

**PORT & HARBORS ADVISORY BOARD  
MEETING MINUTES  
DATE: 10/13/2020**

**CALL TO ORDER:**

The Port & Harbors Advisory Board regular meeting was called to order at 7:00 P.M., at The Ted Ferry Civic Center, 888 Venetia Ave, Ketchikan, Alaska.

**ROLL CALL:**

**MEMBERS PRESENT:**

<input checked="" type="checkbox"/>	Mr. Rod Bray	(Chairman)
<input 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 checked="" type="checkbox"/>	Mr. Eric Lunde	
<input checked="" type="checkbox"/>	Mr. Jim Castle	
<input type="checkbox"/>	Vacant	

**MEMBERS ABSENT:**

**Excused**

<input type="checkbox"/>	Mr. Rod Bray	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Mr. Timothy Walker	<input checked="" 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 type="checkbox"/>	Mr. Eric Lunde	<input type="checkbox"/>
<input type="checkbox"/>	Mr. Jim Castle	<input type="checkbox"/>
<input type="checkbox"/>	Vacant	<input type="checkbox"/>

**Harbor Staff Present:**

<input checked="" type="checkbox"/>	Mr. Mark Hilson
<input checked="" type="checkbox"/>	Mr. Dan Berg
<input checked="" type="checkbox"/>	Ms. Angel Holbrook

**MINUTES:**

**MOTION** was made by Flora to accept the minutes of the regular meeting of the Port and Harbors Advisory Board from September 8<sup>th</sup>, 2020. **MOTION SECONDED** by

Lunde. **MOTION PASSED UNANIMOUSLY.**

**COMMUNICATIONS:**

None

**PERSONS TO BE HEARD:**

None

**OLD BUSINESS:**

**1. CARES Act Moorage Assistance Program.**

Interim Director Hilson provided an update. 228 applications have been processed and those approved have totaled \$74,696.32, leaving approximately \$224,000.00 remaining. The City's semi-annual reserved moorage billings were mailed on October 1 and included information on how to apply before the program closes on October 31 at 5:00 p.m.

The outgoing Port & Harbors Director forwarded to the City Manager the PHAB's suggestion for approving a formula for increasing the awards to a larger amount such as 50% instead of 25%. However, the Council reviewed this memorandum and made no action on it. The Council authorized the remaining funds be used to offset first responder expenses.

After some discussion, Council Member Flora stated he would send an email to the Mayor and Manager's Office inquiring as to if these funds could be used for COVID-19 related expenses on the Port, and if so, if this use of funding could be presented to the Council.

**2. Review of Draft 2021 Port Budget.**

Presented to the Board was the 2021 Port budget submitted to the City Manager by the Finance Director on October 2, 2020. This updated budget accounted for the indirect payroll costs as included by the Finance Department. This is the only major change between this update and the original draft submitted by P&H to the Finance Director on September 9. It was also noted that on the next draft a Capital Improvement Project titled Port Upgrades has been proposed to prepare for the potential impacts of COVID on the port, including, but not limited to, quarantine locations, screening facilities, and testing facilities.

**3. Review of Draft 2021 Harbors Budget.**

Presented to the Board was the draft 2021 Harbors budget submitted to the City Manager by the Finance Director on October 5, 2020. It was noted that both the Bar

Harbor North Ramp 3, Floats 10 and 11 Electrical and the Harbor Carts Capital Improvement Projects do not appear on the October 5th Capital Improvement Program spreadsheet. This revision simply reflects the fact that the projects are underway, so they should not appear in next year's budget. This revision also trickled down into the Expenditures by Funding Source which the Finance Department revised to align with the Capital Improvement Project budget. This is the only major change between this update and the original draft submitted by P&H to the Finance Director on September 9.

## **NEW BUSINESS:**

### **1. Recommendations from the Healthy Sail Panel Submitted to the CDC**

At the September 8 PHAB meeting Board Member Lunde requested a future agenda item to discuss the issue of cruise lines restricting shore excursions to those sold on board their vessels due to COVID-19 concerns.

Presented to the Board was the document titled "Recommendations from the Healthy Sail Panel" that was submitted to the CDC on September 21, 2020, by a consortium spearheaded by Norwegian Cruise Line and Royal Caribbean Line. It contains 74 recommendations covering a variety of operational areas. Recommendations 59-63 address shore excursions.

It was noted that the recommendations do not appear to restrict shore excursions to those sold on board; however, there is language recommending that during the initial return to sailing, cruise operators should only allow guests debarking from a ship at a destination port to participate in cruise line sponsored or verified excursions as a way of limiting potential exposures in the destinations they visit.

In-depth discussion followed. The Board does acknowledge the need to proceed with caution, but has serious concerns about the implications of this document. The Board feels this document is far too restrictive and could be catastrophic to Ketchikan business owners. The Board would like to see that as many entities be included in the "bubble" proposed by the Healthy Sail panel, to ensure as little of a negative impact as possible. The Board realizes that this needs to happen in a timely manner to be implemented for the 2021 cruise season.

The Board also has concerns about the capacity of our community to test for COVID-19. The Board inquired as to what our current testing capacity is, versus what the anticipated capacity during the 2021 season.

