



DOCKS AND HARBORS BOARD MEETING AGENDA

December 18, 2025 at 5:00 PM

Port Office Conference Room/Zoom Webinar

<https://juneau.zoom.us/j/84231067992?pwd=gVEwWRVqQmsL7hFlbAnDfZlWQpJjAm.1>

Webinar ID: 842 3106 7992 Passcode:835761

A. CALL TO ORDER

B. **ROLL CALL:** James Becker, Tyler Emerson, Clayton Hamilton, Robert Horchover, Matt Leither, Nick Orr, Mark Ridgway, Annette Smith, and Shem Sooter.

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

E. APPROVAL OF MINUTES

1. November 14, 2025 Board Retreat
2. November 19, 2025 Regular Meeting

F. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes

B. Board Members Requests for Consent Agenda Changes

C. Items for Action

3. Marine Exchange of Alaska - Channel Drive Lease & Development Approval

a. Presentation by Port Director

Recommendation: To approve Marine Exchange of Alaska Request for New Development at 2601 Channel Drive and to Amend the Lease to include use which is appropriate for the intended operations by the Marine Exchange.

4. FY27 Marine Passenger Fee (MPF) Request

a. Presentation by Port Director

Recommendation: To approve the FY27 Marine Passenger Fee Request Memo as presented.

MOTION: TO APPROVE THE CONSENT AGENDA AS PRESENTED.

G. UNFINISHED BUSINESS

5. Property Conveyance of CBJ owned land at Seadrome

- a. Presentation by Port Director
- b. Board Questions
- c. Public Comment
- d. Board Discussion/Action

MOTION: TBD

6. Re-solicitation: Application for Aurora Harbor Boat Shelter Space AG22/23

- a. Presentation by Port Director
- b. Board Questions
- c. Public Comment
- d. Board Discussion/Action

**MOTION: TO RE-SOLICIT APPLICATIONS FOR RIGHT TO MAINTAIN BOAT SHELTER
AG22/23**

H. ITEMS FOR INFORMATION/DISCUSSION

**7. Community Development Department (CDD) Invitation for Board Participation in the
Comprehensive Plan**

- a. Presentation by Port Director
- b. Board Discussion/Public Comment

8. Review of Docks & Harbors Previous Marine Services Planning Efforts

- a. Presentation by Port Engineer
- b. Board Discussion/Public Comment

I. STAFF, COMMITTEE, AND MEMBER REPORTS

8. Assembly Liason

9. Harbormaster

10. Port Engineer

11. Port Director

J. COMMITTEE ADMINISTRATIVE MATTERS

K. ADJOURNMENT

**DRAFT DOCKS & HARBORS BOARD
STRATEGIC RETREAT**

Meeting Minutes

November 15, 2025 8:30 am - 3:30 p.m.

Docks and Harbor Conference room or via zoom

A. CALL TO ORDER - Mr. Sooter called the Board Retreat to Order at 8:30 a.m. on November 15, 2025

B. ROLL CALL – The following members attended in person at the Port Director’s Conference Room: Tyler Emerson, Clayton Hamilton, Robert Horschover, Matt Leither, Nick Orr, Mark Ridgway, Annette Smith and Shem Sooter

Absent – James Becker

Also, in Attendance – Carl Uchytel – Port Director, Matthew Sill – Port Engineer, Matthew Creswell – Harbormaster, Leah Narum – Administrative Officer

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES-None

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS-None

E. DOCKS AND HARBORS BOARD STRATEGIC RETREAT –

The meeting focused heavily on strategic direction, the mission and purpose of the department, community alignment, financial oversight, internal processes, communication practices, and the expectations placed on board members. Throughout the retreat, participants expressed a desire for stronger clarity of roles, more intentional long-term planning, improved transparency, and a clearer connection between decisions and community needs.

F. Agenda

Session 1 - Welcome, Intent & Ground Rules

The facilitator introduced the purpose of the retreat—reassessing the strategic mission, values, and long-term direction of the department.

Participants acknowledged the importance of stepping back from day-to-day operational demands to reflect on why the board exists, what the department should accomplish for the community, and how board members can best support its mission. The retreat was framed as a foundational exercise to realign around shared goals, clarify expectations,

and strengthen communication.

Several board members expressed early that the department's overall impact on the community is substantial, and that the board's decisions must be guided by both operational realities and public expectations. In this spirit, the group set out to discuss what effective governance looks like in the context of a port and harbor system serving residents, mariners, visitors, and commercial entities.

Session 2 - Building Trust & Team Cohesion Session

Much of the discussion centered on clarifying the board's purpose. Participants noted that the board is more than a procedural oversight group—it is a body expected to provide vision, strategic direction, and leadership. Several speakers reflected on their personal motivations for serving and the importance of aligning individual viewpoints with the collective responsibility to the community.

A recurring theme was the desire to strengthen understanding of the board's role relative to the assembly. Some decisions require assembly approval, and the need to ensure alignment between the two bodies was emphasized. Members wished to avoid unnecessary delays by improving communication and clarity on what requires additional approval and what the board can act independently.

Board members also expressed the importance of trust—both among themselves and with the public. Transparency, accessibility, and a willingness to engage were framed as essential parts of public service.

Participants explored what motivates them as board members. Many expressed a commitment to improving the port and harbor system for the community at large. Speakers emphasized that decisions must reflect community needs, not simply internal preferences or the priorities of any single stakeholder group.

Multiple speakers stressed that a public entity must make decisions that consider the entire community. Some noted that it is easy for decisions to become overly focused on operational constraints or narrow perspectives, and the retreat provided an opportunity to broaden their outlook.

The board discussed the difficulties of balancing public pressure, operational limitations, financial realities, and long-term planning. They acknowledged that the port operates with significant revenue, which comes with heightened expectations for accountability and stewardship.

A major subject of concern was the relationship between budgeting and planning. Several members observed that projects were sometimes re-shaped simply to fit budget limitations, instead of budgets being designed around strategic priorities.

There was broad agreement that this “budget-first” approach was backwards. Members argued that the board should first define what the port and harbor system should achieve, identify the projects needed to achieve those objectives, and then allocate budgetary resources accordingly.

This concern is connected to a broader issue: the need for a coherent, long-range strategic plan. Without such a framework, decisions risk becoming reactive rather than intentional.

Speaker after speaker addressed the challenges of information flow—both within the board and between the board and staff. Some members noted they were not always aware of relevant developments until late in the decision-making process. Others said the board sometimes lacked enough background information to make confident choices.

Participants expressed a desire for more consistent communication channels, clearer documentation, and earlier involvement in key discussions. The retreat served as a reminder that good governance requires good information.

The group discussed the importance of feedback loops. Board members want opportunities to raise concerns earlier, to ask clarifying questions, and to better understand both procedural and operational contexts.

3 - Establishing a Unified Vision

One theme that repeatedly emerged was the importance of transparency. Several members emphasized that the public cannot trust the board's decisions unless they understand what the board is doing and why.

Members discussed ways to improve public engagement, including more accessible information sharing, availability for questions, and ensuring that board actions are clearly communicated. They emphasized that the public should not feel left out of processes that directly impact the community.

Another issue raised was the need to balance transparency with efficiency; while openness is essential, decisions cannot be stalled indefinitely by excessive review or consultation. Board members agreed that finding this balance is one of their ongoing responsibilities.

Board members discussed the importance of representing diverse perspectives. They recognized that the port and harbor serve a wide range of users—from commercial operators to recreational boaters, from subsistence harvesters to tourists.

Several speakers highlighted that the board benefits when members share different viewpoints, experiences, and priorities. They stressed the value of listening, understanding each other's motivations, and working collaboratively.

Some members suggested the board consider formalizing certain decision frameworks or expectations to make sure all relevant perspectives are consistently incorporated into major decisions.

Session 4 - Evaluating Projects & Setting Priorities Session

Discussions touched on the working relationship between the board and staff. Members acknowledged that staff are responsible for day-to-day operations and bring technical expertise that the board relies on.

At the same time, members emphasized the need for clarity: the board should define the high-level objectives, and staff should determine how to implement them. This division of

responsibilities helps ensure that the board stays focused on governance rather than operational micromanagement.

Board members also noted that understanding operational complexities—budget cycles, infrastructure constraints, and maintenance requirements—helps them make more informed decisions.

As the discussion deepened, participants returned frequently to the idea of long-term vision. The department plays a central role in the region’s transportation, recreation, economy, and quality of life.

Because of this, members felt strongly that decisions should be rooted in strategic discipline. Rather than reacting to immediate pressures, the board should consistently orient itself toward long-term goals that benefit the whole community.

Some suggested developing a formal strategic plan, perhaps updated every few years, to help ensure decisions align with a coherent vision.

5 - Wrap-Up & Commitments

In closing, board members expressed appreciation for the chance to step back from the daily workflow to reflect on higher-level issues. Several members commented on the importance of continuing these types of discussions regularly.

There was broad agreement on several key priorities for the future: - Strengthen communication between staff and board members - Improve early access to information needed for decisions - Develop a long-term strategic framework - Ensure transparency and community engagement - Clarify roles and expectations between the board and the assembly - Maintain trust and openness both internally and externally

The retreat concluded with a renewed sense of purpose and a shared commitment to moving forward collaboratively and intentionally.

A. ADJOURNMENT AT 3:33 PM.



DRAFT DOCKS AND HARBORS BOARD MEETING MINUTES

November 20, 2025 at 5:00 PM

Port Office Conference Room/Zoom Webinar

A. CALL TO ORDER AT 5:00 PM BY MR. SOOTER

B. ROLL CALL: Clayton Hamilton, Matt Leither, Mark Ridgway, Annette Smith, and Shem Sooter.

Absent: James Becker, Tyler Emerson, and Nick Orr.

Also in attendance: Carl Uchtyl-Port Director, Matt Creswell-Harbormaster, Matthew Sill-Port Engineer, Kirby Day of Holland America Lines Juneau (via zoom), Alex Pierce, CBJ Tourism Director, Robin Carr, of USACE, and Maureen Hall-Assembly Liaison.

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES-NONE.

MR. RIDGWAY MADE THE MOTION TO APPROVE THE AGEDA AS PRESENTED.

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:

Mr. Day said he wanted to give his thoughts and appreciation as the season wrapped up for 2025. He said Docks and Harbors does a great job and although Princess has their own docks, the Carnival Corporation uses the City docks. As a FSO, Mr. Day works closely with Scott Hinton and Matt Creswell and all the staff that work at the City docks. They work together to facilitate guests going back and forth on the ships and Mr. Norbryhn's team out at Statter Harbor does a fantastic job. Mr. Day said that he knows they have put a lot of pressure on that facility with bus trips and passengers all summer long and it gets a little hectic.

E. APPROVAL OF MINUTES

1. **October 30, 2025** - Ms. Smith name will be corrected.

F. CONSENT AGENDA- APPROVED.

2. **Resolution of Support for Full Funding of the FY27 ADOT Harbor Facility Grant**

Presentation by Port Director:

RECCOMENDATION: THAT THE ASSEMBLY ADOPT A RESOLUTION OF THE CITY & BOROUGH OF JUNEAU TO URGE FULL FUNDING (\$18,186,535) FOR THE STATE OF ALASKA HARBOR FACILITY GRANT PROGRAM IN THE FY 2027 STATE CAPITAL BUDGET.

3. **Resolution of Support Raising the Maximum Eligible Annual Grant Award Amount for ADOT Harbor Facilities Grantees**

Presentation by Port Director:

RECOMMENDATION: THAT THE ASSEMBLY ADOPT A RESOLUTION OF THE CITY & BOROUGH OF JUNEAU TO RAISE THE MAXIMUM AVAILABLE ALASKA DEPARTMENT OF TRANSPORTATION HARBOR FACILITY GRANT TO \$7,500,000 FOR ELIGIBLE PROJECTS ON AN ANNUAL BASIS.

MOTION: TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

G. ITEMS FOR ACTION

4. FY27 to FY32 Capital Improvement Project List

a. Presentation by Port Director

Mr. Uchytel said on page 20-21 there is a Survey of the list of projects that were discussed at the board retreat. Page 20 is the Board priorities for the harbors. There were 4 Board members that participated in the survey. Page 21 is the staff's priorities and 17 members of the staff participated. On page 22, these are the docs priorities for the Board. Page 23 shows that 14 of the 17 staff members are in answer to the docs. On page 24, the question, "What other projects should be considered?" There are 4 projects that Board members suggested for consideration. Page 25 lists the staff's recommendations. On page 26 there is the CIP list of the 18 projects, 2 may have been tied, those recommendations were averaged. Of those, the Statter Harbor breakwater construction was number one and the Aurora Harbor Office replacement was number two. The Statter zinc anodes were number three and the North Douglas boat ramp expansion was number four. The other tie for four was the UAS property purchase. Mr. Uchytel said he took the projects and organized them in a reasonable order with the goal being to come up with a CIP list from FY27 to FY32. This will provide the engineering department to put it into a form and then it goes to the Assembly. The Assembly will adopt it as part of the budget process. He said just because there is a project there that doesn't mean the money is there, these are aspirational goals. This is input from the Board and staff and what are reasonable goals. If the Board changes its mind, then FY28 will be the next opportunity to apply for a DOT grant, so this is its marker. The Aurora Harbor replacement cost of \$4 million, is a reasonable number to recapitalize the breakwater. The Aurora Harbor shower and bathroom are on the list as number 9, but there may be an opportunity to roll this work into the harbor office replacement. There might be an opportunity to leverage money from the Department of Fish and Game. The North Douglas Boat Extension project, that will be some seed money to start the design. As a reminder, this is one of the two legislative priorities that we provided to the Assembly as saying these are projects that Docks and Harbors wants elevated to our elected officials. Moving on to FY28, the UAS property purchase does not guarantee that the UAS is ready to sell in FY28. He said that he moved the North Douglas Harbor launch ramp extension lighting, because he said it's something that could be worked on outside the CIP, as the staff think it's a small improvement that is

affordable. The Douglas Harbor shower bathroom is high, but it's also ranked high, but it's something that Docks and Harbors may want to leverage with Fish and Game money. The Harbormaster, Mr. Creswell and Mr. Uchytel met with the new Parks and Rec Director. The previous director was looking to replace the bathrooms at Savikko Park, through a grant, and if that happens, Docks and Harbors want to participate. The Douglas Harbor Uplands, marked at \$5 million, would be like the curb, gutter, paving, and landscaping. The area-wide security gates are estimated at \$50,000 per ramp. As an aspiration, \$10 million dollars is marked for the North Douglas boat ramp. Mr. Uchytel said that he's tried to look at the list critically to see what were reasonable projects that can be completed in the next couple of years.

Board Questions:

Mr. Ridgway said he appreciated staff's input in describing projects and it's important to have them facilitated. It's been appreciated as the Board considers Docks and Harbor's plan for facility replacements or upgrading. He asked staff, when a project is identified is there a community workshop, an open house, a design charrette, public outreach, expert facilitator, architects, engineers that meet. He wondered if there was a write-up or narrative that would take place to say that we had begun this process.

Mr. Uchytel said that typically a masterplan begins, for example when a project starts getting traction, like the Aurora Harbor recapitalization. There was Phase 1 of aurora harbor, and Docks and Harbors saw a path forward to finishing the basin and then it was time to look at the uplands portion. That created its own project, and other ideas came from that. The Marine Park to Taku Dock was a 16B project that was facilitated by building on to the rest of that area. The blueprint downtown, that was adopted by the Assembly, was one where they picked items such as the Aurora and Harris sea walk as one of their objectives. These projects are identified through the Board or staff saying we need to work on this.

Mr. Hamilton asked who was asking for the Echo Cove launch ramp.

Mr. Orr said that he thought Fish and Game would be able to assist with funds for that project, but he was waiting to hear back from them.

Mr. Hamilton asked if the Sportsman Association wanted to drive a float out there.

Mr. Orr replied, sure. Mr. Orr asked what Indian Point PFH Facility was.

Mr. Creswell answered that Docks and Harbors own a piece of property over at Indian Point and it's leased at no-cost to the National Park. It's an older, trestle-style dock that goes down to a floating dock, and PFH stands for Passenger For Hire. He guessed that staff suggested that they move some of the load off Statter Harbor to Indian Point.

Mr. Uchytel said he had more to add to Docks and that on page 27, there were 8 projects. He said he added a project, the recapitalization Timber Dock as it has already been funded to do an inspection. He said this year there are marine passenger fees for an inspection. He suspected that Docks and Harbors will need to replace the timber docks between the

Alaska Steamship wharfs. There are 8 other that were identified as staff and Board priorities. Zinc anodes were number one, which needs to be done about every 10 years. Number two is downtown bathrooms, numbers three and four are the emergency vessel lightering float, boating floats to shore power. These numbers for FY27, marine passenger fees will be asked for until there is enough money to add those. The Lone Sailor Memorial, the Board got a request from Pioneers of Alaska to install a Lone Sailor statue along the sea walk. The Board and Assembly approved of the request and the money would facilitate the mounting of the Lone Sailor statue. The downtown deck project and has been held at bay until there was some certainty of what the waterfront plans are. It's well outlined in the Urban Design plan of Marine Park to Taku Dock. That's the plan for dock-type projects.

Mr. Hamilton asked why the Peratrovich bathrooms went from \$2 million to \$3 million dollars.

Mr. Uchytel said he put that number, but it was just a number, nothing is being designed.

Mr. Hamilton asked why it's 4 times as expensive as the Aurora or the Douglas bathroom facility. He said now he wants to know why it's 6 times more.

Mr. Uchytel said the bathrooms that will go downtown will be more than just urinals and toilets. They may have showers. There's no design yet, but in the urban design plan, in the first phase of the deck over project, there were visions for a waiting area with hangar doors and a seating area. That's the plan for a nice facility along the sea walk that can be constructed.

Mr. Hamilton said he wanted to know about the vision so that he could be up to speed on the project.

Mr. Uchytel said he showed the rendering at the retreat during the Board retreat. Docks and Harbors have already plumbed for a restroom, for water, sewer and a lift station. That project was progressing for Phase II. The City Manager has said to hold off until they can see what happens with the general Douglas City Museum and if there's an interest in bringing that to the waterfront. Docks and Harbors have been successful is that they have been nimble and they see opportunities. Next month, Mr. Uchytel said that he will be coming forward with a list of items that can utilize marine passenger fees. The plan for the waterfront has only been solidified in the last few weeks when the archipelago property was sold. Mr. Uchytel said that Docks and Harbors look for opportunities, the cadence of the budget cycle and when money is available for marine passenger fees to be used. He wants to make sure Docks and Harbors can be successful when these requests come up.

Ms. Smith asked if there were any engineering plans made to exclude unwanted material like drug paraphernalia going down the bathroom receptacles.

Mr. Uchytel said no, we haven't done any bathroom designs and they are still in the planning stage.

Ms. Smith said if we moved forward on any of these projects, she would encourage some efforts to prevent expensive destruction of the facilities.

Mr. Leither asked if Mr. Uchytel could review the purpose of the CIP list, he said it was his understanding from previous years that the reason for the list is so the Board can request moving forward on a project in the future. He said the list doesn't bind the board to commit money or efforts but without the list it's much more difficult to start a project in that phase. Correct?

Mr. Uchytel responded, that is correct. The objective is to create CIP projects. It shows the community what's out there. The next fiscal year is important as it affects our fund balance and where we put our efforts.

Mr. Ridgway asked if the zinc anodes was the number one priority. He said he heard Mr. Uchytel say that it may not be needed for 10 years. He asked what would happen if the zinc anodes needed immediate attention. Would Docks and Harbors try to fund it, hold some money for the project or because it may be 10 years out would we go towards the bathroom project?

Mr. Uchytel said, if the Board said, we really want the zinc anodes, then a request would be made marine passenger fees or state passenger fees saying we want \$10 million for zinc anodes. He said the City may say these aren't 8 years old yet and possibly not fund it.

Mr. Ridgway asked if the next step would be to go to number 2 on the list which is the bathroom with use of the marine passenger fees.

Mr. Uchytel explained the process that includes the Board to rank projects. He said Docks and Harbors values the Board's opinion.

Mr. Leither said that the Board was getting hung up on columns 2,3, and 4. He said his understanding was what was important is the actual fiscal year in which something is placed.

Mr. Uchytel said yes, that is correct. The Board wanted a Doodle poll, so this makes sense of what the poll means. He said if you look at the downtown safety railings, the staff rated that as number one. The Board rated that as last, so there's a disconnect there. He said he was trying to provide a big picture document that shows a path forward.

Mr. Leither said what he was hoping the Board can look at the ranking and say, for example, zinc anodes should be in FY32, but that should be in FY28. If someone feels there is a significant issue, then perhaps that is the question the Board should be concentrating on in their discussions.

Ms. Smith added that she would not question the fiscal year because that's unimportant. What is important is having the project listed and being agile enough that if funding becomes available, we have the means to use the funds for completing that project.

Mr. Ridgway said he would appreciate it if there was a narrative about where the project came from for the Board to evaluate whether the bathroom should be at this dock or another dock, or any harbor project. He hoped that it would bridge the gap, for instance, the discrepancy between the Board saying safety railing was our least priority and staff saying it was their number one. A paragraph stating what the project is, where it came

from, rather than just the name of the project, submitted to the Board would be helpful and add more discipline to the Board's decision-making process.

Mr. Sill commented that master plans are available on the projects page of the website and they contain many of the elements that Mr. Ridgway is requesting.

Mr. Hamilton said Mr. Uchytel pointed to the longevity of these things on the list as a reason to move forward with them. He said he felt the Echo Cove project should be cut off the list because of the Cascade point development soon. He said, he shouldn't say this, but who's asking for a direct fish sales facility and what does that mean. He asked whether some projects could be eye washed.

Mr. Orr responded that he didn't think they should be removed. The projects have merit, however some of the projects wouldn't rise to the top as far as a project like the paving of the Douglas parking lot.

Mr. Hamilton said that some of the items are placeholders and they get pushed down the road. He said he'd like the Board to make some amendments.

Mr. Ridgway said that if the Board is voting on a priority, he would like to know here the project came from. If the Board is voting on priority, one scheduled for FY31, then it's \$20 million, he wondered does that mean that Docks and Harbors is prepared to funding it or to prepare the Board for what they see as their number one and number two priority for the staff. He agrees with Mr. Uchytel that the organization is very nimble and very geared towards looking for opportunities. He needs to know that if the Board votes on number one, does that mean that all the money for FY27 money is put into priority number one.

Mr. Uchytel responded that his recommendation would be to cross it off the priority list. As the Port Director, he developed the matrix and asked the Board, does it look reasonable? Is \$20 million in FY 31 reasonable? He assumed that everything was going to advance with the Army Corps of Engineers. He said it's just a marker. It could be the breakwater is going to be \$100 million dollars and Docks and Harbors will need 20%. The project may occur in FY27 and maybe there will be a 1% increase in sales tax or maybe there's money from DOT that can double that or a Fish and Game Grant. At some point, Docks and Harbors will need to recapitalize on the breakwater and that cost will be large. The Board may be feeling sticker shock up front but it will be dealt with in the future.

Mr. Ridgway said he appreciated that staff have managed the Board's expectations in saying they don't know the cost and they don't know when the project will happen. As a Board they come back later to discuss how to go about getting the funding for projects.

Mr. Leither encouraged staff to leave items on the list as staff can go to a legislative meeting and say, for example, this project grant is designed for a fish station.

Mr. Sooter asked if there was any more discussion for the Docks.

MS. SMITH MADE THE MOTION TO APPROVE THE FY27 TO FY32 CIP LIST AS PRESENTED AS DETERMINED FROM THE NOVEMBER 15TH BOARD RETREAT.

Mr. Hamilton asked for a rejection for vote. He said the board has got these continuous

pressures to rate raises and that he was happy or content to pushing down huge numbers and getting the sticker shock out of the way initially. The Board points to the rates not being high enough, so he was going to vote no.

Mr. Sooter called for roll.

All in favor: Mr. Leither, Mr. Orr, Mr. Ridgway, Ms. Smith, and Mr. Sooter.

Not in favor: Mr. Hamilton.

Motion passed 5:1.

H. ITEMS FOR INFORMATION/DISCUSSION

5. Juneau Cruise Ship Berth Assignment Update

Presentation by CBJ Tourism Director:

Ms. Pierce said she wanted to give the Board an update on doesn't affect the way Docks and Harbors operate the docks. It doesn't affect the revenue of the docks, but it does affect how the schedule ships onto the docks. The original visitor Industry Task Force recommended the CBJ take a more active role in membership scheduling. Historically, the work in the past has been done by Cruise Line Agencies of Alaska (CLAA), since cruise ships started coming to Alaska and they have scheduled ships in a historical priority berthing format based on a 1980 Juneau ordinance. The practice has strayed quite a way from the initial ordinance. Typically, the city has set the dockage fee and CLAA has scheduled the docks. In recent years, they have negotiated agreements and limits on the number of ships. The schedule gets approved with some negotiation, but the city has been in a passive role. Now, the city is looking at long-term birthing agreements. Part of the reason is based upon having more predictability and stability for our own facilities. The other part of the reason is that there has been some cruise line anxiety as Juneau had some limits and ballot initiative in the region about getting closed out of ports where they don't control dock facilities. She said she personally feels that these anxieties are a little bit unwarranted, but cruise line agencies are sometimes reactive. What the city is looking at is signing long-term agreements with the cruise lines that, for the days when we have a predictable ship at our docks, for example, Carnival has a spot at a CBJ dock on Tuesdays. That's in the historical priority birthing, that would move over into an agreement. It would be between the city and the cruise line. On days where we don't have a predictable ship at our dock, then we'd still be subject to the same scheduling by CLAA. That's because we have ships that are on 10- or 12-day itineraries that rotate through. It's too messy to try to figure out and we want to help cruise line agencies retrain some of that ability of creating some surety around the days in the schedule that we have stability. Most birthing agreements throughout the world are in our own port with the private docks and have minimal passenger guarantees. As a public entity, our guarantees are more like behavioral MOAs, a five-ship day MOA, and a daily passenger cap. What the city is looking for is maintaining stability in our visitor volume over the next 5-10 years and meeting community goals around having a direct relationship with our facilities. She said they are in preliminary talks with the cruise lines and wanted to bring this informational item to the board tonight

to give them the opportunity to ask questions and make suggestions. She said Docks and Harbors can understand what's going on in the kind of policy and rate-setting side of the facilities and while it doesn't represent any change in the how things work operationally or financially, it still changes the plan and schedule.

Board Discussion/Public Comment:

Mr. Ridgway thanks Ms. Pierce for the presentation. He asked Mr. Uchytel if he saw any downside to this long-term agreement for Docks and Harbors.

Mr. Uchytel said he's never concerned when it comes to finances with the Docks. The money is always there through the head tax or through the new fee structure. He said he's not worried about the financial ramifications of any capital agreement.

Mr. Ridgway asked if he was concerned about any schedule challenges given these long-term agreements or anything that may affect staffing.

Mr. Creswell explained that we get the schedule a year in advance and we don't have the dock assignments or times yet but as Ms. Pierce said historically, we know where the ships are going to be either early, mid-morning or afternoon. Docks and Harbors are starting to solidify times, so we have that well in advance. This makes it easier to count on that schedule for the following year.

Ms. Pierce added that one of the cruise lines engaged in the long-term agreement discussion is Royal Caribbean.

Mr. Hamilton asked Ms. Pierce that when she spoke of surety that meant that was an exclusive right to the berth for that cruise line.

Ms. Pierce said that it was surety for both the city and the cruise line to dock at our facilities based on a schedule and a long-term commitment to provide that facility to them.

Mr. Hamilton asked what long-term means for the cruise lines.

Ms. Pierce said that the city was looking at 5-year agreements with an automatic 5-year renewal.

Mr. Leither asked if the city was at a disadvantage because in the past Docks and Harbors had committed to security staff and the cruise ships changed their mind, and we were left holding the bag on that. He asked if we sign these ships up for 5 years, do we have the mechanism to recoup any changes on their behalf? He said he trusts the city, but he doesn't trust the cruise ship as much.

Mr. Creswell answered that we don't commit to security as Docks and Harbor's has been told by the Coast Guard that we provide for security and that's the same for every ship and it doesn't matter which cruise line. What has changed was there was no technological means to verify dual identification for cruise ship passengers. The cruise lines have developed that technology and now they have given that technology to us when they come to our docks and that makes our job easier to slowly start decreasing staffing.

Ms. Pierce added that Docks and Harbors should be commended for putting fines in place.

That made cruise lines accountable for cancellations and that is something other ports have implemented. Weather cancellations are in the writing and agreement, and we have provisions for that. Cruise lines will be paying significant penalties for breaking the agreement.

Ms. Smith asked for clarification with a recent memo that said that the rates were raised for the city docks but none of that money is going to Docks and Harbors but that it is going to the city.

Ms. Pierce said the city went through the process of raising dockage fees. It was her intention that money would be used for Docks and Harbors. The intent was to treat both the city and private docks the same. The Assembly has had some changes in the city budget process, and it is entirely up to the Assembly as to what happens with that money. She said that she could not advocate either way and that she could only speak to her intent which was to raise the rates. There are still restrictions around how dockage fees are used and she thought that there would be an interesting discussion during budget time with the Assembly. She said she didn't want to throw our Assembly Liaison into the mess but there is a lot of uncertainty.

Mr. Hamilton said Ms. Pierce was comparing our public to private dock situation. It was his understanding that in a private dock situation, a cruise line is paying for that surety and currently, there is no surety.

Ms. Pierce said the cruise line would be paying for that guarantee. The cruise line wants predictability and stability in the city facilities. The city is not passively letting a third-party schedule to schedule our facilities but by signing a long-term agreement the city will know who's going in our docks and will have that revenue stream associated with the docks and if not, the cruise lines will be paying penalties for not following through with the agreement. The Assembly has the right to release a cruise line from an agreement if they have reason to, but it gives the city control over whether to release a cruise line for an agreement.

Mr. Leither said that his understanding of the 5-year lease was guaranteeing themselves the same spot on Juneau city docks. He said it was his understanding that there is going to be more cruise ships on the back side of Douglas and they are not going to be in this moorage agreement. His question is whether the cruise lines that we are leasing with have the right to continue their lease, if nothing has changed. He wondered if there is a way to say there are way too many tourists here. Does the city have the option to get out or are we selling to continue if the terms have not changed significantly.

Ms. Pierce said that she would look at the situation the other way around. If the cruise line has talked with the back side of Douglas regarding a long-term agreement with the city, they get out of their agreement through payment or by being released by the Assembly to move that ship over to the backside of Douglas.

Mr. Leither said that's not what he is asking, he is saying for example instead of having 5 cruise ships downtown, and they put 2 more on the back side of Douglas, that's 7 cruise ships using Juneau's resources. Can the city say those negotiations are not working for us and even though it's a 5-year lease is there a clause in there that gives them the right to

continue the lease under similar terms.

Ms. Pierce asked to add to the discussion since the Board was talking about CIPs and marine passenger fees. She said she had a fair amount of influence over the marine passenger fee budget and would highly support a recommendation for a bathroom and covered waiting facility. She said that she has heard a lot about that from the community over the last few years and she would welcome that submission to have on the docks.

Mr. Ridgway said that Ms. Pierce had mentioned the bathrooms and thought Ms. Pierce had the ability to go in between CBJ and the cruise line organizations. He wondered if managing the bathroom facility by Docks and Harbor staff would be advantageous. Is there any advantage to Docks and Harbors constructing the bathrooms and engineers designing it using the passenger fees and then someone else operating it rather than burdening Docks and Harbors staff.

Ms. Pierce said that she would defer to Mr. Creswell's staff to manage the facility.

Mr. Creswell thanked Mr. Ridgway as anytime we talk about building something, we often forget about the human factor of how we maintain and operate it. He said although he hasn't had any discussions about the facilities, and if the cleaning and maintenance of the restrooms fall to Docks and Harbors, the good news is that 3 years ago they increased the staffing by 4 people. He said after this next year, as we start losing anchoring ships. We can go forward, and work becomes easier. Docks and Harbors still have FTEs available as they are currently staffed to transfer them to where they are needed.

Mr. Uchytel said they always can outsource cleaning of the bathrooms.

Ms. Pierce said traditionally what they have funded for private docks and public facilities the security and maintenance services have been paid with passenger fees. Assuming that continues, and the Assembly continues to support the maintenance of the restrooms.

Mr. Day said that Holland America Lines supports the idea of berth agreements all over the world so that there are consistency and long-term surety. He said that their corporation has berthed out with the city. Although Princess ships utilize the Franklin Dock in most cases because of the shore power, they do utilize the city docks when they have more than one ship in port. Their sister company, Carnival Corporation, does as well. He said they support the idea and as Ms. Pierce and Mr. Creswell mentioned it gives consistency of what's coming. There's always reason why ships don't call, whether it's weather or mechanical or something else occurs, the intent of the agreement is there will be significant penalties if someone doesn't show. He said they are anxious to see the process move forward as it will also help the cruise line agencies to do their scheduling.

6. US Army Corps of Engineers - Statter Breakwater Update

Presentation by Robin Carr, USACE:

Mr. Carr, lead planner for the Auke Bay Harbor navigation improvements feasibility study, presented a PowerPoint. Updates included the study going forward and the bottom line up

front along with the background, alternative, and future courses of action. Changes that have happened to the study are the general that oversees the use of the program, there's a new 35% design requirements for feasibility studies. Previously, this study was scoped for a 15% design to finish the feasibility, so there's been an increase in the scope from what they had originally had. There's also a strong preference from headquarters to complete studies in three years, for under \$3 million. This conflicts with the prior alignment in June 2025 that was quoted for a 30-and-a-half-year study at \$4.78 million. After getting bids back for the geotechnical analysis, those were higher than originally budgeted for. The USACE has prepared courses of action with two recommendations that they will present to headquarters who are the final decision makers on the project. He asked the board for their input and approval on what their recommendations would be.

Background: The problems they identified with the Statter Harbor are the current wave attenuated had passed its design life and it won't provide the same level of protection going for safe moorage going into the future. A crowded harbor, there's more need for moorage and the wave conditions can create damaging and dangerous conditions. Their objectives for the study are to reduce damages to vessels and harbor infrastructure, reduce transportation and delays and to improve the economic conditions for the region. Their previously agreed schedule and budget was for a total of \$4.78 million was split between the federal government and CBJ with each contributing about 2.39 million with the final report finishing in 2028.

