DRAFT
DOCKS AND HARBORS OPERATIONS & PLANNING COMMITTEE MEETING

December 10, 2025 at 5:00 PM

Port Office Conference Room/Zoom Webinar

A. CALL TO ORDER- Meeting was called to order by Mr. Nick Orr at 5:00 PM

B. ROLL CALL: Clayton Hamilton (left at 5:52 PM), Matt Leither, Mark Ridgway, Annette Smith, Shem Sooter and Nick Orr.

Absent: James Becker, Tyler Emerson, and Robert Horchover.

Also in attendance: Carl Uchytil-Port Director, Matthew Sill-Port Engineer, Jeremy Norbryhn-Deputy Harbormaster, Jeremiah Cryts (via zoom)-Harbor Officer, Melissa Morgan-Administrative Assistant I, Elias Hastings (via zoom until 6:10PM – Goldbelt Operations Manager, Steven Sahlender-VP of Goldbelt Operations, McHugh Pierre-CEO of Goldbelt and John Hollingsworth of Marine Exchange of Alaska (MXAK).

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES-None

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS-None

E. APPROVAL OF MINUTES

1. **November 12, 2025** Minutes approved unanimously.

F. ITEMS FOR ACTION

2. **Property Conveyance of CBJ owned land at Seadrome**

a. Presentation by Port Director:

Mr. Uchytil said Mr. Pierre, who will be going through information beginning on page 17. Mr. Uchytil added a memo to the Board on page 27 addressing a list of various activities based on minutes regarding the property conveyance. Included are the most recent documents from Goldbelt regarding the development and an appraisal from Horan and Company from February of 2025 on page 39. In 2022 there was a concept that Docks and Harbor and Goldbelt would swap land that was advantageous to both entities. Horan and Company also made some calculations for each organization to have about $408,000 in property. The question before the board after Mr. Pierre's presentation is what the Board wants to do with the Seadrome property. Goldbelt will ask for consideration to enter into a purchase and sales agreement for about 15,000 square feet that has been appraised in February by Horan for $630,000. Goldbelt had a second appraisal done by Ramsey Appraisal Resources (page 64-65), in June 2025 for $590,000 (page 21). The Board will have another meeting next week so that they can move forward with a decision.

b. Board Questions

Ms. Smith asked that in a past Board meeting the board wanted to see an innovative offer then the exact appraisal amount.

Mr. Uchytil answered that on page 27, paragraph 1 that the Board motioned March 27, 2025, that Goldbelt submit an offer above fair market value for the consideration of the Board for the purchase and sale of the Seadrome property. May 21, 2025, there was a review of the Appraisal from Ramsey Appraisal Resources. He believed that the CEO indicated and offer that was consistent with the Horan and Company amount of $630,000.

Ms. Smith said the Board heard nothing outside of that, no additions to that offer that make it more amenable to the Board.

Mr. Uchytil said that all the communications between Goldbelt and Docks and Harbors were at Board level and committee level.

Mr. Ridgway asked after Mr. Pierre's presentation whether the Board will be able to ask staff questions.

Mr. Uchytil said yes, he was trying to provide the Board with information prior to Mr. Pierre speaking.

Mr. Hamilton asked if there was a diagram of the Goldbelt/CBJ land swap.

Mr. Uchytil responded 87 and 107 of 162. There are various iterations from the past 3-years of conveying the square footage and the value of each property. Mr. Uchytil asked if Mr. Pierre was allowed to make his presentation.

c. Public Comment

Mr. Pierre said that 14,955 is the property square footage. on page18-19, he referred to how the concept originated. Originally the port director came forward and asked Goldbelt about the small cruise ship planned and whether they'd like to participate. Goldbelt thought it was a great way to support downtown small cruise ship economics and consolidate all the activity in one location. Over the past 3 years, the NOAA land hasn't transferred so the plan was laid to the side. At Goldbelt, they believe that they can execute part of the plan. Currently Uncruise is coming to the Seadrome property, and they'd like to have additional consideration for small cruise ships to come through their facility. They feel they need to have the space to offer these amenities. On page 21, the upland property marked in red is Goldbelt property, the green is the Tidelands and what Goldbelt proposes to buy from the City. This would allow them to build a larger building that would comply with the setbacks and fully execute the space. On page 22, the new site plan is outlined and the future building footprint which is 9800 square feet. With that type of footprint, Goldbelt believes they could go up to the zoned allowance of 35 vertical feet and build a facility that could be appropriately monetized for the investment response, which is the goal.

Ms. Smith asked whether Goldbelt had concerns about being able to get financing for a project like this among the variety of other projects they have going on.

Mr. Orr said that what Ms. Smith was referring to the lease under the tram and said they wanted to get financing for Goldbelt to take out debt, so they were looking for a longer lease.

Mr. Pierre said what they were looking to do, once they signed a lease for another 35 years, they would go to the bank for X number of years past the lease.

Mr. Ridgway said that as he flipped between page 25 and 88, it is the artist rendering for what Goldbelt is envisioning for a land swap.   It looks like the rendering present is shoved to the south and put on piles and takes away from the existing parking area.

Mr. Pierre said that if they were to buy the land from CBJ, he didn't think they would extend the parking lot as far as the original small cruise ship which is on page 18. It would require a lot of fill and he didn't think they could run that much traffic through the facility. The footprint of the building would be the same and he felt that's what matters for this equation.