Council Member Flora stated he would include the Board's concerns, questions, and suggestions in his email to the Mayor and Manager's Office.

**2. Discussion regarding “Protecting Passenger Fees: Reawakening Congress’s Tonnage Clause Authorization Power”.**

This document was presented to the Board for informational purposes and discussion at the request of Chairman Bray.

Discussion followed. The Board expressed concerns on how old the clause is and the validity to the current cruise industry. The Board asked Council Member Flora to include in his email a request that the City Manager’s Office look into what it would take, and how they would go about asking for a waiver for the Jones Act for the 2021 season. Council Member Flora acknowledged and stated he would include the request for a waiver in his email to the City Manager’s Office.

**3. Discussion about meeting start time of 7:00 p.m. and the possibility of altering the meeting start time.**

This new business item was requested by Board Member Mulder. Board Member Mulder was unable to attend the meeting due to illness, but it was noted that this topic has been discussed and is written in the municipal code, and would be very difficult to alter.

**Director’s Report:**

1. **PHAB Meeting Location:** For the time being we will continue to make arrangements to conduct the PHAB meetings in the Civic Center.
2. **New PHAB Member:** Interim Director Hilson stated the application for Steve Wilsie to be appointed to the Port & Harbors Advisory Board will go before the City Council at the meeting of October 15, 2020. If appointed he will serve until June 2023.
3. **Recruitment of Port Operations Coordinator:** Human resources advised that 17 applications were received for the vacant Port Operations Coordinator position. After review 5 applicants were selected for an interview, of which 1 withdrew prior to being interviewed. The candidates were interviewed on September 24 and 25 and a recommendation was forwarded to HR on September 28. The anticipated start date is January 4, 2021.
4. **Recruitment of Maintenance Worker:** Recruitment for the vacant, second maintenance worker position closed on September 30. 19 applications were received from human resources and interviews will be scheduled after they have been reviewed. The anticipated start date is November 16.
5. **Bar Harbor North Ramp 3:** All materials for the gangway have been delivered to the local subcontractor. Fabrication will begin soon and is expected to take about 6 weeks. Fabrication of the gangway landing float is almost complete and

it will be shipped to Ketchikan soon. Work on site is still expected to begin the week of November 1. P&H staff is working on temporary moorage plans for vessels being displaced during construction.

6. **Berth III Design of New Mooring Dolphins:** The 60% design and cost estimate has been completed. For budgeting purposes this is a \$5M project. The 100% design and cost estimate is scheduled to be completed by early January 2021. The Army Corps of Engineers (ACOE) permit and the National Marine Fisheries Service (NMFS) Incidental Harassment Authorization (IHA) are both tracking towards being approved by February or March 2021. The ACOE permit once approved should be valid for five years with the potential for extending if necessary, usually an additional year at a time. The NMFS IHA once approved will be valid for only one year with the potential for extending one additional year if necessary. It should be noted an approved IHA is a requirement for issuance of the ACOE permit so putting review of the IHA on hold would also put review of the ACOE permit on hold. That also means that if an approved IHA expires then an approved ACOE permit effectively expires as well.
7. **Installation of Safety Ladders:** The final 80 safety ladders are scheduled to arrive in Seattle by November 1 which means they should arrive in Ketchikan the second week of November. They will be installed on the remaining floats in Bar Harbor North with a few spares left for future replacements as necessary.
8. **Additional Harbor Carts:** Purchase orders for 15 additional harbor carts have been issued to Union Machine Shop and Homestead Skiffs located in Ketchikan. Union Machine will be fabricating 8 and Homestead will be fabricating 7. 100% funding for the carts is from the 2016 Pink Salmon Disaster Fund grant program.
9. **Bars Harbor North Piling Replacement:** The 100% design is complete for replacing 13 deteriorated steel piling in Bar Harbor North. We are awaiting approval of the Corps permit. The project is advertised, with a bid opening scheduled for October 23, 2020 and consideration of an award at the City Council meeting on November 5. It is anticipated that permitting will be in place to allow the bid opening as scheduled, however if permitting is not in hand, the bid opening and award will be extended by issuing a Bid addendum. 100% funding for this project is from the 2016 Pink Salmon Disaster Fund grant program.

#### **FUTURE AGENDA ITEMS:**

1. Board member Lunde requested that the recommendations from the Healthy Sail Panel submitted to the CDC be an ongoing agenda item until further notice. The Board agreed.

**BOARD MEMBER COMMENTS:**

Mr. Timothy Walker:

Mr. Eric Lunde: Good discussion tonight, and I hope it was meaningful.

Mr. Rod Bray: Good discussion of the topics and information, let's keep it up.

Mr. Jim Castle: Likewise. We need to keep looking into the tonnage clause. This was good discussion and we need to keep discussing how to increase revenue.

Mr. Dan Christensen:

Mr. Mark Flora: Thanks again for everyone's time tonight.

Mr. Andrew Mulder:

Mr. Rick Collins: Thanks, it is nice to get some answers and hopefully we can have a healthy cruise season next year.

**ADJOURNMENT:**

**MOTION TO ADJOURN** was made by Flora at 9:20 p.m. **MOTION SECONDED** by Castle. **MOTION PASSED UNANIMOUSLY.**



1-12-21

Chair/Vice Chair Signature

Date