Mr. Carr said that the next slide showed the refined array of alternatives. They identified 7 different alternatives with the first one to have a policy non-structural alternative but that is not technically viable. There are 3 main measures, there's a chain-supported floating breakwater, pile-supported floating breakwater and then there's a pile supported wave barrier. These are 3 different ways to make the harbor safe. With the first two, there would be moorage to the breakwater. Without moorage at the breakwater, that could be the current level of moorage for an expanded harbor with increasing the moorage. The courses of action, USACE has identified 4 different actions. The first one, if they kept the one over the next 3 years at \$3 million would only be able to look at the current harbor and it would be impossible for them to hit a 35% level of design. It would only be 15% of the level of design. Because of the geotechnical analysis, the water depths of 120 feet, it would be too expensive to get to that level of design. They don't think headquarters would be interested in moving forward due to the minimal budget. The next option would be to aim for the 3-year time frame and 35% and a \$4.38 million cost. That's a slight decrease from what they currently have. He said that they would lose if they did this and they would only evaluate the current floating breakwater. The pile-supported measures are structures that are buried into the earth, and they have the potential depending on the type, the geotechnical conditions and are much cheaper, and USACE cannot evaluate that. They would be able to evaluate the expanded harbor rather than both options. The recommended option keeps the time and budget that was previously approved in June. This would also enable them to look at all three types of wave barriers. This would only be for an expanded harbor. Looking at the study for both the difference between the current and expanded harbor, they identified that it would cost \$5.5 million and that is the total

study cost. That would be equally split between the federal government and CBJ. Their current recommendation is to get what had been previously approved under the budget and schedule from June 2025 but to also show that headquarters this is what you would get going into the next 3 years and 3 million which is the bare minimum for the 35% design.

Board Discussion:

Mr. Leither asked Mr. Carr to explain the difference between choice number 3 and choice number 4.

Mr. Carr responded said there are a couple of different components. Normally they look at what keeping the current harbor would do and that would give more options down the line. An expanded harbor would have much higher costs than the current harbor. What happens under some project conditions is that the final costs of a larger project are too much money for a community. If we don't evaluate through these studies, there's two main pieces the technical and economic feasibility of the harbor offers a lot of benefits. With that expansion also comes the higher costs. Maybe that is not economically viable but a replacement that protects the current harbor, maybe that's economically viable. If both are eliminated you increase the risk that you've eliminated or you're only looking at possibilities that are not economically viable at all. This could risk funding of not having a feasible project.

Mr. Ridgway said the second or third slide discussed the original problem statement and the work inefficient was used. Is that what was taken into consideration when looking at either expanded or current harbor situations. What are the inefficiencies of the moorage out at Statter Harbor?

Mr. Carr said that inefficiencies refer to the demand for more vessels in the harbor that by expanding the harbor, efficiencies are gained.

Mr. Carr laid out the risk for each of the courses of action. There's a risk across the board of the schedule being longer than anticipated due to staffing shortages. There's been major public sector disruption across the federal government that has impacted the USACE. As staff leave, it's hard to find new staff members to cover their duties. For action numbers 1 and 2 that only look at the anchor chain floating breakwater, there's a risk that they don't meet standards. If they don't meet those standards, then they would not be on a project to build them. There's a risk that even though there is floating breakwater protecting Statter Harbor the preliminary analysis seems to be undersized and needs to be adequately protected. We may be able to, if it's technically feasible, to build an anchor chain floating breakwater big enough to meet the necessary protection. That may increase costs by number one, exceeding the budget. That is USACE most unrealistic course of action. For option number 2, by not evaluating all the measures or all the locations, adds additional risk to not selecting the optimized solution to the problem. That could be acceptable, but it could mean more costs to the project. Construction is more expensive than investigation. The final risks are in action 3 and 4, due to the nature of the geotechnical analysis. No matter how many boreholes are laid out there's always a risk that it's not enough to satisfy

the 35% design requirement. He was not sure that headquarters would accept a lower than 35% design and that may require more geotechnical analysis. The recommended plan 3 keeps some of the milestones, which are moved around slightly. In the final report, finishing the project would be the same date and the funding stream was the total cost would be the same as the previous budget so it wouldn't need any approval from CBJ Assembly as was previously approved. However, what would be delivered would be different, meaning that they'd only look at the expanded harbor and there's a risk of not hitting the 35% design requirement. With the changes, the USACE is making recommendations to headquarters, and they felt it was necessary to keep the Board informed at every step of the way. He felt it was important to have the Board's input, and if there were different ideas, then they would need to change things in the (Course of Actions) COAs and finalize them before they got to headquarters.

Mr. Ridgway asked Mr. Carr if the economic analysis is included during the study. He said Docks and Harbors doesn't want to eliminate options for a 35% design for an expanded harbor or the current design but wanted to know whether the board was buying an economic analysis that helps them decide to move forward.

Mr. Carr answered that they always include an economic analysis as a major component of the final number which is a benefit-cost ratio. That means that if the benefits are above one, then the benefits exceed the costs of the project. The benefits are calculated from the perspective of the federal government and not necessarily from the prospective of Juneau but the benefits to the local community are included separately through not as a single number. There are some unique situations for harbors in Alaska, for those harbors that are eligible for report and subsistence Harbor Authority, which has a separate type of analysis. The USACE is only able to conduct that analysis if they have a course of action for number 4, because it requires more comparison. There would need to be some justification, if the benefit-cost ratio is below one and the project is still possible.

Mr. Leither said he wanted to make sure he understood that and that essentially his question was let's say the federal government says this project was not financially feasible, but Docks and Harbor felt like it was in their financial best interest to move forward. Would this project still move forward even though the federal government says that it is not financially feasible, or is it a dead project?

Mr. Carr said the federal interest in this project was expanded compared to other projects because it's in a remote location and all harbors in Alaska are designated as remote locations. There are specific categories that look at the economic benefit of the region. By demonstrating that this harbor is a driver as a economic benefit for the region, on a national level, are below one, there would still be a federal interest. The only caveat is that the determination that they will present in the findings to the Alaska District, the final determination is not made at a local level, and it is made at the very top by the Assistant Secretary to the Army who makes that final determination.

Mr. Leither asked Mr. Carr if he could help him to understand what he asked earlier regarding what the current study would look at Statter Harbor, that would make it a viable alternative. Are we replacing it as is or what are the possible options using the current

study which are financially feasible?

Mr. Carr said that the current harbor means keeping the current level of moorage safe, and the floating breakwater that's currently there. There are a lot of maintenance issues as it deteriorates. The alternative is looking at just the current harbor, building a floating breakwater or other sort of breakwater in front of the one that's currently there. The breakwater that is currently there was essentially a float that would be there and wouldn't have the stress that it's currently undergoing because it would no longer be the wave barrier that it's acting as. It would deteriorate much more slowly and as it needs to be replaced it could just be replaced by normal floats behind it.

Mr. Carr said mainly the USACE would like to know if there were any questions, concerns, especially about changing the main recommendation to COA number 3.

Mr. Sooter said that the Board agrees with COA 3.

Mr. Ridgway asked if in other districts, are there similar projects out there that have been under way that the Board could look at, say on the East Coast?

Mr. Carr said floating breakwater projects for the USACE are very rare and there are a few mostly in Alaska. He could not recall the names of the other projects, but he could send them over later.

Ms. Smith wondered about the comment about building a new breakwater outside of the current one and using the current one for moorage. The current break water has big yacht tied up to it in the summer months and she is wondering whether the current breakwater for moorage would deteriorate much slower or would it still be able to handle those huge boats. Or would it be able to handle the smaller boats of between 25-40 feet.

Mr. Carr said he could not accurately answer that question at this time but could confirm it with their team engineers.

Mr. Leither asked for clarification about COA number 4. He said the Board and USACE would only be going forward with the recommended number 3 not number 4.

Mr. Carr said that would be correct.

Public Comment: None

I. STAFF, COMMITTEE, AND MEMBER REPORTS

7. a. Port Engineer Report

Mr. Sill reported:

- Aurora Harbor – Aurora Harbor is down to two pilings that need to be driven. Western Marine is working to build the harbor faster than we have seen it built in the past. Our electricians have started this week to pull wire. The completion for this project is April 2026 and barring some unforeseen incident, they are looking at finishing the project this year. Western Marine is looking at getting the barge out of there by next week

and they have done a walkthrough with Mr. Sill and the Engineer contractor and are the floats in, all but the two pilings are in and the anodes, cable, wires, life rings and fire extinguishers are on site.

Mr. Ridgway asked how they managed to finish months ahead of schedule. Did they bring in more employees, more equipment?

Mr. Sill said they really didn't want to be here in January.

Mr. Ridgway said he had a follow-up question from the USACE COA number 3. He asked if the breakwater breaks away what kind of risk is that and is there an associated risk in choosing one of the COAs over another.

Mr. Sill responded that the advantage of COA 4 was that it's too expensive for us. The breakwater at the location of the existing project is yes, going to be expensive with a breakwater 100-300 feet out. It's the same water depth and didn't think the cost would be any more. He said the risk would be to say that we're going to expand but we can't afford it. Docks and Harbors have already wanted to recapitalize their floats, and what needs to be looked at is replacing the 1984 floats which is going to be expensive. Regarding the breakwater, it's down to survival and not surviving. The way the concrete and the post-tension structure may fail would not be a maintenance issue. Docks and Harbors' biggest concern are thin concrete shells over some foam that's tightened to tens of thousands of pounds of tension from cables failing. It's expensive and very difficult to repair.

Mr. Leither asked how many attachments we have with chains and if that breakwater is under tension, it would not be that the breakwater's floating into the boats immediately, but we would not be sinking boats with the breakwater either.

Mr. Sill said there are 36. He said when they did the passengers for hire floats, Docks and Harbors did an inventory of chains and they were down 3 chains that were sitting on the bottom. Looking at the breakwater, you can see the missing chains, and you can see that floats are not aligned and that there could be a missing chain. Mr. Sill said he was not concerned with breaking chains, but he was more concerned with the structure collapsing. When a piece of the structure collapses from four modules. Any one of those four pieces could collapse. A few years ago, Docks and Harbors had a couple of modules that collapsed on D-float and then there's a tremendous amount of force.

Mr. Leither asked if we needed to be concerned about our liability if a pedestrian would be injured during that situation.

Mr. Sill said he wouldn't say no, but it would be relative.

Mr. Creswell said that what they have seen in the past at Statter harbor has occurred during extreme weather events. If there were extreme weather events that would cause

that type of weather on the breakwater, he felt it would be extreme enough that no one could safely walk on the breakwater.

Mr. Orr asked about the status of the anodes being installed in Aurora.

Mr. Sill responded that Global Diving would come in December and weld those on.

Mr. Ridgway commented that he was proud to be a member of the Board as staff no exactly how many connections there are and he appreciated that.

b. Harbormaster

Mr. Creswell reported:

- All Hands Meetings: During the winter they try to meet with all staff. They had their first meeting to discuss asbestos training, winter driving, cold weather safety, CBJ severe weather policy, plus projects updates. It also was a good opportunity for Mr. Uchytel to be in front of staff and give an update on what's going on and to talk about the retreat.
- New Volvo Loader: The new Volvo Loader for the downtown crew is in Alaska and should be in Juneau soon. It is being driven down on a trailer to Haines as they initially sent it to Fairbanks.
- Taku Harbor: Mr. Creswell and Mr. Sill went to Taku Harbor last Thursday to check the stockade point float and take some measurements to finalize the design for the repair of that float. The float hasn't gotten any worse and Mr. Sill is working on a straightforward plan for that. The other reason was, to check on the boat the Haida Lady which was sold out of Sitka and had a new owner. It had been tied up at Taku. The derelict boat is now tied up at Limestone Harbor which is no longer within Docks and Harbors purview.
- Fish On: The Fish On boat sank last week in Aurora. The hospital liability trust fund was opened and the Coast Guard paid for the raising and removing of the hydrocarbons and hazmat from the vessel. It was towed to Trucano, and they disposed of the boat. Docks and Harbors paid for the disposal but not the diving, the raising and hazmat removal.

Mr. Hamilton asked if the State of Alaska derelict vessel registration fee is paying for that?

Mr. Creswell said that was a one-time reimbursement program. Docks and Harbors do not expect to ever receive that reimbursement again from the state. Juneau was the most successful harbor in the state to receive reimbursement. They received \$86,000 was received and every application, except for one, got funded. The money dispersed had nothing to do with the money collected from titling fees. The money had to do with the settlement of a lawsuit that the state was the beneficiary of and that was put into the

derelict vessel fund.

Ms. Smith asked if Mr. Creswell could recall when the extended fees for non-injured vessels went into effect.

Mr. Creswell replied that they went into effect over a year ago and that this is our first full year of operations under those fees. Docks and Harbors has spent the last 2-3 weeks because we know we're coming up at the end of the calendar year pulling reports. In January he will come before the board to notify them of the disposal costs for 2025, which he thought would be 20% lower. Mr. Creswell said that in the case of Fish On, he was able to go through the impound process and hold the boat. The owner was without the means to dispose of the boat. He signed a letter of "no objections" which showed that he is not objecting to Docks and Harbors taking possession and disposing of the boat. He was given notice that he was responsible for all charges incurred while disposing of the vessel and he must go through our normal collections process for that. Docks and Harbors were able to move on the process.

Mr. Leither said he didn't remember what the Board ended up on when they passed the insurance. Is it a variable?

Mr. Creswell said that the Board settled on \$1.50. He said the language says each year it will be evaluated and presented to the board and the fee will be adjusted to no more than \$3 and no less than \$1 to come within the 20% of the actual previous year's disposable costs.

- Review of regulations: Mr. Creswell will have a document in the future to fix some of the language in the regulations, which will come before the Board.
- Household Hazardous Waste: Mr. Creswell will get in touch with Mr. Hamilton about information regarding bilge water disposal. Capital Disposal does take it if it's brought to them, but they don't pick it up.

Mr. Hamilton asked about recycling metal and batteries at the harbors.

Mr. Creswell said he had met with staff and asked them to think about signage and would make sure it is arranged adequately.

- Christmas party: Docks and Harbors will have their Christmas party at DIPAC, December 20th from 6-9 pm. Everyone is formally invited. Mike's Airport Express is sponsoring prime rib and attendees are asked to bring a side dish. There will be an ugly sweater contest and a white elephant gift exchange. There will be a bartender for a BYOB, but it must be served by someone who has a TAPS card, so Keri Antsen, a city employee, will serve you your own booze.

c. Assembly Liaison

Ms. Hall reported that she'd give a brief recap of Monday's Assembly meeting. Telephone Hill dominated the conversation. Items on the agenda that had to do with Docks and Harbors was the Statter Harbor breakwater geotechnical investigation. Ordinances that were set for public hearing and acted upon included the ranked choice voting, which was table, one for Eaglecrest, entering into a franchise and permit agreement with the Zipline Adventure Endeavors. There were a couple with regards to the airport, wetlands rescue vehicle and motor grader vacuum truck. The Assembly has their retreat on December 6th, and Mr. Uchytel will be there. They have been ranking the CIPs that they have to turn in by Monday. Ms. Hall explained that the way the Assembly does their ranking of projects is online and a paper copy and they are considered as they have moved along with staff input. They delve into the list by trying to fully understand what it is that they are making. She said being able to listen to the Board, the process has helped but there are a lot of competing projects. Everyone has their own priorities, but we also look at how the city overall ranks our priorities.

d. Port Director

Mr. Uchytel reported:

- **Bonds:** At the retreat there was a question about the original bonds that Docks and Harbors is paying off. The Finance Department reported that originally, we were issued \$10.6 Million in bonds in 2007. The bonds were refunded in 2015 and again in 2025. Over the life of the three various bond issuance, Docks and Harbors has made debt service payments totaling \$16.8 million, \$9 million in principal and \$7.8 in interest.
- **Geotech Drilling:** The Assembly approved the bid award to Discovery Drilling. Docks and Harbors will be meeting with them at the site in late April or early May to do that work. They will be working with the USACE on how many soil bore samples they need done. It could be 3-6. Since Discovery Drilling is coming down from Anchorage, we'll be looking at mobilization costs. We may want them to drill at the North Douglas Launch Ramp to get some Geotech work done there. It could be expensive, but they will look at that to see if Docks and Harbors can afford that.
- **Marine Services Center update:** An update was asked for by the Board, but too much was already on tonight's agenda. Mr. Sill will be ready to present that at the next Ops Meeting.

Mr. Hamilton asked that during the presentation about marine services, there is a distinction between marine services center and the boatyard.

Mr. Uchytel said that marine services are a loose term for studies. It's a cogent, what the city needs or what the community needs between a boatyard and what is the need moving forward.

Mr. Hamilton asked when additional boring is needed out at North Douglas boat harbor, will that come out of the harbor fund?

Mr. Uchytel answered yes. He said at the last meeting he had said we need to establish the calendar year for 2026. Page 30 of the packet refers to the input from the Board. The one exception in October, the week of the 19th of October, when the AAHPA Conference will be held in Valdez. Other than that, the Ops meeting is held on Wednesdays and the Board meetings on the following Thursday.

Mr. Sooter said now would be the time if anyone needed to make a change to the calendar to do so.

J. COMMITTEE ADMINISTRATIVE MATTERS

NEXT OPS MEETING IS SCHEDULED FOR DECEMBER 10TH AT 5 PM

NEXT BOARD MEETING WILL BE DECEMBER 18TH AT 5PM

CHRISTMAS PARTY WILL BE HELD AT DIPAC ON DECEMBER 20TH FROM 6-9 PM

K. MEETING ADJOURNED AT 7:31 PM



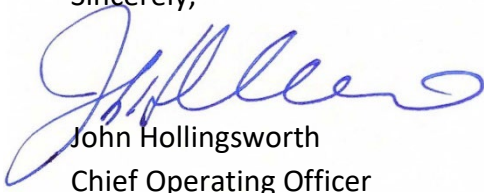
December 10, 2025

Dear City and Borough of Juneau Docks and Harbors Board,

Thank you for the opportunity to brief you on our plan to improve the leased property at 2601 Channel Drive. In accordance with the existing lease, I request approval from the Docks and Harbors Board to develop this property, in which we will raze the existing structure and replace it with a building occupying a similar footprint. Future plans include the construction of a new boat ramp and floating dock for our company-owned landing craft operations. Additionally, we request an amendment to the existing lease to allow the premises to be used for a warehouse, fabrication facility, and for vessel landing\mooring\haul out.

A draft concept is provided for your review. We have retained the services of MRV Architects to fully develop the plans which we will use to seek bids for construction.

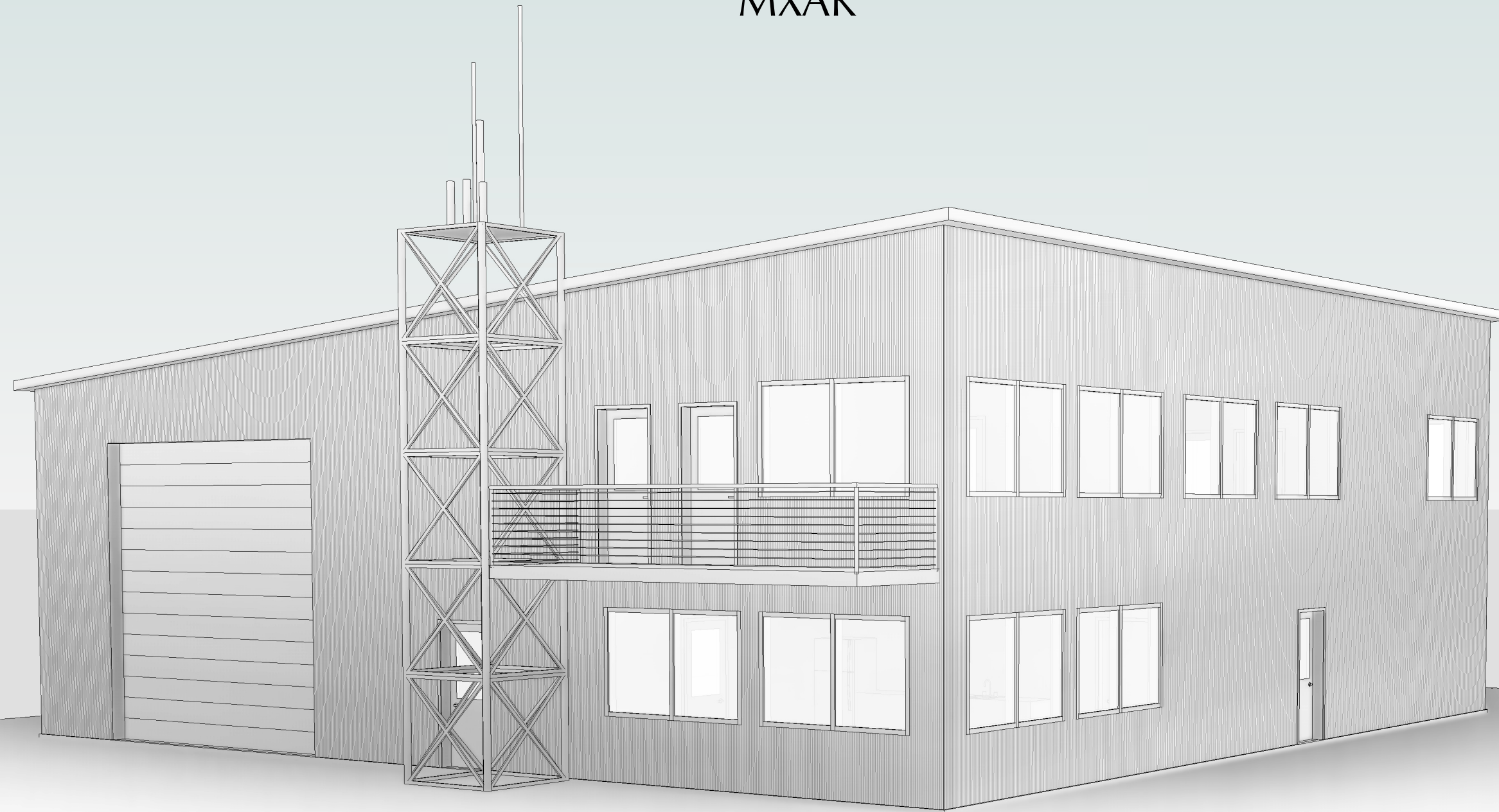
Sincerely,



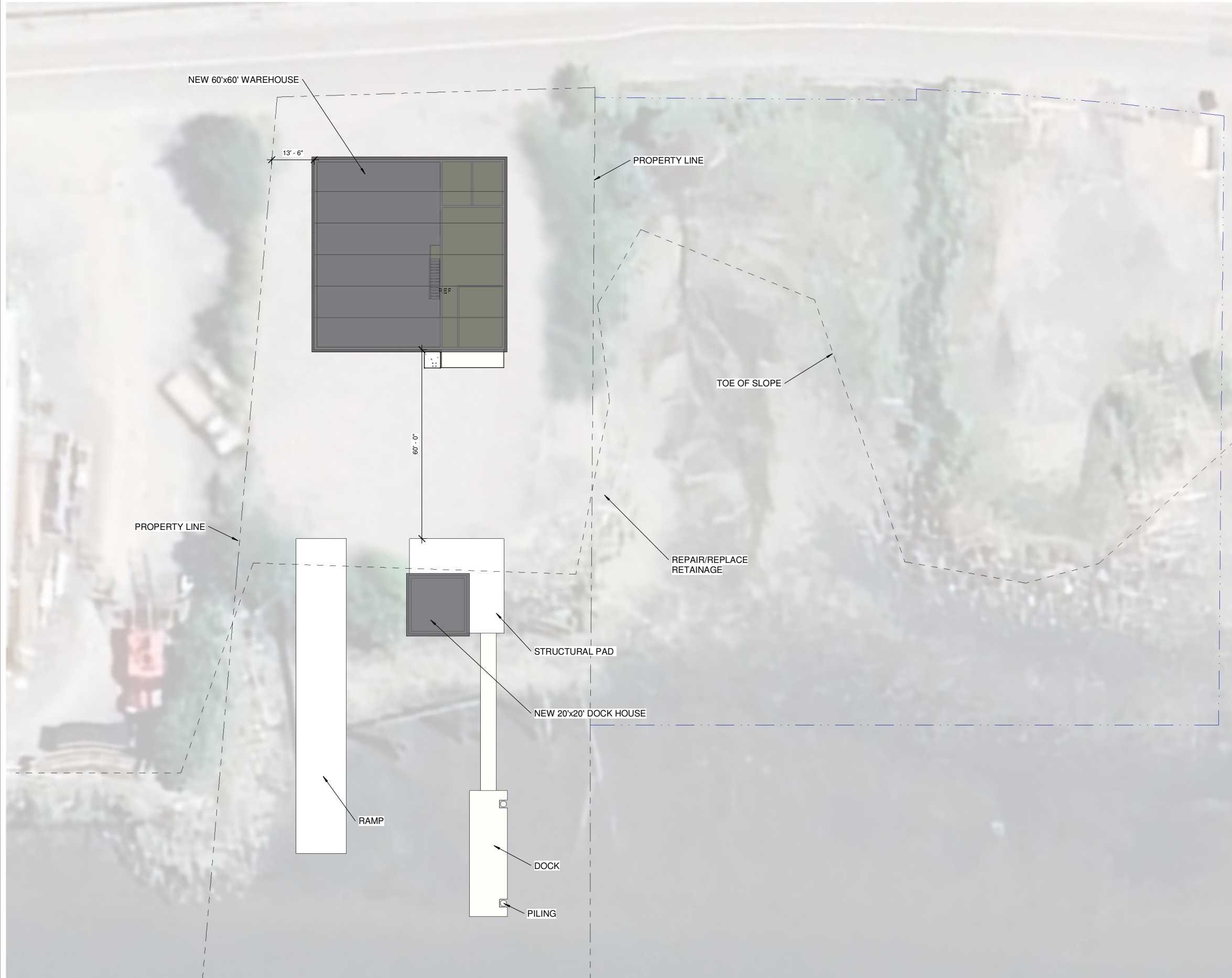
John Hollingsworth
Chief Operating Officer

MXAK MARINE SHOP FACILITY

For
MXAK



CONCEPT 12/9/2025



1 SITE PLAN
1/16" = 1'-0"

GENERAL NOTES



MRV ARCHITECTS
1420 GLACIER AVE. #101
JUNEAU, AK 99801
907-586-1371
FAX 907-463-5544
mrv@mrvarchitects.com

MRV #2412

CONCEPT DEVELOPMENT
**MXAK MARINE SHOP
FACILITY**
MXAK

| No. | Description | Date |
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SHEET TITLE:
SITE PLAN

DATE: 12/09/2025

DRAWN: MRV

CHECKED: PV

SHEET NO.

A100

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NOTE: 11"x 17" PRINT IS HALF SIZE



MRV
ARCHITECTS
ARCHITECTURE · PLANNING · INTERIORS

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MRV #2412

CONCEPT DEVELOPMENT
**MXAK MARINE SHOP
FACILITY**
MXAK

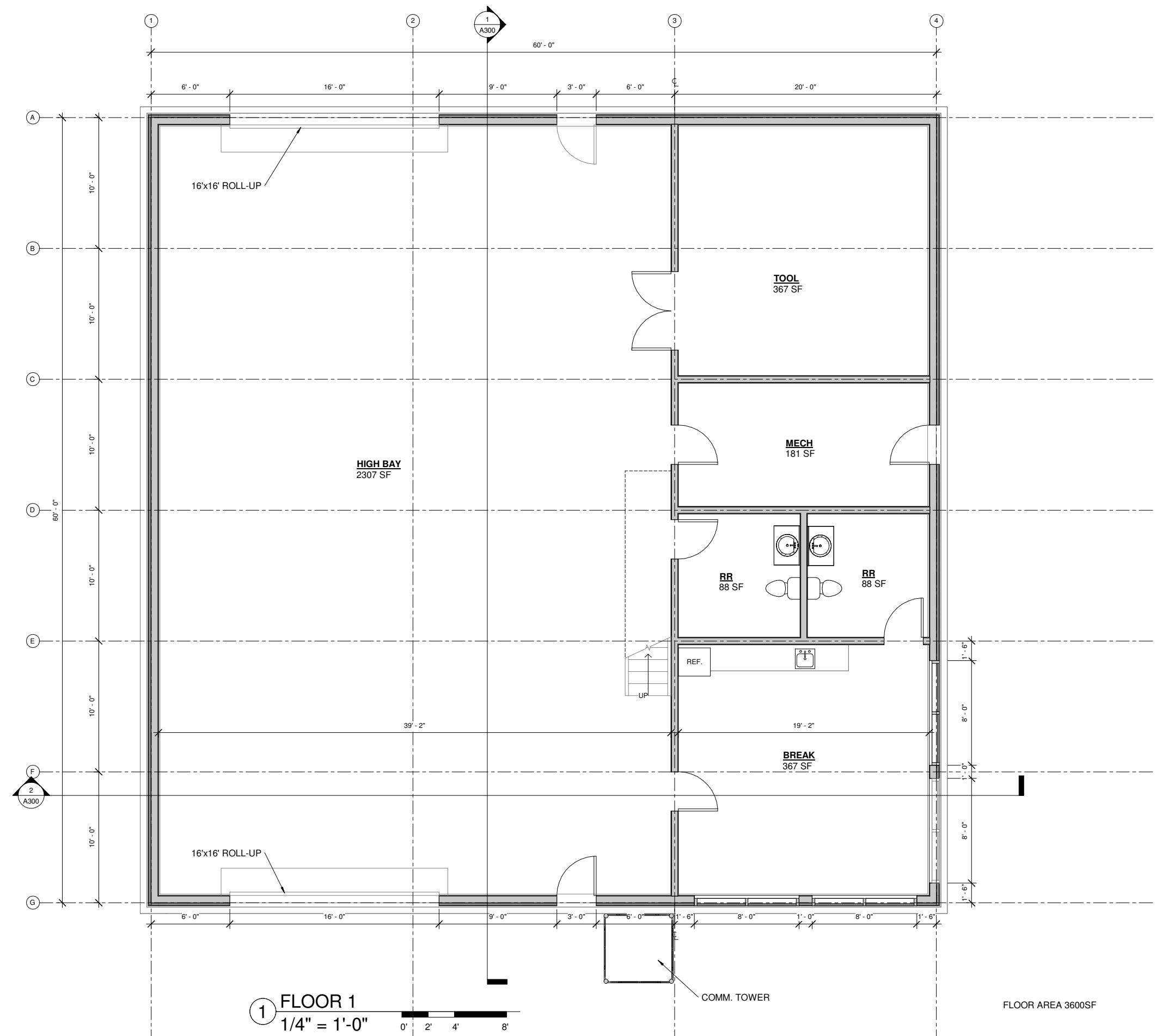
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SHEET TITLE:
FLOOR 1 PLAN

DATE: 12/09/2025
DRAWN: MRV
CHECKED: PV

SHEET NO.

A201
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1 FLOOR 1
1/4" = 1'-0"
0' 2' 4' 8'

FLOOR AREA 3600SF

NOTE: 11"x 17" PRINT IS HALF SIZE



MRV
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ARCHITECTURE · PLANNING · INTERIORS

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MIRV #2412

CONCEPT DEVELOPMENT
**MXAK MARINE SHOP
FACILITY**
MXAK

| No. | Description | Date |
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SHEET TITLE:
FLOOR 2 PLAN

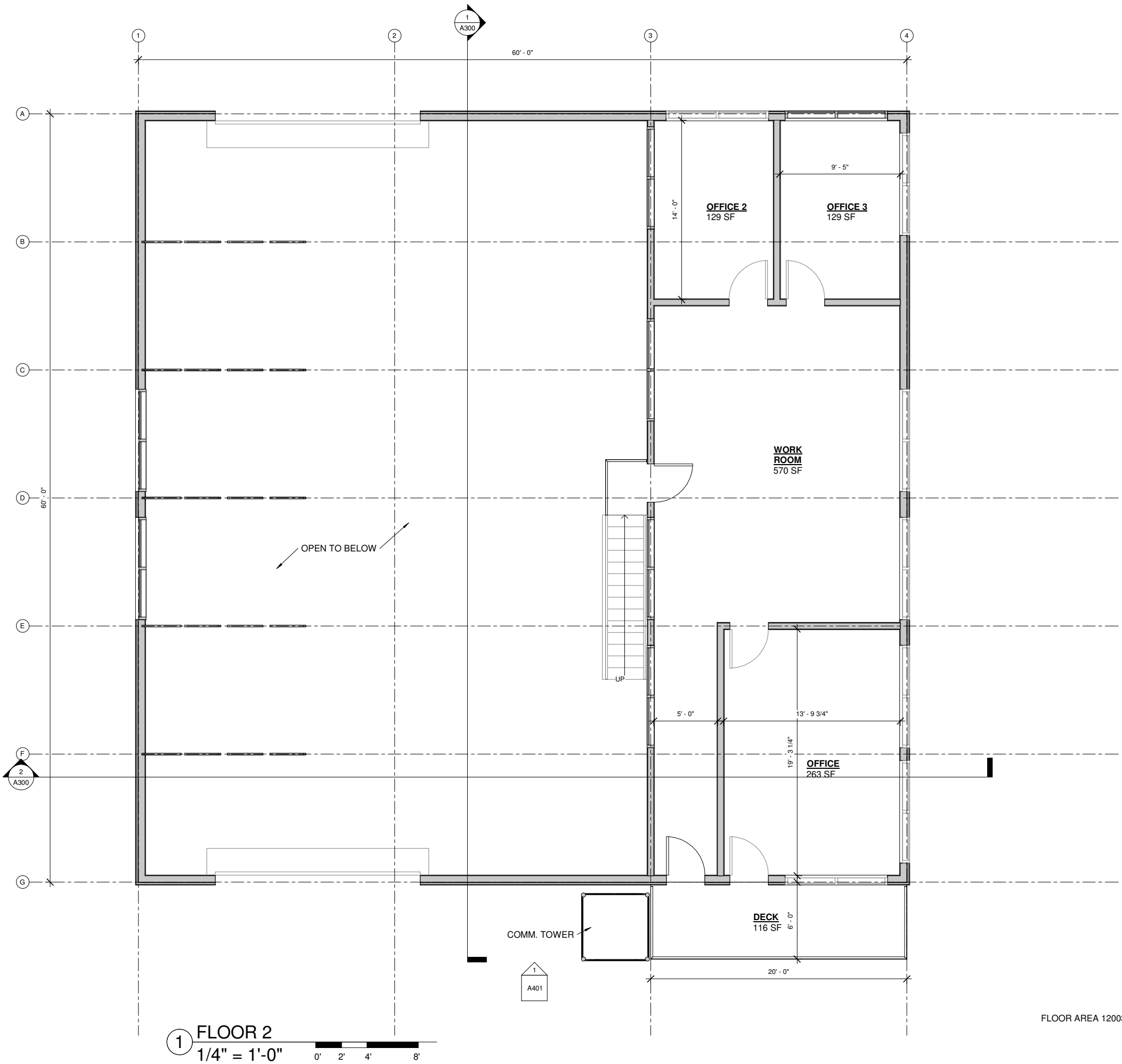
DATE: 12/09/2025

DRAWN: Author

CHECKED: PV

SHEET NO.