Mr. Leither said that Docks and Harbors were not looking to sell the property. He said when this was presented in the past, he felt that the Board didn't feel the assessed value was reflective of what we were willing to part with the land for.

Mr. Pierre said that Goldbelt came forward through the city process to value the land through appraisal. He said that it was not in their interest to offer a price that is outside the appraisal, however, if the Board said they wanted 10% more they would entertain that request. Goldbelt sees this as an opportunity to make a better waterfront downtown.

Mr. Ridgway said that he thought the Board would be amenable to improvements to the downtown area. The Board has a positive responsibility for managing their land portfolio. The Seadrome building has housed the Port Director and staff and wondered if there was anyway Goldbelt could move forward without purchasing the land.

Mr. Pierre said yes, and no. Goldbelt can't rebuild the building if they tore it down. Goldbelt would like to expand the footprint to provide the space needed. Goldbelt's goal is to make a space that is appealing to the eye and provide something everyone is proud of.

Mr. Leither asked for help in understanding the process. If the Board voted to encourage our representatives to engage in a negotiation with Goldbelt, did that advance to the Board's decision next week?

Mr. Uchytil said that we treat the Operations Board as a committee to get things together for next week's board meeting. He said what he thought Mr. Leither was asking was what is the consensus of the Board or the Committee tonight so that staff can be directed. He said the Operations Planning Committee is working committee emphasized that the issues require an affirmative vote at the Board level. He recommended that the Board take seven days to reflect on the issue and come back to it for a vote during the Board Meeting.

Board Discussion/Action

Mr. Hamilton asked if tonight they were discussing the offer of the forementioned amount based on the appraisal.

Mr. Uchytil said he thought that Goldbelt was here to say they'd like to buy the 15,00 square foot property appraised by Horan and Company in February for $630,000.

Mr. Sooter said that it's about $42.18 a square foot.

Ms. Smith asked that staff do some more investigation with Goldbelt to put together a package that's a little more amenable than what the land is appraised at.

Mr. Orr said he agreed but wanted to give staff more concrete directions.

Mr. Hamilton said that Docks and Harbors have an in-kind agreement, for example the UAS land lease and two interns.

Mr. Orr said that he had made a motion in the past for them to come back with something better than appraisal, but he was not sure the proposal today was what he had in mind. He said that he appreciated Mr. Pierre saying he made us an offer. He said he loves the Goldbelt project but would love to see a better price or offer.

Mr. Ridgway said he liked the Goldbelt drawings and that they have proven themselves in the community. He sees that Docks and Harbors is a landholding agency and that our budget is a million dollars a year. In the past he felt that there's a patchwork quilt of land parcels owned by Docks and Harbors and some of the land didn't have road access. He sees the board as an entity for owning waterfront property. Although he feels they would do a good job, he feels as a board member that we need to save of waterfront property downtown as we are not going to get any more. That's a tough decision. He said that he is struggling with this as he felt it would improve the economy and bring more small cruise ships and create more of an economic engine downtown. He said that although we own leases all over town, he was cautious about whether the land would go for $42 or $48 a square, or whether there would be some good office space. He wondered whether they were doing the right thing in getting rid of what is an incredibly limited resource in the downtown basin. However, he said to him he didn't feel like it was fair market value, as our accessor gave the Board a $634,000 amount. He was not concerned about the purchase as much as moving forward with a good company that would improve downtown or rather, we hold onto the most precious resource Docks and Harbors has which is waterfront.

Ms. Smith said she had no issues if they wanted to sweeten the deal.

Mr. Orr asked for clarification as he thought what Ms. Smith was asking to direct staff to look for a waterfront property swap.

Ms. Smith said that would make the deal a little better.

Mr. Leither said what Mr. Ridgway said had influenced his thinking in that Juneau's waterfront is the most important thing we have, but as things stand now, Docks and Harbors can't really use it. He wondered if Goldbelt would be willing to sell their land to Docks and Harbors where the money goes to the enterprise fund. From that fund, he asked if we could pay for specific projects (for example, restrooms at Aurora, or cameras at all the harbors, etc.) out of the fund. That way, Docks and Harbors could say that the property that was sold was a reasonable trade since those projects were paid for.

Ms. Smith wished to add that the Assembly has taken almost $2 million from Docks and Harbors, and they plan to take that way every single year from now on. She wondered if we sold this for the appraised value, that there would be no guarantees that we would get the money. She said she didn't trust anything that the Assembly is doing at this point and time and reminded the

Board of that. She thought if there was land trade that would be better.
Mr. Leither asked Mr. Uchytil to shed some light on whether the city absorbs whatever funds would come from the sale of the land.

Mr. Uchytil said that the city would be pulling revenues that Docks and Harbors do not need to operate the docks and will be putting them into nexus for cruise ships such as streets, etc. Out of necessity, the city has talked about a project with Huna Totem tidelands and whether they could use funds for the housing fund. He said he felt the city couldn't continue to do that to Docks and Harbors. He said he feels like they would leave Docks and Harbors funds alone for the sale of property with Goldbelt as well as the Huna Totem tidelands are safe but said there are no guarantees. He said that he heard the discussion about funds being put into lockboxes for certain purposes and staff's position would be that if the direction is for Goldbelt to redevelop this area, if there's some tourism-centric building, then the five employees currently using the Seadrome Building would need to leave. Staff thought we would leave, and money could be diverted to the new Aurora Harbor office.

Mr. Hamilton asked if the consensus is that we are interested in working with Goldbelt, but the offer was not inspiring to the Board.

