes

Debbie Hart – Yes

Matthe Leither – Yes

Mark Ridgway – Yes

Annette Smith – Yes

Shem Sooter – Yes

Don Etheridge – Yes

Motion passed with no objection.

16. Proposed regulation change to 05 CBJAC 20.110 - Crane Use Fees

Mr. Uchtyl said we manage three cranes at the Juneau Fisheries Terminal and two cranes at the Auke Bay Loading Facility. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions - None

Public Comment –

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said Cordova has free cranes. A lot of communities subsidize things like that to stimulate harbor business. He said going beyond the fundamentals of what the Board is doing here by choking off the smallest and the people struggling the hardest, the cranes are hardly ever working and it should be shameful to jack up the rates. Even when you neck down the fittings and make them run slower. Even when you forget to fix them before crab season. Even when they are left inaccessible for long periods of time. He said you should be looking at services provided. If you are not providing a legitimate service, then raising rates is just exploitative and a money grab. Fix the cranes and then talk about raising rates.

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE CRANE FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

17. Proposed regulation change to 05 CBJAC 20.130 - Storage Fees

Mr. Uchtyl said there are two fees under this regulation. One is for long term storage and the other is harbormaster designated space in the Aurora Harbor, Douglas Harbor, and the Auke Bay Loading Facility. He stated the fee increase and the fiscal note on page nine in the packet. He noted there has been no vessel storage fees collected for the Auke Bay Loading facility since the commercial boatyard moved to that location. He discussed this with the Harbormaster and they have decided to delete the Auke Bay Loading Facility vessel storage the next time we do regulation changes.

Board Questions –

Ms. Smith asked if this is just setting rates on our locations and this has nothing to do with Karl's.

Mr. Uchytel said that is correct.

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE STORAGE FEES 9% AND ASK UNANIMOUS CONSENT.

Motion Passed with no objection.

18. Proposed regulation change to 05 CBJAC 20.140 - Staff Labor Fees

Mr. Uchytel said this fee is if there are exceptional duties carried out by staff. He gave examples of when staff deals with impound vessels, or respond to an oil spill or similar type chargeable events. There is also a boat charge under this regulation. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions –

Ms. Smith asked if the staff labor fees cover the actual employee cost?

Mr. Uchytel said this fee is in excess of what we pay for a harbor officer's hourly rate.

Public Comment – None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE STAFF LABOR FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

19. Proposed regulation change to 05 CBJAC 20.150 - Reserved Moorage Waitlist Fee

Mr. Uchytel said we have a requirement that if someone wants to be put on a waitlist they need to fill out an application and pay the initial fee and then an annual fee to stay on the waitlist. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE RESERVED MOORAGE WAITLIST FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

20. Proposed regulation change to 05 CBJAC 20.170 - Private Boathouse Surcharge

Mr. Uchytel said this should be corrected in the future to Boat shelter. He stated the fee increase and the fiscal note on page ten in the packet.

Mr. Etheridge noted that he owns a boat shelter.

Mr. Ridgway noted he also owns a boat shelter.

Ms. Wright said it would be up to the co-chair if Mr. Etheridge and Mr. Ridgway had a conflict of interest.

Ms. Hart is the co-chair. She said this is similar to the Liveaboard fees and believes this is not a conflict of interest.

Ms. Wright said if any Board member objects to Ms. Harts decision this would be the time to object.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE THE PRIVATE BOATHOUSE SURCHARGE FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

21. Proposed regulation change to 05 CBJAC 20.175 - Fee for delivery and sale of fuel at the Auke Bay Loading Facility.

Mr. Uchytel said this is a fee anytime fuel is delivered to the Auke Bay Loading Facility. He stated the fee increase and the fiscal note on page ten in the packet.

Board Questions –

Ms. Hart asked where this fee came from?

Mr. Uchytel said this was increased when we renegotiated Petro Marine fuel dock lease. It is the same fee that Petro Marine pays at their fuel float in Statter Harbor. This is not used very often.