A202
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1 FLOOR 2
1/4" = 1'-0"
0' 2' 4' 8'

FLOOR AREA 1200SF

NOTE: 11"x 17" PRINT IS HALF SIZE

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MRV ARCHITECTS
 1420 GLACIER AVE. #101
 JUNEAU, AK 99801
 907-586-1371
 FAX 907-463-5544
 mrv@mrvarchitects.com

MRV #2412

CONCEPT DEVELOPMENT
**MXAK MARINE SHOP
 FACILITY**
 MXAK

| No. | Description | Date |
|-----|-------------|------|
| | | |
| | | |
| | | |

SHEET TITLE:
**BUILDING
 SECTIONS**

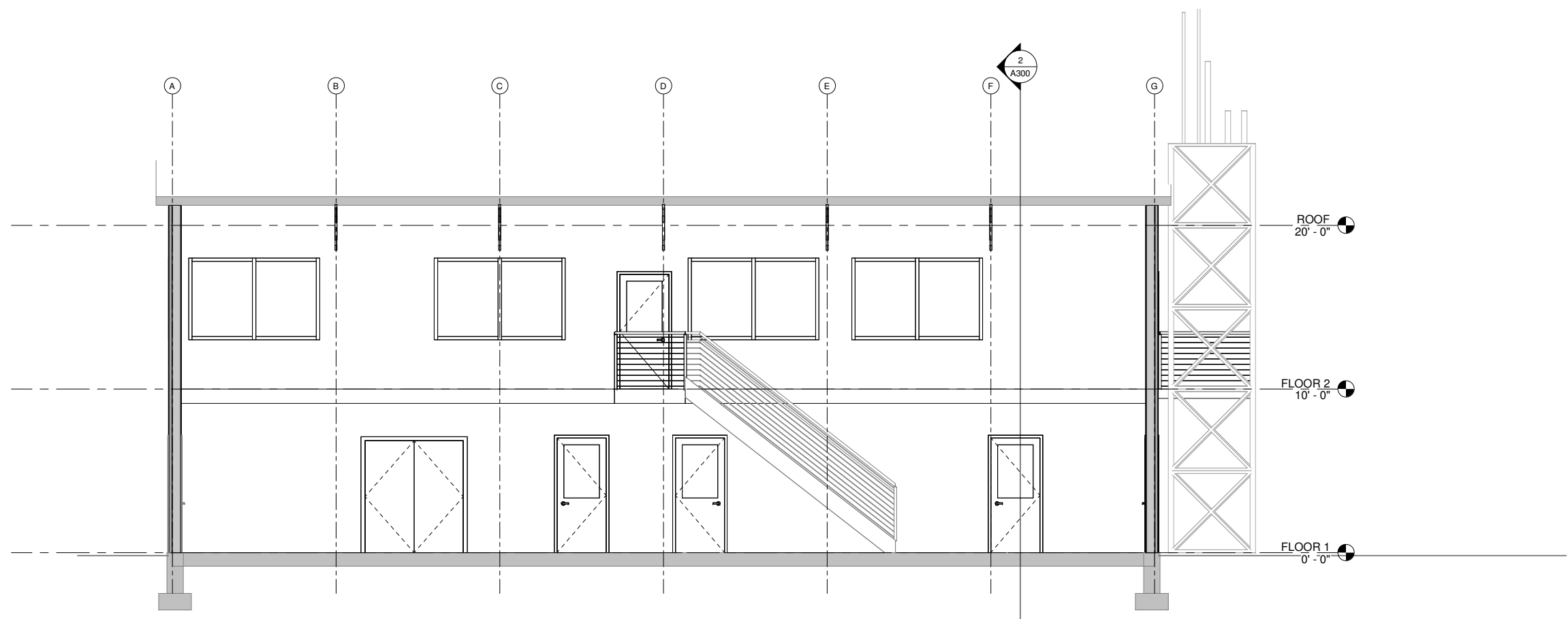
DATE: 12/09/2025

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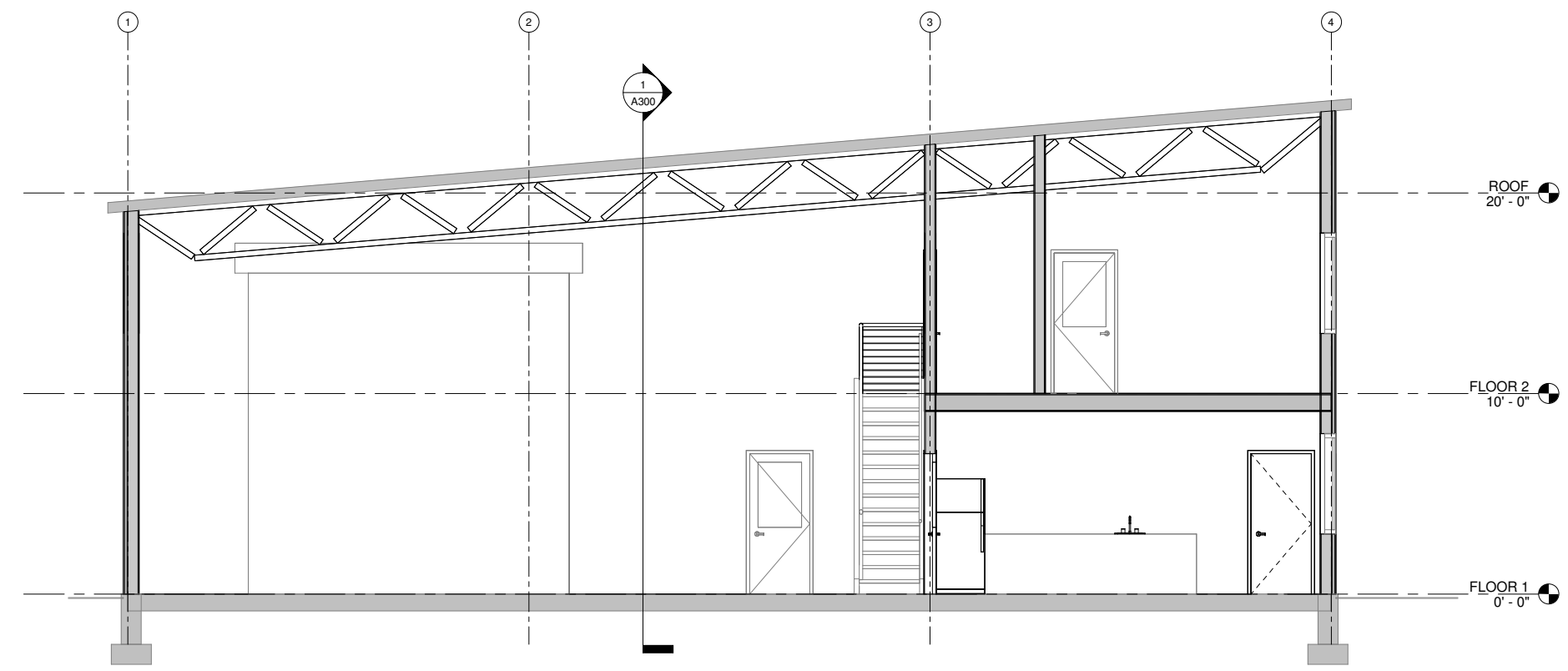
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SHEET NO.

A300



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2 SECTION 2
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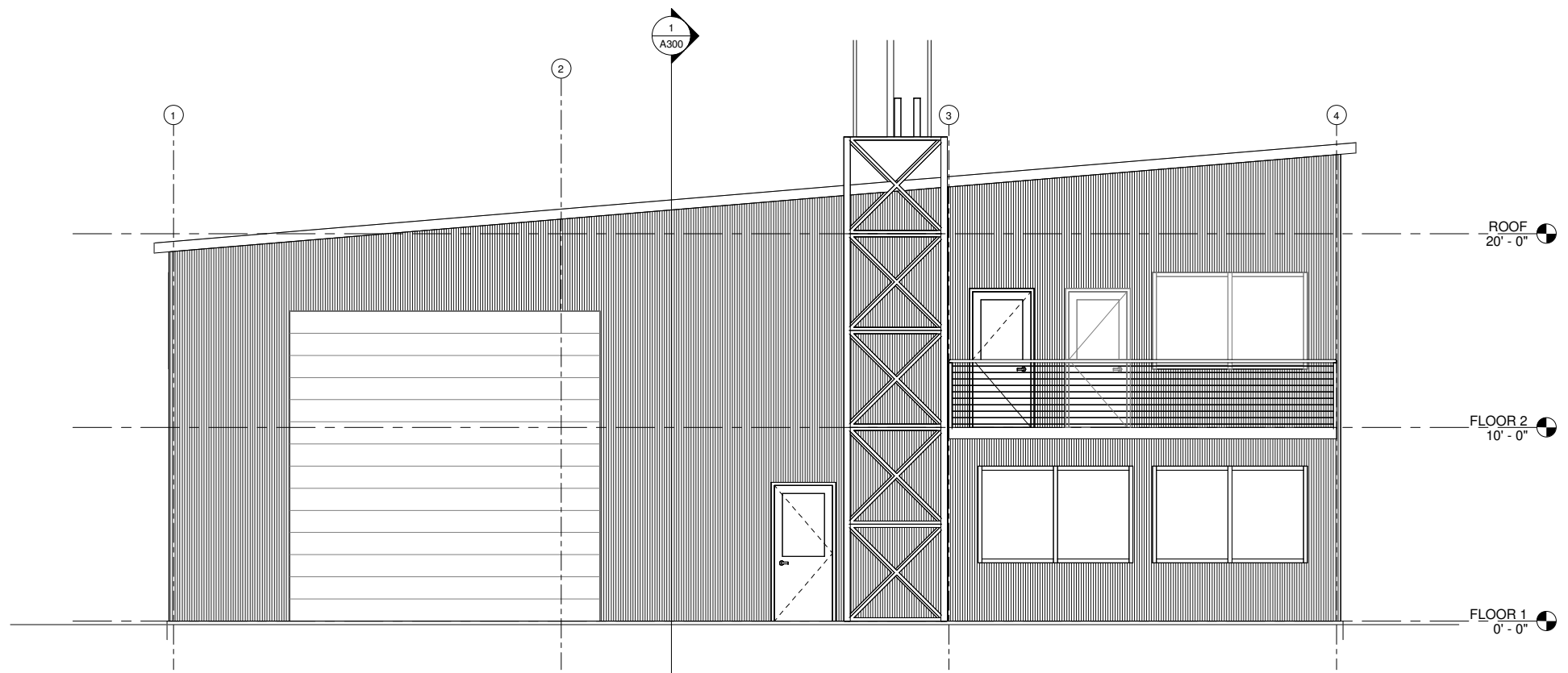
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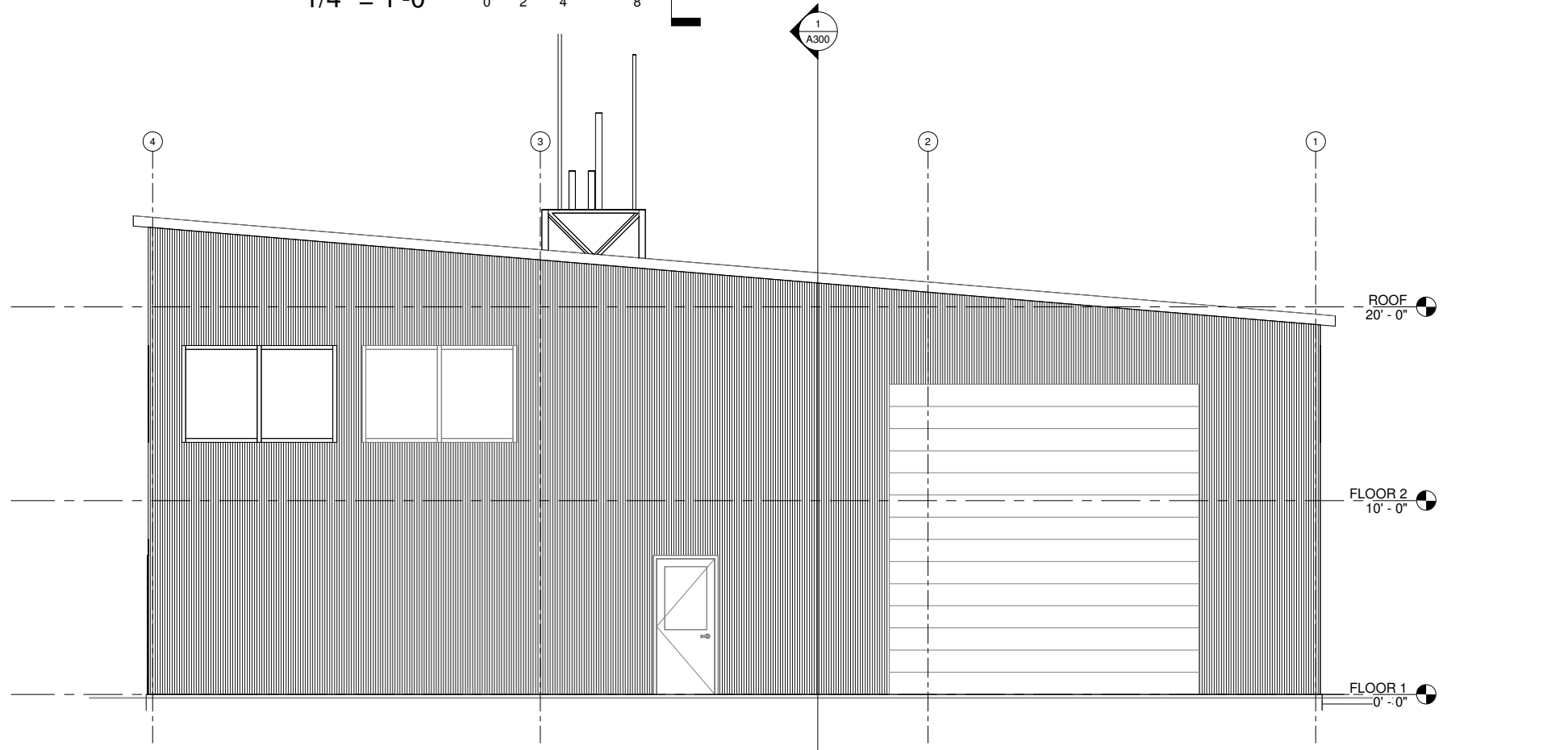
MRV ARCHITECTS
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MRV # 2412

CONCEPT DEVELOPMENT
**MXAK MARINE SHOP
 FACILITY**
 MXAK



① SOUTH ELEVATION
 1/4" = 1'-0" 0' 2' 4' 8'



② NORTH ELEVATION
 1/4" = 1'-0" 0' 2' 4' 8'

| No. | Description | Date |
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SHEET TITLE:
**BUILDING
 ELEVATIONS**

DATE: 12/09/2025
 DRAWN: MRV
 CHECKED: PV

SHEET NO.

A401
 Page 32 of 129

NOTE: 11"x 17" PRINT IS HALF SIZE



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MRV #2412

CONCEPT DEVELOPMENT
**MXAK MARINE SHOP
 FACILITY**
 MXAK

| No. | Description | Date |
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SHEET TITLE:
**BUILDING
 ELEVATIONS**

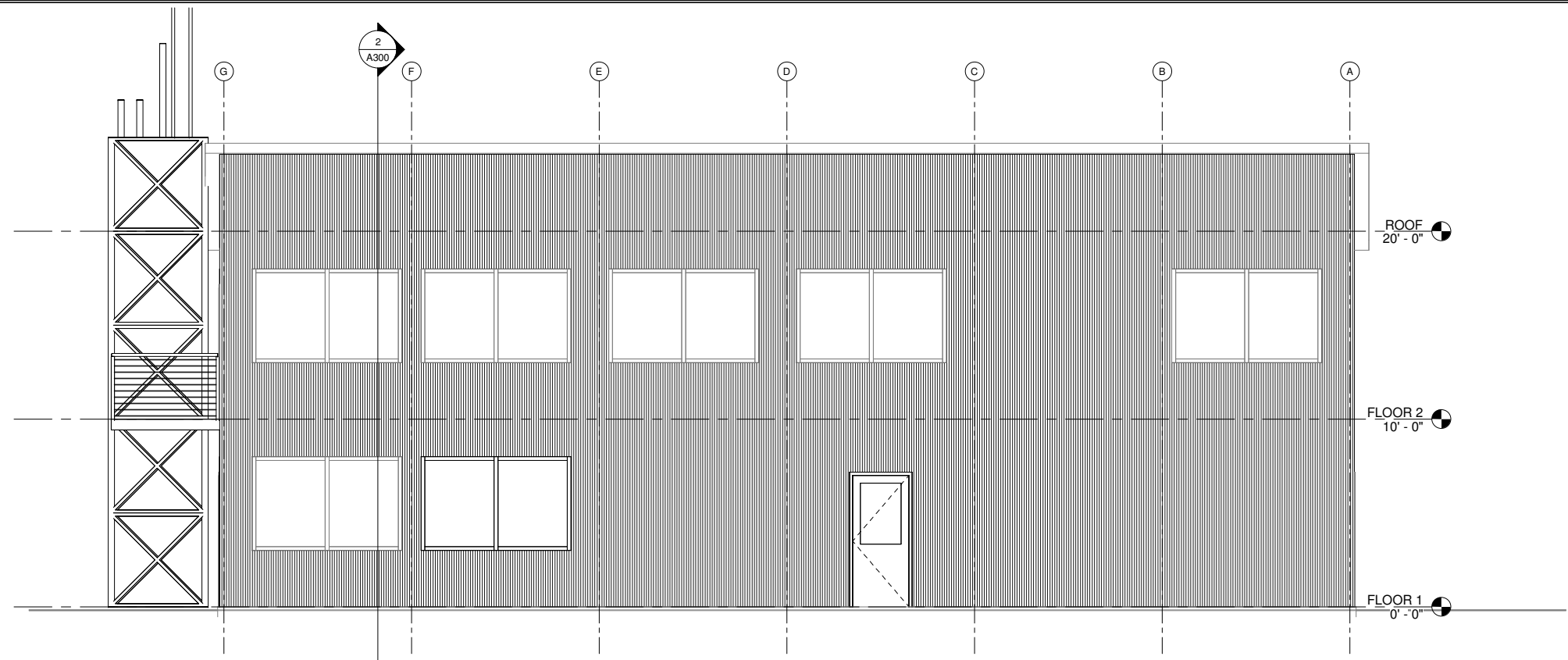
DATE: 12/09/2025

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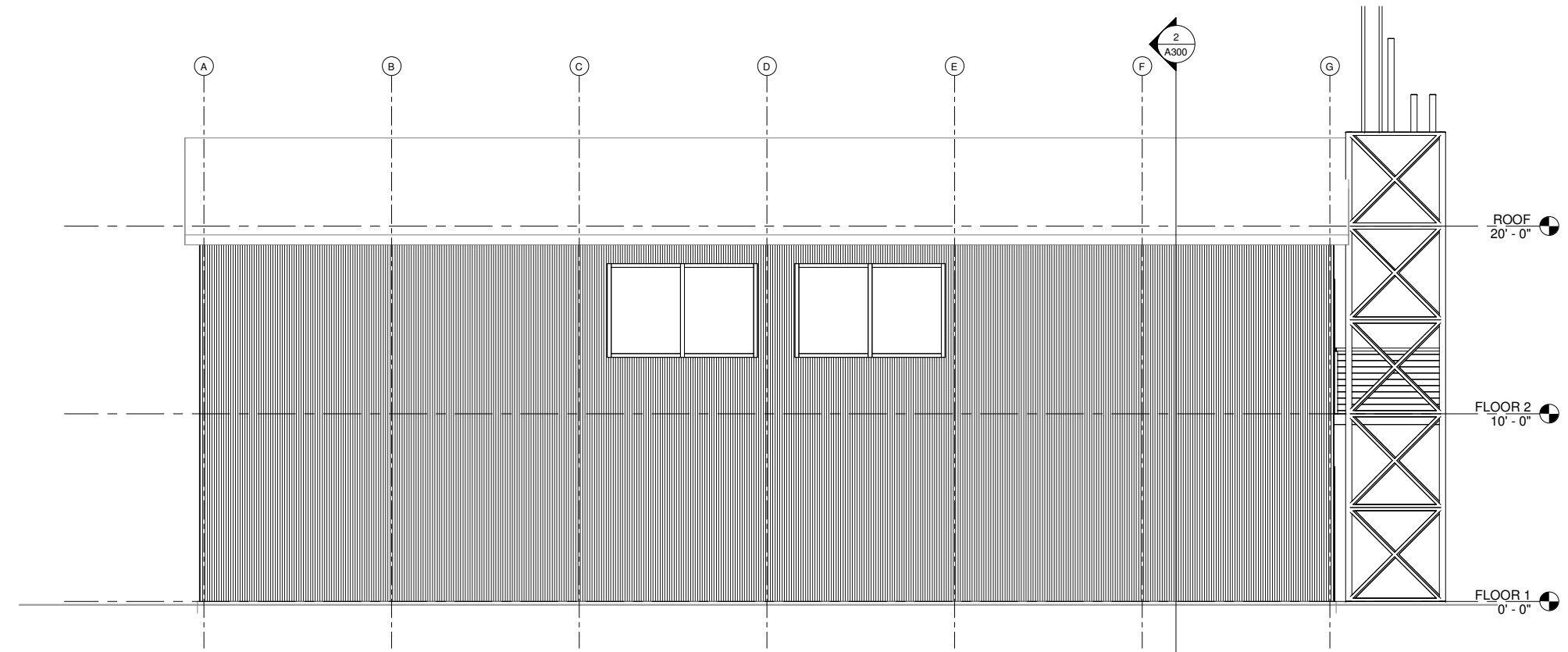
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A402
 Page 33 of 129



1 EAST ELEVATION
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2 WEST ELEVATION
 1/4" = 1'-0" 0' 2' 4' 8'

NOTE: 11"x 17" PRINT IS HALF SIZE



Port of Juneau

155 Heritage Way • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: Carl Uchytel, P.E.
Port Director

To: Alexandra Pierce
Tourism Manager

Via: (1) Docks & Harbors Operations-Planning
(2) Docks & Harbors Board

Date: December 29th, 2025

Re: FY 2027 Marine Passenger Fee (MPF) Request

1. Attached for your consideration is a list of FY27 Marine Passenger Fee requests from Docks & Harbors. This list was discussed by the Docks & Harbors Operations-Planning Committee at its December 10th meeting and approved at its December 18, 2025 regular board meeting.
2. Docks & Harbors is very appreciative of the financial support received thorough this process. Please know that the MPF generously provided to the Docks Enterprise provides approximately one-third of all revenue collected. MPF remains an important revenue source to the financial health of this Enterprise.
3. Please contact me should you have questions at 586-0282.

#

Encl: (1) FY27 Docks & Harbors Marine Passenger Fee Request

Copy: City Manager
Parks & Recreation
Finance Department

CBJ Docks and Harbors Board FY2027 Marine Passenger Fee Request

Area Wide Port Operations

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the Docks Enterprise. The Board has established a number of fees to generate revenues from users of the assets. The Board has calibrated these fees to assure the overall revenue generated by the enterprise equals the overall cost of running the enterprise.

Many of the uplands assets are used by entities which it is not possible, feasible, or acceptable to charge fees. As a result, users paying fees are subsidizing users that do not pay fees. The services provided to these users are area wide in nature benefiting the general public and cruise ship passengers of private docks. As part of this fee request, the Board identified services that are area wide in nature.

Board identified the following services:

1. Year round maintenance and monitoring of Marine Park.
2. Maintenance and operation of public parking at the Columbia Lot and seasonal public parking at the Steamship Wharf Plaza and the Visitor's Center Lot.
3. Maintenance and operation of unrestricted pedestrian access along the waterfront at the public docks.
4. Year round maintenance and monitoring of Peratrovich Plaza.
5. Costs associated with landscape maintenance services throughout the Downtown Waterfront.
6. Providing area wide port security. Of note are new Coast Guard requirements to validate credentials of passengers and crew returning to the cruise ships. New security structures have provided greater efficiencies but the resultant is greater staff responsibilities to meet the Facility Security Plan. [Note an additional \$300K MPF request for "Port of Call" access control is included in this year's request.]
7. Billing and collecting CBJ area wide fees for all docks.
8. Maintenance & repairs of Visitor's Kiosk.

The Board reviewed its FY22 budget and apportioned expenses associated with these services. Based on its review, it estimates that about 20% of the annual docks budget is attributable to area wide services.

Marine Passenger Fee Funds Requested (FY27): \$289,000

Benefits: This approach is supported by the cruise ship industry since it is more equitable than raising dockage fees, although Docks & Harbors is considering fee increases. This approach meets the intent of the marine passenger fee since the services benefit all cruise ship passengers, not just the passengers at the public docks. This approach allows the Docks and Harbors Board to direct part of the dock lease revenues to the much needed rebuild effort of the small boat harbors reducing the need for fee increases at the harbors.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Melody Musick, Admin Officer or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request

Port-Customs and Visitor Center Buildings Maintenance Support

Project Descriptions: The Port-Customs and Visitor Center buildings are located on the downtown Juneau waterfront, an area that serves in excess of one and a half million cruise ship passengers each year. Docks and Harbors, an enterprise operation, is responsible for costs associated with operating the Port-Customs and Visitor Center Buildings. Expenses include all utilities (water, sewage, electrical, alarm monitoring) and facility support (parking lot, plaza, snow removal, janitorial and general maintenance). The two buildings comprise approximately 4450 square feet in area. Maintenance costs are estimated at \$2.66 per square foot per month equaling \$142,000.

Marine Passenger Fee Funds Requested (FY27): \$149,000

Project Review: The Port-Customs Building was completed in May 2011 with the Visitor Center completion in June 2012. The project which included the buildings, infill dock construction, covered shelters, landscaping and plaza cost approximately \$9M and was funded with Marine Passenger Fees. The Port-Customs Building is occupied by the US Customs and Border Protection (CBP) and Docks and Harbors staff. CBP claims to be exempt from any costs associated with their operations within a port. The Visitor Center Building is occupied by the Travel Juneau, a non-profit organization for the purpose of supporting cruise passenger inquiries. The Travel Juneau budget does not support maintenance of the building. This leaves the Docks enterprise funds fully exposed to the costs of maintaining and servicing these buildings.

Benefits: By establishing a Port-Customs and Visitor Center Buildings maintenance fund Docks & Harbors can effectively manage and maintain the properties entrusted under their responsibilities. Passenger fees have been granted for this purpose since FY2013.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for all ongoing maintenance and operating expenses of these two buildings and associated upland support facilities.

Project Contact: Matthew Sill, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request**

Safety Rail along Dock Face

Project Descriptions: The project would be located along the downtown Juneau waterfront, an area that services over one and a half million cruise ship passengers each year. The project consists of constructing a new guardrail along the face of the existing dock.

Marine Passenger Fee Funds Requested (FY27): \$2.1M

Project Review: This project would construct a new pedestrian guardrail along the existing dock face from Marine Park to the South Berth approach dock. The existing dock face only features an eighteen inch bullrail at the edge. For pedestrian safety a forty two inch high guard rail would be constructed. The proposed guardrail would be designed in the same character as other guardrails along the Seawalk.

Project Time-Line: This project would begin as soon as funding is allocated. The first step would be to design the guardrail and prepare construction bid documents. Upon award of a contract to the lowest qualified bidder construction would begin.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses. Maintenance and operations expenses for the guardrail would be minimal.

Project Contact: Matthew Sill, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request**

Dock Electrification

Descriptions: Docks & Harbors has been pursuing funding for cruise ship dock electrification for many years. Efforts for RAISE, PIDP, EPA DERA and EPA Clean Ports grants have not realized success. The latter two were not approved in CY2024, which requested \$56.5M. Docks & Harbors and AELP have signed a MOA in 2024 outlining design responsibilities and funding commitments.

Marine Passenger Fee Funds Requested (FY27): \$31.5M.

In the FY24 EPA DERA grant application, the total project estimate to electrify both the AS & CT Docks is \$53M. Of which, approximately \$13M currently in a CIP. The project can be scaled to separate the construction into providing power to only one berth, as funding allows.

Benefits: This project seeks to reduce carbon emissions/greenhouse gases and has been a priority since the completion of the 16B project in 2017.

Maintenance and Operation Responsibility: Docks & Harbors has been working in concert with AELP to develop planning and design efforts to move forward in an efficient manner. Most likely, Docks & Harbors will be responsible for maintenance and operations of the constructed system via future Marine Passenger Fees.

Project Contact: Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request**

Additional Personnel for “Port of Call” Access Control

Description:

After two years of cruise ship inactivity due to the pandemic, CY23 rebounded with 1.65M arriving passengers which was a record number. The CY24 was equally busy season for the AS/CT Docks and at the PFO lightering dock. The 2020 Coast Guard requirements described below is a non-funded federal mandate that must met to remain compliant with our approved Federal Security Plan. Docks & Harbors has provided briefings to determining the financial resources necessary to meet this requirement.

On December 18th, 2020 Coast Guard Sector Juneau released a Marine Safety Information Bulletin clarifying the regulatory requirements for Maritime Transportation Security Act (MSTA) regulated facilities which receive large foreign passenger vessels (i.e. cruise ships). The Consolidated Cruise Ship Security final rule, published on March 19th, 2018 defined the differences between a “cruise ship terminal” and a “port of call”. The final rule also prompted a conversation between USCG Sector Juneau and SEAK industry stakeholders, including the Port of Juneau. Previously, SEAK industry stakeholders (including the Port of Juneau) interpreted Title 33, Code of Federal Regulations (CFR), Section 105.255(d)(4) as a list of documents which could serve as personal identification irrespective of criteria in 33 CFR 101.515. As such, facility security personnel (including the Port of Juneau) were allowing individuals with only a vessel boarding pass or room key to gain access to the secure area adjacent to the cruise vessel.

The resultant clarification in the MSIB is that, effective April 1st, 2021, facility security personnel must use a two-prong approach to ensure proper identification and valid purpose:

1. Check the personal identification meeting the criteria in 33 CFR 101.515; and,
2. Confirm the purpose for access by examining at least one document listed in 33 CFR 105.255(d)(4).

Although this may seem like a minor additional task to validate an ID with a boarding pass, we believe the impact will greatly impede the flow of passengers returning to their vessel. The above mentioned two-prong requirement will be similar to what one experiences at an airport TSA checkpoint. The extra time required to ensure each boarding pass matches the government issued ID has the potential to create delays when excess of 1000 passengers/hour attempt to embark their vessels during the waning time in Juneau. Additionally, passengers who do not have government issued ID will need to be escorted by port facility security to the vessel security officer which will only exasperate those waiting in the queuing line.

Marine Passenger Fee Funds Requested (FY27): \$315,000 (17 Part Time Limited Harbor Technicians)

Benefits: By funding an additional 17 PTL Harbor Technicians positions, Docks & Harbors will recruit seasonal employees who will augment the standing Docks security force enabling greater redundancy for properly checking credential in accordance with Coast Guard guidance.

Maintenance and Operation Responsibility: CBJ Docks & Harbors, as the facility manager for the AS and CT Docks, has uplands security requirements required under MSTA regulations.

Project Contact: Matt Creswell, CBJ Harbormaster or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board FY2027 Marine Passenger Fee Request

Lone Sailor Statue

Description: Alaska Pioneers (Igloo 6) are actively fundraising to erect a [Lone Sailor Statue](#) in Juneau. The sailor is a 7' 4" bronze statue and there are currently 19 Lone Sailor Statues in existence around the world. The [US Navy Memorial](#), which oversees the program, requires the sponsor to fundraise \$350,000 and provide a suitable location for display.

The authorization of a Lone Sailor Statue along the waterfront for installation and maintenance was approved under CBJ Resolution 3096. The City Manager is authorized to enter a MOA with the Pioneers of Alaska to erect the statue along the Juneau waterfront.



Marine Passenger Fee Funds Requested (FY27): \$100K (Donation to Pioneers of Alaska – Igloo 6)

Benefits: This is a non-profit civic organization's efforts to bring art and vitality to Juneau. There is a connection to the USS JUNEAU and the Lone Sailor mission. The Lone Sailor is an iconic symbol of the Navy Memorial's mission to *Honor, Recognize, and Celebrate* the men and women of the Sea Services, past, present, and future; and to Inform the public about their service.

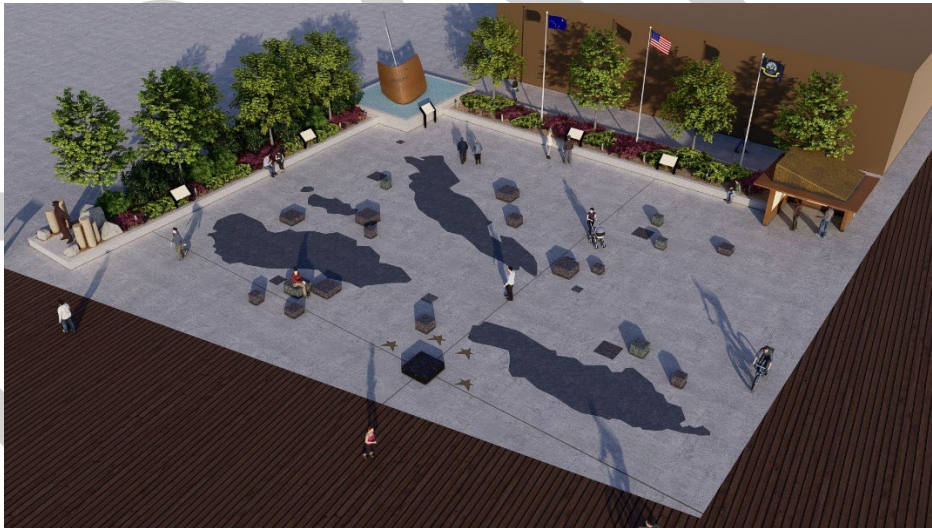
Maintenance and Operation Responsibility: Under the terms of a proposed MOA with the Pioneers of Alaska, Docks & Harbors would be responsible for maintaining this statute.