Mr. Orr summarized that options were a land swap, for Goldbelt to come back with a better offer, or that Docks and Harbors did not want to sell the land.

Mr. Ridgway asked whether Goldbelt would be interested in coming back with a land swap from the backside of Douglas as part of the sale agreement. He wondered if there was any land that Goldbelt would have any land that they would swap for this property.

Mr. Uchytil said that he heard the Board saying that $630,000 was not enough but wondered what is enough? He felt the question was what a fair amount for the property is being offered.

Mr. Orr said he'd be willing to look at the offer and compare it to it citywide and present to the Board whether it was a reasonable offer. He said as someone who has advocated a better offer, he would make a presentation to the board. He felt that this would be like a counteroffer, so the Board could have a dialogue. He said he was not thrilled at having this conversation in public.

Ms. Smith said she felt Mr. Orr had a better handle on real estate than she did. She wondered if the property was sold to Goldbelt, did Mr. Orr know what the property value would be once the two properties were put together?

Mr. Orr said that would be very difficult to assess.

Mr. Sooter said it would be worth more and that it costs a lot of money to vacate property lines and have everything boxed into one to be surveyed. He said, if this wasn't the patchwork that is now, if there was no access for us to CBJ property, now that the NOAA property is conveyed, he thought we should never sell it. However, the city does not have access, and he felt no one was going to win. With the building in a state of disrepair, he felt eventually it would have to change. He felt Goldbelt would come in and do something nice with the property and not having any access, that's what pushes him to want to make a deal.

Mr. Leither said he felt that we couldn't go into executive session regarding the financial end of negotiations but said he felt that the Aurora Harbor office was one of the projects he wanted to accomplish while on the Board. He said just because the community could see that the funds were used in this project, the Aurora office project is a priority.

Mr. Ridgway said he agreed with Mr. Sooter. He asked if anyone had asked NOAA or the Coast Guard for access? He said he didn't feel burdened that we didn't have a plan for the property that Docks and Harbors owns. However, it is important in this discussion because the capable entity has approached us with a plan. He said just because we don't have a plan doesn't mean we should sell. If access is an issue, then he wanted to know if we've ever asked for access from the north or south side because we may be able to get it. He asked Mr. Uchytil, on page 99, why the proposed property reallocation didn't work out.

Mr. Uchytil deferred to Mr. Sill.

Mr. Sill said that on page 99, what the Board is seeing is a one-for-one land swap that assumes the submerged tidelands have equal value to dry uplands. According to our appraiser, submerged tidelands have a value equal to about 40% of the value of dry uplands. According to the appraisal, Goldbelt was offering quite a bit more value than we were in that trade.

Mr. Hamilton said he had to leave. He said that value was subjective and said that it is often based on the utility rather than the assessment tool. He felt if there was a value everyone could agree upon that that would be beneficial.

Mr. Leither said that Goldbelt had moved off the initial plan of the land swap, that it made him think that this was not necessarily in Docks and Harbors' best interest. The current plan, looking at it, is about 2 trucks long and therefore, a large building would be put there. He thought it would be a difficult thing to build upon. Even though it's more of a complete package and Docks and Harbors would have road access, he didn't think it was more useful to Docks and Harbors. He said he agreed with Mr. Ridgway, saying just because we don't have a plan for it doesn't mean we should sell. He said we the Board can get the things we need by doing the things we don't love.

Mr. Orr said he was hoping to get a motion on the Agenda for the Board at the next meeting.

Ms. Smith made a motion that staff work with Goldbelt to come up with innovative options, like a swap of another piece of property or a mixture of both land and money rather than just a dollar amount.

Mr. Leither said objected for purposes of discussion. He said that this was the same information Goldbelt months ago which asked them to give a better offer. He suggested we tell them that we're happy to entertain an offer, but we feel like that offer should come from Goldbelt first.

Mr. Orr asked Mr. Uchytil if there was a way to make them an offer and that the offer not go public.

Mr. Uchytil said that our city lawyers were not on the call, but he could share, if there's no debate or discussion between board members, an offer from Goldbelt could be sent out to the Board, and they Board could discuss it amongst themselves, but they would still abide by the Open Meeting Act.

Ms. Smith said that we don't know if this will negatively impact on our finances but asked if an executive session could be called with that knowledge.

Mr. Leither responded that according to the documents that the Law office gave the Board, the pertinent stanzas "to discuss matters, the immediate knowledge of which would clearly have an adverse effect." He said he didn't think the Board could make that case and go into executive session.

Mr. Ridgway asked Mr. Uchytil if we currently make money off this piece of land and whether he could give an idea of what the income stream from the land currently is.

Mr. Uchytil said that he thought the land lease payments are around $10,000 a year. The Seadrome dock is on our tidelands leased property.

Mr. Pierre said he thought it was closer to around $35,000 a year.

Mr. Ridgway said that the green parcels we are going to sell are providing us with income and thus, it's income-generating property.

Mr. Uchytil said on page 55, the CX4 is open and not under lease right now. CX4 and CX3A are both leased to Goldbelt. CXA was given back to docks and Harbors.

Mr. Sill said that on page 54, there's a diagram that shows the lease property.

Mr. Ridgway said that what he's heard from the Board is: we don't need it because it's a patchwork quilt, but if we consolidate it, it's too small. He thought, on page 99 of 162, if the Board and Docks and Harbors could make that work that means they are still a land holding agency with future income. He advocated not selling all the land and agreed with Mr. Leiter that if we do sell that parcel of land the funds go toward a known project such as the Aurora Harbor office. He made the pitch for Goldbelt to go forward and that Docks and Harbors would still own valuable waterfront property downtown.

