

DOCKS AND HARBORS BOARD MEETING MINUTES

December 19, 2024 at 5:00 PM

Port Director's Conference Room/Zoom Webinar



A. CALL TO ORDER: Mr. Etheridge called the meeting to order at 5:00pm in the Port Director's Conference Room & via Zoom.

B. ROLL CALL: The following members attended in person or via zoom - James Becker, Tyler Emerson, Clayton Hamilton, Debbie Hart, Matthew Leither, Nick Orr, Annette Smith, Shem Sooter, and Don Etheridge.

Also in attendance – Matthew Creswell – Harbormaster, and Matthew Sill – Port Engineer.

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES – No Changes

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

Motion passed with no objection.

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS –

Ms. Heather Marlow, Auke Bay, AK

Ms. Marlow wanted to know about an ordinance presented to the Assembly on Monday for the potential to refinance Harbor Bonds. She asked if staff knew when that would hit our budget and what projects it pertains to?

Mr. Creswell said he did not attend the Assembly meeting, but he believes it is refinancing of our current bonds for deferred maintenance from the Harris Harbor project years ago. That is something CBJ Finance will do periodically.

Mr. Etheridge commented that we are not currently working on a new bond?

E. APPROVAL OF MINUTES

1. November 21st, 2024 Board Meeting Minutes – Hearing no objection, the minutes were approved as presented.

F. CONSENT AGENDA

Public Requests for Consent Agenda Changes – Ms. Heather Marlow asked to have more information on the Marine Passenger fee request list.

Mr. Etheridge said Item three will be removed from the consent agenda.

Board Members Requests for Consent Agenda Changes - None

Items for Action -

2. FY26 Capital Improvement Projects (CIP) List

RECOMMENDATION: TO APPROVE THE CAPITAL IMPROVEMENT PROJECTS LIST AS PRESENTED.

MOTION By MS. SMITH: TO APPROVE THE CONSENT AGENDA WITH ITEM #3 REMOVED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. FY26 Marine Passenger Fee (MPF) Request List (removed from the consent agenda)

Mr. Creswell said this is the FY26 Marine Passenger Fee Request list that was reviewed last week at the OPS Committee meeting. This is the time of year we request money from CBJ out of the Marine Passenger Fees. Marine Passenger fees are very restrictive money for what uses it can be used for. It must be a benefit to the ship. Several of the requests on the list are our standard annual requests. He went over the list.

Downtown Security Camera's -

Area Wide Port Operations/Landscape – This is a yearly request and we typically get this request funded.

US Customs/Port Office & Visitor Center Building – This is a yearly request and we typically get this request funded. Docks maintains these buildings.

The Safety Rail along the Seawalk -

Dock Electrification – Prime project for Marine Passenger Fees.

Dock Security – This is for the extra security measures for the dual ID verification mandate. This has been funded in the past.

Archipelago Property Purchase - \$10M

Lone Sailor Statue - \$100K

USS Juneau Memorial Expansion - \$6M

Re-establishment of the Emergency Vessel Loading Float - \$1M

Downtown Piling Inspection (for the area under the Seawalk) - \$200K

Board Member Questions – None

Public Questions –

Ms. Heather Marlow, Auke Bay, AK

Ms. Marlow said she looked at the projects and she said many deal with public safety/health, maintenance, and are all great projects to fund. The Marine Passenger Fee list is over \$50M. She said from what she remembers, typically Docks gets income of about \$20M to \$25M from the Marine Passenger fee annual program. The request in the packet is double what our annual income is. Is there a prioritization from the Harbor Board to the Manager, Assembly, and public of what rises to the top of the \$50M ask when there is \$25M available. She asked if the Archipelago property is really a priority request and if it should even be on this list because she does not see it performing the same or as well as some of the other projects dealing with safety/health and maintenance. Another point she wanted to make was the public now has to submit a form to the Tourism Manger for the funds and in that form, we need to check a box that we have read the settlement agreement and we are submitting something in conformance of the settlement. The urban design plan in 2018 for the Archipelago property is in advance of the settlement agreement date. She read the settlement agreement, and she does not see that it pertains to the Archipelago purchase. What does Docks & Harbors want to have funded and what are our priorities?

