

**PORT & HARBORS ADVISORY BOARD
MEETING MINUTES
DATE: 11/12/2019**

CALL TO ORDER:

The Port & Harbors Advisory Board regular meeting was called to order at 7:00 P.M., at the Harbormaster Building at 2933 Tongass, Ketchikan, Alaska.

ROLL CALL:

MEMBERS PRESENT:

<input checked="" type="checkbox"/>	Mr. Rod Bray	(Chairman)
<input checked="" type="checkbox"/>	Mr. Timothy Walker	(Vice-Chairman)
<input checked="" type="checkbox"/>	Mr. Mark Flora	(Council member)
<input checked="" type="checkbox"/>	Mr. Dan Christensen	
<input type="checkbox"/>	Mr. Andrew Mulder	
<input checked="" type="checkbox"/>	Mr. Rick Collins	
<input type="checkbox"/>	Mr. Eric Lunde	
<input type="checkbox"/>	Mr. Richard "Dick" Allen	
<input type="checkbox"/>	Vacant	

MEMBERS ABSENT:

Excused

<input type="checkbox"/>	Mr. Rod Bray	<input type="checkbox"/>
<input type="checkbox"/>	Mr. Timothy Walker	<input type="checkbox"/>
<input type="checkbox"/>	Mr. Mark Flora	<input type="checkbox"/>
<input type="checkbox"/>	Mr. Dan Christensen	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Mr. Andrew Mulder	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Mr. Rick Collins	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Mr. Eric Lunde	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Mr. Richard "Dick" Allen	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Vacant	<input type="checkbox"/>

Harbor Staff Present:

<input checked="" type="checkbox"/>	Mr. Steve Corporon
<input checked="" type="checkbox"/>	Mr. Dan Berg
<input checked="" type="checkbox"/>	Ms. Angel LaDuke

MINUTES:

MOTION was made by Flora to accept the minutes of the regular meeting of the Port and Harbors Advisory Board from September 10th, 2019. **MOTION SECONDED** by

Walker. **MOTION PASSED UNANIMOUSLY.**

COMMUNICATIONS:

None

PERSONS TO BE HEARD:

None

OLD BUSINESS:

1. Update on 2020 Port Budget

Major differences to the Port Budget are as follows:

- Up to date personnel and benefit costs were calculated.
- Utilities were adjusted upward due to the diesel surcharge that will continue into 2020.
- Legal services were increased in anticipation of outside legal services being necessary during negotiations resulting from the request for proposals for a partner to expand the port and issues related to responding to the integration of passengers from the planned facility in Ward Cove.
- Increases in interdepartmental charges due to implementation of the compensation plan and adjustments to the allocation methodology.
- Capital projects related to the request for proposals for development of the port have been removed from the budget for now since the scope and costs are unknown.

Director Corporon spoke with the finance director to better understand what “adjustments to the allocation methodology” entails. It was discussed that a percentage of each department’s budget goes towards “support” department’s budgets, and that the last time interdepartmental charges had been updated was 2012. Due to the compensation plan implementation, and the increasing number of Port employees being hired each season, it was necessary to increase the amount of funds dispersed to each support department.

2. Update on 2020 Harbors Budget

Major differences to the Harbors Budget are as follows:

- Up to date personnel and benefit costs were calculated.
- Utilities were adjusted upward due to the diesel surcharge that will continue into 2020.
- Increases in interdepartmental charges due to implementation of the compensation plan and adjustments to the allocation methodology.

- The capital project related to the acquisition of the former Bar Harbor Restaurant property has been removed for now while the Public Works Director works to obtain a fair market appraisal and hazardous materials survey.

Discussion was held in relation to the diesel surcharge. The Board has asked staff to look into what it would take to be able to pass the diesel surcharge on to our customers, so we are not losing money by providing electric service. Director Corporon acknowledged, and stated staff has begun researching this already, and hopes to find a solution that is fair for both the Department and customers.

Monday November 25th, 2019 is the budget review City Council meeting, and December 19th, 2019 will be the final approval of the budgets meeting.

NEW BUSINESS:

1. Resignation of PHAB member Dale “Mickey” Robinson

Mickey Robbins submitted his resignation shortly after last meeting. Chairman Bray has requested that Director Corporon work up a resolution honoring Mr. Robbins and his lengthy service on the Port and Harbors Advisory Board.

