

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA
For Thursday, June 28th, 2018

- I. Call to Order** (5:00 p.m. in the CBJ Assembly Chambers)
- II. Roll** (Weston Eiler, Don Etheridge, Bob Janes, David Lowell, Robert Mosher, Mark Ridgway, David Seng, Budd Simpson, and Tom Donek)
- III. Approval of Agenda**

MOTION: TO APPROVE THE AGENDA AS PRESENTED.
- IV. Approval of Strategic Retreat Board minutes May 30th, Regular Board minutes May 31st, and Special Board minutes June 8th.**
- V. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total time).
- VI. Special Orders of Business**
- VII. Consent Agenda**

- A. Public Requests for Consent Agenda Changes
- B. Board Members Requests for Consent Agenda Changes
- C. Items for Action

- 1. Direct Negotiation Sales Agreement - Authorization
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

RECOMMENDATION: THE ASSEMBLY PROVIDE AUTHORIZATION TO COMMENCE DIRECT NEGOTIATIONS TO ADVANCE A PURCHASE AND SALES AGREEMENT WITH ARCHIPELAGO PROPERTIES, LLC IN ACCORDANCE WITH 53.09.260(A).

- 2. Visitor's Center Kiosk
Presentation by the Port Engineer

Committee Discussion

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA (CONTINUED)
For Thursday, June 28th, 2018

Public Comment

Committee Discussion/Action

RECOMMENDATION: TO DIRECT STAFF TO ADVANCE THE FINAL DESIGN OF A NEW VISITOR'S CENTER KIOSK.

3. Auke Bay Boatyard – Appraisal
Presentation by the Port Director

Committee Discussion

Public Comment

Committee Discussion/Action

RECOMMENDATION: TO ACCEPT THE AUKE BAY BOATYARD APPRAISAL.

MOTION: TO APPROVE THE CONSENT AGENDA AS PRESENTED.

VIII. Unfinished Business

1. Transportation Staging & Open Space Deckover Project Review
Presentation by Port Engineer

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING

2. Marine Park-Taku Uplands Improvement - Transfer Authorization
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO RECOMMEND THE ASSEMBLY PWFC TRANSFER OF \$3,310,000 FROM CRUISE BERTHS CAPITAL IMPROVEMENT PROJECT

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA (CONTINUED)
For Thursday, June 28th, 2018

**(H51 101) TO THE MARINE PARK – TAKU UPLANDS IMPROVEMENT CIP
(H51 116).**

3. Purchase & Sales Agreement – Transportation Staging & Deckover
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TBD.

4. LUMBERMAN Update
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TBD.

IX. New Business

1. Adoption of Resolution for the Juneau Marine Service Center and application for
BUILD Transportation Discretionary Grant.
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

**MOTION: TO ADOPT A RESOLUTION IN SUPPORT OF THE JUNEAU
MARINE SERVICE CENTER AND APPLICATION FOR BUILD (BETTER
UTILITIZING INVESTMENT TO LEVERAGE DEVELOPMENT)
TRANSPORTATION DISCRETIONARY GRANT**

2. Adoption of Resolution for the Auke Bay Non-Motorized Coastal Transportation
Link and application for BUILD Transportation Discretionary Grant.

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA (CONTINUED)
For Thursday, June 28th, 2018

Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

**MOTION: TO ADOPT A RESOLUTION IN SUPPORT OF THE AUKE BAY
NON-MOTORIZED COASTAL TRANSPORTATION LINK AND
APPLICATION FOR BUILD (BETTER UTILIZING INVESTMENT TO
LEVERAGE DEVELOPMENT) TRANSPORTATION DISCRETIONARY
GRANT**

3. Adoption of Resolution for Aurora Harbor Phase III ADOT Harbor Grant.
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

**MOTION: TO ADOPT A RESOLUTION FOR THE THIRD PHASE OF
AURORA HARBOR REBUILD PROJECT AND FINANCIAL
COMMITMENT OF \$2,000,000 TO APPLY FOR AN ADOT HARBOR
GRANT**