Mr. Creswell said there is no prioritization for our Marine Passenger Fee request. Docks & Harbors has been instructed to submit requests for the Marine Passenger Fees. All the prioritization and ranking is done by the Managers office and the Tourism Director. Several of the projects on the list is because they are good projects, and we keep them relevant on our request even though we are fairly certain they will not be funded on a year to year basis. Many of these projects we do not see another funding stream for them.

Ms. Marlow said she believes it would be better to have some ranking.

Mr. Kirby Day, Juneau, AK

Mr. Day asked about the security camera upgrade. When the City built the Seawalk, and Franklin Dock gave them the right of way to build the Seawalk in front of our dock which was beneficial to everyone, he believes Parks & Rec commissioned some native art work on the panels that the City installed near the dock that separates the bus staging area from the Seawalk. They were commissioned and done by Wayne Price out of Haines. Over the course of three weeks from September to early November, the panels were vandalized and broken. Our cameras at the Franklin dock does not cover that area of the Seawalk. He is wanting to know with the camera upgrade, how far down does Docks envision the CBJ camera's to go on the Seawalk?

Mr. Creswell said there is not a design yet, we know roughly the amount of camera's we will need by working with a vendor with a new system. There is a large Wi-Fi project taking place and if we can get funding we could wrap this all into the same project and have the same contractor work on it. We have not discussed if this will be a like for like replacement of our 2008 vintage camera's. Until we have an actual quote from the vendor we do not know how far down the Seawalk we will be able to go. In a perfect world, he would like to have camera coverage all the way down past Franklin dock on one system. He said he would like to see the entire Port viewed from one system and he said this is a big step towards that.

Mr. Day asked if he anticipates down the road after the Seawalk extension to having camera's all along the Seawalk?

Mr. Creswell said he would anticipate safety camera's installed throughout that area but it comes down to which CBJ Department's responsibility will it be? That would be something that could be looked into when the extension happens.

MOTION By MS. SMITH: TO APPROVE ITEM #3 THE FY26 MARINE PASSENGER FEE REQUEST LIST AS PRESENTED AND ASK UNANIMOUS CONSENT.

Mr. Hamilton said he abstains.

Roll Call

James Becker – Yes

Tyler Emerson – Yes

Clayton Hamilton – Abstain

Debbie Hart – Yes

Matthew Leither – Yes

Nick Orr – Yes

Annette Smith – Yes

Shem Sooter – Yes

Don Etheridge – Yes

Motion passes

G. NEW BUSINESS

4. Additional Charges for Cruise Ships without Electronic ID Verification

Mr. Creswell said on page 39 in the packet is Mr. Uchytel's memo which is the first endorsement for electronic verification. In 2021 we were advised of a new unfunded federal mandate requiring all passengers accessing the cruise ship dock to show a government issued photo ID as well as their ship cards to make it through the security shelter. This was fairly easy in 2021 due to a small amount of cruise ship passengers. In 2022 we started seeing the impacts of this new mandate. Our staff has to verify the two ID's match for every passenger entering the secure area on the dock. It

became apparent that this requires a lot more manpower. Thankfully many of the larger ships have gone to the electronic ID verification and that satisfies the mandate if their electronic verification system can be passed onto the ports of call. The Port staff are given an I-pad with all the ships passengers that can be checked by facial recognition or a ship issued key card. This keeps the lines down, the visitor experiences high, and it is easier for our staff. One of the problems is some of our larger ships do not have the electronic verification technology and so there will be long lines and nine or ten personnel manning the check point. When a passenger does not have their specific identification, we are required to escort them to the ship. This is very labor intensive, and we know the technology exists. Docks staff is wanting to encourage the large ships without this technology to adopt it to make it easier on staff, overall visitor experience, and increase security. Going through thousands of ID's a day, mistakes can be made. Some wording from the original memo on page 40 that was sent to the Ops meeting was changed to make it more cooperative saying if the ship does not have this technology this is something we "can" do versus a regulatory option. This will apply to vessels with over 2000 passenger capacity. He said Mr. Day helped with the wording in the memo.