Mr. Creswell said it is used about five times per year.

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE THE FEE FOR DELIVERY AND SALE OF FUEL AT THE AUKE BAY LOADING FACILITY 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

22. Proposed regulation change to 05 CBJAC 20.120 - Auke Bay Loading Facility - Float Moorage

Mr. Uchytel said this is a fee at the Auke Bay Loading Facility float. This is a highly desirable float and we encourage rapid use and turnover. There is no cost for the first two hours of use but after that it is a graduated rate encouraging people to get their work done and move off the float. He stated the fee increase and the fiscal note on page ten in the packet.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE THE AUKE BAY LOADING FACILITY - FLOAT MOORAGE 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

23. Proposed regulation change to 05 CBJAC 20.220 - Auke Bay Loading Facility Float - Mechanical Work Zone

Mr. Uchytel said this fee is for an area designated by the Harbormaster for break down mechanical

work. This is not used very often. He stated the fee increase and the fiscal note on page nine in the packet.

Board Questions - None

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE THE AUKE BAY LOADING FACILITY FLOAT - MECHANICAL WORK ZONE FEE 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

24. Proposed regulation change to 05 CBJAC 30.010 - Shorepower access fees

Mr. Uchtyl said in the packet there is a couple dozen shorepower access fee based on if it is a liveaboard, winter, summer and different amperage. Most people with reserved moorage have an account with AELP. He stated the fee increase and the fiscal note on pages ten and eleven in the packet and said the 9% increase would provide an additional \$30,000.

Board Questions - None

Public Comment – None

Board Discussion/Action

Mr. Leither asked if the \$30,000 was what we collect or if that was with the 9% increase?

Mr. Uchtyl said that is after the 9% increase.

MOTION BY MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE SHOREPOWER ACCESS FEES 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

25. Proposed regulation change to 05 CBJAC 40.010 - General moorage management policy

Mr. Uchtyl said this fee is for the vessel salvage and disposal fee. This is a tax for vessels that cannot obtain insurance. He stated the fee increase and the fiscal note on page eleven in the packet.

Mr. Etheridge noted that he pays this fee.

Board Questions -

Ms. Smith asked if the income received from this covers the amount we spend on derelict vessels?

Mr. Uchtyl said we collect about \$20,000 every year. Every time we dispose of a vessel it is approximately \$7,000.

Mr. Creswell said occasionally this does cover our costs but largely it does not. He currently has two vessels to dispose of that will be easily \$20,000 each.

Public Comment - None

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE THE GENERAL MOORAGE MANAGEMENT POLICY, ALSO KNOWN AS THE SALVAGE AND DISPOSAL FEE 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

26. Proposed regulation change to 05 CBJAC 40.065 - Vessel anchoring requirements

Mr. Uchytel said this fee is relatively new and a result of the LUMBERMAN. For vessels that want to Anchor for more than two weeks they need to get a permit. He stated the fee increase and the fiscal note on page eleven in the packet.

Mr. Creswell noted this has been used once in the past four years. Most vessels anchor on State tidelands and not CBJ tidelands.

Board Questions - None

Public Comment

Mr. Clayton Hamilton, Juneau, AK

Mr. Hamilton said he wonders if the LUMBERMAN would have been affected by the LUMBERMAN rule, since they were so non-compliant with everything else. With this and the uninsured fee, if you add burdens on these people that are already cut and run, they are going to cut and run. We will end up paying the disposal fees. This seems short sided.

Board Discussion/Action

MOTION By MS. HART: TO RECOMMEND THE ASSEMBLY ADOPT REGULATION CHANGE TO INCREASE THE VESSEL ANCHORING REQUIREMENTS 9% AND ASK UNANIMOUS CONSENT.

Motion passed with no action.

G. STAFF AND MEMBER REPORTS - None

H. ADJOURNMENT - The meeting adjourned at 8:02pm.