X. Items for Information/Discussion

- ~~1. Potential Reuse/Donation to Rotary of ADA Ramp
Presentation by the Port Director~~

~~———— Board Discussion/Public Comment~~

2. New Board Year Planning
Presentation by the Port Director

Committee Discussion/Public Comment

XI. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday, June 20th, 2018
2. Member Reports

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA (CONTINUED)
For Thursday, June 28th, 2018

3. Assembly Lands Committee Liaison Report

4. Auke Bay Steering Committee Liaison Report

XII. Port Engineer's Report

XIII. Harbormaster's Report

XIV. Port Director's Report

XV. Assembly Liaison Report

XVI. Board Administrative Matters

- a. Ops/Planning Committee Meeting – Wednesday, July 18th, 2018 at 5:00pm
- b. Board Meeting – Thursday, July 26th, 2018 at 5:00pm

XVII. Adjournment

**CBJ Docks and Harbors Board
Strategic Retreat Minutes
Wednesday May 30th 2018**

I. Call to Order – Mr. Simpson called the meeting to order at 4:09pm in CBJ Room 224.

II. Roll Call -

The following members were present: Don Etheridge, Bob Janes, David Seng, Mark Ridgway, and Budd Simpson)

Absent – Weston Eiler, David Lowell, Robert Mosher, and Tom Donek

Also Present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, David Borg – Harbormaster, Matt Creswell – Deputy Harbormaster, Erich Schaal – Deputy Port Engineer, John Osborn – Harbor Operations Manager, Teena Larson – Administrative Officer, Bob Bartholomew – Finance Director, and Mila Cosgrove – Deputy City Manager.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total time) - None

V. Review of Select Previous Studies and Recently Completed Efforts

Mr. Uchtyl asked what the Board is looking for from him and Ms. Cosgrove for these efforts and what do you want to achieve?

Mr. Etheridge asked to look over the items on the agenda and hear staff recommendations.

Mr. Seng said he thought breaking down the projects into short term and long term wants and short term and long term needs was effective last year and would like to do that this year as well.

Mr. Janes said he would like to take time to think of projects that may not be on this Agenda. What are opportunities the Board should consider getting involved in?

Mr. Simpson said this is the time for thinking of new projects.

Mr. Ridgway suggested going over the project list for an hour and then Segue into something more open ended. He would also like to know from staff how important a project is and how they prioritize projects.

Mr. Uchtyl said Docks & Harbors is operated out of two enterprise funds. Currently Harbors fund balance is \$1.1M and that is expected to grow a little next fiscal year but we

have been drawing on that fund balance. We try to be resourceful on how we move money around;

- The Taku Harbor CIP project has \$200K which was moved from the Statter Harbor Breakwater project because staff was unsure if we were going to receive a Fish & Game grant but we did get the Fish & Game grant which is a 25% match for \$115K.
- The Harris Harbor Restroom CIP estimate was \$200K but this project ended up being \$125K.
- The Aurora Harbor Phase II CIP after final inspection ended with \$200K left from the 50/50 matching grant. They allowed us to maximize the amount of match so we went forward with the zinc anodes at Aurora also. This was a huge win.
- The Statter Harbor Breakwater covers CIP came in lower than originally estimated.
- We opened a CIP for the Auke Bay Marine Station improvements and used \$200,000 from Harbor funds. We had the bid opening for the float extension at the ABMS and the Engineers estimate is \$158K and Trucano was the low bidder at \$202K. This is 22% above the estimate. He will ask the Board to move \$50K from the Harris Harbor Restroom project to the ABMS float extension project so the bid can be awarded.

Mr. Uchytel said staff is always chasing opportunities via Fish & Game grants, and DOT grants. Staff moves forward with best projects that Docks and Harbors can afford based on available funds and grant opportunities. The Dock fund balance is \$3.8M and that will grow. Projects identified for the use of Docks funds are;

- The Archipelago bus upland staging project
- Statter Harbor Phase III (a) which we have already transferred the \$690K of Harbors funds for that part of the project.