Board Questions –

Mr. Hamilton said he is uncomfortable with using the phrase optional fees.

Mr. Creswell said there is nothing that requires them to have this electronic verification, and we are trying to help better their visitor experience and make our staff job easier.

Mr. Hamilton asked if this is to help us to not eat this unfunded mandate cost?

Mr. Creswell said partially, but it will make it easier on our staff. We must have surge staff times which is why we need the PTL positions.

Mr. Hamilton asked what is the advantage of making this optional?

Mr. Creswell said we don't have to come down heavy handed and impose a fee. The Industry will be a lot more apt to adopt this if we work with them cooperatively.

Mr. Hamilton said he would like to amend this to take away the optional and make it a regulatory change.

Ms. Smith asked if Royal Caribbean is one of the ships going to be on the backside of Douglas Port?

Mr. Creswell said he believes it is Royal Caribbean and Goldbelt working together on this project.

Ms. Smith asked if they go to the backside of Douglas, will this be our issues dealing with them or Goldbelt's?

Mr. Creswell said if the dock is built by Goldbelt, it will be Goldbelt's responsibility unless CBJ takes over the dock.

Mr. Leither asked for an example when the fee would not be assessed when the ship does not have this technology?

Mr. Creswell said he would see the fee assessed. The wording is to be more palatable for the Industry.

Mr. Leither asked if it is still going to be assessed why make it more palatable? He agrees with Mr. Hamilton. If they are using our resources for an unfunded mandate that they are profiting from, then they should have to pay.

Mr. Creswell said we can change the wording back to the “will” instead of “can” if the Board would prefer that language.

Mr. Emerson asked if it is the same process to implement the fee with “will” or “can”?

Mr. Creswell said this is not a regulation change but more of an administrative fee so yes.

Ms. Smith asked Mr. Day what scenarios are there that you would need wiggle room in this fee?

Mr. Kirby Day, Juneau, AK - Port Operations/Government Affairs/Community Relations for Princess Cruises, Holland America, Seabourn(i.e. Carnival Corp), Facilities Security Officer for the Franklin Dock and he is on the area Maritime Security with the Coast Guard with Mr. Creswell and several others. Mr. Day said he recommended the change from “will” to “can” from the memo that originally called this a staff option. He was trying to match that to what the Port Director was suggesting. In one case where this fee may not be assessed is when a ship is using the electronic technology or initiating this for the first time and a ship has a technical problem he would assume the staff would have an option to not assess the fee. He added, in 2026 with MSC coming to Juneau, this is a good thing to have out there so they have a year to get this technology in place.

Mr. Day said he already contacted Cunard Line in the UK which is part of Carnival Corporation about this technology and they are working on quickly implementing technology that could accommodate this need for this coming summer. They have capacity for over 2000 passengers.

Public Comment – None

Board Discussion/Action:

MOTION By MR. HAMILTON: TO AMEND THE MEMO IN THE PACKET ON PAGE 40 TO REPLACE THE WORD “WILL” WITH “CAN”.

(Mr. Creswell pointed out a little later in the meeting that Mr. Hamilton said to change “will” to “can”, but did he mean “can” to “will”?

Mr. Hamilton said he meant to change “can” to “will”.)

Mr. Hamilton commented that he recommends the Board supports this change because any of the scenarios where this fee would not be implemented will cost us money.

Mr. Etheridge asked if there was any objection to the motion.