Project Contact: Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board FY2027 Marine Passenger Fee Request

USS JUNEAU MEMORIAL - EXPANSION

Description: In the [Marine Park to Taku Dock Urban Design Plan in 2018](#) an option was explored to create a larger and more significant USS JUNEAU memorial along the Seawalk. The USS JUNEAU memorial is currently revered at its location; however, it lacks interpretive information on the Battle of Guadalcanal and the five Sullivan brothers. A well designed memorial could enhance the visitor experience and honor a local namesake.



Marine Passenger Fee Funds Requested (FY27): \$6.3M

Benefits: This project could expand the useable width of the Seawalk, provide an historical educational display and honor those in the sea going services.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses of CBJ owned facilities and will use local Docks enterprise funds or future Marine Passengers Fees for these expenses.

Project Contact: Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request**

Reestablishment of Emergency Vessel Loading Float

Description: With the construction of the new downtown cruise ship docks, the former lightering float became a risk to the float planes and was removed.



Marine Passenger Fee Funds Requested (FY27): \$1,050,000

Benefits: This project, at a yet to be determined location, would contribute to providing a secondary emergency vessel mooring location to offload cruise ship passenger in the result of a mishap.

Maintenance and Operation Responsibility: Docks & Harbors would be responsible for all ongoing maintenance and operating expenses for this CBJ owned facility and will use local Docks enterprise funds or future Marine Passengers Fees for expenses.

Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request**

Relocation of Port Director's Office to New Aurora Harbor Facility

Description: The Port Director's Office (aka Port Office) is located in leased space in the Seadrome Building, which is owned by Goldbelt, Inc. Goldbelt has indicated a desire to raze the existing Seadrome Building and replace it with tourist-centric operations. The Port Office lease is on a month-to-month basis and there is no guarantee that the new Goldbelt building will have suitable and affordable accommodations for Docks & Harbors. There are 5 FTE assigned to the Port Office. Concurrent with the exit from the Seadrome Building would be the replacement of the Aurora Harbor Office, which is a 1960's garage retrofit.



Approximate location/footprint of proposed new joint Aurora Harbor Office & Port Office Building



Generic rendering of future joint Aurora Harbor Office & Port Office Building.

Marine Passenger Fee Funds Requested (FY27): \$1M

Benefits: There would be significant savings in combining the needs of the Port Office with recapitalizing the Aurora Harbor Office. The estimated ROM (rough order magnitude) of a new building would be \$4M

Maintenance and Operation Responsibility: Docks & Harbors would be responsible for all ongoing maintenance and operating expenses for this CBJ owned facility. Future cost to maintain the new facility would be by Harbors Enterprise, Docks Enterprise and future passenger fees

Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request

Waterfront Covered Shelter with Restrooms

Description: Docks & Harbors completed the [Marine Park to Taku Dock Urban Design Plan](#) in 2018 as a guiding document in development of the downtown waterfront. In July 2019, CBJ awarded a contract to Trucano Construction for \$12,367,699 for Downtown Waterfront Improvements Phase I which included constructing a retaining wall and small bus parking lot, installation of timber decking to create more waterfront open space and placing mechanical systems (water, sewer, electrical conduits & lift station) to support a follow on phase for a covered shelter with restrooms. The City Manager directed a pause to Phase II until certain alternatives were sorted out. It appears that pursuing a contract to provide a covered shelter with restrooms is appropriate at this time.



Downtown Waterfront Improvements
Concept Plan

REV: 07/11/2018

Marine Passenger Fee Funds Requested (FY27): \$3.5M

Benefits: This request would provide additional restrooms along the waterfront as well as a covered waiting area for visitors to enjoy. The design of the covered shelter & bathrooms is complete to 65% following the completion of the “deck over project” also known as Downtown Waterfront Improvement (Phase I) in 2021.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses of CBJ owned facilities and will use local Docks Enterprise funds or future Marine Passengers Fees for these expenses.

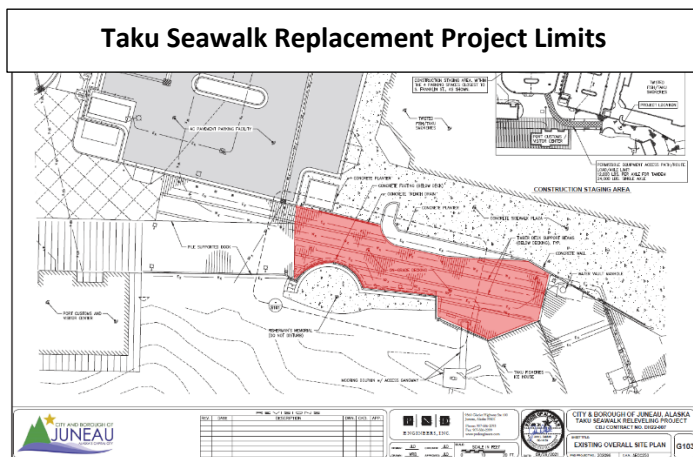
Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2027 Marine Passenger Fee Request**

Taku Seawalk Replacement

Description: A 120 foot long section of seawalk between Taku Smokeries and the Fisherman’s Memorial is sinking due the settlement of the fill material it was built on. Nearly all other sections of the seawalk were supported by piling driven to bedrock, so they are not settling. This has resulted in numerous trip hazards due to an uneven walking surface which have resulted in at least one serious injury to a cruise passenger who tripped and fell in this area. In 2021, a portion of the seawalk was pulled up, fill was added under the deck, and new foundations were installed. By the summer of 2025, continued settlement resulted in trip hazards more severe than existed prior to the 2021 project. Based on the observed settlement of the fill material in the area, replacement of the seawalk within the project limits with a pile supported structure will provide the most cost effective solution over the long term.

CBJ Docks and Harbors has historically maintained this portion of the seawalk, and has attempted to mitigate the ongoing safety issues by sanding ramps into the deck boards when the height difference between boards exceeds that allowable by the ADA, however, the settlement has resulted in walking surfaces which cannot be mitigated by our staff.



Marine Passenger Fee Funds Requested (FY27): \$3.0M

Benefits: This request would remove approximately 3,400 square feet of timber deck which was built on unstable fill materials, and replace it with a pile-supported seawalk. The design would be completed through the fall and winter of 2026 and the construction would take place in the fall and winter of 2027. The project will dramatically improve the safety of both cruise visitors and local users of Juneau’s waterfront by reducing trip hazards and will bring the facility into compliance with the Americans with Disabilities Act.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses of CBJ owned facilities and will use local Docks Enterprise funds or future Marine Passengers Fees for these expenses.

Project Contact: Matthew D. Sill, P.E., CBJ Port Engineer 586-0398.



Port of Juneau

155 Heritage Way • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: *Carl Uchytel*
Port Director

To: Docks & Harbor Board

Date: December 9th, 2025

Re: SEADROME PROPERTY APPRAISAL

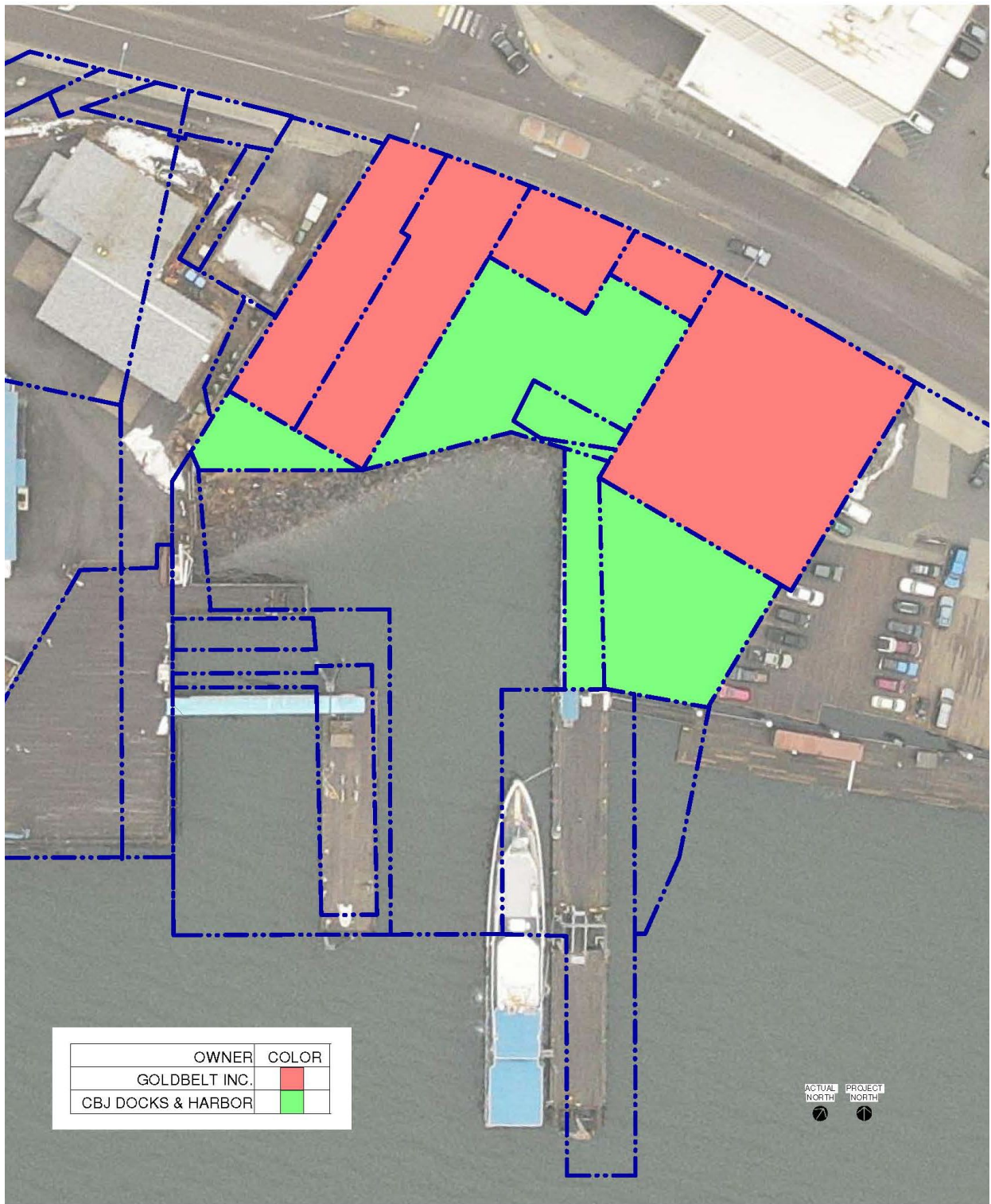
1. Goldbelt, Inc has been contemplating redevelopment of the Seadrome Building and adjacent properties since at least 2022. The project has been complicated due to the uplands site of the Seadrome Building (76 Egan Drive) surrounded by quilt work of small parcels owned by Goldbelt (dba Cultural Preservation, Inc.) and by CBJ (managed by Docks & Harbors). Goldbelt's plans appear to be solidified to where business negotiations with Docks & Harbors are appropriate. The following Docks & Harbors' meetings have had discussions pertaining to the Goldbelt's Seadrome property development:
 - a. July 20, 2022 (Operations-Planning Committee) – Seadrome Development Plan
 - b. November 9, 2022 (Ops-Planning Committee) – Authority for Negotiated Land Sale
 - c. November 17, 2022 (Board Meeting) – Authority for Negotiated Land Sale
 - d. December 19, 2022 (Assembly LHED Committee) - Authority for Negotiated Land Sale
 - e. March 22, 2023 (Ops-Planning Committee) – Seadrome Property Exchange
 - f. April 25, 2024 (Board Meeting) - Seadrome Property Swap/Sale
 - g. August 21, 2024 (Ops-Planning Committee) – Seadrome Building Land Needs
 - h. August 25, 2024 (Board Meeting) – Initiate appraisal & establish process
 - i. September 18, 2024 (Ops-Meeting) – Seadrome Property Development Property Request
 - j. September 26, 2024 (Board Meeting) – Direct Negotiations for Negotiated Land Sale
 - k. December 2, 2024 (Assembly LHED Committee) - Direct Negotiations for Negotiated Land Sale
 - l. January 6, 2025 (Assembly Meeting) authorization for Direct Negotiations under Title 53.09.260(a)
 - m. March 27, 2025 (Board Meeting) – Board motion for “Goldbelt to submit an offer above fair market value for the consideration of the Board for the purchase and sale of the Seadrome property”.
 - n. May 21, 2025 (Ops-Planning Committee) – Review of May 12th Appraisal from Ramsey Appraisal Resource
 - o. May 29, 2025 (Board Meeting) – Motion to Sell property for \$630K failed by a vote of 4 to 4.
 - p. June 26, 2025 (Board Meeting) - Procedural motion to remove the table failed by a vote of 4 to 4.
 - q. September 25, 2025 (Board Meeting) – Update the Board to include the 2022 “land swap” summary
 - r. October 22, 2025 (Ops-Planning Committee) – Updated the Operations-Planning Committee
2. The direction provided from the September 2024 Board meeting was to consider sale of the Docks & Harbors managed and CBJ owned property around the Seadrome Building. Our term contract appraiser, Horan & Company, completed its appraisal determining the fair market value of the property requested by Goldbelt to be \$630,903. The Board directed Goldbelt to provide an offer above fair market value at the March 27, 2025 Board meeting. Goldbelt provided an appraisal from Ramsey Appraisal Resource for

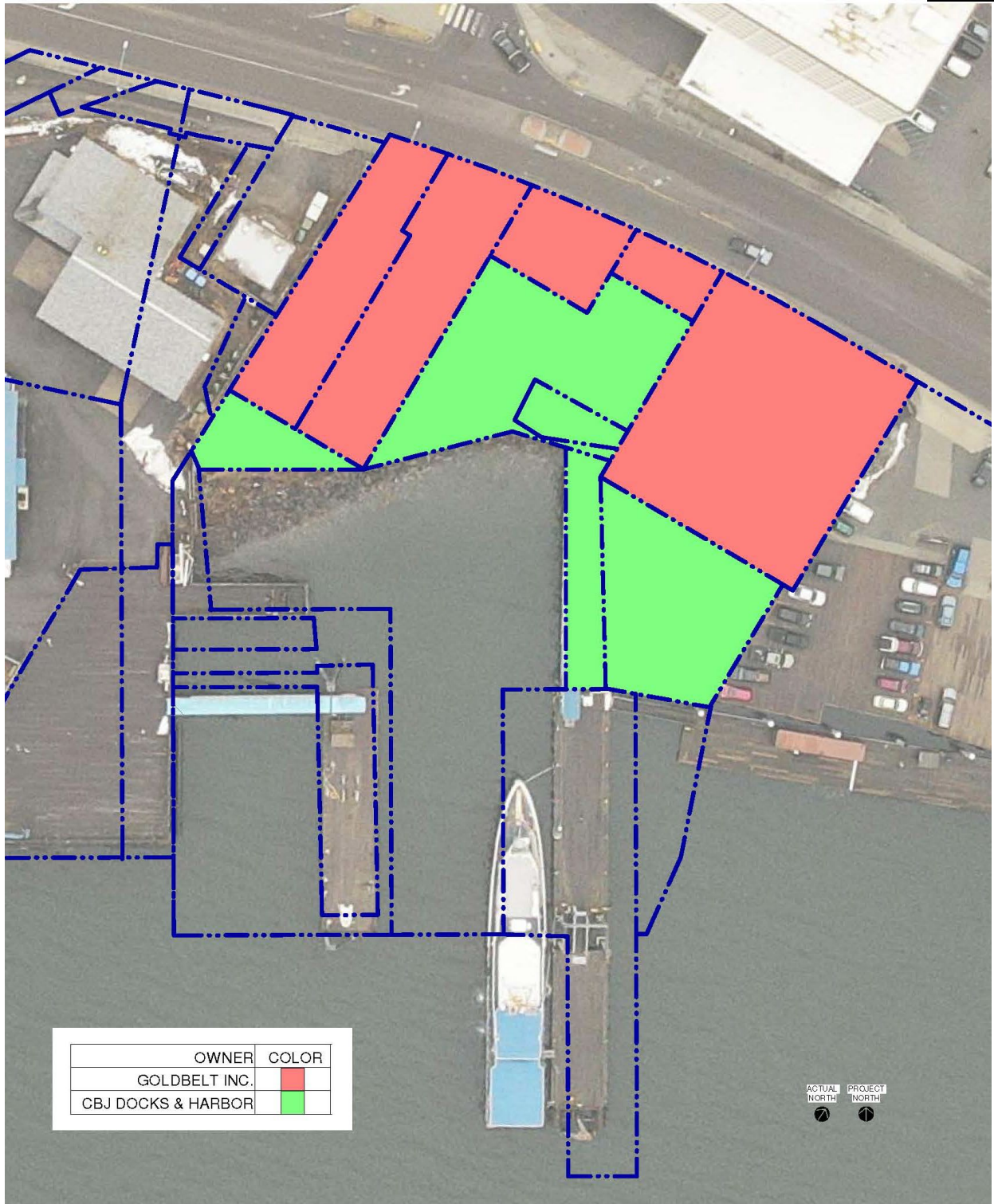
\$590,000. At the May 29, 2025 Board meeting the Goldbelt CEO indicated that Goldbelt is willing to pay fair market value for the property under consideration.

3. If directed by the Docks & Harbors Board, the next step would be to request CBJ Law draft a Purchase & Sales agreement to convey the nearly 15,000 sq feet of CBJ owned property to Goldbelt.

#

- Encl: (1) Seadrome Property map
(2) Conceptual Rendering Proposal for new Goldbelt Seadrome Building
(3) Appraisal dated February 28, 2025 (Horan & Company)
(4) Appraisal dated May 12, 2025 (Ramsey Appraisal Resource)
(5) Appraisal dated February 27, 2023 (Horan & Company)







**Seadrome Marina Proposal for
Docks & Harbors – Goldbelt,
Inc**

Introduction:

- CBJ Docks & Harbors (D&H) and Goldbelt have an opportunity to create better space for a new Seadrome facility.
- The first step is a property purchase agreement between Goldbelt and CBJ D&H to create a more useful and unified property, not infringed upon by setback codes.
- Improved property configurations will support multiple small cruise ship companies' operations.
- New property layout will plan for a Seawalk that leads to the Egan Drive crosswalk.
- Goldbelt will rebuild the Seadrome building on the expanded site, establishing an iconic Alaskan Native facility on the waterfront to better support visitors.



Actions:

1. Goldbelt and D&H enter direct negotiations, ultimately resulting in a property purchase agreement to optimize land for an expanded Goldbelt-owned property.
2. Goldbelt demolishes the existing building and builds an improved facility on the newly consolidated parcels.
 - Meets Waterfront Design guidelines, Lands Management Plan, Support Revitalization Plan, and Small Cruise Ship Master Plan.
 - The facility will host mixed-use spaces that are complimentary to the waterfront.



Property Purchase Proposal



| CBJ DH To Goldbelt | Exchange Parcel | SF Area | Unit Value | Total Value |
|--------------------|-----------------------|---------|------------|-------------|
| Parcel B | CX3A Upland | 4,900 | \$65 | \$318,500 |
| Parcel B | CX3B Sloping/Tideland | 2,098 | \$26 | \$54,548 |
| Part Parcel C+Cone | CX4 Sloping/Tideland | 6,650 | \$26 | \$172,900 |
| Parcel A | CXA Upland | 1,307 | \$65 | \$84,955 |
| Total to CBJ D&H | | | | \$630,903 |

- Goldbelt is requesting that the Docks & Harbors Planning Commission enter direct negotiations for the sale of these parcels to move this process to the next steps.
- This expanded footprint would allow Goldbelt the opportunity and authority to build a facility to the size that is profitable.
- In this option, Goldbelt would purchase the CBJ owned parcels for \$630,903*.

*Pending an updated appraisal.

Site Plan Proposal

Section F, Item 2.



SHEET TITLE:
SITE PLAN CONCEPT
SHEET NO.:
A04
09.12.2024

CONCEPT PHASE
New Seadrome Marina Building
GOLDBELT



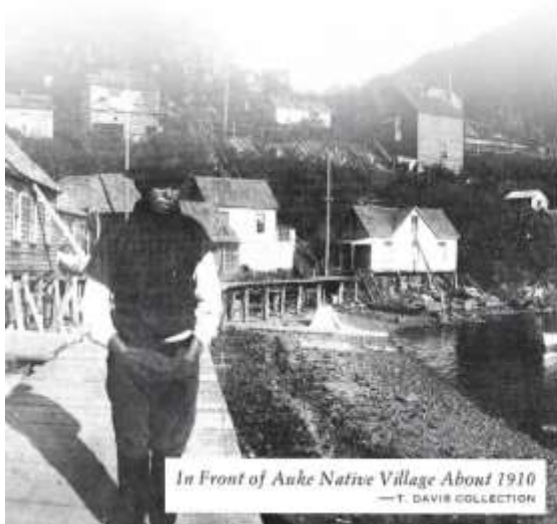
Improved Site Benefits:

- Efficiency of space for the new Goldbelt building footprint.
- Meets CBJ's various Plans and Guidelines
- Future improvements can be added efficiently – Seawalk construction and upland expansion will funnel visitors to the Egan Drive crosswalk



Cultural and City Planning Benefits:

- The new Seadrome building will be a cultural centerpiece, featuring prominent Alaska Native art.
 - This space will serve to educate visitors on aspects of local native history
 - Arriving ships will be able to view the building and accompanying local art in a way that will provide pride for the native community and Juneau residents
- The improved facility will provide an ideal arrival point to Juneau, with links to the Seawalk, the Áak'w Kwáan District, the SLAM, expanded Centennial Hall, hotels, and shopping centers.
- The new building will also feature an attractive mix of offices, a restaurant, and other amenities.





**Seadrome Marina Proposal for
Docks & Harbors – Goldbelt,
Inc**

**MARKET VALUE
OF 14,944 SF PORTION OF ATS 3
GOLDBELT LAND PURCHASE
SEADROME MARINA
76 EGAN DRIVE
JUNEAU, ALASKA**



LOOKING EAST ALONG UPLANDS TOWARDS GANGWAY AND TIDELANDS PROPOSED TO BE PURCHASED BY GOLDBELT FOR POSSIBLE EXPANSION OF THE SEADROME MARINA. PHOTOS TAKEN FEBRUARY 17TH 2025.

Prepared For: Carl J. Uchtyl, PE, Port Director
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

Prepared By: Charles E. Horan, MAI
Horan & Company, LLC
403 Lincoln Street, Suite 210
Sitka, Alaska 99835

Effective Date: February 17th 2025

Report Date: February 28th 2025

File Number: 25-014

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN, MAI/JOSHUA C. HORAN/ SLATER M. FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835
Phone: (907) 747-6666 Charles@akhoran.com

February 28th 2025

Carl J. Uchytel, PE, Port Director
Attn: Melody Musick
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

VIA email: Melody.Musick@juneau.gov

RE: Market Value of 14944 SF portion of ATS 3 Goldbelt land Purchase Seadrome Marina
76 Egan Drive, Juneau, Alaska; File 25-014

Dear Mr. Uchytel,

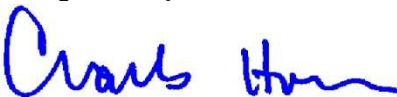
At your request, I estimated the Market Value of the 14,955 SF of land being negotiated for sale to Goldbelt Inc. This land is comprised of upland and tidal/submerged land areas adjacent to the land owned by Goldbelt. Goldbelt currently leases some of the land being appraised. They constructed upland and marine improvements and subleased some of these lands. The appraisal assumes that the lease terms have no effect on the fee simple land as valued. It is a hypothetical condition of the appraisal that the land is not improved with the lessee's constructed improvements. Based on my analysis, the current fee simple value of the land is estimated as of February 17th 2025 as follows:

\$630,903

Your attention is invited to the remainder of this report which sets forth the Assumptions and Limiting Conditions, Certification of Appraisal, and the most pertinent data considered in estimating the market value of the subject property.

If you have any questions or comments, please feel free to contact me at your convenience.

Respectfully Submitted,



Charles E. Horan, MAI
Horan & Company, LLC

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Adenda

- Certification
- Subject Photos
- Tideland to Upland Ratio Study
- Comparable Sales
- Qualifications of Charles E. Horan, MAI

1 INTRODUCTION

1.1 IDENTIFICATION OF PROPERTY



FIGURE 1.1 – SUBJECT LAND OUTLINED IN GREEN

The subject of this report is land owned by the City and Borough of Juneau (CBJ) authorised for negotiated sale to Goldbelt Inc. for possible expansion of its marina facility. The land is identified in Figure 1.1 as parcels CX3A Upland, CX3B Sloping/Tideland, CX4 submerged land, CXA Upland totaling 14,955 SF.

1.2 PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to provide an estimate of market value for the identified property. It is an implied condition of the assignment that the current long-term lease of the land held by Goldbelt (dba Cultural Preservation Inc) from CBJ has no effect on the value. Also, the improvements constructed and owned by Goldbelt on the land are not considered in the valuation. On behalf of a proposal from Goldbelt, Docks and Harbors desires to negotiate the sale of that certain property which is a portion of ATS FR 3 as demarcated in it Figure 1.1. The intended use of the appraisal is for these negotiations. The intended users are the CBJ Docks and Harbors decision makers and Goldbelt Inc. This appraisal is not intended for any other use or any other users.

1.3 PROPERTY INSPECTION & EFFECTIVE DATE

The appraiser discussed the project with the land manager Steven Sahlender, VP Alaska Group, Goldbelt by phone February 27th 2025. The appraiser has reviewed the property on numerous occasions in relation to prior appraisals and other work in the area. Joshua Horan inspected and photographed the property February 17th 2025 with the prospective purchasers' representative, Elias Hastings.

The last inspection date February 17th 2025 is the effective date of appraisal.

1.4 PROPERTY HISTORY AND OWNERSHIP

The property is owned by the City and Borough of Juneau. It had been leased for many years, mostly recently a 35 year land lease was entered into between the CBJ and Cultural Preservation Inc a wholly owned subsidiary of Goldbelt Inc, in June of 1996. The 35 year lease would expire in 2031 with one remaining 35 year option to renew at similar terms. This lease encompasses about 19,916 SF of which the subject is part. Part of the subject is also outside this lease area. The lease is subject to five year rental adjustments, most recently effective June of 2023. The rental adjustment is based on the current market value of the land at a contract rate of 9% per year. That adjustment indicated the uplands value at \$65/ SF and the tidelands and sloping lands at \$26/SF.

Goldbelt has operated a small three story wood frame office building and small ship and sightseeing tour Marina. This Marina has been operated in conjunction with adjacent tidelands from Merchants Wharf. Goldbelt intends to develop the property into a small cruise ship terminal on the tidelands with the construction of a multi story commercial building on the adjacent submerged lands and uplands that would accommodate the terminal use, retail, perhaps offices, restaurants and other possible uses to be defined in the future. Goldbelt's current plan is to secure the real estate rights before completing final feasibility and design plans.

1.5 SCOPE OF WORK

The titled interests are assumed fee simple. No title report was provided to the appraiser. The appraiser understands the property is currently under lease which expires in 2031 and has an additional 35-year option to extend. It is an assumption of this appraisal that the lease would have no effect on the value as fee simple unencumbered interest.

The character of the property has been determined through various drawings provided by several departments of the City and Borough of Juneau and the property owner/lessee. The appraiser has made walk through inspections of the property from time to time during the years 2012 – 2023. Most recently Joshua Horan, Real Estate Appraiser inspected the property February 17th 2025.

There are a variety of marine improvements on the property constructed by Goldbelt such as piling, docks, gangways, piers, floats, etc. There are site improvements including pavement and sidewalks that extend to the lease lands from adjacent fee owned Goldbelt land. There is a Petro Services agreement for fuel tank and dispensing lines to the dock on the subject leased land. These improvements were constructed by and are owned by the lessee or its sub-lessee. The land is valued as though it is vacant for development. It is a hypothetical condition of this appraisal that the leased land is unimproved.

The direct sales comparison approach will be used to develop the land value as if it is cleared and available for highest and best use development. The competing market neighborhood area is nearly 90% built out and vacant land sales are not readily available. Comparable transactions were identified through interviews with knowledgeable participants in the real estate markets such as appraisers, other lessors and lessees, discussions with municipal property assessment personnel and others who are familiar with the real estate market in Southeast Alaska. We identified similarly-used properties in the communities throughout Southeast Alaska. Transaction information was collected from reliable sources, such as the state archives, the Multiple Listing Service, the CBJ Assessor’s Office, and our database which has over 30 years of historic observations of waterfront and tidelands transactions.

From our extensive inventory of property sales and land leases in the market area. We will select the most indicative values based on capitalized land leases and land sales to develop a square foot value of the upland and tideland characteristics of the property.

1.6 ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is made subject to the following **hypothetical conditions (HC)** and **extraordinary assumptions (EA)** in addition to the more general assumptions and limiting conditions. The use of hypothetical conditions and extraordinary assumptions may alter assignment results.

HC-1 It is a hypothetical condition of this appraisal that the land is unimproved and that is vacant and available for development to the highest and best use.

HC-2 It is a hypothetical condition of this appraisal that land is not subject to the current CBJ land lease or any other leases or encumbrances to the fee title to the land.

EA-1 It is an extraordinary assumption that the land areas are as estimated and described in this appraisal relative to its size and upland and tideland characteristics.

This appraisal is also expressly subject to the following assumptions and/or conditions:

1. It is assumed the data, maps, and descriptive data furnished by the client or its representative are accurate and correct. Photos, sketches, maps, and drawings in this appraisal report are for visualizing the property only and are not to be relied upon for any other use. They may not be to scale.

2. The valuations are based on information and data from sources believed reliable, correct, and accurately reported. No responsibility is assumed for false data provided by others.
3. No responsibility is assumed for building permits, zone changes, engineering, or any other services or duty connected with legally utilizing the subject property. No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. All existing liens, encumbrances, and assessments have been disregarded unless otherwise noted, and the property is appraised as though free and clear, having responsible ownership and competent management. It is assumed that the title to the property is marketable. No investigation to this fact has been made by the appraiser.
4. The property described herein has been examined exclusively for the purpose of identification and description of the real property. The objective of our data collection is to develop an opinion of the Highest and Best Use of the subject property and make meaningful comparisons in the valuation of the property. The appraisers' observations and reporting of the subject land or improvements are for the appraisal process and valuation purposes only and should not be considered as a warranty of any component of the property. This appraisal assumes that the subject is structurally sound and all components are in working condition.
5. This appraisal report may note any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, we have no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and have assumed that there are no such conditions and make no guarantees or warranties, express or implied. We will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property. We obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or private sources that we believe to be true and correct. It is assumed that no conditions existed that were undiscoverable through normal diligent investigation which would affect the use and value of the property. No engineering report was made by or provided to the appraisers.
6. The client is the party or parties who engage an appraiser in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client does not become an intended user of this report unless the client specifically identified them at the time of the assignment. The appraiser's written

consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, and other media.

7. The appraisal report may not be properly understood without access to the entire report. The appraisal is to be considered in its entirety, the use of only a portion thereof will render the appraisal invalid.
8. Any distribution of the valuation in the report between land, improvements, and personal property applies only under the existing program of utilization. The separate valuations for land, building, and chattel must not be used in conjunction with any other appraisal and is invalid if so used.
9. One (or more) of the signatories of this appraisal report is a member or associate member of the Appraisal Institute. The bylaws and regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report in its entirety to such third parties as selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media, or other media for public communication without the prior written consent of signatories of this appraisal report.
10. The appraisers shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described herein unless prior arrangements have been made.

1.7 TERMINOLOGY

Market Value The most widely accepted components of market value are incorporated in the following definition:

The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.

The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute, Pg. 141-143.

The estimate of exposure time is 18 months due to the special purpose nature of the property.

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute, Page 113

If it is found that the extraordinary assumption or hypothetical condition is different than stated this may impact the estimated value.

Definition of Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of a specified lease agreement. including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements.

The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute, Page 140

2 MARKET ANALYSIS

2.1 JUNEAU AREA ANALYSIS

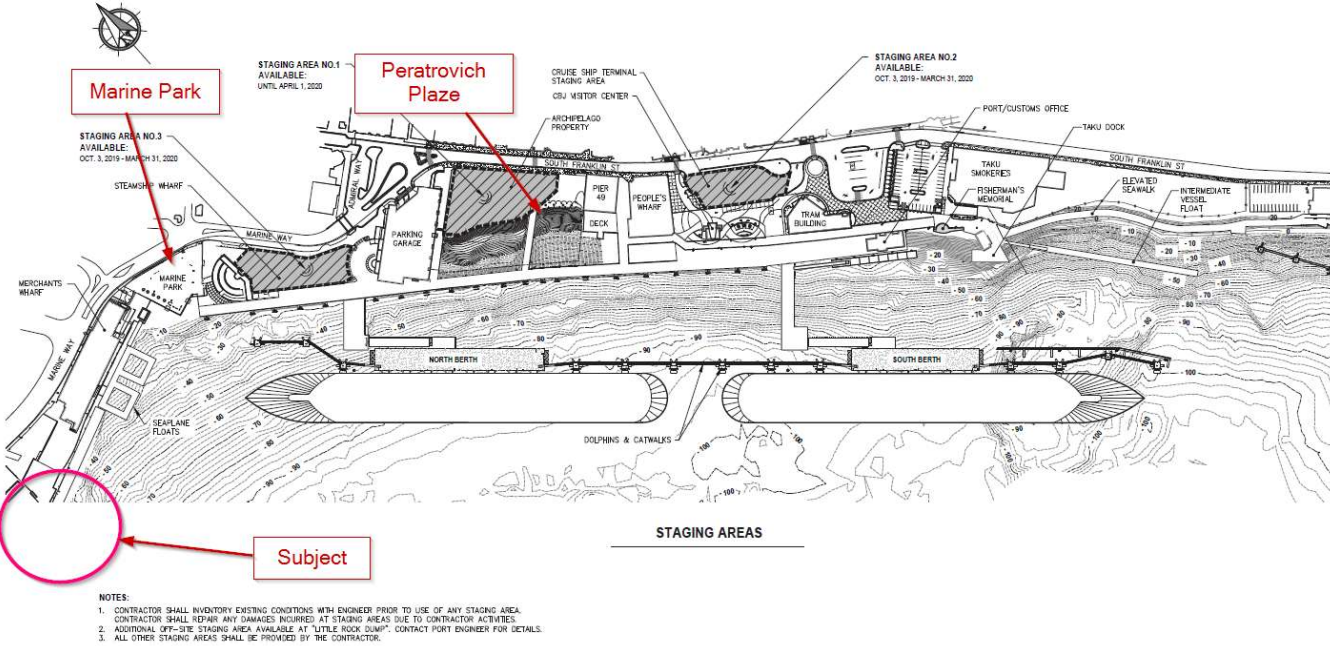
The demand for real property is driven by population, which is in large part driven by employment. The state government is still the largest employer, but is shrinking. Employment overall is on the rise since the high of 2019. Population has been nearly flat since 2018 after a decline from 2015.

