

DOCKS AND HARBORS SPECIAL BOARD MEETING AND RETREAT MINUTES



November 12, 2024 at 5:00 PM

Port Director's Conference Room/Zoom Webinar

<https://juneau.zoom.us/j/88377445718> or (253)215-8782 Webinar ID: 883 7744 5718 Passcode: 217353

A. CALL TO ORDER

- B. ROLL CALL:** The following member were in attendance - James Becker, Tyler Emerson, Clayton Hamilton- (arrived later in the meeting), Debbie Hart, Matthew Leither, Nick Orr, Annette Smith, Shem Sooter and Don Etheridge.

Also in Attendance: Carl Uchtyl – Port Director, Matthew Creswell – Harbormaster, Melody Musick – Administrative Officer, and Nicole Lynch – CBJ Assistant Attorney.

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES – No Changes

The Agenda was approved as presented

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS - None

E. ITEMS FOR INFORMATION/DISCUSSION

1. Board Retreat

Mr. Uchtyl suggested to go over the goals on page two of the packet and have introductions and have each Board member explain what their motivation is for being on the Board.

Shem Sooter – He said his background was Marine Construction for 25 years working from Dutch Harbor to Louisiana. He got tired of traveling and decided to stay in town and joining the Board was a way he could keep in the Marine field and give back to the community. Motivation – He is happy to see Taku Harbor coming along and he would like to see more permanent moorage on the north end of town.

Nicholas Orr – He works for the state and helps manage the pension fund. Motivation – He would like to see needs for the trailered community met. He would like to see something in South Douglas, North Douglas, and the Amalga Project which was the reason he joined the Board because it did not go the way he thought it should have.

Annette Smith – She said she is a multiple user of the facilities. Motivation – She wants to bring the balance for being a multiuser. She worries a lot about the Harbors finances. She would like to see us working with other departments more to see if our projects could be completed with projects that are in that area and leverage to get things done cheaper. She believes Harbors has been on a trajectory to cut peoples access to the water and she wants to make sure there continues to be access to be able to walk to the beach to stand, fish, kayak and do all the things they used to be able to do.

Matthew Leither - He has been in Juneau for 7 years. Motivation - He lived on his sailboat in Statter Harbor and that is what got him interested in Harbor matters with funding and structure. Everything is interesting to him not just the liveaboard quest. This is the start of his second term. He would also like to see more moorage on the north end of town. He finds important, affordability and financial responsibility. Specifically, the work to get a new fee structure a few years ago was to ensure that we had money in the bank to maintain what we have and not spend it all.

Tyler Emerson – He is a commercial fisherman. He works for a CPA firm doing taxes in the winter months. Motivation – The drive down dock in Aurora is important to him. That is a worthwhile project. He would like

to see more moorage in north Aurora. His philosophy is conservative from a fiscal standpoint he would like the current infrastructure maintained and not have more built out like adding the zinc on the pilings.

Debbie Hart – She has been in Juneau since she was Eleven. Her parents bought a boat before they had stable housing. She has been around the water a long time. She was with Fish & Game, been involved with fish habitat conservation. She maintains a float house in Aurora Harbor. Motivation – She Joined because she wanted to know what facilities were available to our fishing community. The fisheries terminal has been a big focus for her. She wants to help create a long-lasting opportunity for our fishing community. The drive down float is of interest to her as well. She is very proud of the increased amenities in the Harbors as well as security. She has been concerned how the Assembly treats the Board and the change to title 85.

James Becker – He was born and raised in Juneau. He was always interested in fishing. He has Norwegian heritage. This is his third term. Motivation - Gillnetting. He got on the Board to try to get a haul out facility for large boats.

Don Etheridge – He was raised in Juneau. His family was one of the first liveaboard families in Aurora Harbor. He has been a commercial fisherman for years. Worked for Marine Highways for 25 years doing shore maintenance all over the state. He is the Organized Labor and Docks & Harbors lobbyist for the last 30 years. Motivation – The drive-down float, the lift, and he has about six months left on the Board. He will continue to be involved.

Mr. Uchtyl talked a little on Docks & Harbors branding and reputation. If we don't have support from the Assembly and the Community, we get dismissed. He believes with the election, grant funding is going to change. We are fortunate we have not had challenges like other enterprises have experienced. He worries every year with finances. He wants Docks & Harbors to have a reputation that we have plans and they are executed responsibly.