We will know more if the Corps is going to build the wave attenuator at Statter Harbor in mid June. He also submitted a Corps application for beneficial use of uplands to build a wall to put the dredged material from Harris and Aurora at the south end of the Yacht Club. With a little bit of money and pulling the right levers Docks & Harbor has a large benefit. We are also being more deliberate on our maintenance. We are building new facilities and we want them to be kept nice. Mr. Uchytel believes the Wave Attenuator is going to be a huge benefit to the community. The Corps needs to evaluate the project on its merits and say if it's viable and recommend that the Federal Government invest in the project. That is the initial planning stage and once that goes through, Docks & Harbors will need to contribute 20% of the total cost. Staff chases opportunities to do good things for the community.

Mr. Gillette went over the previous studies and recently completed efforts.

Marine Park to Taku Dock Urban Design Plan – He said this was completed November 2017. We are moving forward on some of the components of this plan. One of the things moving forward is the Visitor Information Kiosk which we were able to use passenger fee funds to complete the design. Another component is the Archipelago lot. We are working with Morris Group to develop this lot jointly, but separately, and in the end everything will work together. Docks & Harbors portion will have more bus parking,

open space, and covered pavilion to meet our needs and the private sector will have more commercial retail facility space.

Mr. Janes said he sees the Assembly's lack of confidence that the private developer can develop the property so our section and their section works together seamlessly. Is there a plan to stay in connectivity with the Morris Group?

Mr. Gillette said he and Mr. Uchytel meet telephonically once a week to make sure we are all working toward the same goal. We hired PND to answer questions on the project and costs, and Morris also hired PND for their work. Morris representatives will be here next week to meet with Assembly members and Board members. Staff feels they are talking in good faith and trust the Morris group will follow through. They have to trust us to follow through also and there has been no commitment from the Assembly to do that.

Mr. Janes asked if there is a timeline for our commitment to move forward?

Mr. Gillette said because staff was limited to the \$200,000 we had some geotech work that we were planning on doing but we decided to not do that because it would have put us over the \$200,000. PND is reviewing the bus staging lot again to make sure it will all work and gathered geotech information that was existing for the surrounding projects. Using that information they are developing their preliminary design to get good solid cost estimates. We will then take those cost estimates to the Assembly for approval.

Mr. Etheridge asked if Marine Passenger Funds could be used for this project?

Mr. Gillette said yes.

Mr. Ridgway suggested that it may be beneficial to come up with an alternate transportation idea because this is the last parking available in the downtown area. With this lot being the last transportation available, what will be the transportation planning be in the future? Can the ships be phased so there is not a large group of people coming off at once, or is there some other transportation option?

Mr. Uchytel said there is approximately \$3.5M in Port Development fees left over from 16B. There is \$4.6M in State marine passenger fees. There is also Docks fund balance that can be used.

Mr. Bartholomew said the funding plan recommendation for this project would be a combination of primarily passenger fees with a local match of docks fund balance or sales tax which will put us in a better position of the overall challenge of the use of passenger fees that there is some local use and there should be some local contribution.

Bridge Park to Norway Point Master Plan -

Mr. Gillette said on the Norway Point end of this plan was the improved boat services haulout and it created five or six more acres of uplands for boat repair. There was a connecting road added to the Harbormasters office to get rid of some of the safety concerns along Egan. There was a bike and pedestrian path added. The Harris Harbor Boat grid would move to the boat services area and free up space for small commercial retail for marine related sales or restaurants. On the park side there would be a community oriented building. The idea was to move the Yacht Club to that location but

they indicated they were not in favor of that. From the comments from the Yacht Club not wanting to move is why staff starting looking at the Little Rock Dump location. The implemented parts of this project is applying for the TIGER Grants last year for the Marine Services Center at Norway Point and the Fisheries Terminal expansion with another float. We were not successful in receiving the TIGER Grants. This year we will apply for the new BUILD Grants for both of these projects. Staff hired a consultant to look over the applications and they thought the Fisheries Terminal project could be successful to receive the funds. The grant applications are due July 19th. The Aurora Harbor beneficial upland use with the Corps of Engineers is that they are planning to do dredging at Aurora and Harris Harbors and staff has been in discussions with them to build a sheet pile wall at Norway Point and back fill it with the dredged material to build the uplands and move the grid.