Hearing no objection, the amendment passed.

Ms. Smith asked with the amended motion, is there any thought to change the Port Director’s memo.

Mr. Creswell said this is a staff option and that sentence can easily be changed.

MOTION By MS. SMITH: TO SUPPORT STAFF PROPOSAL TO ENCOURAGE LARGE CRUISE SHIP ADOPTION OF ELECTRONIC ID VERIFICATION WITH OPTION TO ADD A SURCHARGE ACCOUNTING FOR STAFF PERSONNEL COSTS AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

H. COMMITTEE AND MEMBER REPORTS

- Operations Committee Meeting Report –

Mr. Sooter reported at last week's Committee meeting the members forwarded the electronic ID verification memo, the Marine Passenger Fee list, and the CIP list to the Board meeting tonight.

- Assembly Land Committee Liaison Report – No report
- South Douglas/West Juneau Liaison Report – There is a meeting tonight that Ms. Smith could not attend.
- Member Reports - None

I. PORT ENGINEER'S REPORT

Mr. Sill reported-

- Dredging at Wayside Park – The dredging is complete. The Contractor was able to get everything out except for one rock in the corner of the dredge prism but it is out of the way and not a concern. Our consultant is checking the quantities and making sure they got all the material out that they needed to get out. After the First of the year, they will demobilize their equipment and will have completed the project.
- Aurora Harbor Phase IV – Our Electrical Engineer will not be able to get the documents to him in time for the bid in January. Staff is reworking the schedule to have a bid advertising on February 3rd, bid award approved at the February Board meeting, and Assembly approval at their March 3rd meeting. He does not have an updated cost estimate at this time but does not anticipate a big change.

J. HARBORMASTER'S REPORT –

Mr. Creswell reported –

- Staff is working on standard late fall/early winter upkeep with snow removal, and ice melt.
- Security –Crime continues to decrease throughout the Harbors.
- Harris Security Gate – This is working well.
- Admin staff – Working with the Army Corps Economic team to provide information for the Statter Breakwater Study.
- AAHPA Admin Winter Conference - Docks & Harbors is hosting this conference which is February 25th & 26th.
- Staffing leave – There a lot of different staff members going on and off leave in the next few days.

Mr. Leither asked if the USCGC HEALY did well and didn't have any issues?

Mr. Creswell said no issues.

There was a question on what the Admin staff was doing for the Army Corps study?

Mr. Creswell said they need three years of data for the Statter Harbor area. They also need accurate weather data on wind, wave, and tide so we procured a SOFAR weather buoy that will be tethered to the existing no wake buoy. It has a live link and will be constantly updating water temperature, wind, and waves so we will be able to get a sense of the weather January through May timeframe. This will come out of our cost share for the study.

Mr. Hamilton asked if we tried to obtain the weather data from UAS, NOAA, or any of the other science groups that are working in that area.

Mr. Creswell said this is very granular data and is much more than any of the existing sensors and weather stations in the area can capture. The SOFAR weather buoy will capture the wave data they need.

Mr. Hamilton asked how much staff time will this take in addition to the amount of money we have to match?

Mr. Creswell said we do not have that information.

Mr. Hamilton asked approximately how many days has Ms. Thrower been working on the data for the Army Corps?

Mr. Creswell said an hour here and there. Whenever she gets a request, she pulls the data.

Mr. Hamilton asked if they are all small and if the nature of the requests are timely?

Mr. Creswell said he is unsure, he has not asked her to log her time for that.

K. ASSEMBLY LIAISON REPORT – No Report

L. BOARD ADMINISTRATIVE MATTERS

Ops/Planning Committee Meeting - Wednesday January 22nd, 2025.

Board Meeting - Thursday January 30th, 2025.

Ms. Smith said she will be out of town and will not attend both meetings.

M. ADJOURNMENT – The meeting adjourned at 5:50 pm.