Ms. Smith said she was concerned about not receiving the correct fund balance numbers from the City. That could have easily put us in a bad position.

There was more discussion on the Title 85 changes explaining to new members the background.

Mr. Uchtyl wanted to talk about transparency. Docks & Harbors hides nothing. If there are questions, there is nothing staff holds back and everything is public.

Mr. Uchtyl showed a presentation that talked about Docks & Harbors revenue and expenses and provided fund balances so the Board can see how much money we really have. Our revenues are always exceeding our expenditures and the savings goes into our fund balance. He said Docks has \$3.2M. There was a question asking if we are saving as much as the rate study suggested to save? Mr. Uchtyl thought it was \$1.5M annually. He went on describing the Docks budget doesn't change much from year to year. He moved on to Harbors and there is \$4.2M in that fund balance. For FY25, there is \$2M moving out of Harbors fund balance for N. Aurora and the Statter Harbor breakwater. Harbor fund balance prediction for the end of FY25 is \$3.2M. The drive down float grant was for \$11.5M and our match contribution is going to be \$2.5M. We are also trying to get a DOT harbors facility grant that will be part of the match so we will only need about \$1.3M. He said you need to expend money to make money. We chase projects with the most possibility for success. We are going to receive \$117,000 from a 2021 salmon disaster declaration that will go into our fund balance. There was a question about the sales tax. Mr. Uchtyl said every five years the City has a 1% sales tax initiative. When they do that, we compete from a list of City Projects. He talked about the Harbors expenses and the debt services will be paid off in about 2034. He talked about the different revenue sources. He said we always operate with our revenue exceeding our expense. He showed how we pay the City through interdepartmental fees which ends up being about \$1.2M of our revenue back to the City. It is split equally between Docks & Harbors. He reminded the Board of their policy for setting rates that the Board adopted on page 11 in the packet. The policy says there needs to be a reason for any cost increase and for it

to be fair and reasonable. Nearly all our rates are now adjusted by the CPI. On page 14 in the packet there is a CPI justification for why we do things and always trying to be transparent. There was a rate study done a couple years ago and some of those fees were not raised for twenty years. We are always walking that fine line of providing services at a fee that is not chasing people out of Juneau.

Commercial Fisheries Brainstorming – Mr. Uchtyl talked about all the services that are currently available and in the works to be available for the Commercial Fishermen.

- We worked hard to get the haul out facility working at Harri's Commercial Marine and pay \$100,000 annually plus concessions to continue to maintain a haul out that does not pay for itself.
- At the ABLF, we lease space to Karl's Auto Marine getting we are working to get a new hydraulic boat lift for them.
- During the 16B project staff worked with Taku Smokeries to ensure his packers were still able to get in and offload their fish. We ended up moving the alignment of the dock which cost us \$10M to give enough room for the boats to come in.
- Provide Direct Sales fishery in Harris and Statter Harbor.
- Recapitalizing our Facilities.
- Added up and out ladders using cod fisheries disaster relief money.
- Had a Net Float at Auke Bay Loading Facility.
- We are using Western Marine Construction float for net repair off the Aurora breakwater currently.
- To build our services for Commercial Fisheries we have been applying for Grants for 10 years for the Juneau Marine Fisheries Terminal.
- Now we are in the process of applying for the drive down float in Aurora.

Mr. Uchtyl said commercial fishing is very important in Juneau and he and staff want to help wherever possible.

Mr. Emerson said he would like to see the drive down float in Aurora. Harbors needs more carts, having carts at the top of the ramps and not have to go hunt for them is important. He said he is appreciative Docks & Harbors kept the haul out facility going at the current location because that is where he is hauled out and it supports boat work.

Mr. Becker said he wanted to pursue getting the welding shop from the University.

Mr. Leither said he keeps hearing of fish plants closing down in different communities and closures of different fisheries and asked where we are as a wider fishing industry?

There was discussion on the haul out facility costs and expenses.

Mr. Emerson said fishing is a hard industry and it is hard to make it on just fishing alone.

Mr. Etheridge believes the fishing market has its ups and downs and always comes back.

Ms. Hart asked where are we in the current UAS lease? Has there been any thought on a different location for the haul out? Discussion will continue later on this topic.

Mr. Leither said he would like space to be able to work on his boat.