Mr. Uchytel said if we want to be competitive we need to spend money for a consultant to determine the financial justification for the projects. The time is ticking away to be competitive. The BUILD Grant in the OmniBus that was passed tripled the amount of TIGER Grant available from last year.

Mr. Simpson asked what is the criteria they are looking for?

Mr. Uchytel said the projects that have a high rate of return and have a high economic benefit from doing that project. We are asking for \$25M and that is the maximum amount to ask for without a match. Even if you have a match, it doesn't make you a higher project in the evaluation. However, when they get to the final score and they see which application has the match, they will choose the one with the match.

Mr. Janes asked with the completion of the Overstreet Park is there still an opportunity for the Yacht Club to move to this location and have enough parking?

Mr. Gillette said yes there is still space for the Yacht Club or a facility similar and have appropriate parking.

Mr. Janes said he would like the Yacht Club to reconsider moving to the Overstreet Park area now the whale project is complete.

Mr. Simpson said he agreed it should be revisited.

Mr. Ridgway said it seemed the Little Rock Dump location for the boat services yard priced out better than the Norway Point location. Is that correct? If we do decide to move forward with the Little Rock Dump what would the Norway Point area be used for?

Mr. Gillette said it appeared the Little Rock Dump would be cheaper. The big question for this area is the winds and currents. We did receive a proposal for \$10,000 from PND to review existing information to analyze the impacts of winds and currents at both locations.

Amalga Harbor Fish Cleaning Float-

Mr. Gillette said Docks & Harbors received a grant to study this area. Our part-time-limited employee Harold Moeser did a study. The preferred float was one that was anchored out where people could go clean their fish and then come to the dock but Fish

& Game did not like that plan. Staff looked at adding on to the existing float. One problem is there is a large mound of bedrock which would make it harder to maneuver and we would need to do some underwater blasting to get rid of it. We do have money to do the construction but we just need to make a decision where to have it.

Mr. Janes asked if the fish cleaning float addition would increase our maintenance costs?

Mr. Creswell said he does not see maintenance an issue for the first couple of years but maybe 10 years from now.

Little Rock Dump –

Mr. Gillette said he already talked about this and we basically just need to decide if we should move forward with the wind and current study.

N. Douglas Boat Ramp –

Mr. Gillette said Mr. Moeser looked at this area to see if there was a better way to organize parking and expand the area. The biggest issue here is that it drops off very deep very fast.

Mr. Simpson said we are also constrained on the uphill side by DOT and the North Douglas Highway.

Mr. Gillette said many years ago there was discussion to move the highway over but there is a rock cliff so that has never moved forward.

Mr. Simpson asked if there has been any research to move the launch ramp to an alternate site in North or West Douglas?

Mr. Gillette said not that he is aware of.

Mr. Ridgway said he always launches from the beach. Is there a way to build a sheet pile wall about 100' up or down the beach? Can we change the angle of the ramp?

Mr. Gillette said everything out there is very difficult because of the depth. We could look at this.

Mr. Etheridge said when we looked into this years ago, ADOT was against the suggested changes at that time because of the access to the highway so that could be an issue again.

Mr. Schaal said the facility was built by ADOT and we are currently in the process of applying for an Alaska Tideland Survey for North Douglas boat launch. One thing that has changed is that when ADOT built this they worked through their right of ways and worked internally but Docks & Harbors is an outside applicant and all changes or improvements will be stringently reviewed by ADOT. They would not have let Docks & Harbors build the North Douglas Launch ramp as it is now but they let themselves build it.