Mr. Leither asks if there's a motion on the floor, does that motion have to be voted on before he could make a separate motion or could he amend it. He said they were discussing the motion so thought yes, they could amend it. He said since they are still discussing it, he asked if through our Board Chair and the Goldbelt representative would the current floor plans structure be a viable with the land swap on page 99. He wondered if the Board would entertain this proposal at this time.

Mr. Pierre said yes, they would go back and look at the detailed drawings.

Ms. Smith said she would withdraw her motion if Mr. Leither liked to make a new motion.

Mr. Leither made the motion that Docks and Harbors consult with our legal colleagues about whether we can enter executive session prior to moving forward on this issue.

Mr. Ridgway objected for purposes of discussion. He said from his understanding that the Board is going to talk to a lawyer about whether to go into executive discussion. He asked the Board members about their opinion before making a vote. He wanted to make the Goldbelt proposal happen and that if it succeeds enough to maintain a large amount of property that has road access, water access and can generate income. He asked to poll the Board members whether they would be in favor of that.

Ms. Smith and Mr. Orr said they would be if they could go into executive session.

Mr. Orr said he didn't want this to be dragged out.

Mr. Leither and Mr. Sooter said they would not object.

Mr. Ridgway removed his objection and asked that the motion stand.

Mr. Orr clarified Mr. Leither's motion.

MR. LEITHER MADE THE MOTION AND ASKED FOR UNANIMOUS CONSENT THAT DOCKS AND HARBORS CONSULT WITH OUR LEGAL COLLEAGUES ABOUT WHETHER WE CAN ENTER EXECUTIVE SESSION PRIOR TO MOVING FORWARD ON THIS ISSUE.

Motion passed.

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

a. Presentation by John Hollingsworth (MXAK)

Mr. Hollingsworth said he came before the Board about a month ago with the plan for developing the property at 2601 Channel Drive, which is held by CBJ Docks and Harbors as a lease. There is an existing structure on it, which MXAK purchased several years ago, and it's been determined inadequate for their purposes. He had two items to approach the Board with and they are: the plan to develop it with new drawing on page 110. They have been working with Zane Jones at MR Architects. The new spot for their field operations would provide adequate space for their field operations crew. The drawing shows the same footprint of the existing structure. Once they purchased the structure on the land, they had some consulting work done and wondered if they could make it what they wanted it to be. The engineering crew determined that it was going to take a lot of money to improve the current structure, and they recommended a new structure. MXAK is asking that they could improve the land by removing what's there and starting from scratch, building concepts like what's in the concept drawing. The building will be used by their crew that works on building and maintaining safety sites throughout the state as well as working on their landing crafts. The next page 110 is view by satellite, the picture of the property. He said down the road they would like to construct a ramp and a floating dock facility for their landing so that their crews can provide services throughout southeast Alaska. The old warehouse used to be a seaplane base so that they could pull them out. They will be doing some more studies with the Army Corps to determine what is feasible for that property for the purposes of the future to see if that concept is real. On page 112-113, the building is roughly 3600 square feet. It's two-level on one side for a shop and a couple of office spaces and a facility for the crew to have breaks. There's a clean area where they will work with electronics and then there will be dirtier areas for grinding and welding.

The second part of his request to have the lease amended to be more of a warehouse than what the prior tenant used it for. It would not be just a warehouse as it would be partly for storage but also for a fabrication area for their crew to work out of.

b. Board Questions

Ms. Smith asked if the design would allow for the City's plan to expand the sea walk that goes all the way to the Yacht Club.

Mr. Hollingsworth said that the sea walk ends at Harris Harbor, so their property is south of DIPAC and ends at Trucano Construction.

Mr. Ridgway asked, on page 111, about the notation of repair/replace retainage and who would make the retainable improvements once the lease changes or expires.

Mr. Uchytil responded that the general language in all leases is that once vacates the lease, anything left behind, the "chattel", becomes the property owners.

Recording cut out for approximately 5 minutes.

c. Public Comment-None
d. Board Discussion/Action-None

MR. RIDGWAY MADE THE MOTION TO APPROVE THE MARINE EXCHANGE REQUEST FOR A NEW BUILDING DEVELOPMENT AT 2601 CHANNEL DRIVE AND TO AMMEND THE LEASE TO INCLUDE USE WHICH IS APPROPRIATE FOR THEIR INTENDED OPERATIONS AND ASKED FOR UNANIMOUS CONSENT.

Mr. Orr objected to the fact that by lease, Mr. Ridgway was referring to the language that he requests be inserted into the lease.

Mr. Ridgway said that he would expect that staff would utilize the language plus some of the discussions, which is fabrication of what, versus fabrication beneath in the lease.

Mr. Uchytil asked to make a correction as the last time the MXAK was here conveyed that $7500 a year was their lease rent, but he looked it up and it is $11,500 annually.

Mr. Orr withdrew his objection.

Motion passed unanimously.