Mr. Uchtyl provided some history on the University lease. We would like to purchase this area, but the University is holding on to the property for a higher return. We do have a good relationship with the University and we hope they will continue to work with us.

Ms. Smith asked if there is enough space for direct sales and maybe a commercial sales area in a major harbor and not only having fish sold.

Mr. Becker said the ideal facility is already booked up.

Mr. Creswell said we have not turned anyone away for selling fish. They call ahead and schedule a time.

Mr. Emerson said Sitka is getting their haul out that is \$9.2M. As a community asset, it is worth more than \$66K per year to him that we currently pay.

Mr. Hamilton is now online

Commercial Property Policy Position -

Mr. Uchytel said we had a request for commercial use in Statter Harbor. On page 16, the previous Board discussed private use on Docks & Harbors lands. He explained how this came about and at that time, the Board did not want to compete with private property. Version four on page 18 was the last version that was shut down with no further action.

Ms. Smith said we already allow commercial sales at the Harbors. What is the difference between selling fish or coffee or bait?

There was more discussion with what should be allowed to be sold in the Harbors.

Could there be a legal challenge on not being treated equally to sell products at the docks.

Ms. Lynch said there could be an issue because the Harbors is public docks.

Mr. Hamilton suggested to avoid making policy as long as people are Harbor customers.

Mr. Creswell said Statter Harbor has the ten day move rule so that would need to be considered.

Ms. Smith suggested to have a policy that stated what type of industry is allowed.

Mr. Leither asked if we made a certain space a commercial fish selling zone, could someone ask why there is not a commercial coffee selling zone as well.

Mr. Etheridge asked if the space would have to go out for bid?

Ms. Lynch said it probably would be the fairest to go out with a RFP.

Mr. Leither asked how many days out of the year is fish sold?

Mr. Creswell said they are selling for a couple days at a time during certain seasons.

Mr. Emerson asked if we need to come up with a policy to lock it down or leave it as it is.

Mr. Uchytel said we could say no commercial operations for a stand-up brick and mortar business. Fish sales is different.

More discussion continued about what is considered commercial operations. Ms. Musick will provide title 85 to Board members to review before tomorrow's meeting.

2018 Strategic project list -

Mr. Uchytel said on page 19 in the packet is our list from 2018. He read the list and said many have been completed, some are pending and some have good traction to be completed. Many of these same projects will be talked about tomorrow.

Ms. Smith said she attended a meeting in Douglas that had concerns that Douglas Harbor is ignored which was being compared to Harris and Aurora. Has there been any thought to adding Douglas to the list.

Mr. Uchytel said he remembers the Williams coming by every six months to remind him that he did not complete Douglas as promised with landscaping and paving. Those things cost money. We did add lighting. Statter has more funding because of the whale watching boats and we can use marine passenger money but

that is not the case in Douglas and we need to use fund balance for projects. He is looking into an opportunity to apply for a Fish & Game Sport fish money next year for bathrooms in Douglas.

Mr. Etheridge talked about all the challenges with Douglas and why the original promises for landscaping and paving didn't happen. We spent millions just to get the floats built.

Mr. Leither asked how much the showers are used in the Harbor?

Mr. Creswell said it is heavily used.

Ms. Smith asked if there may be more use at the North Douglas area?

Mr. Becker said he does not have any complaints about Douglas and his boat is in that Harbor.

There was discussion about the market trend boats. Mr. Creswell commented that he is seeing more of the 40 to 50 feet size boats that need to stay in the water and less of the trailerable boats. However, this is a moving target and hard to plan for.

Board members will be able to add projects to the list tomorrow.

Law 101 –

Ms. Nicole Lynch said she is an assistant City Attorney. She showed a presentation that provided contact information if a Board member needed to talk to an attorney and basic information about our charter, code, municipal government, open meetings act, Robert rules of order, what a meeting is, quorum, and discussions outside a public meeting. She talked about the public records act, conflicts of interest, parliamentary procedure, and a list resources.

F. ASSEMBLY LIAISON REPORT

G. BOARD ADMINISTRATIVE MATTERS

- a. Next Meeting for Board Retreat - Wednesday, November 13th at 5:00 PM
- b. November Operations-Planning Committee Meeting immediately following November 13th Retreat
- c. Next regular Board Meeting - Thursday, November 21st at 5:00 PM

H. ADJOURNMENT – Meeting Adjourned

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.gov.