2. Resolution in Support of Full Funding for the State’s FY 2021 50/50 Harbor Grant Program.

Subsequent to the release of the above FY 2021 results the State notified us that after a review of funds returned from previous projects that had come in under budget there was enough funding available in FY 2020 to award grant funding for BHN Ramp 3. Even though Ketchikan will be receiving FY 2020 grant funding for the project I recommend approving a resolution in support of full funding for the FY 2021 program, minus the amount for BHN Ramp 3, to provide support for the other harbors seeking assistance.

MOTION was made by Walker to approve the resolution in support of full funding for the State of Alaska Harbor Facility Grant Program for FY 2021, as amended with the amount being funded as \$11,518,257.00 **MOTION SECONDED** by Flora. **MOTION PASSED UNANIMOUSLY.**

3. Resolution Encouraging Automatic Vessel State Registration for CFEC Registered Vessels.

MOTION was made by Walker to approve Resolution 19-2761 encouraging the State of Alaska to conduct automatic registration for vessels active in the Alaska Commercial Fisheries Entry Commission (CFEC) Database. **MOTION SECONDED** by Flora. **MOTION PASSED UNANIMOUSLY.**

4. AAHPA Conference Report.

Senior Assistant Harbormaster Dan Berg, Administrative Assistant Angel LaDuke and I attended the 40th annual conference of the Alaska Association of Harbormasters and Port Administrators (AAHPA) from September 30 to October 4 in Juneau. There were over 100 attendees representing 25 of the 42 member harbors in Alaska from Ketchikan to Nome. Highlights of the information shared during the conference are as follows:

- The results of the review of the applications for the 2021 Municipal Harbor Facility Grant Program were formally announced. There was one tier I and seven tier II applications submitted and reviewed. The total amount of grant funding requested was \$5M for tier I and \$7.1M for tier II. During the conference the AAHPA approved a resolution in support of full funding for all of the tier I and tier II projects.
- Representatives from TRANSPAC Marinas provided a time lapse video of the construction of the float they prepared for the second cruise ship facility at Icy Strait. They also stated that construction of the float for the Ward Cove cruise ship facility was 30% complete. Turnagain Marine stated that the second Icy Strait facility was essentially complete and they were prepared to commence work in Ward Cove as soon as the ACOE permit is issued.
- Personnel from both the Coast Guard and the Marine Exchange of Alaska confirmed that implementation of the TWIC readers is still on hold; however, reports of possible cancellation of the program are premature. We also toured the new headquarters of the Marine Exchange. They have installed over 130 tracking stations and over 50 weather stations throughout Alaska. Their operations center is staffed 24/7/365 and tracks vessels throughout Alaskan waters.
- We toured most of Juneau's port and harbor facilities. It was noteworthy that the two new cruise ship berths are indeed single point access for security and they are gated and locked after hours. The barges both have vertical fenders on the reaction dolphin piles that are identical to the ones PND is designing for installation on our Berth 3 barge in place of the arch fenders. The Norwegian Joy was moored that day and the vertical fenders were performing very well. On the harbor side it was noted that Juneau uses kiosks similar to the ones at the Ketchikan airport parking lot to charge for use of their launch ramps and parking lots at their launch ramps.
- The City and Borough of Juneau employs a full time public relations person and one of her duties is to actively monitor social media and proactively work with all of the departments to provide information, department stories and activities and highlighting employee profiles from time to time. Her mantra was that in the absence of information people generally make stuff up and it's always negative.

- As discussed above, There has been some pushback from the fishing community after the passage last year of SB 92, the Derelict Vessel Act, which expanded vessel registration requirements. In an attempt to lessen the administrative burden on fishermen it has been proposed to have the State automatically issue vessel registration numbers for fishermen who are already active in the Commercial Fisheries Entry Commission (CFEC) Vessel Database. During the conference the AAHPA approved a resolution in support of this proposal and I have prepared similar resolutions for consideration by the City Council and the PHAB.
- Maintenance workers Nick Burns, Mike Pattison, John Peterson and Josh Hahn were named Ketchikan's Port & Harbors Employees of the Year by the AAHPA. A copy of the award citation is attached along with photos of some of their major recent accomplishments.
- The Homer Harbormaster was elected President of the AAHPA. The outgoing President, the Juneau Port and Harbors Director, is stepping into the Past President position on the AAHPA Board which I have held for a number of years. Since the Homer Harbormaster was the current AAHPA Vice President and the position isn't scheduled for election until 2020, the AAHPA Board appointed me to fill out his term until next year's conference.