Mr. Simpson said the North Douglas Launch ramp has continuing interest.

Douglas Harbor –

Mr. Gillette said this would be completing the original Douglas Harbor plan which is paving the parking lot and adding landscaping. It was never completed because there was no funding. There would need to be more review, but to complete this it would be approximately \$750K to \$1M.

Mr. Janes asked if some basic landscaping could be done without cutting out the existing parking. Is there an intermediate stage of landscaping that could be looked at to satisfy the commitment to complete this project?

Mr. Gillette said one issue is the roadway would probably need some grade changes. We could look at breaking this up into phases and just do something along Savikko road to create the edge and landscape. This could be looked at again.

Mr. Ridgway asked if the City was going to be paving near Sandy Beach soon would it save Docks & Harbor money if we were able to add our paving project?

Mr. Gillette said if the City is doing paving near Douglas Harbor that would make sense to do our paving at the same time.

Ms. Cosgrove provided the Board with definitions for a need or want and short term or long term time length.

Needs are identified as projects that are critical to keeping existing facilities operational.

Wants are identified as good for moving a program forward or creating additional economic opportunities.

Short Term – Within two years

Long Term – Over two years

Ms. Cosgrove said the needs will not be prioritized, but the wants will.

The Board discussed and decided the wants/needs and long term/short term from the staff recommendation projects list in the packet.

Downtown Harbors Zinc Anodes – Mr. Uchtyl said we were able to leverage the remaining funds from the Aurora Harbor phase II project to do zinc anodes in all of Aurora so the only sites left is Douglas, Harris and Statter Harbor. (Short Term Need)

Downtown Marine Services Expansion – We are asking for the \$25M BUILD grant for this project. This is the highest need for commercial fisherman. (Short Term Want)

Juneau Marine Fisheries Terminal – We are also asking for the \$25M BUILD grant for this project also. (Short Term Want)

Harbor Wide Pump out Improvements – Mr. Schaal said the sewage needs have been addressed at all the Harbors. Staff came up with a plan at Douglas Harbor because the sewage connection is very difficult and having the pump out on the boarding float is very difficult with the weather. We also want to address some mechanical issues at Statter and Harris Harbors. These are lumped together to better our facilities for Clean

Harbors to provide all season pump outs at Douglas, Harris and Statter. Currently Aurora is the only all season pump out, Harris is at risk of freezing and the pump out is failing, Statter is only a summer system, and we don't have anything functional at Douglas. (Short Term Need)

Cathodic Protection Ph3 – Mr. Schaal said this would protect the sheet pile wall at Marine Park which would be removing the corrosion and applying the high grade long lasting coating to extend the life of the wall. (Short Term Need)

Downtown Bus Staging & Deckover- Mr. Gillette said this is our portion of the Archipelago lot. This would include the bus staging area, the deckover to create the open space, a pavilion/staging area to get out of the rain, and restrooms. Part of the \$15M ask for this project is acquiring the Archipelago property also. Mr. Bartholomew talked about funding sources/opportunities for this project. (Short Term Want)

10 Minute Break 6:08

Back in session 6:19

New Visitor's Center Kiosk – Mr. Gillette said this is currently under design. This will resolve ADA safety issues. (Short Term Need)

Aurora Harbor Phase III – Mr. Uchtyl said this is a \$7M project. We have \$1.5M from sales tax, and we should have another \$500K from harbors funds. If we are able to close out Aurora Harbor Phase II project we could have an opportunity to double the \$2M for Phase III. The Corps is planning on dredging the fall of 2019, winter 2020. He said staff is concerned about safety in this area of the harbor. He recommends to move forward with the project with what funds are available at the time of dredging even if we don't have enough to complete the entire project. Mr. Bartholomew talked about revenue sources for this project. (Short Term Need)