4. New 35-Year Lease to Petro Marine for ATS 857

a. Presentation by Port Director

Mr. Uchytil said that on page 117, that the Board approved entering into a new lease agreement with Petro Marine. The property is weirdly shaped, tideland property along the proposed sea walk near the National Guard Dock. The reason why they want a new release is because they would like to develop some new infrastructure there. The lease expires exactly a year from now. They would like to get going on having a long-term lease, a 35-year lease. Their goal moving forward is to forgo the final year of their 55-year lease. The Board previously approved this and a new version from the Law Department was submitted in a new language. What is missing is the Horan and Company appraisal which will not be done until next month. He said he would understand if the Board asked that they bring this agenda item up next month. The amount that is collected from the lease is for .008 acres, which is just several hundred square feet. He said it's about $1,700 a year for this lease. It would be important for Petro Marine to have a lease as quickly as possible for them to get financing.

b. Board Questions

Ms. Smith asked if this was included in the Cost-of-Living Adjustments (COLA).

Mr. Uchytil said that the Board would have a chance to look at the new language. He was not recommending a CPI adjustment as it's such a small amount and would be a hassle for the administrative officer to keep track of every year and when something gets changed because every 5 years to get reappraised. Except for the Mount Roberts Tram, the city has not made a CPI adjustment.

Mr. Ridgeway asked if this was the lease written up by law.

Mr. Uchytil said, yes, this is what the Law Department prepared and it's ready to go apart from the appraisal. The question for the Board is, on page 125 (15) show the Removal or Reversion of Improvement upon Termination of Lease, which is typically how it is written on all leases.

Mr. Ridgway said on item 20, where it was talking about Use of Material, he wondered if that was something that Mr. Uchytil comes across where the leaseholders are excavating for a foundation and are we tracking material like that?

Mr. Uchytil said that the city doesn't modify their lease to address every specific lease. That language is always in there. Some of their leases have mining activities going on but not lease properties.

Mr. Sooter pointed out that in section 4B on page 119, the annual lease payment for the first 5-year period, at least the term shall be, is zero dollars. Is that something that they need to adjust and enter the amount?

Mr. Uchytil said, yes, once we get the appraisal, that's where those numbers will be entered.

Mr. Ridgway said he wanted to make a comment that on our agenda it looks like one, Docks and Harbors is a landholding agency and two, maybe not for this small piece of property for a lease of 35-year that generates $1,700, he wanted to see that the Board come up with a better methodology for managing their property portfolio.

c. Public Comment-None

d. Board Discussion/Action-None

MR. LEITHER MADE A MOTION: TO APPROVE LEASE NEW 35 YEAR LEASE WITH PETRO MARINE FOR TIDELAND PROPERT ATS 857 PENDING APPRAISALS AND ASKED FOR UNANIMOUS CONSENT.

Ms. Smith objected as she said that we don't have a CPI adjustment for the property. She said even though it's small she would like to see an adjustment included as they add up.

Mr. Orr called for a call. (Mr. Hamilton had left.)

In favor were Mr. Leiter, Mr. Ridgway, Mr. Sooter, Mr. Orr

Against: Ms. Smith.

Motion failed as five votes were needed.

Mr. Uchytil said that he would bring this before the Board again when the appraisal is done.

G. NEW BUSINESS

5. FY27 Marine Passenger Fee (MPF) Request

a. Presentation by Port Director

Mr. Uchytil said that the Marine Passenger Fee (MPF) was an annual process where Docks and Harbor, or anyone can ask for a MPF for consideration. This request is for FY27 which starts in July. The process now is that the Tourism Director collects and bundles all the requests from a variety of entities which could be: CBJ, Federal or State, private docks or individual entities. The MPF have generated funds of about $8 million dollars, $5 from each cruise ship passenger so $5 x 1.7 million passengers are roughly $8.5 million. From the settlement with CLA, the money can be used for certain projects from this fund. The Assembly Finance committee met two Monday's ago and discussed skimming some of the money that is more than the Docks and Harbors Enterprise needs for the purpose of filling other needs for the tourism industry. He said he would be in future meetings with the Tourism Director and City Manager to discuss the budget. He reminded the Board that Title 85 was changed a couple of years ago where the Assembly took some of the responsibilities from the Docks and Harbors Enterprise operations. For Docks and Harbors, there is a rhythm for what is asked for. There is still a process that Docks and Harbors follow to get various projects approved. On page 130, he referred to the area-wide port operations. He would like to remind the City Manager and Tourism Director that they are not fully funded for all the other things they do for the CBJ. He thought they may pull some of the more reliable funding mechanisms and keep more of the windfall with the dockage fees. He thought that all the MPF requested won't be approved and that the support of the Customs and Visitor Center is a building maintenance which has been a reliable source. Again, not knowing whether it will be approved, on page 132 the safety railing along the dock face. This is one project that Docks and Harbors has been asking for for many years. Three years ago, it went before the Assembly and the funding using dock fees and the Assembly failed to allow us to transfer funds. Staff feel there is a liability, and this project needs to stay, although he felt it would not get funded. Dock electrification, there is a MOA with ALE&P to design the dock electrification for the two city-owed docks. This request is to ask for the $13 million for the foreseeable future. Docks and Harbors estimated that it will cost $60 million to bring power down from the 69 KVA power lines to the docks. Docks and Harbors have $13 million in a CIP account which continues the ask for more money. For the most part, they have stopped asking for federal grants for this project to be funded as MPF should fund it. Page 134 looks at the Port of Call as this is an unfunded mandate by the Coast Guard to have our Harbor Technicians and Harbor Officers act like TSA agents. In the past, Docks and Harbors has gotten $300,000 for the past 5 years. On page 135 is the Lone Sailor Statue and there is a resolution that was supported by the Board. The Assembly resolution said the Pioneers of Alaska want to fundraise for a Lone Sailor Statue. There are 19 statutes around the world and so with this MPF request it is for the city to chip in about a third or quarter of the costs. Page 136, this is for the USS Juneau Memorial Expansion. This would be for a future project for decking over some of the open spaces in front of People's Wharf or, Pier 49, for a more robust memorial. He thought it would not be funded. On page 137 is the Establishment of Emergency Vessel Loading Float. Page 138 is asking for a new joint Port Office and Aurora Harbor Office. He said he picked the rendering of that shows a building that was talked about in the past that would house both the Marine Exchange and the Aurora Harbor office. The last page is 139, it is a covered waterfront shelter with restrooms. After the construction of the deck over project this included the Peratrovich Plaza timber deck as well as the Peratrovich Plaza small bus parking lot. There was always a plan for Phase II to include bathrooms. This was held in abeyance until the City Manager could figure out if they could get the Juneau Douglas City Museum built along this waterfront. He thought that it would not happen and that the uplands that used to be the archipelago there had been sold. Mr. Ruben Wilis has bought the land and is waiting on a conditional use permit hearing with the Planning Commission. He plans on building some kind of tourist attraction theatre in the area. The request is for $3.5 million for the new bathrooms and waterfront-covered shelter. Those are the proposals that he is submitting to the Tourism Director and the City Manager. He thought some may be funded and others will not be funded. He asked if the Board had other ideas of what they would like to see along the waterfront, they could be added.