The 2020 AAHPA conference will be hosted by Nome. Ketchikan last hosted in 2014 and is tentatively scheduled to host again in 2021. Homer is scheduled to host in 2022 and the association attempts to alternate between northern and southern communities each year.

Director's Report:

1. **Rock Pinnacle Removal Update:** A preconstruction teleconference with representatives from contractor J.E. McAmis, design and permitting consultant Moffatt and Nichol and the City was held on September 24. The on-site pre-construction meeting is planned for December 12. The barges with all of the equipment are due to arrive December 13 and once set up is complete the crew will begin drilling in preparation for a test blast on December 16. Blasting is restricted to daylight hours and will likely be done in the middle of the afternoon on days when it occurs. Safety zones, warning notifications and marine mammal monitoring will be in accordance with all of the permits. Warnings will include both VHF radio and audible ship whistle signals. More details on what to expect will be provided and disseminated to the public via appropriate means and media beginning in early December prior to the first test blast. Visual and audible effects of each blast will likely be difficult to notice. A Richter scale reading of no more than 0.11 is predicted in the immediate vicinity and vessels moored nearby should not be affected in any manner. Anyone who is still concerned will be offered alternative moorage in Bar Harbor. Barring any complications the project

is scheduled for completion in early February well in advance of the March 15 permit deadline for blasting.

2. **Ward Cove Proposed Cruise Ship Facilities Update:** The City recently received the attached letter from the ACOE. It is anticipated that the ACOE will likely issue a permit by the end of the year. At the AAHPA Conference in early October Turnagain Marine stated they were prepared to start construction as soon as the permit was issued. Transpac Marinas is constructing the float and stated at the same conference that it was approximately 30% complete at that time. The City has requested that Norwegian Cruise Lines (NCL) provide by December 18 the date they anticipate shifting their calls from the City's facilities to the Ward Cove facilities in order for the City and CLAA to complete the Berth assignments in a timely manner.
3. **Increases to Port Fees:** The ordinance raising port fees was approved in second reading by the City Council on September 25 and went into effect approximately 30 days later. The effective date for each fee varied. Fees directed at passenger vessels go into effect in April 2021 and the information was recently forwarded to CLAA for dissemination to the appropriate contacts within the industry giving them a full 18 months notice.
4. **Downtown Berth Expansion:** The RFP was released on October 21. Entities planning to submit a proposal are required to register their intent with the City and a few have already done so. Pre-bid interviews to answer questions and provide facility tours are scheduled for the week of November 18. Proposals are due January 21, 2020.
5. **Proposed Project to Purchase the Former Bar Harbor Restaurant:** At the City Council meeting of October 17 the Council directed staff to move forward with gaining a fair market appraisal and hazardous materials survey of the former Bar Harbor Restaurant property. The Public Works Director has been coordinating these efforts.
6. **Bar Harbor North Ramp 3 Grant Application:** As detailed in new business item two, we recently received notification that the project has been awarded a FY 2020 grant in the amount of \$627,055. A meeting with PND Juneau is scheduled for November 13 to jumpstart the design which has been on hold at 35% for the last two years. The intent is to have the bid package ready by spring so a construction contract can be awarded no later than June with on-site work performed in the fall.
7. **Vessel Sinking at Yacht Club:** A large vessel was reported as sinking at the Ketchikan Yacht Club last week. Staff responded with pumps and were able to save the vessel just in time; water was up to the engines. The vessel was raised, and then removed from the harbor. The owner has just left two days prior.

COMMITTEE MEMBER COMMENTS:

Mr. Dan Christensen:

Mr. Timothy Walker: Will be absent for December meeting.

Mr. Mark Flora: Welcome, Rick.

Mr. Richard "Dick" Allen:

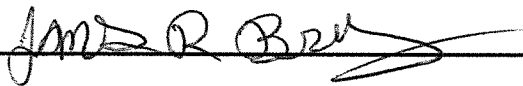
Mr. Rod Bray: Please advertise in the newspaper for the vacant seat. Welcome, Rick, we appreciate your involvement.

Mr. Eric Lunde:

Mr. Andrew Mulder:

ADJOURNMENT:

MOTION TO ADJOURN was made Walker at 8:22 p.m. **MOTION SECONDED** by Flora. **MOTION PASSED UNANIMOUSLY.**

	<u>12-10-19</u>
Chair/Vice Chair Signature	Date