Auke Bay Wave Attenuator (FCSA) – Mr. Uchtyl said there is a potential for partnerships with some local agencies, \$500K would be our part. If the project moves forward, it could be a 80/20 split of a \$40M project. (Short Term Want)

Auke Bay Marine Station UAS Cost Sharing Agreement – Mr. Gillette said this is a commitment made with UAS when dividing the property. This will be the subdivision of the property. (Short Term Need)

Statter/ABMS elevated BayWalk – Mr. Gillette said this is part of the long term want at the ABMS. This was part of the plan for getting the property that would connect Statter Harbor by extending the baywalk and it is transportation oriented. We will apply for a BUILD grant for this project. (Long Term Want)

Add – ABMS Planning to the Potential Planning Efforts list.

Beneficial use Aurora/Harris Harbor Maintenance Dredging – (Short Term Want)

Statter Harbor Phase III – (Short Term Need)

3A –The dredging and the wall - \$3.5M (funded)

3B - The floats (under \$4M)

3C - Uplands (under \$3.5M)

Amalga Harbor Fish Cleaning Station – Mr. Uchytel said he is not confident extending the boarding float will improve the facility much. (Short Term Want)

Short Term Project Need

Downtown Harbors Zinc Anodes

Harbor-wide Pump-Out Improvements

Cathodic Protection Ph3

New Visitor's Center Kiosk

Aurora Harbor Phase III

ABMS UAS Cost Sharing Agreement

Statter Harbor Phase III

Short Term Project Want

Downtown Marine Services Expansion

Juneau Marine Fisheries Terminal

Downtown Bus Staging & Deckover

Auke Bay Wave Attenuator (FCSA)

Beneficial Use Aurora/Harris Harbor Maintenance Dredging

Aurora Harbor Fish Cleaning Station

Long Term Project Need

Long Term Project Want

Statter/ABMS elevated BayWalk

- VI. Prioritization of Docks & Harbors Capitalization Projects and Focused Efforts** – The projects will be prioritized at the Board meeting May 31st.
- VII. Adjournment** – The Strategic Retreat meeting adjourned at 7:09pm.

CBJ DOCKS AND HARBORS BOARD
REGULAR BOARD MEETING MINUTES
For Thursday, May 31st, 2018

I. Call to Order

Mr. Simpson called the Regular Board Meeting to order at 5:00 pm in the CBJ Assembly Chambers.

II. Roll Call

The following members were present: Don Etheridge, Bob Janes, Mark Ridgway, David Seng, and Budd Simpson.

Absent: Weston Eiler, David Lowell, Robert Mosher, and Tom Donek

Also present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, Dave Borg – Harbormaster, and Mila Cosgrove – Deputy City Manager.

III. Approval of Agenda

Mr. Uchtyl recommended moving the Strategic Retreat to the end of the agenda and the Taku Fisheries flag pole project can be removed because he didn't see a representative in attendance to answer Board questions or he could talk about the project.

Mr. Simpson recommended moving the CCTHITA Cultural Immersion Center – Soil Remediation under unfinished business to #1.

MOTION By MR. ETHERIDGE: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Approval of April 26th, 2018 Regular Board Minutes.

Hearing no objection, the April 26th, 2018 Regular Board Minutes were approved as presented.

V. Public Participation on Non-Agenda Items – None

VI. Consent Agenda

- A. Public Requests for Consent Agenda Changes – None
- B. Board Members Requests for Consent Agenda Changes – None
- C. Items of Action

1. FY18 Supplemental Harbor Budget Increase

RECOMMENDATION: TO RECOMMEND HARBOR FUND SUPPLEMENTAL INCREASE OF \$250K FOR THE FY18 APPROVED BUDGET AND FORWARD TO THE ASSEMBLY FOR APPROVAL.

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

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, May 31st, 2018

Motion Passed with no objection.