b. Board Questions

Mr. Ridgway asked Mr. Uchytil how Docks and Harbors allocated a million dollars towards the Aurora Harbor office, which is obviously a high Board priority.

Mr. Uchytil said that said that he did the math, saying it's about a $4 million project. There would be 5 people from this office that would go there. This is the port office. Port funds should be allocated for the project. He said he could ask for $4 million with MPF but thought they would get $4 million and $1 million seemed like a number they could ask for.

Mr. Ridgway responded that based on the activity there it seems like it would be a greater percentage of the overall cost that Docks and Harbors could rely on. He felt like it could be a good funding source for the project.

Ms. Smith thought that the money the city is taking from city should somehow come back to Docks and Harbors.

Mr. Orr said that that was noted but he was not sure how Docks and Harbors would go about doing that. He said if Ms. Smith had a number, she would like to propose he said that it would be helpful.

Mr. Ridgway as how can the Board Members best support the efforts to get the Assembly to approve funding for these expenditures.

Mr. Uchytil said he thought the Assembly relies a lot on what the City Manger gives them. There is a process where it goes to the Tourism Director, then she makes the first cut and then she gives the proposal to the City Manager. Sometime in the Spring, there's a public hearing, look on page 159, on January 15. 2026 there's a "Passenger fee recommendation open for public comment" description. On February 27, 2026, there's the "Manager's final Passenger fee recommendations posted to the CBJ website." Everyone is asking for the MPF, and we are collecting millions of dollars of this which is directly attributed to our facilities.

Mr. Ridgway asked if it has been appropriate in the past for the Board Chair or the Operation and Planning Chair to approach the City Manager to discuss the MPF?

Mr. Uchytil recommended that Board Member approach the Assembly as he thought that would be an appropriate relationship.

Ms. Smith said for each request that's been submitted, has there been a cost increase in the amount paid to Docks and Harbors?

Mr. Uchytil said for the area-wide services there was a period when he had increased the amount. The Port Customs and Visitors building numbers may have increased to include CPI at some point in the 14 years that he's been here. For the most part, the buildings are based on what we pay for this space per square foot and just apply what Goldbelt charges for this space. Docks and Harbors enterprise funds operates well in the black. He said, last year they got $717,000 of MPF.

c. Public Comment-None

d. Board Discussion/Action

MR. RIDGWAY MADE THE MOTION TO SUPPORT THE FY27 MARINE PASSENGER FEE REQUEST AS PRESENTED AND ASK FOR UNANIMOUS CONSENT.

Ms. Smith asked to amend the motion to update the requests with an increase to the CPI.

Mr. Leither asked Mr. Uchytil if that would be easy for staff to calculate.

Mr. Uchytil said if the Board gives him a percentage to raise the rate, then he could do that. However, if we ask for $1 million the Tourism Director could say they'll give us $750,000. He said that currently they are appropriating money with an axe and not a scalpel.

Mr. Ridgway said that it was his impression this is a round number and giving it to the people who are divvying up the cost. He said he didn't feel the CPI was applicable in this case.

Mr. Sooter thought that the Assembly would fully fund any of these requests.

Mr. Orr asked Ms. Smith if she would be interested in a 5% increase.

Ms. Smith said she would be happy with 5% increase.

MR. RIDGWAY AMENDED THE MOTION TO SUPPORT THE FY27 MARINE PASSENGER FEE REQUEST AS PRESENTED WITH THE ADDITION OF 5% AND ASK FOR UNANIMOUS CONSENT.

Motion passed.

