



Port of Juneau

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From: *Carl Uchytel*
Port Director

To: City Manager

Via: CBJ Attorney

Date: October 16th, 2023

Re: Manager's Report – 9% Fee Increase

During the pandemic, Docks & Harbors took deliberate steps to evaluate the long-term fiscal health of the enterprises. Uncertainty with diminishing revenue, pending rental renewal costs for the UAS leased property and unanticipated new increased insurance rates led to Board action to closely review future budgetary needs. From April through September 2021, the Board (and sub-committees) debated the value of hiring an outside consultant. In January 2022, a contract was awarded to [HDR-Alaska to conduct a rate study](#) which was completed in September 2022. The report recommended a 9% increase to all fees across both Harbors and Docks Enterprises. In February 2023, the Board affirmed this position and directed staff to commence a process to raise fees pertaining to 26 separate regulations. In April and May, Docks & Harbors held “[open house](#)” at [Mendenhall Valley Library and Yacht Club](#) to engage on the public process. At the May 2023 regular Board meeting, a motion to increase rates 9% effective January 2024 was approved. Over the summer, Docks & Harbors provided outreach to maritime users advertising the proposed changes via our website, posting at harbor bulletin boards and harbors offices, all CBJ Libraries, Docks & Harbors monthly newsletter ([TIDE LINE](#)), Facebook, Juneau EMPIRE, KINY Action Line, CBJ press release, an [informational tri-fold pamphlet](#) and a [white paper](#). The specified “public hearing” date of October 4th was selected to avoid conflict with summer boating season but allowing for companies involved with tourism to participate. Docks & Harbors received [eight emails against the proposed fee increase](#) and three members of the public testified at the public hearing. One public member testified in support of the increase. After hearing testimony, reviewing comments and evaluating all facts, the Board approved raising 25 of the proposed regulations [9% effective January 2024](#).

The Board is recommending the Monthly Moorage Fee to be feathered in over three years, beginning January 2024. The Board's reasoning was that the Monthly Moorage Fee broadly affects nearly all harbor users and that spreading the fee over this period provides equity. For a 35-foot vessel moored downtown, an increase of 3% would yield a \$5.25 per month increase in 2024. The same vessel moored at Statter Harbor would pay an additional \$8.75 per month. Similar increases for the Monthly Moorage Fee can be expected in January 2025 and again in January 2026.