VII. Unfinished Business –

2, Cathodic Protection Phase III project funds transfer

Mr. Uchytel said this came to the OPS/Planning with only asking for \$200,000 but I am now asking for \$250K. The Engineers estimate for this project is \$181,000. The extra funds will be put in the fund and be there if needed. It will alleviate another ask of the Assembly to transfer funds if they are needed.

Board Questions- None

Public Comment-None

Board Discussion/Action

MOTION By MR. ETHERIDGE: TO RECOMMEND \$250K TRANSFER FROM THE CRUISE SHIP BERTH PROJECT (H51-101) TO THE DOCK CATHODIC PROTECTION PROJECT (H51-104) AND FORWARD TO THE ASSEMBLY FOR APPROVAL AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objection

1. CCTHITA Cultural Immersion Center – Soil Remediation

Mr. Uchytel said in the packet is a letter to the Board with a recommendation to negotiate a payment plan to compensate CCTHITA for hiring NORTECH to remediate the soil at 4400 Thane Road. Also in the packet is a cost estimate from NORTECH. Emily Edenshaw with CCTHITA is here tonight to answer any questions.

Board Questions-

Mr. Ridgway asked if this release has been reported to the State?

Ms. Edenshaw said she is the Director of Business and Economic Development for Tlingit and Haida. She said they have been in contact with ADEC. She has been careful with how this is worded with it being a fuel release and not a spill. She has been in contact with NORTECH and they are drafting a letter with their recommendation to close the site as is so we will not have to go the excavation route. Tlingit and Haida is hopeful NORTECH's letter and recommendation is approved by ADEC.

Mr. Ridgway recommended for Docks & Harbors to be involved in terms of potential liability.

Mr. Simpson asked if Tlingit and Haida was not the tenant on this site, the release would still be there and as the owner Docks & Harbors would be responsible.

Mr. Uchytel said he is not sure but the owner usually pays. He wanted to make sure the Board was aware that the exposure to Docks & Harbors could be zero if ADEC closes the site.

Ms. Edenshaw said there will be some minimal costs with drafting the letter and administrative costs. The best case scenario is \$1,500 and the worst case scenario is \$10,763. If we have to go the excavation route they put forth suggestions to look internally to see if Tlingit and Haida

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, May 31st, 2018

or Docks & Harbors has an excavation crew. Ms. Edenshaw said Tlingit and Haida is deeply committed to this project and is the top priority for the tribe and would like to see this project move forward.

Mr. Seng asked what is meant by the term “to close the site”?

Ms. Edenshaw said her understanding is rather than excavating the soil, getting the go ahead that we have notified ADEC and followed the process and because the release is so minimal it would not require the excavation and we can move forward with the demolition of the Ore House. Our goal for this summer was to burn the building, with a burn plan submitted to Mr. Uchytal and Board for prior approval. Once that is approved to move forward, we have already met with the Juneau Fire Department and a internal crew at Tlingit and Haida to identify the best way to move forward with that.

Mr. Ridgway asked Mr. Uchytal if he read the Phase I Environmental Site Assessment (ESA)?

Mr. Uchytal said he reviewed it but did not read page by page.

Mr. Ridgway said he believes the plan was to remove the old foundation and there could be more contaminates found because of the floor drains. It will be important for Docks & Harbors to receive written confirmation from the State regulatory body. He understands there are two paths. One being making an assessment of the risk the impacted soil presents and accept that risk and leave it or go the excavation route because too much risk. It sound NORTEC has chosen to leave the soil in place.

Ms. Edenshaw said her understanding is due to the minimal amount of contamination NORTECH will put forth the recommendation to leave the soil. In terms of the foundation removal, that is in the plan. NORTECH will figure out if a phase III is needed. Phase I and II environmental assessment is something the tribe has decided to take upon to advance the project and all of the costs associated with that will be provided by the tribe.

Mr. Ridgway asked if the Septic System was going to be removed as well?