2.2 SUBJECT MARKET AREA



FIGURE 2.1- SHOWING SUBJECT LOCATION AND MAJOR DOCKS IN THE JUNEAU HARBOR.

Juneau’s downtown waterfront has developed over the past several decades in response to the increasing cruise ship tourism to the area. Among the various developments to accommodate this increased growth, the City and Borough Juneau Docks and Harbors (CBJ-DH) reconfigured its land with the adjacent Archipelago Group for shared development and improvement of the waterfront area as reflected in the Figure 2.2; Downtown Waterfront Improvement Phase I. Among other things, it provides for a bus drop off facility. It was completed in May of 2021. Yet to be completed Phase II calls for a shelter and restroom building. The area is referred to as the Peratrovich Plaza. The Marine Park is being rebuilt as part of the Parks and Recreation initiative. As of early 2025 no additional development has occurred on the site. It has been suggested that this site may be put on the market. There has been talk about the city acquiring an interior part of the site for a museum funded with tourism tax funds. Currently there’s no imminent development prospects, but this site would be suited for additional retail restaurant tourism related activities.



| | | | | | | | | | | | |
|--|-----------|------|-------------|------|--|---|--|--|-------------------------------------|-------|------|
| | REVISIONS | | | | | 9500 Glacier Highway Ste 100 Juneau, Alaska 99801 Phone 907-586-2003 Fax 907-586-2005 www.goldbeltinc.com | | DOWNTOWN WATERFRONT IMPROVEMENTS PHASE I CBJ CONTRACT NO. DH19-014 | SHEET TITLE: STAGING AREAS G1.11 | | |
| | REV. | DATE | DESCRIPTION | OWN. | | | | | | CHKD. | APP. |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

DESIGN: OPS CHECKED: CRS SCALE: SCALE IN FEET
 DRAWN: PLO APPROVED: ZRS 0 100 200 FT. DATE: 5/23/2019
 PNO PROJECT NO: 187045 C.B.J. NO: AF02750

FIGURE 2.2 – PHASE I WATERFRONT REDEVELOPMENT SHOWING STAGING AREAS. NOTE – SUBJECT JUST WEST OF MERCHANTS WHARF.

Tourism has recovered significantly for the independent traveler and more recently in 2023 for the cruise ship passenger. Actual passenger counts for 2022 is 92% of the previous high in 2019. Cruise ship passenger visitation to the port has approached 1.7 million annually in 2023 and appears to have leveled out. Figure 2.3. This is a reflection of the community’s capacity to intake cruise ship passenger tourism. Local plans point to a possibility of the 5th cruise ship dock, Auke Landing, in development planning by Huna Totem Corporation at the old sub port

site just to the east, see Figure 2.1 showing NCL purchase. As envisioned, this would provide additional retail and commercial oriented towards tourism and local destination-oriented commerce opportunities.

Education, government, fishing, and other industries that have lagged in the last several years appear to be recovering if not returned to prior levels. State Government continues to shrink but may be leveling off.

Overall, the market improved significantly in 2022. It is expected that prices would be stable or moderately increasing in some parts of the commercial real estate sector.

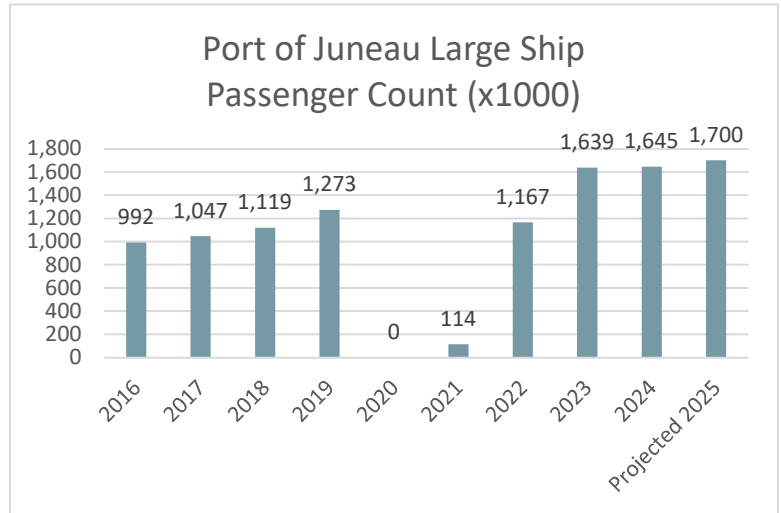
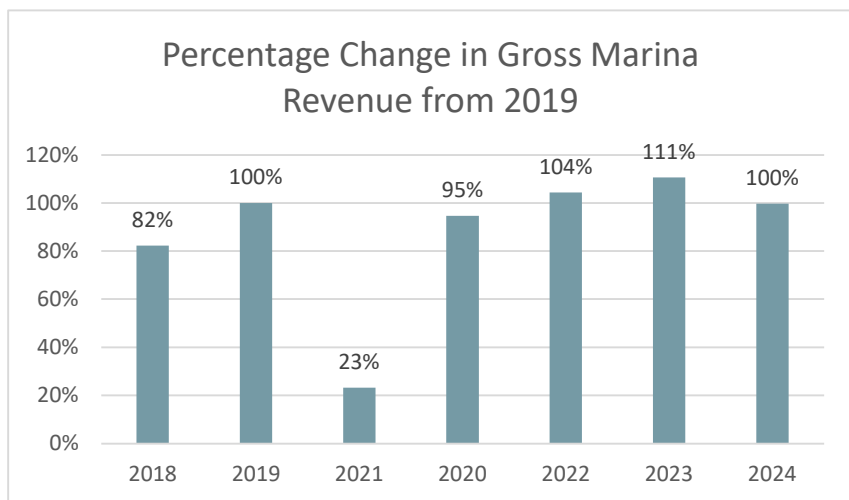


Figure 2.3 Cruise ship passenger count provided by CBJ Docks and Harbor Department, and Cruise Line Agencies of Alaska.

Seadrome Marina

The subject property is located on the Juneau Harbor waterfront beyond the dense traffic generated by cruise ships. It provides a nearby deep-water marina for large yachts, small tourism vessels and sea planes. It is the most heavily used small cruise ship dock in the Juneau harbor area. The subject has the advantage of convenience for most tour operators that would work out of this property. While use of the subject is limited by the water-oriented zoning, its close proximity to the tourism traffic is ideal.

Based on confidential gross revenue, the percentage of change using 2019 as a base is displayed in the following Figure 3.4. It shows a leveling over the last several years. The Marina is in a great location, the downtown Juneau harbor. Past analysis has shown that 150 to 200 small ships stop in Juneau each year. The subject garners about 50% of the market. Marinas of this type are augmented by onshore businesses and are generally owner occupied. This indicates that the demand for the subject would be stable over the past several years.



2.3 ZONING

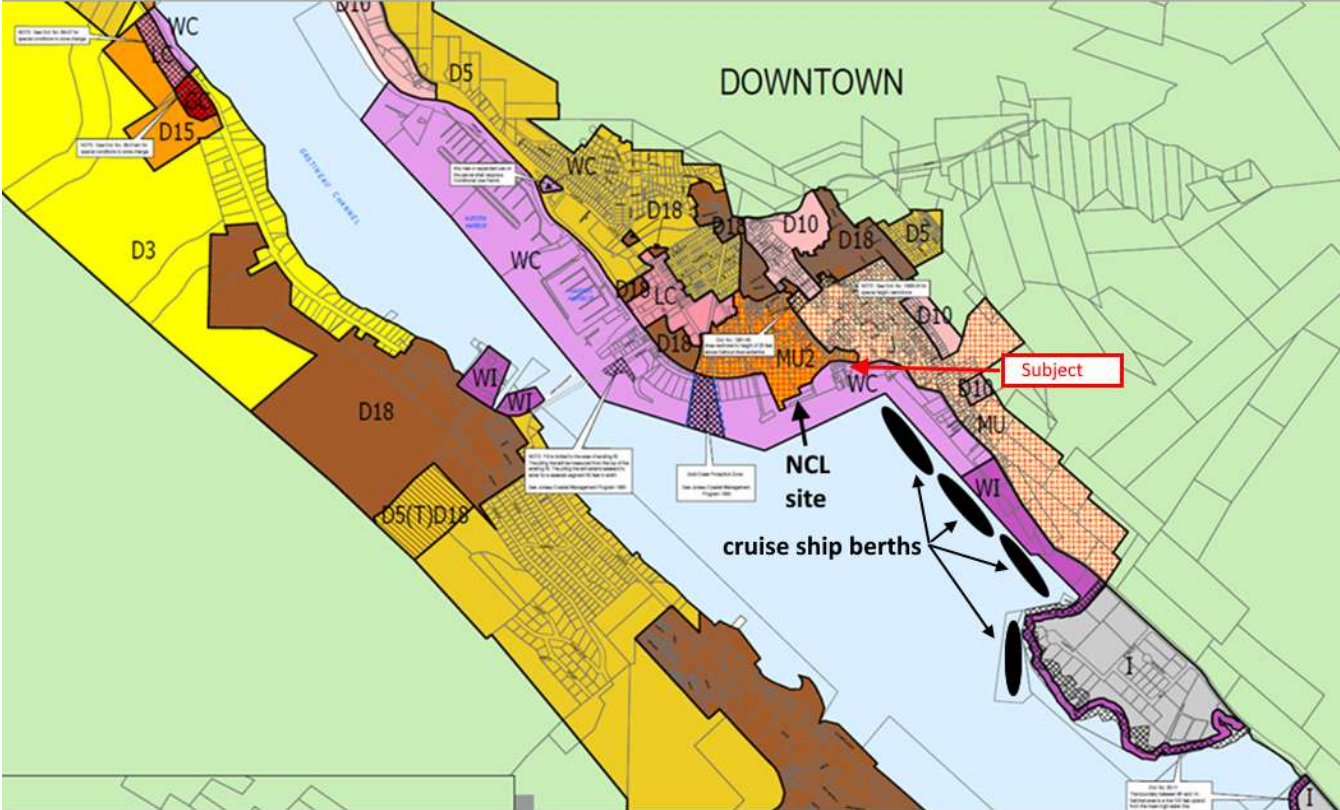


FIGURE 2.5 - Zoning Map. Source: CBJ Downtown Juneau & Douglas Zoning Map as of September 29, 2015 annotated by Horan & Company.

The property is zoned Waterfront Commercial (WC). The WC, Waterfront Commercial District, is intended to provide both land and water space for uses which are directly related to or dependent upon a marine environment. Such activities include private boating, commercial freight and passenger traffic, commercial fishing, floatplane operations, and retail services directly linked to a maritime clientele. Other uses may be permitted if water-dependent or water-oriented.

2.4 PARKING DISTRICTS

The parking ordinance changed in March of 2022. The subject was in the former Parking District PD2, which allowed owners or property developers a reduction in the parking requirements of up to 30%. The new “No Parking Required” Area establishes an area where properties can be developed with no requirement for parking which in many cases enhances their development potential. The subject is in the Town Center Parking Area which addresses many issues that had to be dealt with on an individual basis and caused some confusion and development constraints within the area. For instance, it establishes the distance that off-site parking can be provided for development on a certain site. There is still a fee in lieu of opportunity to satisfy parking requirements. There is a mechanism for joint use parking where the requirement can be satisfied with parking provided at different times of day for instance evening theater users can get credit for the same space with daytime office users. The parking space requirements were reduced 50% to 100% of the standard requirement depending on the use. Still many uses require parking to make them feasible to achieve the best economic rent for offices, some residential and some retail for instance.

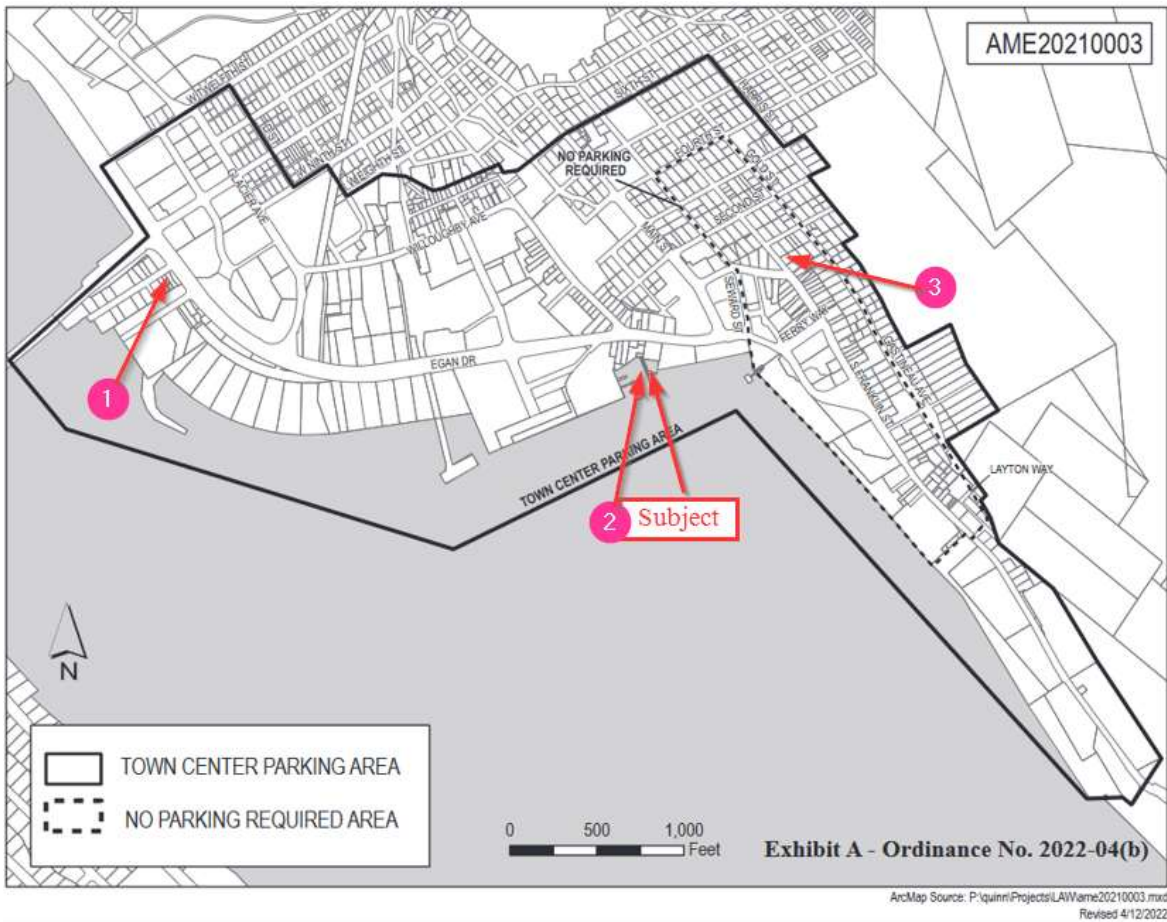


FIGURE 2.6 - PARKING DISTRICT MAP SHOWING THE SUBJECT AND COMPARABLES LOCATIONS.

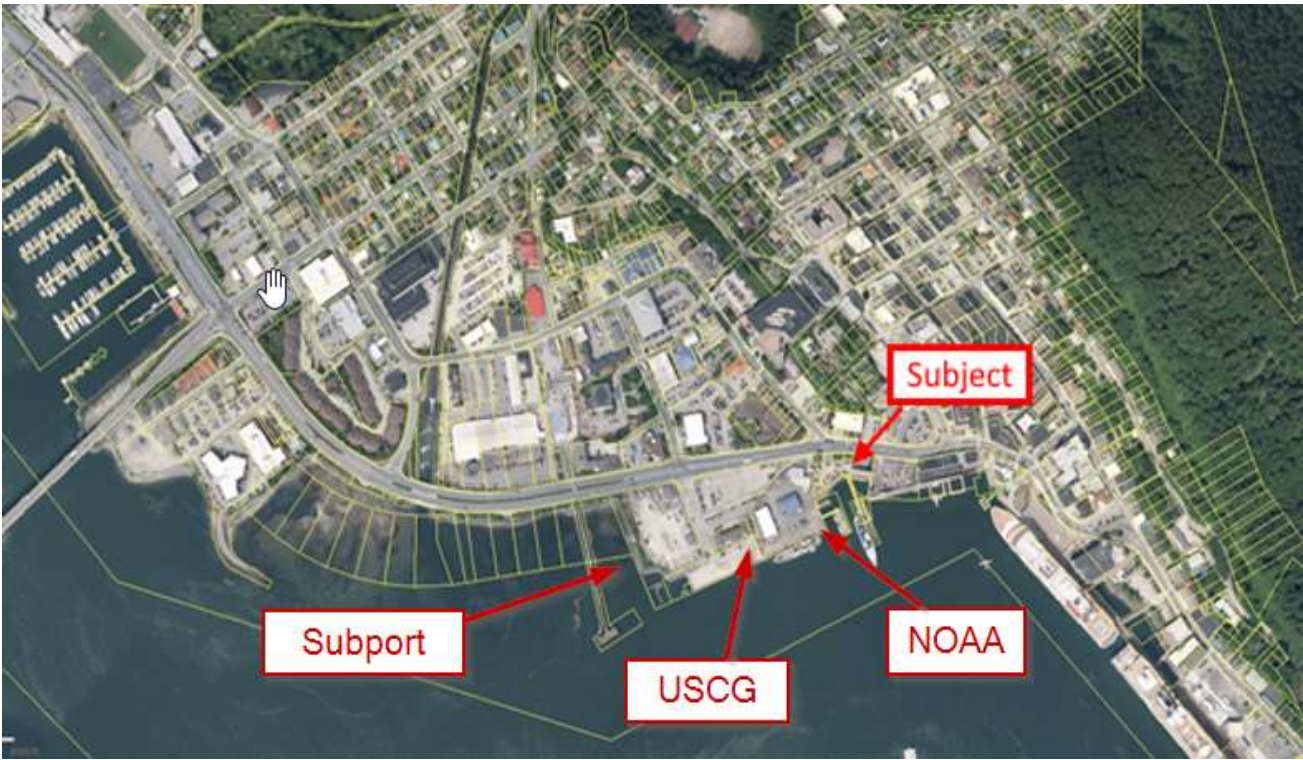


FIGURE 2.7 - CBJ GIS OVERVIEW MAP OF DOWNTOWN COMMERCIAL AREA AND INNER HARBOR AREA

3 PROPERTY DESCRIPTION

3.1 SITE DESCRIPTION

Goldbelt Corporation is the controlling entity of Cultural Preservation, Inc. which owns and leases property at 76 Egan Drive, Juneau, Alaska known as the Seadrome Building and Marina. They have fee ownership of lots 1 through 5, Block 76 Tideland Addition Subdivision to ATS 3 Plat 340, JRD. These are level commercial at grade “uplands” of about 21,801 SF of land fronting Egan Drive used for parking and the small three-story wood frame office building on Lot 5. There is an additional 19,919 SF of filled and unfilled tidelands, the subject of this appraisal, leased from the City and Borough of Juneau for a marina outlined in blue in the figure below. There are also approximately 14,400 SF of submerged lands leased from Merchants Wharf which extends the marina use. The entire tract controlled by the property owner and lessee, is over 56,000 SF, as generally outlined in Figure 3.1.

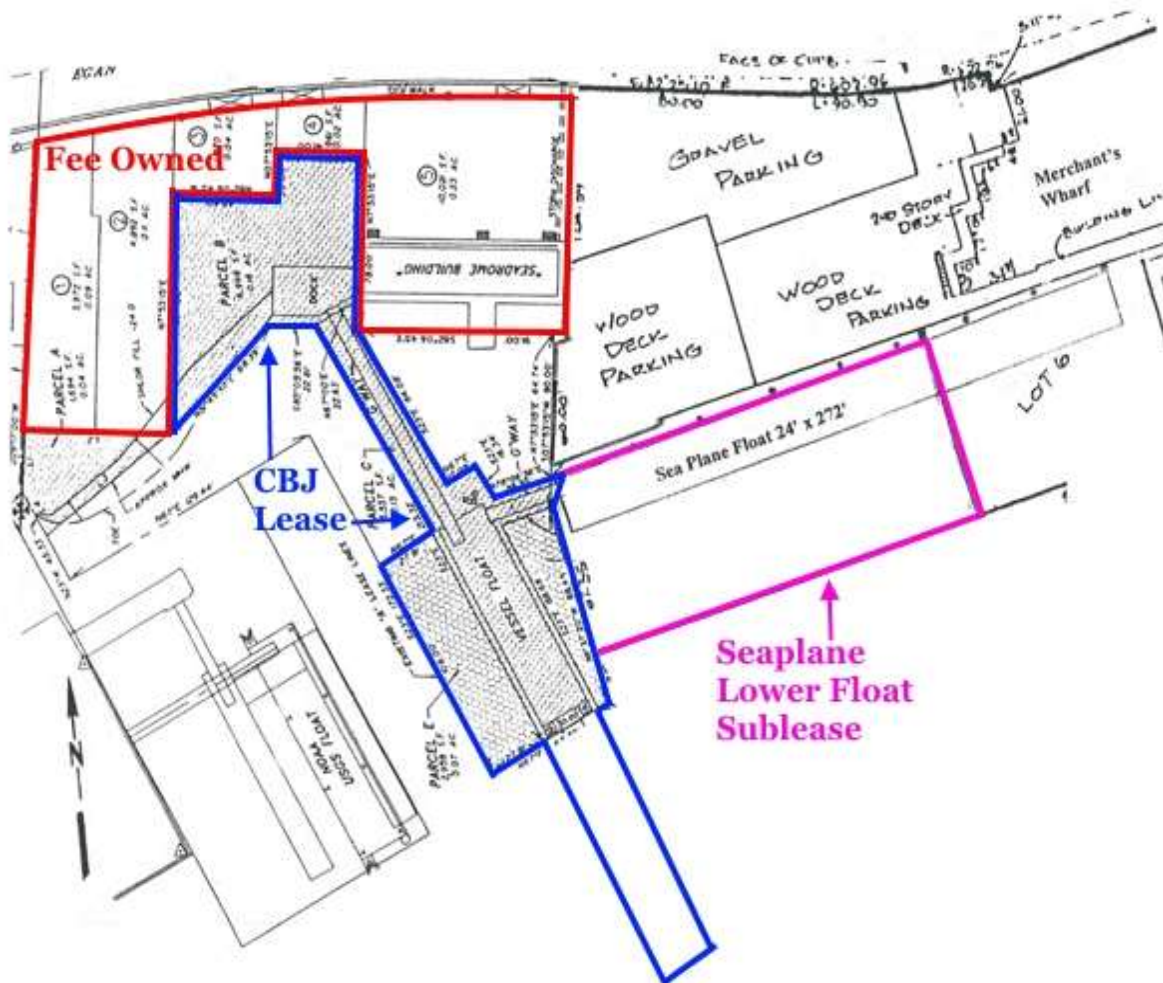


FIGURE 3.1 - SHOWING EXTENT OF LANDS UNDER CONTROL OF OWNER GOLDBELT-CULTURAL PRESERVATION, INC. THE SUBJECT LEASED LANDS OUTLINED IN BLUE

The Subject Property

By contrast to the lands owned and controlled through leases by Goldbelt, as shown above, the proposed acquisition parcels are identified in Figure 3.2 below in green.



FIGURE 3.2 EXHIBIT SHOWING LANDS TO BE ACQUIRED/APPAISED IN GREEN.

Subject Site Size and Characteristics

The proposed acquisition includes uplands which are filled, leveled at road grade. The balance of the land is sloping or submerged tidelands totaling 15,016 SF. The total lease area is 19,916 SF. These site characteristics have different market value attributes. They are summarized by site attributes in the following table.

| Table 3.1 -Summary Areas to be Acquired by Upland and Tideland Character | | | |
|---|-----------------|-------------------------------|-----------------|
| Label | Upland | Sloping or Submerged Tideland | Total |
| CX3A | 4,900 SF | | 4,900 SF |
| CX3B | | 2,098 SF | 2,098 SF |
| CX4 | | <u>6,650 SF</u> | 6,650 SF |
| CXA | <u>1,307 SF</u> | | <u>1,307 SF</u> |
| Totals | 6,207 SF | 8,748 SF | 14,955 SF |

Site Improvements -Not Included in Valuation

The subject leased land is improved as a marina with piling, gangways, piers, floats, etc. There are site improvements including pavement and sidewalks that extended from the adjacent fee owned uplands. There is the Petro Services short term agreement for fuel tank and dispensing lines to the dock on the subject leased land. These improvements were constructed by and are owned by the lessee or its sub-lessee. The land is valued as though it is vacant and unimproved.

Access and Off-Site Improvements

Road access is along Egan Drive, a paved, divided, four-lane highway with concrete curbs, gutters, and storm drainage. No on-street parking is available adjacent to or near the subject. This is a heavily trafficked road. The site has water access through tidelands to the deep water of Gastineau Channel to the south. There is pedestrian access through the upland lot from the sidewalk. The subject has excellent deep-water access from Juneau’s harbor for boats or floatplanes.

Utilities

City sewer, water and private utilities including power, trash collection, phone, cable and fuel are available to the subject through the adjacent Lots.

Easements and Restrictions

There are no known easements or platted site restrictions that would influence the typical square foot value for the purpose of our analysis.

3.2 ASSESSED VALUATION

The leasehold lands appraised herein, owned by CBJ Docks & Harbor, parcel number 1C070K760021, ATS 3 FR, is \$906,327 for 2024. This includes the improvement value of the floats and other marine improvements. This does not include the fee owned adjacent lands.

4 VALUATION

4.1 HIGHEST AND BEST USE

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute, Page 109

The highest and best use for the subject lands would be those allowable uses in the Waterfront Commercial (WC) zone, which include “uses which are directly related to or dependent upon a marine environment.” The commercial waterfront uses to the east include retail sales and other activities oriented towards cruise ship tourism.

Historically, this waterfront site had been developed for docking boats for the owner’s tourism operation. Since that time, the owner dropped that business and operates as a marina for other small tour operators, yacht moorage, etc. The subject upland area supports the logistics of loading and unloading passengers.

The subject location has proven attractive for its deep-water access close to the cruise ship docks which generate high traffic. The subject is in the Town Center Parking Area district which allows flexible parking requirements. Its demand would be superior to nearby commercial uses without these advantages.

The maximally profitable use is for a marine oriented waterfront development similar to the existing use. The highest and best use of the uplands is to support the marina, small ship terminal use, parking and loading areas.

4.2 LAND VALUATION

In this section, the typical SF market value will be estimated. The direct sales comparison approach is utilized in the subject instance. Commercial land sales and capitalized land rents in the immediate area were considered for estimating the square foot value of the subject. For valuation purposes, the two site components; level land at road grade (upland) and sloping/tidelands (tideland) are considered for their contributory value of the overall site. The following transactions were found to be most helpful in our analysis. We will estimate the market value of the uplands. We have determined¹ that the tidelands value is at 40% of the unit value of the uplands. We have then adjusted the concluded value of the uplands by this ratio (40%) to determine the contributory value of the tidelands.

¹ See addenda for the Tideland Value Ratio study. The subjects are rated as well functioning tidelands at 40%.

| Table 4.1 – Summary of Sales Used to Estimate the Value of the Subject Uplands | | | | | | |
|---|-------------------|-------------|------------------------|----------------|------------------|----------------|
| <i>Comp #</i> | <i>Address</i> | <i>Date</i> | <i>Indicated Price</i> | <i>SF Size</i> | <i>Price /SF</i> | <i>Comment</i> |
| 1-12239 | 1000 Harbor Way | 10/2023 | \$118,510 | 4,814 | \$24.62 | Total Sale |
| | | | \$37,050 | 741 | \$50.00 | Upland |
| | | | \$81,460 | 4073 | \$20.00 | Tideland |
| 2-5011 | 76 Egan DR | 06/2023 | *\$710000 | 19,916 | \$35.60 | Total Value |
| | | | *\$318,500 | 4900 | \$65.00 | Upland |
| | | | *\$390500 | 5,016 | \$26.00 | Tideland |
| 3- 12423 | 109 S Franklin St | 6/2023 | \$2,660,000 | 11,048 | \$240.77 | Upland |

*Capitalized Land Rent at contract rate of 9%.

Quantitative Adjustments

Quantitative Adjustments are made for the rental **Comp 2** which is the recently adjusted market rent on the subject property for the tideland lease area. This market rent was adjusted to \$63,900 which is 9% of the estimated land value which working backwards had been calculated at \$65/SF for the uplands and \$26/SF for tidelands. It is noted that the estimated value of the tidelands is 40% of the unit value of the uplands. These unit values will be used as the adjusted unit values in our analysis.

Comp 2 was a negotiated sale where the filled uplands and tidelands were separately estimated to contribute \$50/SF and \$20/SF respectively. It is noted that the unit value of the tidelands is 40% of the unit value of the uplands. This is also the case with the subject.

Our analysis will develop a unit value of the uplands. The remaining portion of the subject lands will be added at a ratio of 40% of the upland unit value.

Comp 3 is the purchase of a building of \$1,160,000. The building was torn down and retaining walls were constructed for another \$1,500,000. This sale is adjusted to \$2,660,000 for what would be characterized as uplands. About 75% of the site is usable at road grade.

Qualitative Analysis

The remaining elements of comparison, change in market conditions, conditions of sale, location, and development potential parking district are made in a qualitative manner since discrete adjustments discerned from the market to make quantitative adjustments are not reliably available.

The overall value will be based on our analysis of the upland comparable (comp) unit value. The sloping and submerged tidelands will be added at a unit value of 40% of the concluded upland value. The upland values are considered on a qualitative basis relative to their being superior, inferior or similar to the subject due to these differences. The indicated price per SF is qualitatively ranked in the following discussion. If a comparable attribute is superior to the

subject, a minus rating of -1, -2, or -3 is made, depending on its severity. Conversely, if a comparable attribute is inferior to the subject, a plus rating is made to weigh this with other attributes towards the subject with a +1, +2, or +3, depending on the severity. The gradation of weighting 1 to 3 is used since all qualitative attributes are not, in the appraiser’s opinion, equally weighted within the market.

The **market conditions** are similar among all the transactions which all occurred in 2023. The market has not changed since this time.

Conditions of sale is rated similar between the subject as appraised. Each of the transactions were based on rational market criteria of competitive sales or supported by appraisal or other economically driven market-related factors considered by the grantors, grantees or the lessors and lessees. Therefore, the transactions are all rated similar for property rights.

Property rights are considered similar among the transactions as there were no significant inhibitions to use of these properties for their highest and best use.

Location considers site prominence as exposure to pedestrian or vehicular traffic and ease of access. Comps 1 is away from the town core and considered inferior +1. Comp 2 is at the subject location and similar. Comp 3 is embedded in the town core which is experiencing increasing pedestrian cruise ship passenger flow as compared to the subject. It is superior -2.

Development potential is somewhat related to location but reflects the heightened demand as compared to the subject. In regards to perceived development potential, Comp 1 is inferior +1 as it does not have any potential for waterfront development. Comp 2 is similarly on the water as it is part of the subject. Comp 3 has some unusable land but also has a great potential demand due to its flexibility for tourism development. On balance it is rated similar to the subject.

Parking is a critical issue in downtown Juneau. The subject and Comps 1 and 2 are located in the Downtown Center Parking Area which has significantly reduced parking requirements from the other areas of town. These are all rated similar in this regard. Comp 3 on the other hand is in an area that has no parking requirements making the land more valuable, all things being equal, since it does not require part of its site to be dedicated to parking. It is rated superior -1.

Summary and Relative Ranking

The rankings discussed above relative to the upland SF values compared to the subject are summarized in the following Table 4.2 for the subject uplands.

| Table 4.2 – Qualitative Rating Grid Upland SF Values | | | | | | | |
|--|--------------------|---------------------------------|----|-------------------------------|---|--|----|
| Characteristics | Subject | Comp 1 #12239 1000 Harbor | | Comp 2 #5011 76 Egan Dr | | Comp 3 #12423 109 S. Franklin St. | |
| Indicated Upland Value | | \$37,050 | | \$318,500 | | \$2,660,000 | |
| Size (SF) Tot 19,916 SF | 6,207 SF UL | 741 SF | | 4,900 SF | | 11,048 SF | |
| Indicated SF Value of Upland | Solve | \$50.00/SF | | \$65.00/SF | | \$240.77/SF | |
| Market Condition (Time) | 2/2025 | 10/2023 | 0 | 6/2023 | 0 | 6/2023 | 0 |
| Condition of Sale | Typical | Similar | 0 | Similar | 0 | Similar | 0 |
| Property Rights | Fee | Similar | 0 | Similar | 0 | Similar | 0 |
| Location | Good Prominence | Inferior | +1 | Similar | 0 | Superior | -2 |
| Development Potential | Good, Comm. Marine | Similar | 0 | Similar | 0 | Similar | 0 |
| Parking District | Town Center | Similar | 0 | Similar | 0 | Superior | -1 |
| Net Rating | | Inferior | +1 | Similar | 0 | Superior | -3 |
| The Subject Value Is: | | More Than \$50.00/SF | | Similar to \$65.00/SF | | Much Less Than \$240.77/SF | |

If a comparison is **Superior**, a Minus rating of -1, -2, or -3 is given depending on severity.
 If a comparison is **Inferior**, a Plus rating of +1, +2, or +3 is given depending on severity.