H. ITEMS FOR INFORMATION/DISCUSSION

6. Annual Letter to the Assembly

a. Presentation by Port Director

Mr. Uchytil described, on page 140, that this is an annual letter that was due on the 30th of November and got lost in his in basket. He said every year they are supposed to communicate and let the Assembly know how things are going. On paragraph 2, those are the rough numbers of the year ending June 30th, 2025. After all of Docks and Harbors expenditures and dept service paid out, we were up $1.5 million for the Harbors. For the Docks enterprise fund FY25 net was also $1.5 million. Again, we had $717,000 of MPF so financially we are doing well. He pointed out the CIP transfer on FY25 for $2.4 million and $400,00 was for the Little Rock Dump storage. $1.5 million went to Aurora Phase 4 and $500,000 went to Statter Harbor breakwater feasibility cost analysis that was also a CIP Docks Enterprise transfer. We transferred Dock money to Statter Harbor Phase III. The fund balance for Harbors is $4 million and for Docks it's 2.2 million. Under paragraph 3, he said he added up the cruise ship passenger account and from 2024 to 2025 there was a 0.6% increase in cruise ship passengers. On the top of page 141, he added the Statter Harbor passenger counts. Since Docks and Harbors has built those four higher floats, this last fiscal year we collected $614,000 for that so we are doing well. The rest of the memo is an update of projects as well as where we're at with the MARAD PIDP grant, the breakwater and then on page 142, the land convenience that they are working on for Huna Totem and others. Paragraph 9 is the negotiation's with UAS that we have a 4-year extension arrangement with and where we are paying $100,00 annually for, which is below the $130K fair market value. The lease expires in 2027. He suspected that they could continue the lease on a year-to-year basis but said he wanted to keep it front and center so the Board could address it in the future. On page 143, there are graphs showing the revenues and expenditures for Docks and Harbors. He welcomed any Board input. We haven't had a joint meeting with the Assembly in at least two years. He said he could put in some language saying we look forward to having a board meeting with the Assembly or stay silent on that.

b. Board Discussion:

Mr. Ridgway asked if the Passenger for Hire fees have been raised by CPI every year.

Mr. Uchytil said yes that rate was adjusted by CPI. He said the rate was about $2.

Mr. Ridgway said that in his line of work, costs have skyrocketed. He thought by saying to the Assembly that the cost to maintain our infrastructure in the future is going to be very expensive to help them think twice about skimming Docks and Harbors resources.

Ms. Smith asked if we had added a 9% increase based on that study.

Mr. Uchytil responded that there was a 9% increase based on both the harbor and port fees. One of the reasons why it was for both enterprises was that the Board thought it was fairer to treat both the Dock and the Harbor Enterprises equally with that increase.

Ms. Smith followed up with the question of whether the 9% increase was spread over 3 years.

Mr. Uchytil said on page 141, paragraph 4, Docks and Harbors proposed and the Assembly approved a 9% increase to all fees on November 6, 2023. These fees were effective January 24th, except for small boat moorage, which was phased at 3% in 2024, 3% in 2025 and then the last year at 2.8% starting in January 2026.

Mr. Sooter asked if there was something in there that had to do with the Statter Harbor breakwater and how much it was costing?

Mr. Uchytil said that he could say that they anticipated 20% of the costs, which may be $20 million.

Mr. Ridgway said using the line such as catastrophic should it fail would be encouraged.

c. Public Comment - None

7. Capital Improvement Project (CIP) LIST

a. Presentation by Port Engineer

Mr. Sill presented that on page 146, from the Board Retreat, it is time for Docks and Harbors to submit our 6-year CIP schedule. Every year we put together a 6-year plan. This year we are looking at FY27 and so the projects have been broadly identified as plausible funding for and as we move out from that 6-year period, the projects become more aspirational. On page 147, this is the 6-year priority based on the discussions at the Board Retreat.

b. Board Discussion -

Mr. Sooter asked if there was a way that the Aurora Harbor expenses could be separated from the Harbors Enterprise funds.

Mr. Sill said for that project there would be several pots of money that are going to come together to make that project work.

Mr. Uchytil said he would remove those designations as he saw Mr. Sooter's point in that the money would come from somewhere.

Mr. Ridgway asked if the numerical order was based on what was voted on at the Board retreat.

Mr. Sill said that it was based on the Board/Staffs ranking.

Mr. Uchytil said that one thing that was added was Project 27, which is Statter Harbor's Phase 4. It didn't come up at the Board retreat, but it will show up on the Statter Harbor master plan. Ms. Smith came by the office, and we started talking about whether there was room for another transient float between the four higher floats. We've had Phase 4 on and thought that it would possibly be funded in FY32.

Mr. Ridgway said he didn't remember the prioritization of the Deck Over Peoples Wharf beating out the Marine Services facilities.

Mr. Leiter commented that as a patron who must get past the Statter Harber passengers for hire to get into the boarding area it is tight the way it is. He wondered if there was a better option.

Ms. Smith explained that the project for the horseshoe floats is deteriorating and that it needs to be replaced.

Mr. Uchytil said yes, that's correct, we know that the horseshoe float need to be replaced. We have spent a lot of money on Statter Harbor, and he added it in because the transient float shows up in the design and was never approved. He said he didn't want anyone to be surprised in future discussions.

Mr. Sill said after the past meetings and the retreat, that Docks and Harbors is having to put together reports about where these issues came from and whether different concepts or projects could be built. On the website is the projects page, it shows 4 categories: ongoing projects, past projects, planning documents and master plans. We've done studies about marine service facilities and those are all on our website.

Mr. Uchytil answered that the question about order and priorities, no one is saying that we need dock electrification, but it is a priority that has funding. Some of the items on the list are considered by choosing projects that the city, staff and Tourism Director want and what can be funded.

Mr. Ridgway said what he heard is Mr. Uchytil is taking Board priorities, and Board Director's assessment of probabilities and establishing this list in the numerical.