The data brackets the subject with a broad range between \$50/SF and \$240/SF. The higher end of the range is based on costs which may be higher than what is expected for a feasible highest and best use. This is the least comparable to the subject, setting the upper limit. Comp 1 at \$50/ SF is closer but inferior in value. The recent lease rent adjustment reflected by

Comp 2 is given most weight. The indicated value of the upland is \$65.00/SF. The contributory value of the tideland and sloping lands are 40% of this amount or \$26.00/SF.

Conclusion of Land Value

Based on the foregoing conclusions, the estimated land value as of the effective date February 17th 2025 is summarized in the table below.

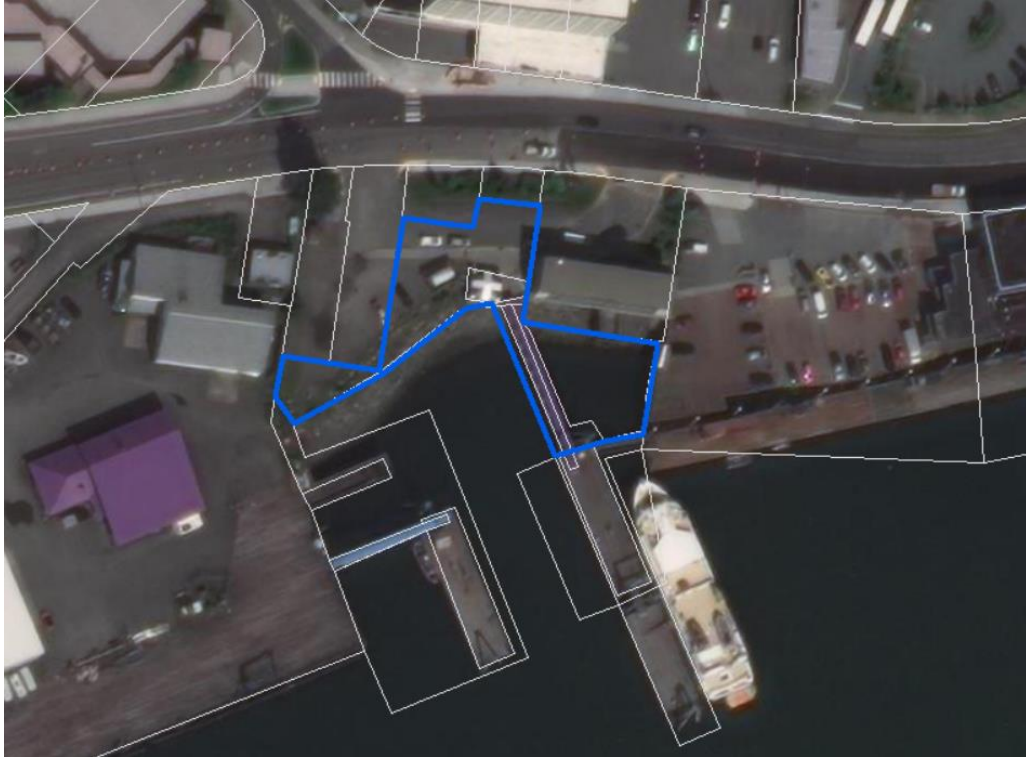
| Summary Land Value Calculation | | | |
|--------------------------------|----------------|------------|------------------|
| Site Characteristics | Area | Unit Value | Value |
| Uplands | 6,207 SF | \$65.00/SF | \$403,455 |
| Tide & Sloping | <u>8,748SF</u> | \$26.00/SF | <u>\$227,448</u> |
| Total | 14,955SF | \$42.19/SF | \$630,903 |

The indicated value of the land proposed for acquisition is \$630,903

ADDENDA

**APPRAISAL REPORT
REAL ESTATE APPRAISAL**

**Of
Sea Drome Marina**



76 Egan Drive,
Juneau, Alaska
99801

As of
April 30, 2025

Prepared For
Mr. Elias Hastings
Goldbelt Incorporated
3025 Clinton Drive
Juneau, AK, 99801

Prepared by
RAMSEY APPRAISAL RESOURCE
Roger Ramsey, AK-APRG570

File Name:
25-016

RAMSEY APPRAISAL RESOURCE

(907) 723-2936

10615 Horizon Drive
Juneau,
AK, 99801

rogerramsey@mac.com

May 12, 2025

Mr. Elias Hastings
Goldbelt Incorporated
3025 Clinton Drive
Juneau, AK 99801

Re: Appraisal Report, Real Estate Appraisal
Sea Drome Marina
76 Egan Drive, Juneau,
Alaska, 99801

File Name: 25-016

Dear Mr. Hastings:

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

The subject property is 14,955 SF of property that includes uplands, tidelands, and submerged lands. Some of the subject area is leased by Goldbelt Inc. Through the years Goldbelt has built and maintained marine and upland improvements on the subject property. These improvements are not included in this valuation and the subject property will be appraised with the hypothetical condition that it is vacant. While the subject is currently encumbered by a lease, this appraisal assumes that the current lease in place has no effect on the value of the subject property.

Please reference page 10 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis, and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 7). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- It is a hypothetical condition that the land is vacant and available for development to its highest and best use.
- it is a hypothetical condition that the land is not encumbered by any leases.

Extraordinary Assumptions:

- It is an extraordinary assumption that the land areas are as estimated and described in this appraisal

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

Current As Is Market Value:

The “As Is” market value of the Fee Simple estate of the property, as of April 30, 2025, is

Five Hundred Ninety Thousand Dollars (\$590,000)

The market exposure time preceding April 30, 2025 would have been 6 months and the estimated marketing period as of April 30, 2025 is 6 months.

Respectfully submitted,
Ramsey Appraisal Resource



Roger Ramsey
AK-APRG570

**MARKET VALUE APPRAISAL OF
SEADROME BUILDING AND MARINA.
GOLDBELT AND CBJ LAND EXCHANGE
76 EGAN DRIVE, JUNEAU, ALASKA**



Subject tideland looking west from Merchants Wharf, November 17, 2022

PREPARED FOR: Carl Uchtyl, PE, Port Director
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

PREPARED BY: Charles Horan, MAI
Horan & Company, LLC
403 Lincoln Street, Suite 210
Sitka, Alaska 99835

EFFECTIVE DATE: February 21, 2023

REPORT DATE: February 27, 2023

OUR FILE No.: 22-044

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN MAI / JOSHUA C. HORAN / SLATER M. FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

PHONE NUMBER: (907)747-6666 FAX NUMBER: (907)747-7417 commercial@horanappraisals.com

February 27, 2023

Carl Uchytel, P.E., Port Director
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

Via email: teena.larson@juneau.org

Re: Market Value Appraisal of Seadrome Building and Marina. Goldbelt and CBJ Land Exchange 76 Egan Drive, Juneau, Alaska. Our File # 22-044.

Dear Mr. Uchytel,

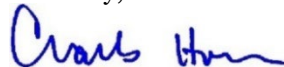
We have worked with your staff and Steven Sahlender, VP of the Alaska Group with Goldbelt and his staff to develop an equal value exchange of lands around Goldbelt's Seadrome Marina. Assisted by site information provided by RESPEC surveyors, the Port Engineer and I have worked to develop an equal value exchange configuration which preserves the highest and best use functionality of the land to both parties with marine and street front access. After analyzing the market and making several iterations of exchange configurations I have determined the following value conclusions of the exchange as of the effective date, February 21st 2023.

| Goldbelt conveys to CBJ | SF Area | Unit value | Land Value |
|----------------------------|---------------|------------|------------------|
| Upland Parts of Lots 1 & 2 | 6,252 | \$65 | \$406,380 |
| Tideland Part of Lot 2 | 70 | \$26 | \$1,820 |
| Total Goldbelt Land | 6,322 | | \$408,200 |
| | | | |
| CBJ conveys to Goldbelt | SF Area | Unit value | Land Value |
| Upland behind Lots 3 & 4 | 3,400 | \$65 | \$221,000 |
| Tidelands west of Lot 5 | 550 | \$26 | \$14,300 |
| Tidelands south of Lot 5 | 6,650 | \$26 | \$172,900 |
| Total CBJ lands | 10,600 | | \$408,200 |

Your attention is invited to the attached report which explains this analysis in more detail and includes the most pertinent data considered in estimating the market value. This appraisal is intended to comply with the rules and regulations as set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) and the City and Borough of Juneau's appraisal instructions.

If you have any questions or comments, please feel free to contact us at your convenience.

Sincerely,



Charles E. Horan, MAI
Horan & Company, LLC

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1 INTRODUCTION

1.1 BACKGROUND AND SUMMARY OF CONCLUSIONS

Goldbelt Corporation is the controlling entity of Cultural Preservation, Inc. which owns and leases property at 76 Egan Drive, Juneau, Alaska Seadrome Building and Marina. They have fee ownership of lots 1 through 5, Block 76 Tidelands Addition Subdivision to ATS 3 Plat 340, JRD. These are level at grade “uplands, 21,801 SF of commercial the land fronting Egan Drive used for parking and the small three-story wood frame office building on Lot 5. There is an additional 19,919 SF of filled and unfilled tidelands leased from the City and Borough of Juneau for a marina outlined in blue in the figure below. There are also approximately 14,400 SF of submerged lands leased from Merchants Wharf which extends the marina use. The entire tract controlled by the property owner Cultural Preservation Inc. is over 56,000 SF, as generally outlined in Figure 1.1

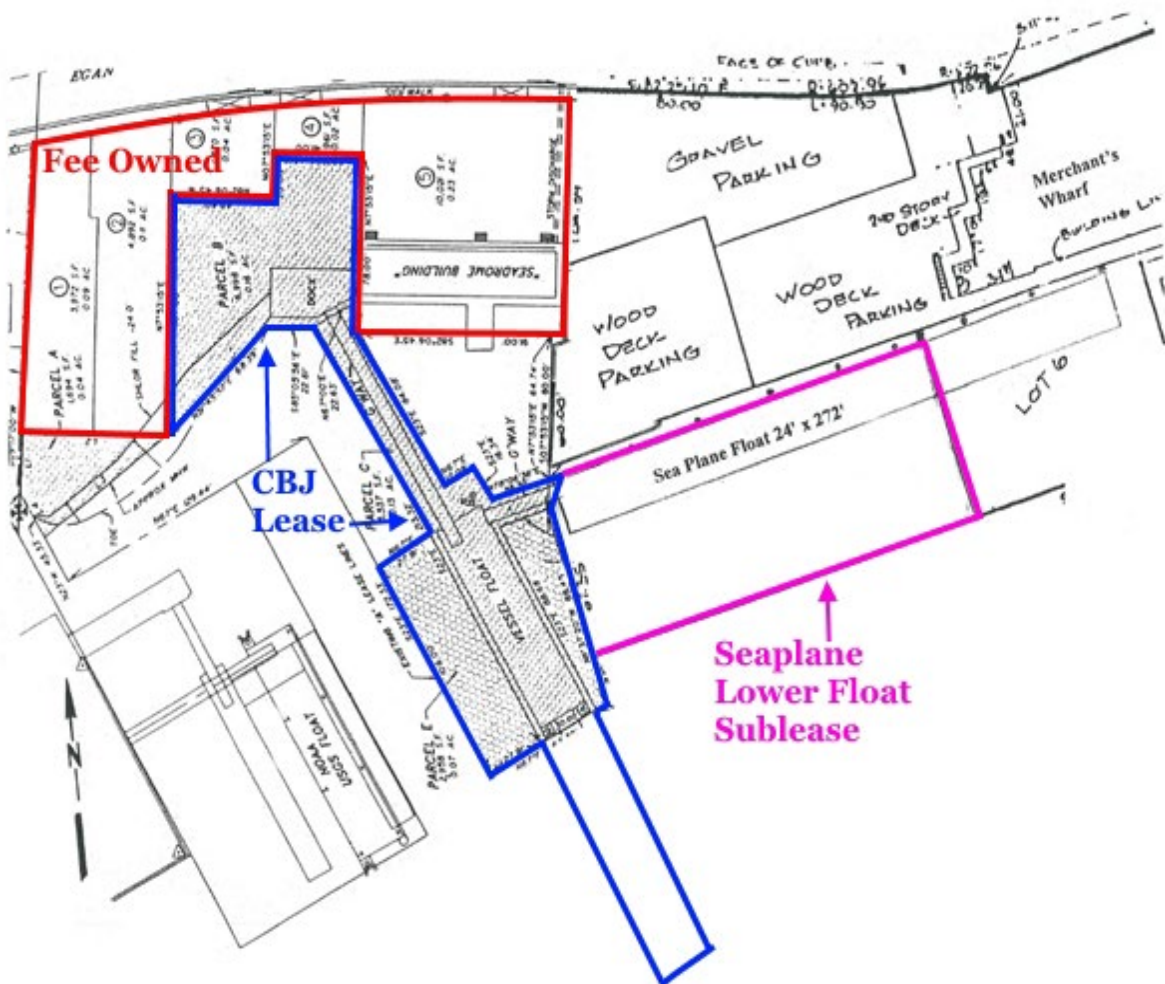


FIGURE 1.1 - Showing extent of lands under control of owner Goldbelt/Cultural Preservation, Inc.

Synopsis of Land Leases and Agreements

About 19,916 SF of land blue-lined “CBJ Lease” in Fig. 1.1 are leased from the City and Borough of Juneau based on a 35-year lease that began June 1, 1996 which has one additional 35-year option to renew. The annual rent is adjusted to market every five years based on 9% of the estimated market value. It was last reviewed in June 2018 confirming the current rent of \$56,327.58.

The tidelands seaward of Merchants Wharf are leased from the Merchants Wharf based on the 2018 agreement. They also have an agreement for the use of the float on those tidelands with another entity. These agreements have been ongoing for many years. This area is accessed by the CBJ lease.

The site is improved with a small three-story office building paved parking landscaping and other site amenities.

There is a use agreement between Goldbelt and Petro Marine Services for the installation of a diesel fuel system for the purpose of fueling marine vessels. The tanks are above ground inside temporary concrete barriers with fuel lines running down the ramp to the docks. This March of 2015 agreement was amended in June of 2016 allowing a 10 year term expiring in 2025 with automatic one year options to extend.

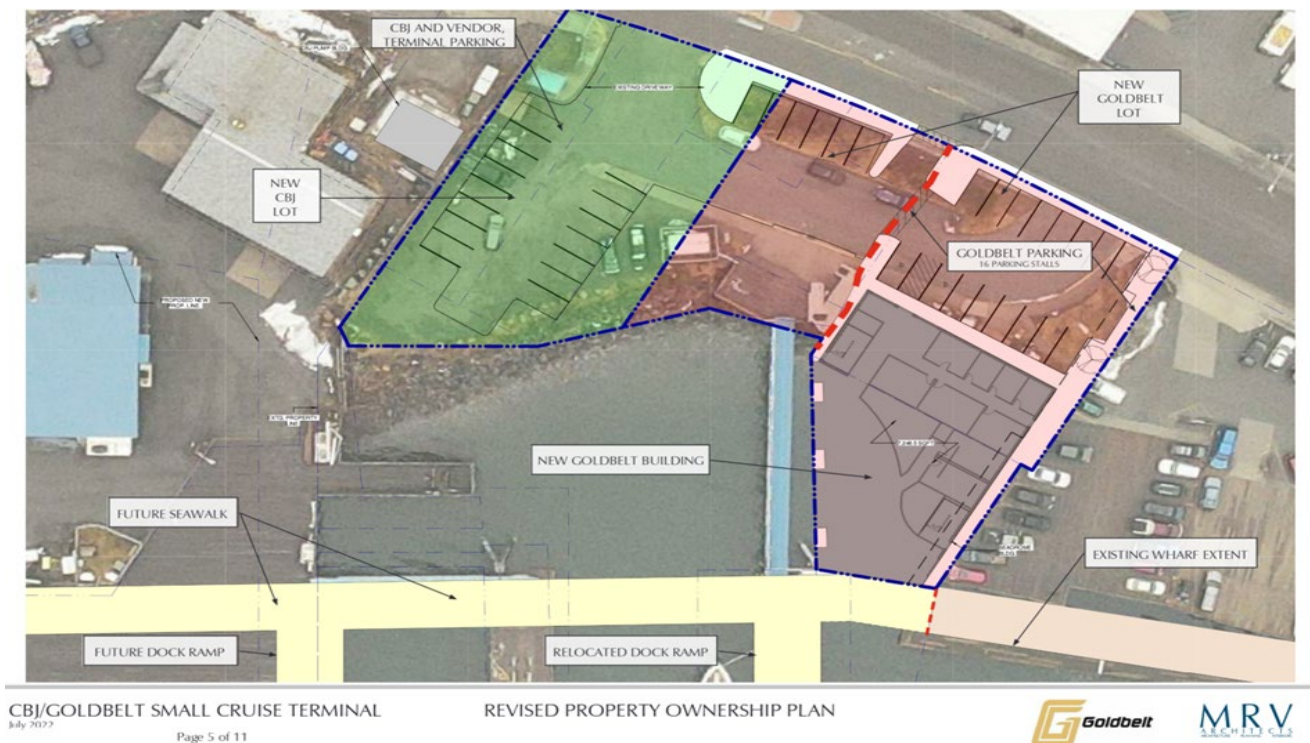
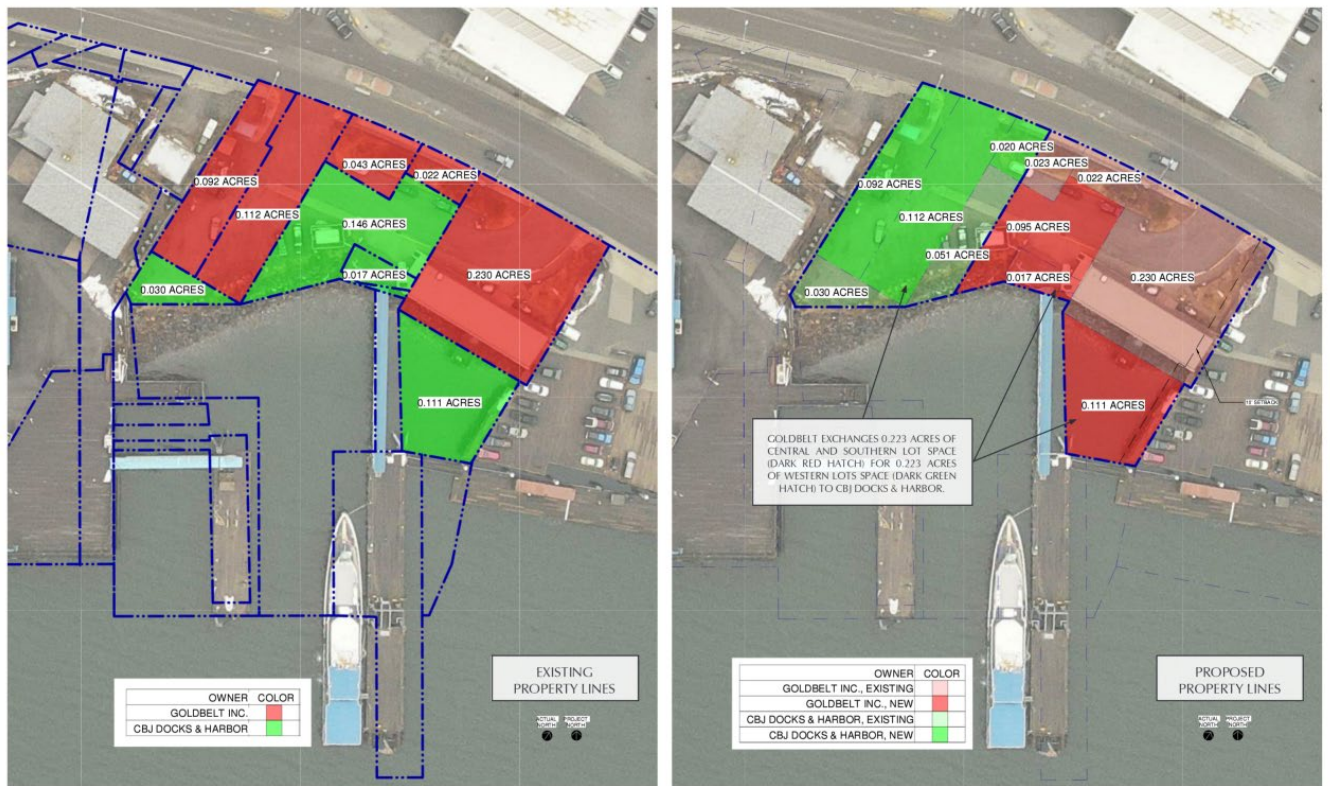


FIGURE 1.2 - Goldbelt’s initial envisioned expansion July 2022

The Proposed Exchange

Goldbelt wishes to expand its upland improvements with a small cruise ship terminal building developed over tidelands seaward of this existing building as noted in Figure 1.2 above. This concept is intended to allow a tie in to the future Seawalk concept. Goldbelt desires to acquire additional land for this purpose and proposes to trade its uplands for the value of these tidelands.

To initiate the process Goldbelt suggested an exchange configuration that looked something like what is presented in Figure 1.3 below. The idea was to develop an exchange configuration that would be close to equal value. The suggested configuration below puts more valuable level uplands owned by Goldbelt on the CBJ side of the exchange balance requiring several iterations of modifications to develop an even value exchange.



CBJ/GOLDBELT SMALL CRUISE TERMINAL
July 2022

Page 4 of 11

PROPOSED PROPERTY REALLOCATION



FIGURE 1.3 - initial exchange suggestion which put too much valuable land from Goldbelt to CBJ on the exchange balance.

As the process developed Goldbelt obtained detailed survey information about the land. The appraiser performed an analysis of the valuation contribution of land characteristics. It was concluded that the highest and best use of the land was similar for both of the property ownerships. It was determined that the sloping and tidal lands had a SF unit value of 40% of the upland unit value. This developed a ratio that for every 1 SF of upland traded, 2.5 SF of tidelands would be required or the reciprocal for every SF of tideland traded 0.40 SF of upland would be required. This ratio and analysis are supported in the valuation section of this report.

After several iterations of possible exchange configurations, the following was concluded to give equal utility to each parties pursuit of highest and best used development of the land.

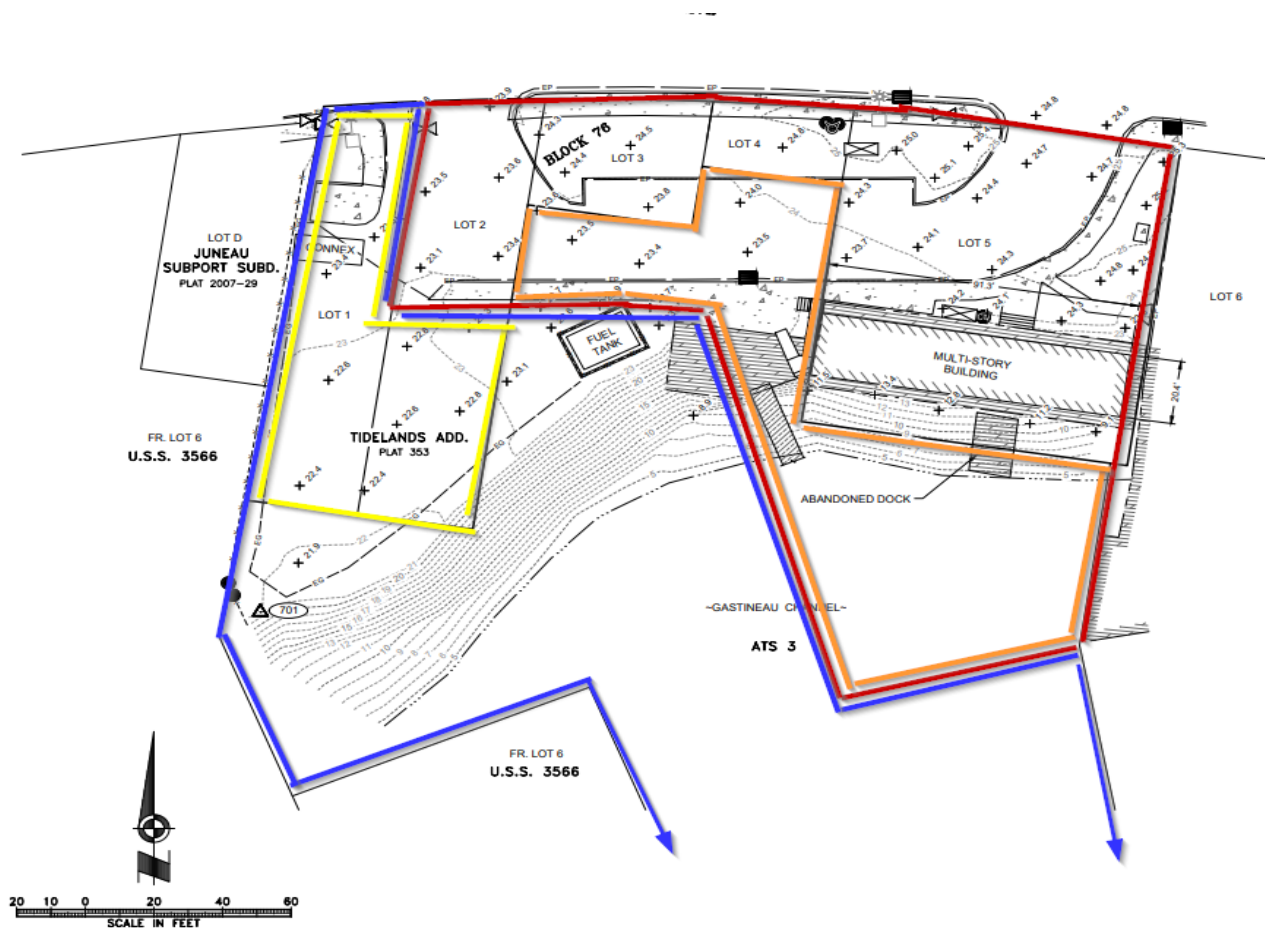


FIGURE 1.4 - Concluded exchange configuration showing CBJ receiving Goldbelt land outlined in yellow and Goldbelt receiving CBJ land outlined in orange. This makes the final ownership configuration reflected in CBJ outline in blue which extends into the harbor and covers the existing CBJ Goldbelt lease areas for which the city enjoys market rent. The final configured Goldbelt parcel is outlined in red.

Conclusion Traded Land Values

| Goldbelt conveys to CBJ | SF Area | Unit Value | Land Value |
|----------------------------|--------------|------------|------------------|
| Upland Parts of Lots 1 & 2 | 6,252 | \$65 | \$406,380 |
| Tideland Part of Lot 2 | <u>70</u> | \$26 | <u>\$1,820</u> |
| Total Goldbelt Land | 6,322 | | \$408,200 |
| | | | |
| CBJ conveys to Goldbelt | SF Area | Unit Value | Land Value |
| Upland behind Lots 3 & 4 | 3,400 | \$65 | \$221,000 |
| Tidelands west of Lot 5 | 550 | \$26 | \$14,300 |
| Tidelands south of Lot 5 | <u>6,650</u> | \$26 | <u>\$172,900</u> |
| Total CBJ lands | 10,600 | | \$408,200 |

1.2 INTENDED USERS AND INTENDED USE

The purpose of this appraisal is to estimate the square foot market value of those lands under consideration for exchange and to assist the exchanging parties in developing a near equal exchange of the identified lands based on their values as expressed by these market unit values. For these purposes certain reasonable hypothetical conditions are made part of this assignment such as that the lots are subdivided and marketable and unimproved ready for development to their highest and best use. Also, certain assumptions are made that there is no legal encumbrances by titled interest, lease or agreements would offset the values as calculated.

The Intended use of this appraisal as to assist the parties in an equal value exchange. The **Intended users** are the City and Borough of Juneau Harbor Board, Docks and Harbor management and subsequent decision makers involved in the exchange. The appraisal is not intended for any other users or any other use.

Please see the addenda for the summary of assumptions and conditions, certification of appraisal, definitions and other important information relative to the appraisal analysis.

1.3 INSPECTION & EFFECTIVE DATE

Charles Horan, MAI inspected and photographed the property on November 17th 2023. The property was also viewed on February 21, 2023. This latter date February 21st 2023 is the effective date of the appraisal.

1.4 SCOPE OF WORK

This appraisal analysis is for land only as though the site is hypothetically vacant and available for highest and best use development. The character of the land is based on a site survey performed by RESPEC. The character the land was differentiated as uplands, generally the land at the top of the slope of the filled areas at near road grade, and tidelands, which in this case include sloping lands and tidal flooded or submerged lands below.

The land is appraised as if vacant and available for development to its highest and best use. It is an extraordinary assumption that the easements, leases and agreements which are described

in this report do not inhibit the value attributed to the various exchange parcels. It is assumed the current land lease between the CBJ and Goldbelt will be revised to accommodate the new lot lines. No complete legal description or current title status report to the land has been provided to the appraiser. It is understood that the land will be surveyed into a legal site prior to conveyance.

The land value as hypothetically vacant will be estimated on the contributory square foot value of each of the exchange components of the land as uplands and tidelands.

The most direct way to estimate market value of the land is the sales comparison approach. Sales prices or annual rents have been analyzed as the primary indicators of value in the subject's competitive market. The market unit of comparison for this property is price per square foot. In some instances, leases were capitalized to indicate the fee value. A land capitalization rate of 8%¹ is used unless a contract rent is being converted and states otherwise. The income approach and depreciated cost approach were considered, but not applicable in the subject instance. The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP).

A thorough search of the market has been made for comparable transactions including interviews with realtors, consultations with the southeast and statewide Multiple Listing Services, a review of the assessor's files on sales transactions, lenders, government agencies and others who regularly participate in the real estate market. To the extent possible, we have interviewed buyers, sellers or other knowledgeable parties to the transactions as more fully described in our market data sheets contained in the addenda.

Our office maintains market data information on sales, transfers and on a geographic location basis for those rural properties not connected to a road system and those connected. Within each of these areas, the data is further segmented into commercial and residential properties. Within these divisions of separation are divisions for zoning and whether the properties are waterfront or upland parcels. Horan & Company, LLC maintains and continually updates this library of sale transactions throughout Alaska by region and has done so for over 30 years.

1.5 ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is made based on the following **hypothetical conditions (HCs)** and **extraordinary assumptions (EAs)**.

HC1 It is a hypothetical condition of this appraisal that the land as appraised is a legal subdivided marketable sites in fee simple title allowing the highest and best use of each ownership.

¹ See adenda for Alaska Tidelands Valuation And Rent Market

HC 2 The value is for land only. The value disregards site improvements which are present.

EA1 It is an extraordinary assumption that the lot size and portions are as outlined in this report. It's understood that the final square footage may vary somewhat which could be adjusted by the client or by an amended appraisal.

EA2 It is an extraordinary assumption that easements, leases and agreements which are known and outlined in this report do not inhibit the value attributed to the various exchange parties. It is assumed current land lease between the CBJ and Goldbelt will be revised to accommodate the new lot lines.

This appraisal and valuation contained herein are also expressly subject to the scope of work and the following assumptions and/or conditions:

1. It is assumed the data, maps and descriptive data furnished by the client or its representative are accurate and correct. Photos, sketches, maps, and drawings in this appraisal report are for visualizing the property only and are not to be relied upon for any other use. They may not be to scale.
2. The valuation is based on information and data from sources believed reliable, correct and accurately reported. No responsibility is assumed for false data provided by others.
3. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property. No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. All existing liens, encumbrances, and assessments have been disregarded unless otherwise noted, and the property is appraised as though free and clear, having responsible ownership and competent management. It is assumed that the title to the property is marketable. No investigation to this fact has been made by the appraiser.
4. The property described herein has been examined exclusively for the purpose of identification and description of the real property. The objective of our data collection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. The appraiser's observations and reporting of the subject land or improvements are for the appraisal process and valuation purposes only and should not be considered as a warranty of any component of the property. This appraisal assumes (unless otherwise specifically stated) that the subject is structurally sound and all components are in working condition.
5. This appraisal report may note any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such

as but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and have assumed that there are no such conditions and make no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property. The appraiser obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or private sources believes it to be true and correct. It is assumed that no conditions existed that were undiscoverable through normal diligent investigation which would affect the use and value of the property. No engineering report was made by or provided to the appraiser.

6. The Client is the party or parties who engage an appraiser in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client does not become an intended user of this report unless the client specifically identified them at the time of the assignment.
7. The appraisal report may not be properly understood without access to the entire report. The appraisal is to be considered in its entirety, the use of only a portion thereof will render the appraisal invalid.
8. Any distribution of the valuation in the report between land, improvements, and personal property applies only under the existing program of utilization. The separate valuations for land, building, and chattel must not be used in conjunction with any other appraisal and is invalid if so used.
9. One (or more) of the signatories of this appraisal report is a member or associate member of the Appraisal Institute. The bylaws and regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report in its entirety to such third parties as selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media, or other media for public communication without the prior written consent of signatories of this appraisal report.

10. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described herein unless prior arrangements have been made.

1.6 DEFINITIONS

Market Value

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Page 123

The estimated market exposure time is 18 to 24 months.

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

Dictionary of Real Estate Appraisal, Sixth Edition, Page 83-84.

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

The use of an extraordinary assumption or a hypothetical condition if found to be otherwise could impact appraisers' analysis and conclusions.

2.1 JUNEAU AREA ANALYSIS

Please see the addenda for the expanded Juneau Area Analysis. The population and employment in Juneau have been declining over the last few years but it appears that the decline is diminishing. The population is aging. There is a housing shortage with prices rising due to supply and demand issues as well as inflationary pressure for materials. There have been no large-scale multifamily housing projects developed for the last several years. It appears that feasibility for new rental housing may be difficult. With the increase in values for condominiums and other forms of home ownership, there may be some more potential in the future for this type of feasible housing. It's beyond the scope of this report to make this determination at this time.

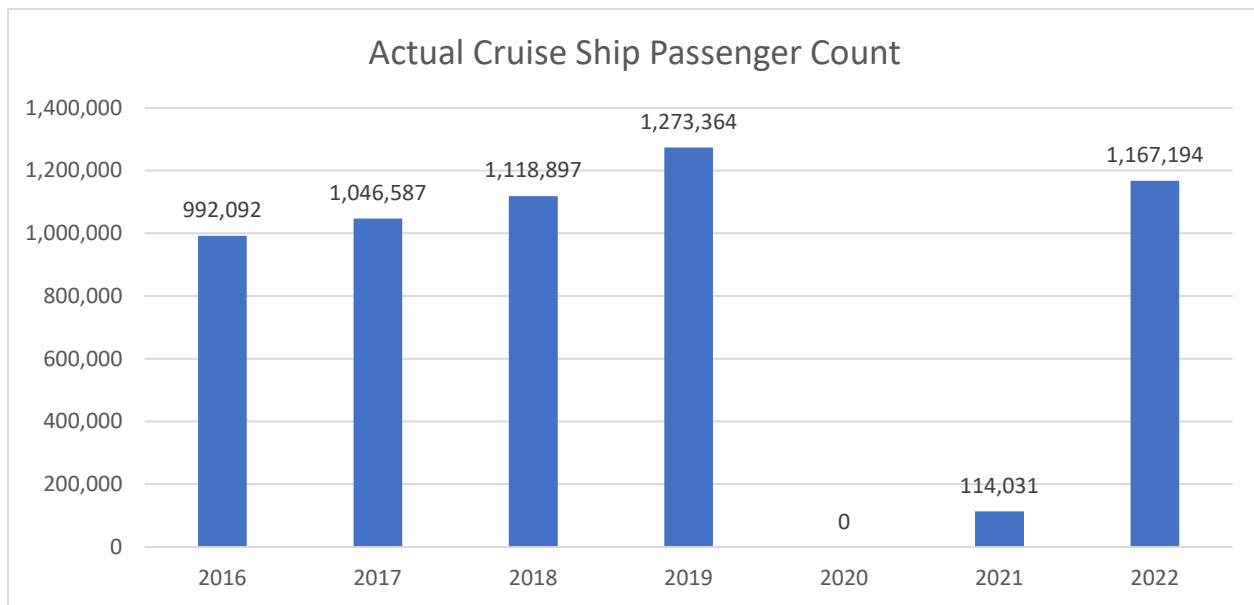


Figure 2.1 - Actual cruise ship passenger count provided by CBJ Docks and Harbor Department, the Tide Line November 2022 newsletter.

Tourism has recovered significantly for the independent traveler and more recently, just this year for the cruise ship passenger. Actual passenger count for 2022 is 92% of the previous high in 2019. It appears it will improve next year. Tourism-related sales are also rebounding as seen in gross tax receipts but not near the levels previously seen in 2019. The independent travel market appears to be stronger based on bed tax receipts which in 2022 may have outpaced the 2019 season. Education, government, fishing, and other industries that have lagged in the last several years appears to be recovering if not to prior levels. State Government continues to shrink but may be leveling off.

Overall, the current market in 2022 is positive. It is expected that prices would be stable or moderately increasing in some parts of the commercial real estate sector.

2.2 NEIGHBORHOOD ANALYSIS

The subject property is located on the Juneau Harbor waterfront beyond the dense traffic generated by cruise ships. However, it provides a nearby deep-water marina for large yachts, small tourism vessels and sea planes. The subject has the advantage of convenience for most tour operators that would work out of this property. While use of the subject is limited by the water-oriented zoning, its close proximity to the tourism traffic.

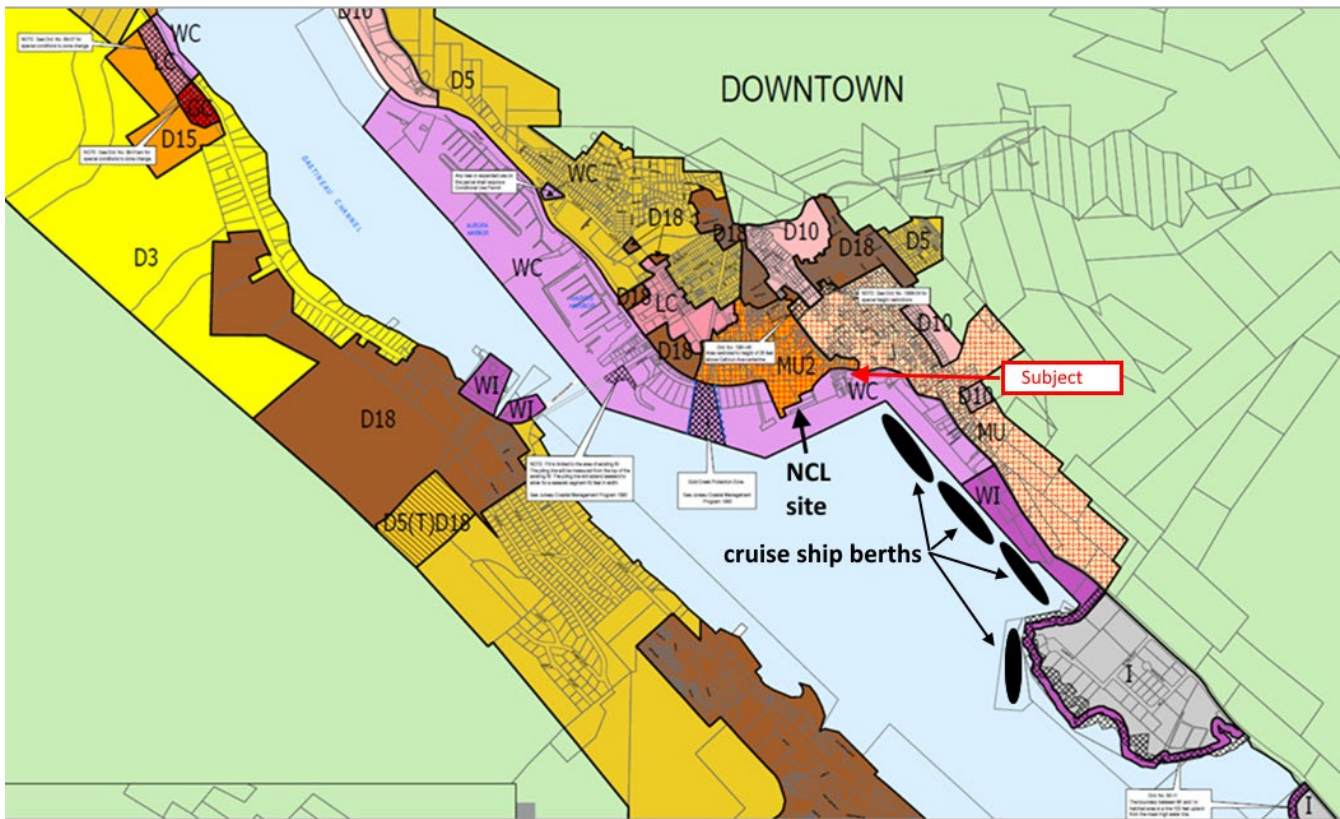


FIGURE 2.2 - Zoning Map. Source: CBJ Downtown Juneau & Douglas Zoning Map as of September 29, 2015 annotated by Horan & Company.

Zoning

The property is zoned Waterfront Commercial (WC). The WC, Waterfront Commercial District, is intended to provide both land and water space for uses which are directly related to or dependent upon a marine environment. Such activities include private boating, commercial freight and passenger traffic, commercial fishing, floatplane operations, and retail services directly linked to a maritime clientele. Other uses may be permitted if water-dependent or water-oriented.

Juneau Harbor Waterfront

The Long Range Waterfront Master Plan established in 2004, which became part of the Juneau comprehensive plan, calls for a sea walk to pass through these parcels connecting the broader neighborhood by an elevated walkway from the cruise ship docks on South Franklin Street to the 8th Street office complex. This project has steadily progressed in phases. The most recent Seawalk phase was completed from the 8th Street office complex to Gold Creek, just west of the subject.

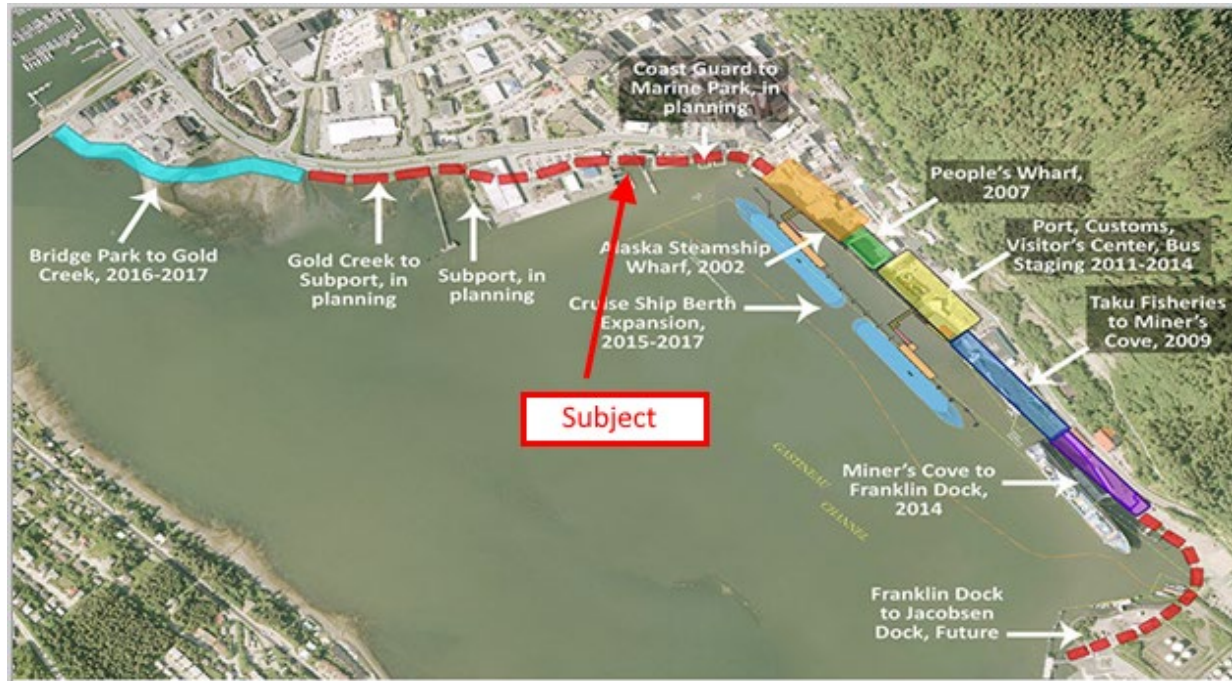


FIGURE 2.4 - Seawalk timeline concept from CBJ website.

The subject has historically been used for small cruise ships. It is well situated to comply with the waterfront development concept for small to midsize ship harbor and marina use. The CBJ cruise ship docks are just east of the subject beyond the Merchants Wharf which is used for floatplane tourism and the subject marina which employs part of the Merchants Wharf tidelands frontage. Just West of the subject is a small NOAA dock and the US Coast Guard dock beyond. Apparently Juneau has been notified they will possibly be home porting an ice breaker which may involve redevelopment of this government property to the west. Further west is the NCL purchase of 2.9 acres of land on which they envision the development of Juneau Harbors 5th large cruise ship dock. The Juneau Waterfront Plan and its overarching Comprehensive Plan have been modified to allow this to happen in the Subport area. All these waterfront dock properties are in high demand at this time due to the growing number of cruise ship visitation to the port of Juneau. This activity demonstrates that the demand for the subject property is very good.

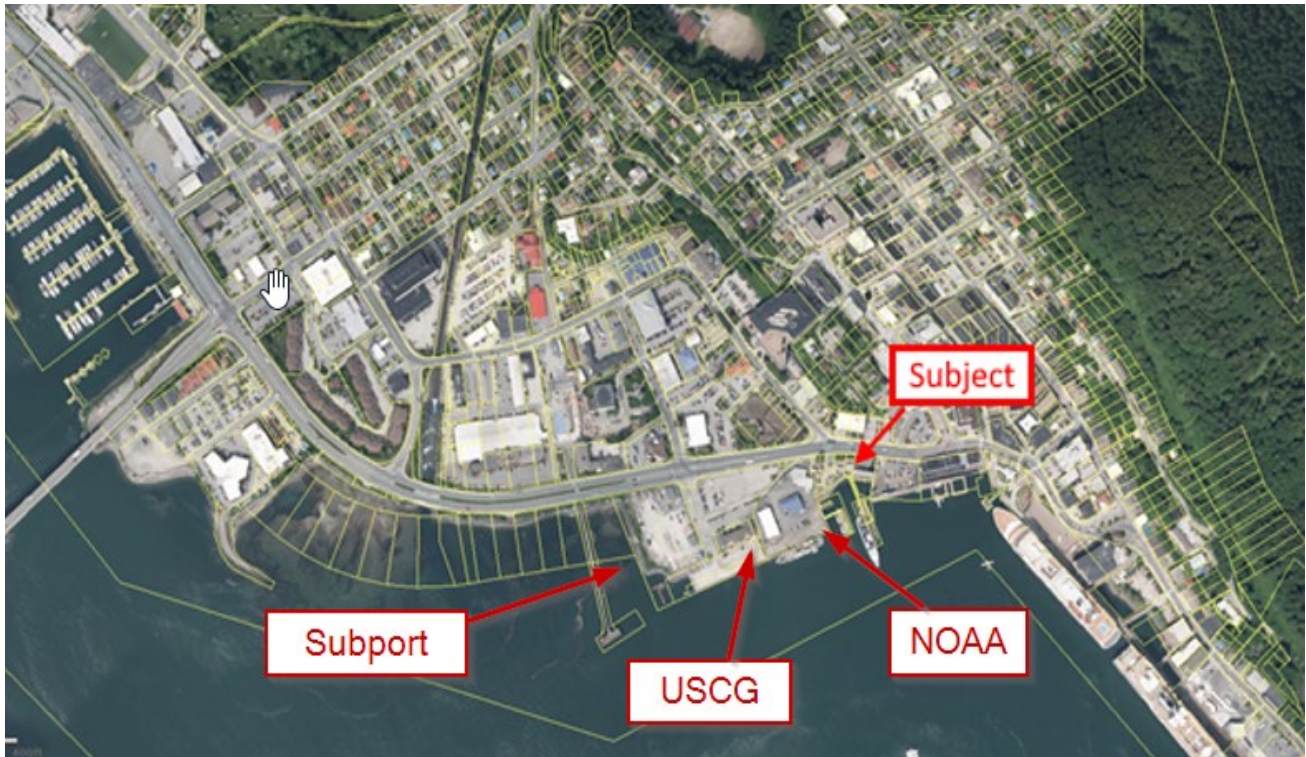


Figure 2.5 - CBJ GIS overview map of downtown commercial area and inner harbor area

3 PROPERTY DESCRIPTION

3.1 SITE DESCRIPTION

The purpose of the appraisal is to estimate the typical SF land value for the for the properties owned by the proponents of the exchange which we will call CBJ lands and Goldbelt lands. The present configuration and context of these parcels are as indicated in

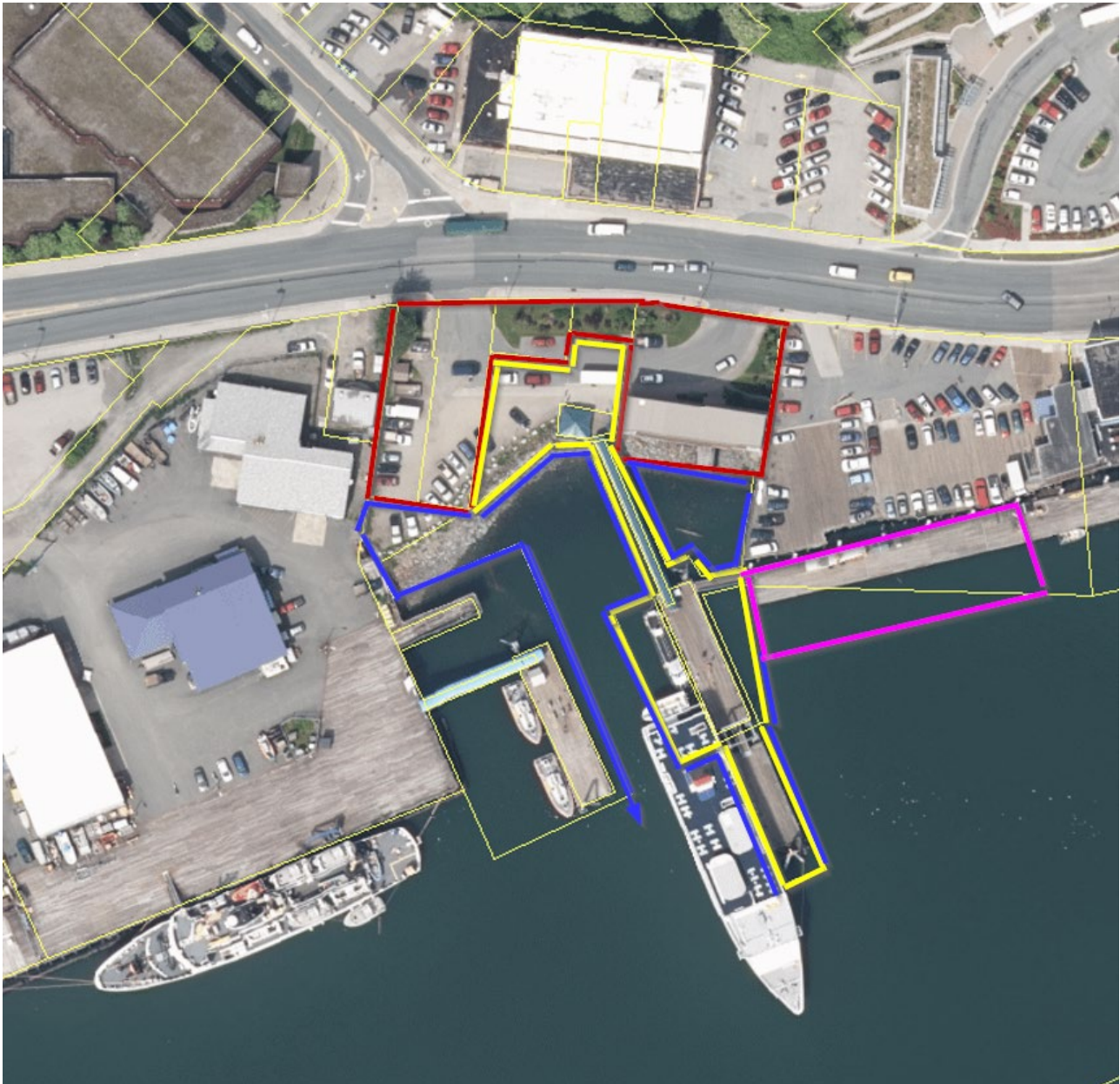


Figure 3.1 - The red lines embrace those lands currently owned by Goldbelt. The blue and yellow embrace those lands owned by the CBJ. The yellow is leased from CBJ to Goldbelt.

Character of larger land area

The lands are considered as equally situated economic units. In other words, the CBJ is not penalized for not having frontage on Egan Drive nor is Goldbelt penalized for not having access to the waterfront without a land lease from the CBJ. Overall the land has about 250 feet of frontage on Egan Drive. The upland area at grade extends 70 feet to 150 feet south toward the sloping tidelands. The tidelands influence extends another 300 feet or more into the deep water of Juneau Harbor.

The land influenced by the exchange areas is roughly outlined in Figure 3.1. This consists of about 48,000 SF of the CBJ lands of which 6000 SF more or less is classified as uplands (about 12%). Goldbelt has about 20,000² square feet of land of which is roughly 16,700 square feet classified as uplands (84%).

The fill soil is level at road grade and assumed to be competent for most economic highest and best uses based on the neighborhood and historic development on the site. The sloping tidelands appear to be adequate as well as they currently support a pile driven marine float and ramp structure capable of mooring small to midsize vessels.

Utilities

All utilities available in the City and Borough of Juneau are available to the site, including water, sewer, telephone, cable television, electric power, etc.

Access and Off-Site Improvements

Road access is along Egan Drive, a paved, undivided, four-lane highway with concrete curbs, gutters, and storm drainage. No on-street parking is available adjacent to or near the subject.

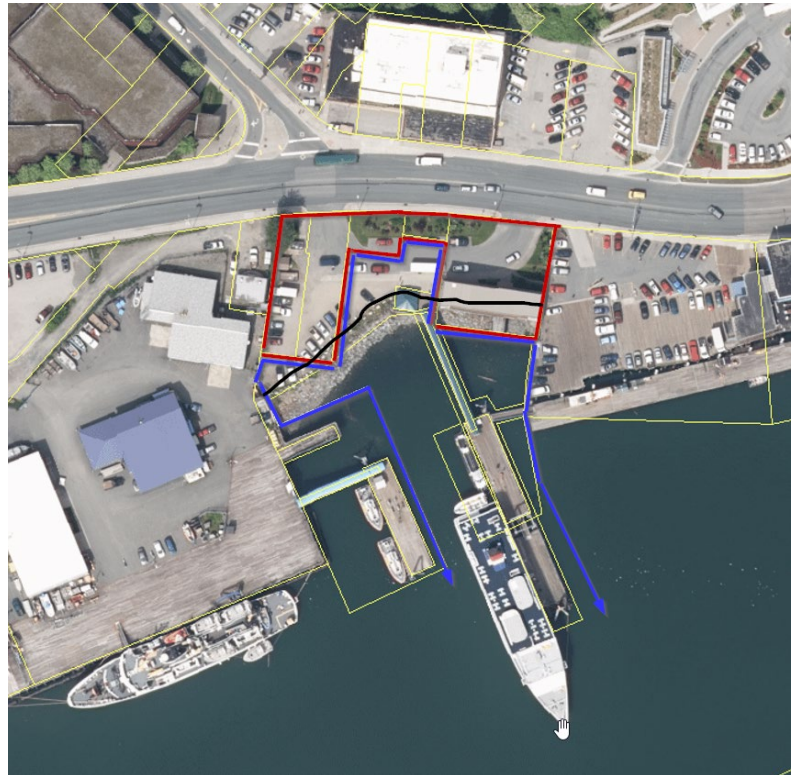


Figure 3.2 rough outline of land ownership, Goldbelt in red CBJ in blue. This also notes rough approximation of top of fill line.

² Goldbelt has title to about 21,801 SF in Lots 1 through 5 Block 76 of the Juneau Townsite Addition. In about 2017 1,823 SF were conveyed as a perpetual easement to the State of Alaska DOT leaving a net effective land area of just under 20,000 SF.

This is a heavily trafficked road. The site has water access through tidelands to the deep water of Gastineau Channel to the south.

Assessed Valuation and Taxes

The subject is carried as two parcels by the assessor with the following Parcel IDs;
1C070K760010, Legal Description Tidelands Addition Block 76 Lots 1, 2, & 3, and
1C070K760020, Legal Description Tidelands Addition Block 76 Lots 4 & 5.
The total value for both parcels owned in fee is \$2,138,565 for the 2022 assessment.

The leasehold interest in the tidelands, owned by CBJ Docks & Harbor, parcel number 1C070K760021, ATS 3 FR, is \$954,030 for 2022.

This includes the improvement value of the floats and other marine improvements. The total value for all three parcels is \$3,092,595. The taxes for all three would be \$32,658 based on a current mill rate of 10.56.

Easements and Other Restrictions

There are no known easements or platted site restrictions that would influence the typical square foot value for the purpose of our analysis. We have already addressed the existence of the land lease and other agreements which do not impact our square foot value analysis.

3.2 IDENTIFIED EXCHANGE LANDS

The exchange lands have been analyzed for their site characteristics as filled or tidelands as previously defined. The CBJ Port Engineer, in consultation with the appraiser, has defined an approximate equal value exchange. The character of these lands are also informed by the topographical survey performed by RESPEC surveyors. The following figure identifies those lands..

This analysis notes that Goldbelt would convey approximately 6,322 SF of land and that the CBJ would convey approximately 10,600 SF land. The breakout is summarized in the following table.



Figure 3.3 Drawing by Matthew D. Sill, P.E. Port Engineer, Port of Juneau which summarizes the size and shapes of lands that will create an approximate equal exchange.

Goldbelt Conveys to CBJ

| | |
|----------------------------|--------------|
| Upland Parts of Lots 1 & 2 | 6252 SF |
| Tideland Part of Lot 2 | <u>70 SF</u> |
| Total Goldbelt land | 6322 SF |

CBJ conveys to Goldbelt

| | |
|--------------------------|----------------|
| Upland behind Lots 3 & 4 | 3400 SF |
| Tidelands west of Lot 5 | 550 SF |
| Tidelands south of Lot 5 | <u>6650 SF</u> |
| Total CBJ lands | 10600 SF |

The newly configured sites would approximate the shapes shown in Figure 3.4 below.

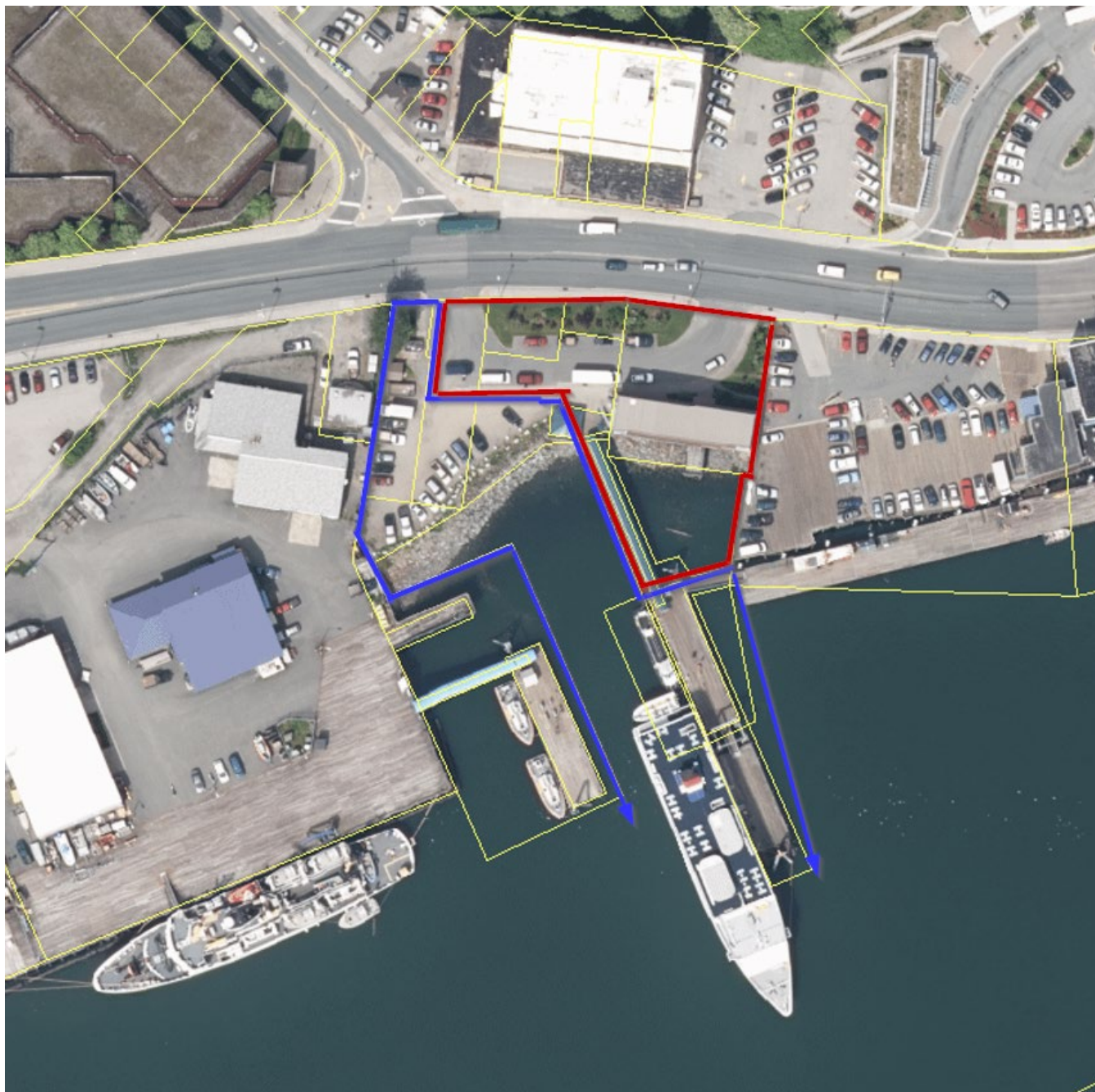


Figure 3.4 showing newly configured land ownerships. Note CBJ lease to Goldbelt is not indicated.

4 VALUATION

4.1 HIGHEST AND BEST USE

Highest and best use is defined as "the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value.

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, page 93

The highest and best use for the subject lands would be those allowable uses in the Waterfront Commercial (WC) zone, which include "uses which are directly related to or dependent upon a marine environment." The commercial waterfront uses to the east include retail sales and other activities oriented towards cruise ship tourism.

Historically, this waterfront site had been developed for docking boats for the owner's tourism operation. Since that time, the owner dropped that business and operates as a marina for other small tour operators, yacht moorage, etc. The subject upland area supports the logistics of loading and unloading passengers, and the office building on the rear part of Lot 5.

The subject location has proven attractive for its deep-water access close to the cruise ship docks which generate high traffic. The subject is in the Town Center Parking Area district which allows flexible parking requirements. Its demand would be superior to nearby commercial uses without these advantages.

The maximally profitable use is for a marine oriented waterfront development similar to the existing use. The highest and best use of the uplands is to support the marina, small ship terminal use, parking and loading areas.

4.2 LAND VALUATION

In this section, the typical SF market value will be estimated. The direct sales comparison approach is utilized in the subject instance. Commercial land sales and capitalized land rents in the immediate area were considered for estimating the square foot value of the subject. For valuation purposes the two site components; level land at road grade (upland) and sloping/tidelands (tideland) are considered for their contributory value of the overall site. The following transactions were found to be most helpful in our analysis. We will estimate the market value of the uplands. We have determined³ that the tidelands value is a 40% of the unit value of the uplands. We have then adjusted the concluded value of the uplands by this ratio (40%) to determine the contributory value of the tidelands.

³ See addenda for the Tideland Value Ratio study. The subjects are rated as well functioning tidelands at 40%.

| Table 4.1 – Summary of Sales Used to Estimate the Value of the Subject Uplands | | | | | | |
|---|--------------------|---------|-----------------|---------|-----------|-----------------------|
| Comp # | Address | Date | Indicated Price | SF Size | Price /SF | Comment |
| 1-1494 | 360 Egan DR | 07/2020 | *\$1,173,520 | 29,338 | \$40.00 | Level land at grade |
| 2-5011 | 98 Egan DR | 06/2018 | *\$625,862 | 19,916 | \$31.43 | Mixed Tide & upland |
| | Upland | | *\$360,047 | 6,998 | \$51.45 | Upland |
| | Tideland | | *\$265,815 | 12,918 | \$20.58 | Tideland |
| 3A-11509 | 127 S Franklin St. | 12/2021 | \$1,350,000 | 16,204 | \$83.31 | 5,000SF near Rd Grade |
| 3B-12181 | 139 S Franklin St. | 04/2022 | \$171,000 | 3,217 | \$53.16 | At Rd Grade |
| 3 | S Franklin St. | 04/2022 | \$1,521,000 | 19,421 | \$78.32 | Mixed Topo |

*Capitalized Land Rent



Comp1 is across the street a block away from the subject. It is a renewal of a long-term ground rent that was negotiated in mid-2020. The market has improved somewhat since then. This comp will be analyzed as a capitalized rent.



Comp 2 is also in capitalized land lease of the Goldbelt Tidelands lease from 2018. The market has improved since that time. This comp has the components of uplands and tidelands as does the subject reflecting a 40% ratio of tidelands unit value to uplands.



Comp 3 A&B represents two separate purchasers of adjacent properties that are interrelated by easement access and other issues. The first purchase in December of 2021 was for the bulk of the property that has excellent frontage on S Franklin St and benches behind to steep lands accessible off Gastineau Ave. The purchaser felt this transaction was related and should be considered part of the subsequent purchase of a small City Park/land remnant in April of 2022. The price for this latter purchase reflects the high-value frontage on S Franklin Street but also significant discounts for easement encumbrances for AEL&P utilities and access easements which favor the first purchased land. This is a good reflection of high-value core commercial real estate in downtown Juneau. It is superior to the subject in its location and current development potential for tourism retail.

Quantitative Adjustments

Quantitative Adjustments are made for the rental **Comps 1 and 2** whereby these annual rents are capitalized to indicate market value which is then expressed as a price per SF. The rents are capitalized at the contract rate if applicable or a market rate of 8%. This market rate estimate of 8% is supported by our study in the addenda, Land Lease Rent Percentage Rate Market.

Comp 2 has elements of filled uplands and tidelands as does the subject. This capitalized rent is further broken out based on an allocation that the tidelands at 40% of the unit value of uplands. This ratio is supported by market analysis contained in the Addenda, Tideland Value Ratios. This is also the case with the subject. Our analysis will develop a unit value of the uplands. The remaining portion of the subject lands will be added at a ratio of 40% of the upland unit value.

Comp 3 is the purchase of two adjoining sites in downtown Juneau on S Franklin St. They were considered one site by the buyer. The smaller site (Comp 3B), purchased four months later, was a City Park that the City preferred to sell to the adjacent property owner (Comp 3A) since the City site (Comp 3B) was encumbered by an access easement that favored the previously purchase site (Comp 3A). They are analyzed as one transaction for the purpose of estimating the contributory unit value of the upland.

Qualitative Analysis

The remaining elements of comparison, change in market conditions, conditions of sale, location, and development potential are made in a qualitative manner since discrete adjustments discerned from the market to make quantitative adjustments are not reliably available.

The upland sales are considered on a qualitative basis relative to their being superior, inferior or similar to the subject due to these differences. The indicated price per SF is qualitatively ranked in the following discussion. If a comparable attribute is superior to the subject, a minus rating of -1, -2, or -3 is made, depending on its severity. Conversely, if a comparable attribute is inferior to the subject, a plus rating is made to weigh this with other attributes towards the subject with a +1, +2, or +3, depending on the severity. The gradation of weighting 1 to 3 is used since all qualitative attributes are not, in the appraiser's opinion, equally weighted within the market.