Mr. Uchytil said yes, that's correct. He gave the example that the Board, staff and Assembly gave the North Douglas Boat Launch expansion high priority, so he felt that they are more likely to get soil sampling for that project if it is needed. Because Discovery Drilling will be here, as part of the breakwater geotechnical exploration, they may be able to also include the North Douglas boat ramp in their sampling. He said it's $1.5 million to do the Geotech work that the Army Corps wants us to do at Statter Harbor. The mobilization at North Douglas would probably be about $500,000 for that work.

c. Public Comment-None

8. AELP MOA FOR LOAD TAP CHANGER - UPDATE

a. Presentation by Port Director

Mr. Uchytil presented that there was a MPF request back in 2021 that either Franklin Dock Enterprises or AEL&P asked for money for a load cap changer transformer. The existing transformer was installed when Franklin Dock first became energized in 2001 and needs to be replaced. There was head tax money that the City Manager appropriated for $2.26 million about 25% cost increase. AEL&P is requesting an amendment to the MOA, the 25% cost increase difference plus the fees to dispose of the existing transformer. On page 149, he is informing the Board that unless instructed otherwise, he will be working with the City Manager and Tourism Director to increase AEL&P payment due to the inflationary issues. Included in the packet, pages 149-156 are the original MOA, the request for the amendment. He said he would be working with the City Manager and Tourism Director to make sure the monies were available either through CIP or MPF for payment to AEL&P.

b. Board Discussion/ Public Comment-None

9. FY27 CBJ Budgetary Process

a. Presentation by Port Director

Mr. Uchytil said he asked finance department for a PowerPoint to try to demystify the planning process for the finances. They gave him a couple of slides but basically staff have been briefed by the finance department and are working on wages and changes in growth expected in FY27. The documents will be given by the finance department next month and they will bring the budget to the Ops Committee in January with the expectation that the Board will approve it on January 28th at the Board meeting. On page 159, it shows the process for the approval of the budget. In November staff work to prioritize our needs. We then have a month to cobble together all the numbers that we need for the next two fiscal years and bring them before the Board at the Ops and Board meeting. This FY27 CBJ Budgetary Process was meant for the new to the Board members. His intent was if Board members wanted to talk about the budget this is a way to share the information.

b. Board Discussion/Public Comment-None

I. BOARD MEMBER AND STAFF REPORTS:

Deputy Harbormaster report:

Mr. Norbryhn presented:

- Boat sinking in Harris Harbor: Today, was the first winter-related sinking of a vessel, a 27' Sea sport boat, the Rocinante, owned by Dave Seris. He has insurance so everything has been taken care of other than staff putting a boom around the boat.
- Snow removal: We had our first major snow removal event this year and had a few minor hiccups with equipment. We have a new Volvo loader that is working and is stalling. On examination the only explanation they can come up with is that the loader was shipped from Europe and comes with European fuel that has a higher paraffin content in it and the cold weather is causing some gelling issues. The company CMI will get us a loader in the meantime until that gets figured out.

Port Engineers report:

Mr. Sill presented:

- Aurora Harbor: Dawson Construction has left the site, and they are waiting for a barge to haul their pile driver away. Global Diving has been installing anodes on the pilings, and they should be wrapping that up in the next couple of days. What's left is electricity, water and fire. The electricians were down there pulling wires and got most of that done before the snow. Harri's Plumbing is expected next week to start putting in the water and fire lines. The project looks like it is done but there are still a lot of utilities left to do so we are fielding calls about how come people can move in. Western Marine did a good job getting everything done before the weather turned,
- Statter Uplands. Dawson has largely wrapped up their efforts for the season. They will be coming back in the spring with a modest amount of asphalt paving and a little bit of concrete, the striping and landscaping. There are electricians on site currently and they are working to put up light poles and getting power to the heat trace.
- Statter Office Roof: we did a walk through yesterday and Dawson has finished the new roof. There are a few little items on a punch list including a gutter that was damaged.

- Taku Harbor: gangways are in fabrication right now but most of our projects will kick off in the spring.
- Kayak Launch Pad at Statter: there is still some work to be done that we were hoping to have done but the kayak launch ramp was not intended to be open throughout the winter. They will need to go in there and smooth it over and add some rock to it.

Mr. Ridgway asked if we incentivized the project completion at Aurora in the contract.

Mr. Sill answered that we did not, but that Western Marine wanted to finish by this winter.

Port Directors report:

Mr. Uchytil reported:

- Budget process: The budget is going to look nearly identical to previous years. He said he is making that statement based on the direction form the Board. The guidance that he was taking from the Board retreat was the status quo as far as expenditure goes and the expectation that the budget would look like previous years. If the Board were to look at the graphs going to the Assembly one could see that they are nearly parallel.

Mr. Ridgway said as a Board member he's seen that Mr. Uchytil has always formulated dozens of budgets. He said as a Board they would be looking to the Port Director in the budget if he sees something the Board needs to suggest or change or address.

Mr. Uchytil followed up saying when he hears the Board discussing the waterfront, he got the impression that the Board wasn't interested in buying holdings like Tee Harbor, Fisherman's Bend so that is not what Docks and Harbors has pursued. He's said there's never been a serious budget to accrue those land holdings but if it is ever something the Board wanted, then staff could pursue that.

Mr. Ridgway followed up that that was a perfect example and if the staff knew that that property was available, he would certainly want Docks and Harbors to pursue that.

J. COMMITTEE ADMINISTRATIVE MATTERS-None

K. ADJOURNMENT BY MR. SOOTER AT 7:33 P.M.