The **market conditions** have changed over the last five years. Prior to the pandemic in early 2020, the market had been relatively stable. The pandemic introduced considerable market uncertainty into 2021. As time went forward, it appeared that travel and some of the other pandemic restrictions may be loosening up even though the COVID virus remained a persistent threat. 2022 begin to see a recovery in the overall economic conditions with increases in sales, employment, and gross earnings in certain market segments which had suffered. There were inflationary pressures that began to be exhibited in 2022. The transactions prior to 2022 are considered inferior by +1 for Comps 1 and 2.

Conditions of sale is rated similar between the subject as appraised prior to adjustments for contract risk conditions which will be discussed after concluding the value as though unaffected by those conditions. Each of the comparables was based on rational market criteria of competitive sales or supported by appraisal or other economically driven market-related factors considered by the grantors, grantees or the lessors and lessees. Therefore, the transactions are all rated similar for property rights.

Location considers site prominence as exposure to pedestrian or vehicular traffic and ease of access. Comps 1 and 2 are on Egan Drive and rated similar for location. Comp 3 is located on South Franklin street by Front Street in a high-traffic pedestrian area. The purchase was motivated by this traffic and the retail sales it could subsequently generate. It is rated superior by - 1.

Development potential is somewhat related to location but reflects the heightened demand for the subject for the possibility of developing a very large cruise ship dock off-site. Although this possibility was not a certainty at the effective date of the appraisal, it was considered probable at some time and was seen in the market as a stimulating motivation for a higher price. In regard to perceived development potential Comps 1 is inferior +1 as it does not have any potential for waterfront development. Comp 2 is similarly on the water, it is part of the

subject. Comp 3 is inferior +1 in its development potential due to only 42% (~8,217 SF of 19,421 SF) of the site near street grade and immediately developable. This site does have more immediate near-term possibility for developing retail income as related to the size of the site.

Parking is a critical issue in downtown Juneau. The subject and Comps 1 and 2 are located in the Downtown Center Parking Area which has significantly reduced parking requirements from the other areas of town. These are all rated similar in this regard. Comp 3 on the other hand is in an area that has no parking requirements making the land more valuable, all things being equal, since it does not require part of its site to be dedicated to parking. It is rated superior -1.

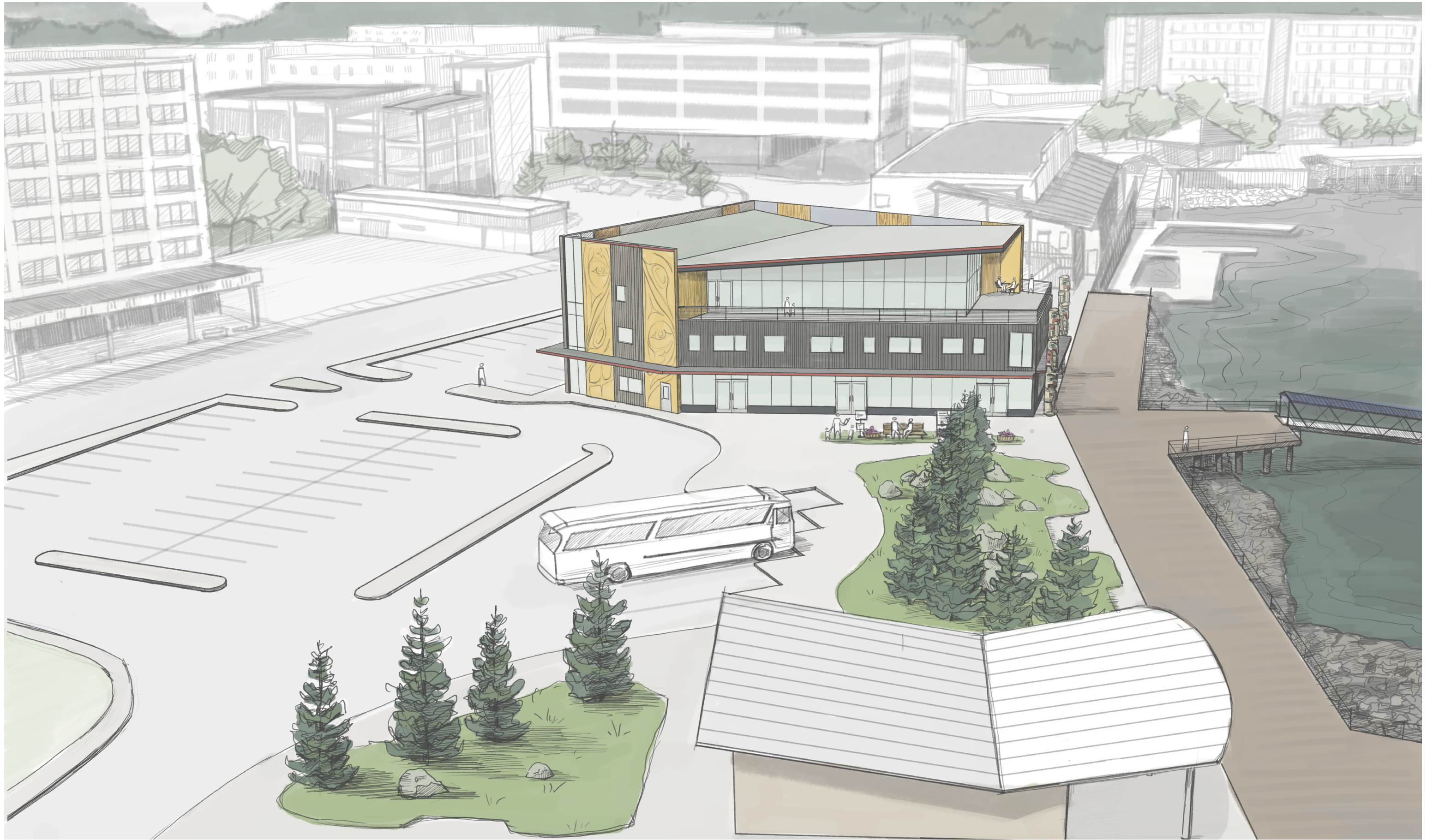
Summary and Relative Ranking

The rankings discussed above relative to their SF values compared to the subject are summarized in the following Table 4.2 for the subject uplands.

| Characteristic | Subject | Comp 1 - #1494 360 Egan Dr | Comp 2 #5011 98 Egan Dr | Comp 3 #11509 & 12181 S. Franklin St. | | | |
|------------------------------|------------------------|-------------------------------|-----------------------------|---|----|----------------------|----|
| Annual Rent | N/A | Confidential | \$56,325 | NA | | | |
| Indicated Value | N/A | \$1,173,520 | See Discussion | \$1,521,000 | | | |
| Size (SF) | 40,000 SF 20,000 SF | 29,338 SF | 6,998 SF (19,916 SF) tot | 19,421 SF | | | |
| Indicated SF Value of Upland | Solve | \$40.05/SF | \$51.45/SF | 78.32/SF | | | |
| Market Condition (Time) | 8/2022 | 7/2020 | +1 | 6/2018 | +1 | 4/2022 | 0 |
| Condition of Sale | Typical | Similar | 0 | Similar | 0 | Similar | 0 |
| Property Rights | Fee | Similar | 0 | Similar | 0 | Similar | 0 |
| Location | Good Prominence | Similar | 0 | Similar | 0 | Superior | -1 |
| Development Potential | Good, Comm. Marine | Inferior | +1 | Similar | 0 | Inferior | +1 |
| Parking District | Town Center | Similar | 0 | Similar | 0 | Superior | -1 |
| Net Rating | | Inferior | +2 | Inferior | +1 | Superior | -1 |
| The Subject Value Is: | | More Than \$40.00/SF | | More Than \$51.45/SF | | Less Than \$78.32/SF | |

If a comparison is **Superior**, a Minus rating of -1, -2, or -3 is given depending on severity.
If a comparison is **Inferior**, a Plus rating of +1, +2, or +3 is given depending on severity.

The data brackets the subject fairly well between \$40.00/SF and nearly \$78.32/SF; the midpoint of this range is \$59.16/SF. Less weight is given to the lower end of the range. Less comparable indicators, Comp 2 is the subject capitalized rental value that has not changed for many years. It is a low indicator of value. The market range is closer to \$51.45/SF and \$78.32/SF. The central point of this range is \$64.89/SF. This higher end of the range is a more recent reflection of the market and is given the most weight. The indicated value of the upland is \$65.00/SF. The contributory value of the sloping and tidelands are 40% of this amount or \$26.00/ SF.



OVERALL LONG RANGE SMALL CRUISE CONCEPT RENDERING

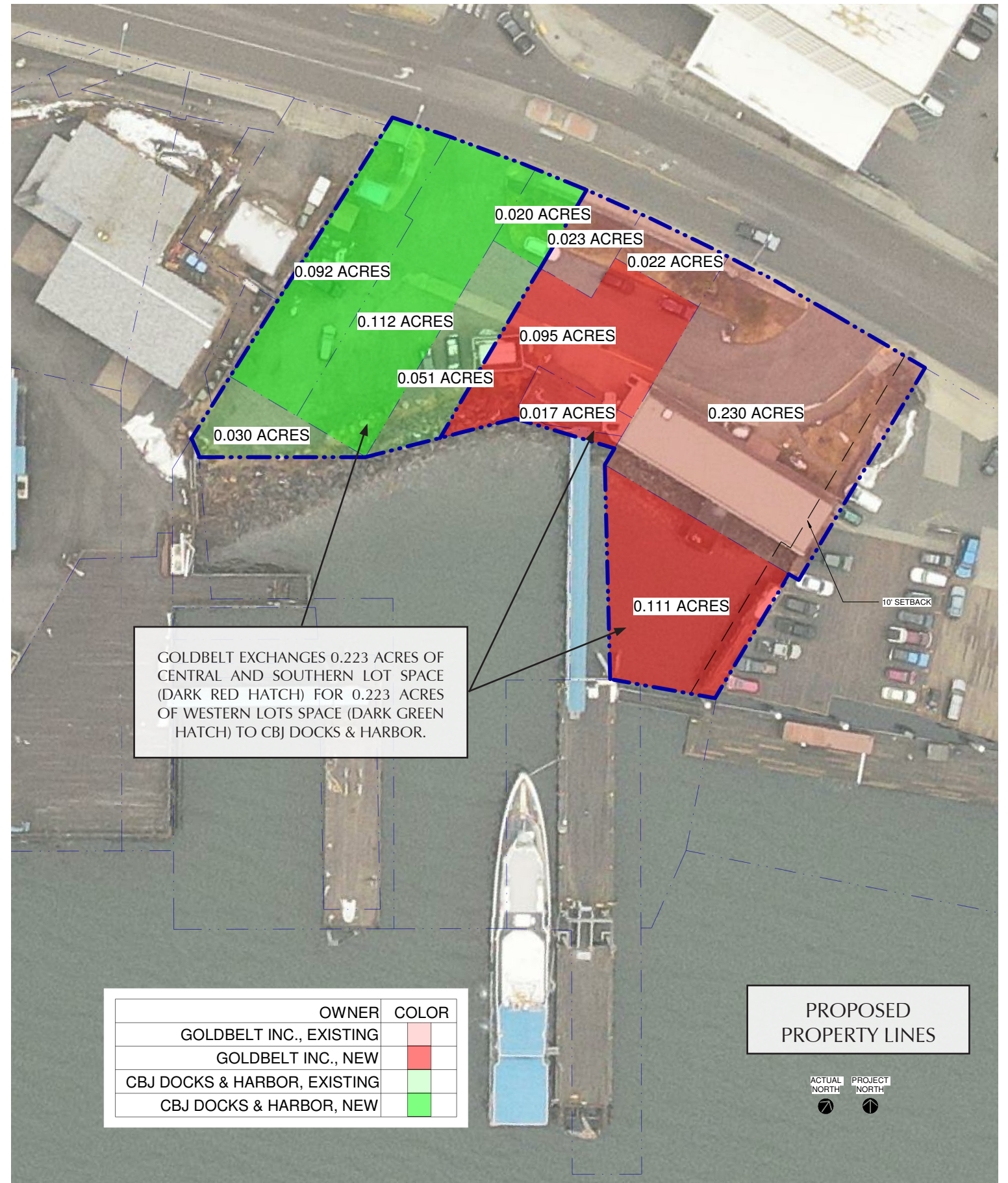
- CBJ Docks and Harbors and Goldbelt have the opportunity to create a new Small Cruise Ship Terminal, as recommended in the PND analysis of 2021.
- The first step is an even land exchange between Goldbelt and the CBJ to create more useful and unified property for both parties.
- Improved property configurations support a workable terminal now with existing dock and upland staging, while supporting future expansion for a second CBJ dock, seawalk, and expanded parking.
- Goldbelt will rebuild the Seadrome building on an expanded site, establishing an iconic Alaskan Native facility on the waterfront to support visitors better.

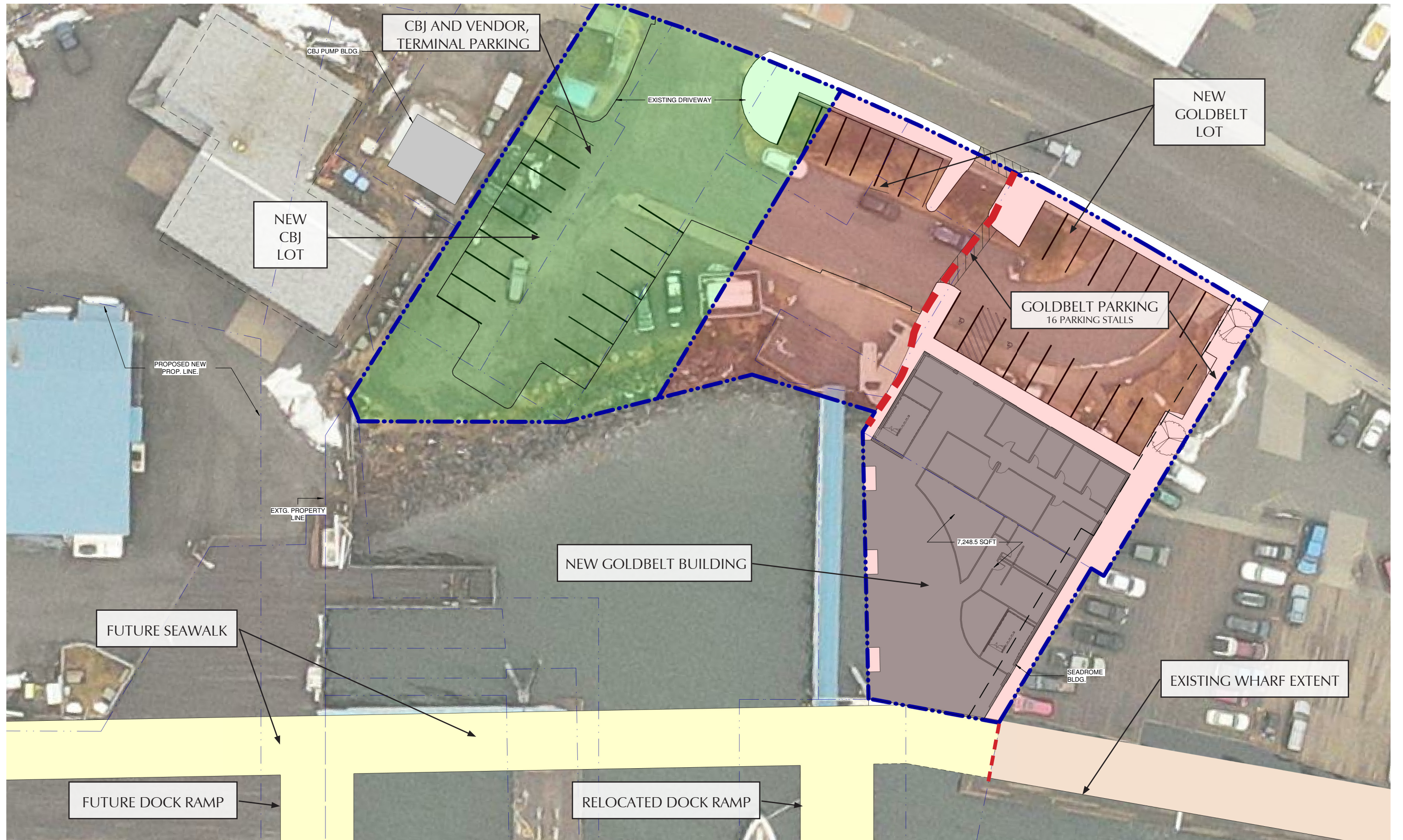


ACTIONS:

1. An equal property exchange is made to optimize CBJ and Goldbelt lots, and the consolidated properties are replatted.
2. The existing Goldbelt Dock is transferred to CBJ Ownership, and reconstructed further seaward to align with the future Seawalk location.
3. Goldbelt demolishes the existing Seadrome Building and builds an improved facility closer to the water on the new consolidated Goldbelt property.
4. The existing uplands are modified into expanded parking and staging for the Small Cruise Ship dock, with a portion dedicated to Goldbelt building parking.





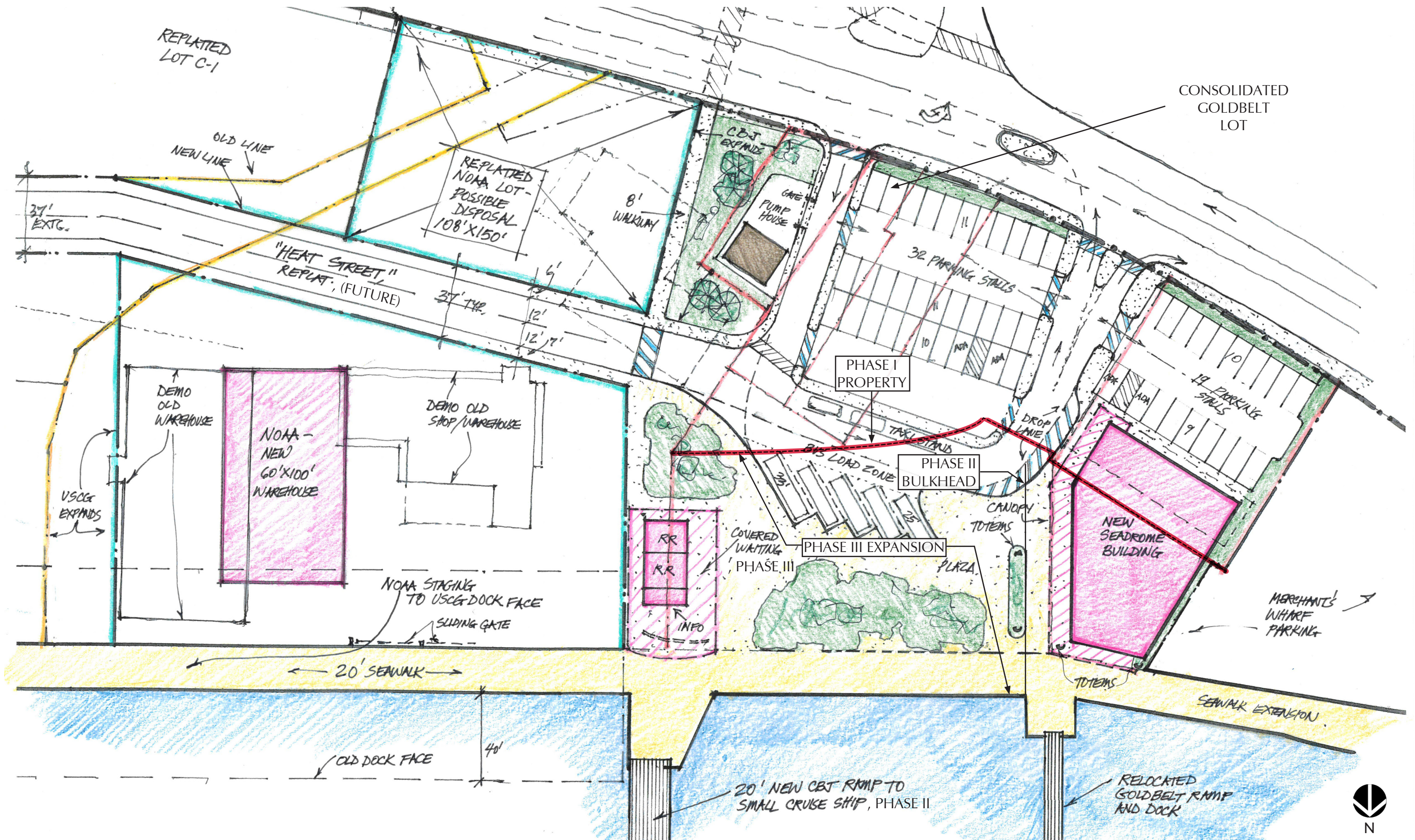


The Site works for Current Needs – Dock and Uplands can provide parking and bus staging needed for the small cruise ship dock and Goldbelt operations from existing property.

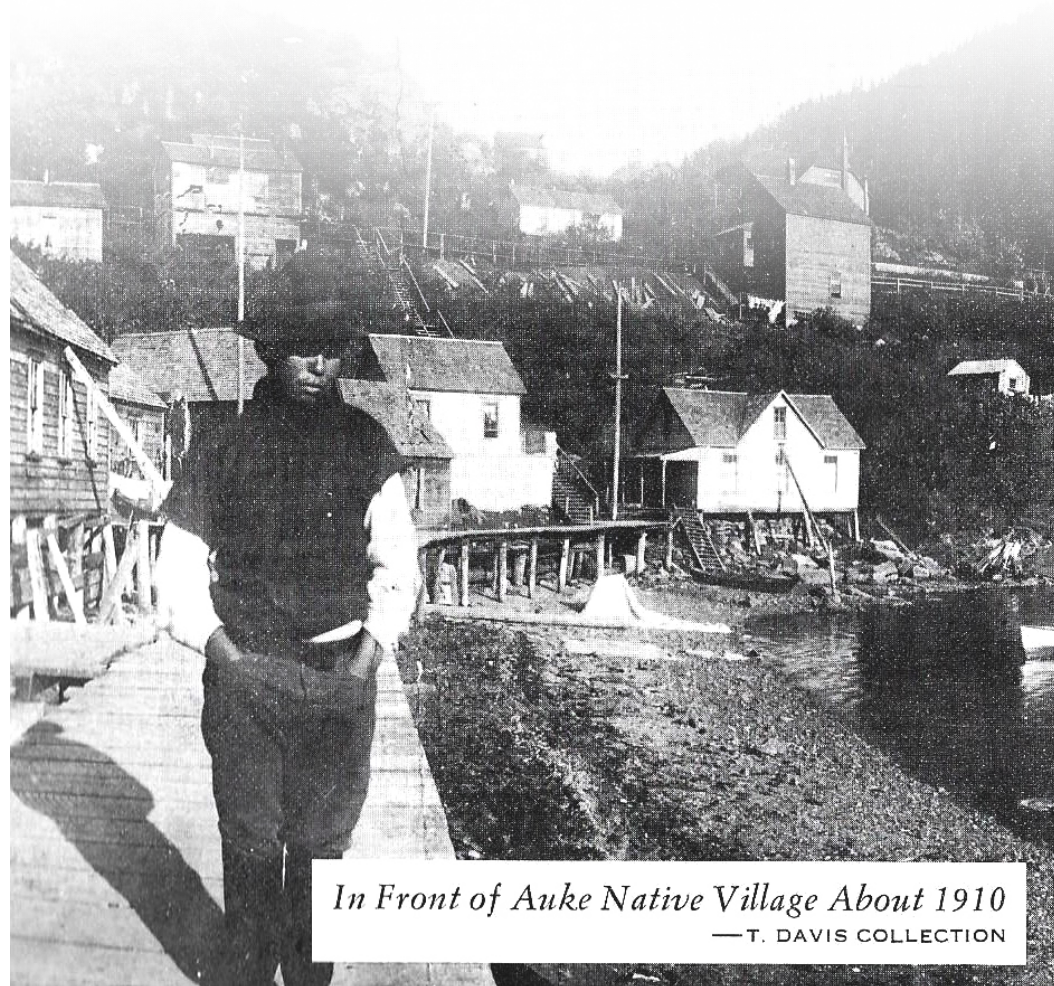
Future Improvements Can Be Added Efficiently – Seawalk construction and upland fill expansion work well to meet Master Plan recommendations

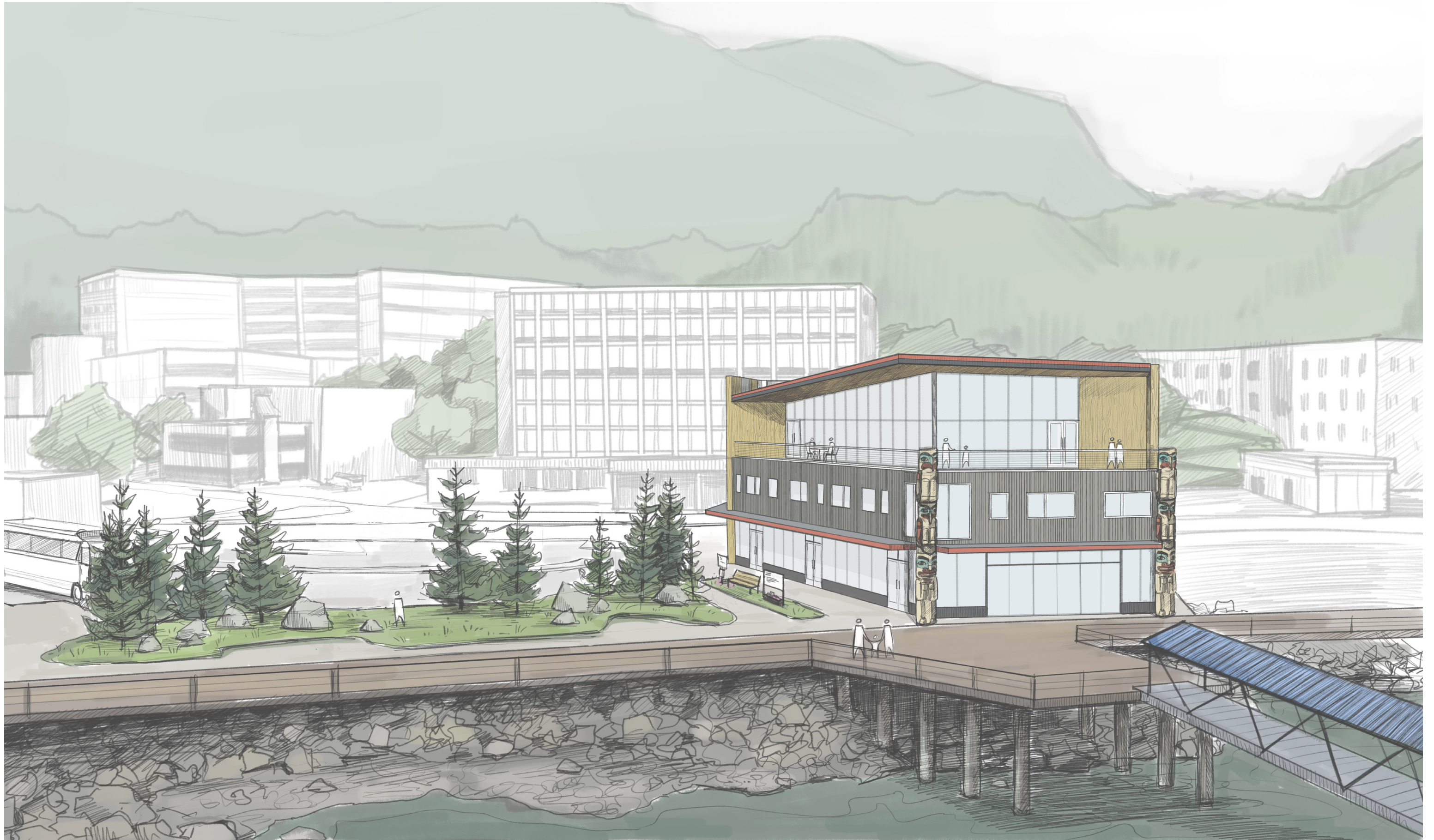
- Future Upland Expansion will provide more parking, improved bus staging, and significant recreational landscaped areas adjoining the Seawalk.
- A second CBJ Small Cruise Ship Dock is supported by the expanded bus staging and parking.





- Goldbelt and our partnering Alaska Native entities represent the First People of this land, and care deeply about this land.
- The new Goldbelt Building will be a cultural centerpiece, with prominent Alaska Native art celebrated on all sides of the building, providing a unique avenue to display local culture, educate our visitors, and help build a strong and vibrant community.
- The new Building will provide the first Alaska Native art visible on approach by ship, creating a beautiful arrival point to Juneau, while providing cultural identity and pride for Goldbelt shareholders and residents.





- The improved Small Cruise Ship Terminal will provide an ideal arrival point for the City and Borough of Juneau, with links to the Seawalk, the Áak'w Kwáan District, the SLAM, expanded Centennial Hall, hotels, and shopping.
- The new Goldbelt Building will provide improved services for visitors and community on the first floor, with an attractive mix of offices and amenities, such as a restaurant, on the upper levels.
- Visitors to a small cruise ship terminal owned and operated by Goldbelt will receive an education and an experience worthy of a world-class destination.
- Future upland improvements will reduce the traffic impact on the downtown core, with quick access from Egan Drive, and a link via Heat Street to accommodate traffic leaving downtown.





Conclusion Exchange Values

Based on the foregoing the exchange lands are valued as follows.

| Goldbelt conveys to CBJ | SF area | Unit value | Land Value |
|----------------------------|--------------|------------|------------------|
| Upland Parts of Lots 1 & 2 | 6,252 | \$65 | \$406,380 |
| Tideland Part of Lot 2 | <u>70</u> | \$26 | <u>\$1,820</u> |
| Total Goldbelt Land | 6,322 | | \$408,200 |
| | | | |
| CBJ conveys to Goldbelt | SF area | Unit value | Land Value |
| Upland behind Lots 3 & 4 | 3,400 | \$65 | \$221,000 |
| Tidelands west of Lot 5 | 550 | \$26 | \$14,300 |
| Tidelands south of Lot 5 | <u>6,650</u> | \$26 | <u>\$172,900</u> |
| Total CBJ lands | 10,600 | | \$408,200 |

ADDENDA



Port of Juneau

155 Heritage Way • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: *Carl Uchytel*
Carl Uchytel, Port Director

To: Boat Shelter Applicants

Date: February 19th, 2025

Re: APPLICATION PROCESS— AURORA HARBOR NEW BOAT SHELTER

Application for Aurora Harbor Boat Shelter space AG22/23:

Any application requesting permission to construct a boat shelter in Aurora Harbor (AG22/23) shall be filed with the Port Director not later than March 20th, 2025 on this form. Only forms completed in full and will be accepted for filing.

Docks & Harbors will select the successful applicant based on the highest sealed offer provided on this form, subject to the following requirements:

- a. Minimum bid \$500.
- b. Successful applicant must construct the boat shelter by January 2026.
- c. On February 1st, 2026 the square foot fee and moorage length charge will be applied, regardless if the construction is completed.
- d. Boat Shelter may not exceed the maximum length of the longest boat shelter on Float G.
- e. Boat Shelter may not shed onto adjacent boat shelters.
- f. Boat Shelter applicant must retain ownership of at least ½ of the Boat Shelter through January 2031.
- g. Upon Boat Shelter selection, applicant shall be subject to the square foot fee covered under 05 CBJ AC 20.170 - Private boathouse surcharge.
- h. Upon Boat Shelter construction, owner shall be subject to harbor fees and property taxes payable to the CBJ Assessor.
- i. Boat Shelter applicant must secure all applicable building permits through CBJ Community Development Department.
- j. Any changes/disputes/modifications to these guidelines shall be adjudicated through the Board.

The successful applicant shall, within 30 days of notification, submit the following:

1. A sketch, with dimensions, of proposed boat shelter;
2. Proposed building construction material; and,
3. The dates construction is estimated to commence and be completed;

I acknowledge the above requirements and offer a bid of
\$ _____ [minimum bid \$500]

Name: _____
Address _____
City, State _____
Email: _____



★ Depicts location of Aurora Boat Shelter G22/23
Photo does not show recently constructed H-Float

This RFI is to determine if there are individuals who desire an opportunity to construct and maintain a boat shelter in Aurora Harbor. Regulations pertaining to Boat Shelters can be found [05 CBJAC 40.015](#) or below: [05 CBJAC 40.015 Boat shelters](#).

- (a) Definition and approval required. Boat shelter means a structure that houses vessels. Except for a boat shelter moored on the north sides of Float E, Float F, and Float G in Aurora Harbor, no person may bring a boat shelter into the small boat harbors without the approval of the Docks and Harbors Board.
- (b) Access by Harbormaster. The owner of a boat shelter shall provide the Harbormaster and the Fire Department with a means to access the boat shelter in the event of an emergency. The cost of installing and maintaining the access system shall be borne by the shelter owner.
- (c) Storage of flammable liquids. The owner of a boat shelter shall ensure that all flammable liquids are stored in approved containers. An owner shall store no more than two six-gallon containers of flammable liquids per vessel in a boat shelter. This restriction does not apply to fuel stored in or upon a vessel.
- (d) Maintenance. Each boat shelter owner shall maintain the shelter in a condition that does not present a danger to surrounding vessels, other boat shelters, or other harbor users.
- (e) Modification. Other than basic maintenance, a boat shelter owner shall obtain approval of the Harbormaster prior to undertaking any modification or reconstruction of a boat shelter. In addition, the owner shall obtain the approval of the Docks and Harbors Board prior to undertaking any modification or reconstruction that changes the dimensions of the boat shelter.
- (f) Boat shelter sales. Reserved moorage status within a boat shelter may transfer between the seller and buyer of a boat shelter. In order to transfer the reserved moorage status within a boat shelter, the owner of a boat shelter shall inform the Port Director of the owner's desire to sell a shelter before offering the shelter for sale to the general public. The Docks and Harbors Board has the first right of refusal to purchase the shelter at fair market value. If the Board does not exercise its first right of refusal within 30 days after notice, the owner may offer the shelter for sale to the general public. If the owner sells the shelter without informing the Port Director and allowing the Docks and Harbors Board its first right of refusal, the reserved moorage within the shelter will not transfer to the buyer. This subsection does not allow an inappropriately sized vessel to be assigned reserved moorage space within a boat shelter.
- (g) Applicability of regulations. All requirements of 05 CBJAC 40 apply to the owner of a boat shelter and the vessels within a boat shelter except for the following: (1) 05 CBJAC 40.020(d), (e), and (i); and (2) 05 CBJAC 40.035(a)(5), (6), and (7).

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