Ms. Edenshaw said the current septic system needs to be updated. It can be used as a place holder right now, but for the main project, we need a new septic tank.

Public Comment-None

Board Discussion/Action

MOTION By MR. ETHERIDGE: TO COMPENSATE CCTHITA FOR SOIL REMEDIATION AT 4400 THANE ROAD NOT TO EXCEED \$10,763 AND ASK UNANIMOUS CONSENT.

Motion passed no objection

2. Strategic Planning Efforts continued from May 30th – (Moved to the end of the meeting, started at 5:52 pm).

CBJ DOCKS AND HARBORS BOARD

REGULAR MEETING MINUTES

For Thursday, May 31st, 2018

Mila Cosgrove was the facilitator to help with categorization of the projects and had the Board members conduct a voting exercise for prioritization.

Mr. Uchytel said he used the project list from last year's strategic meeting and bolded new projects, struck out completed projects and red lined staff recommendations. From that he made a new list which was broke down into Harbor projects/Docks projects/Staff recommendations and Potential planning efforts.

Board Discussion/Action

The Board members discussed all the projects and broke down into short term and long term needs and short term and long term wants. The short term and long term needs were not prioritized but the short term and long term wants were voted on for prioritization.

Definitions for a project to fall under a need or a want.

Need – Critical to keeping existing facilities operational

Want – Good Project to move forward

Mr. Ridgway suggested staff look into the Douglas Harbor Landscaping and paving and do in phases or something that is less than \$750K.

The Board discussed the Wayside Float dredging to be dredged the same time as the Aurora and Harris Harbor Maintenance dredging.

Mr. Uchytel said the Wayside dredging would not be an add on to the above dredging but if we had the money and commitment we would make sure when the Corps came to dredge they would know this was another dredging opportunity and we could save on the mobilization cost.

Mr. Janes recommended putting a task force group together to look at opportunities for the Auke Bay Marine Station and see how the Hagmeier property might fit in and how it could be essential to future plans.

Discussion continued on the different projects.

7:17 Break

7:26 Return

Project prioritization for the short term and long term wants was determined from the voting exercise as follows;

Short Term Needs (2 years)

Downtown Harbor Zinc Anodes

Harbor-wide Pump-out Improvements

Cathodic Protection Phase III

New Visitors Center Kiosk

Aurora Harbor Phase III

Auke Bay Marine Station – UAS Cost Sharing Agreement

Statter Harbor Phase III

Statter Harbor Breakwater Deckover

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, May 31st, 2018

National Guard Float Improvements
Dock Security Booths
Guard Rail on old wharf section

Long Term Needs (2 + year)

Harbormaster Office
Waterfront & Underwater Inspections

Short Term Wants

#1 Downtown Marine Service Expansion (9 votes)
#2 Downtown Bus Staging & Deckover (7 votes)
#3 Auke Bay Marine Station/Hagmeier property Procurement (6 votes)
#4 Juneau Marine Fisheries Terminal (5 votes)
#5 Dredging Wayside Float (2 votes)
#6 Auke Bay Wave Attenuator (1 vote)
Beneficial use Aurora/Harris Harbor Maintenance Dredging (0 votes)
Amalga Harbor Fish Cleaning Station (0 votes)
North Douglas Lighting (0 votes)
Aurora A6/A8 Dredging (0 votes)

Long Term Wants

#1 Statter Harbor Phase IV (11 votes)
#2 Auke Bay Net Float (8 votes)
#3 Small Cruise Ship Berth Project (5 votes)
#4 Douglas Harbor landscaping (4 votes)
#5 Statter/Auke Bay Marine Station Elevated Bay Walk (2 votes)
Harris /Aurora Security Cameras (0 votes)
ABLF Breakwater (0 votes)
Safety Ladders (0 votes)

Mr. Gillette said the list should be looked at as a plan and plans change due to funding opportunities.

Mr. Ridgway said the Board trusts the staff to make good opportunistic decisions with resources.

Mr. Ridgway asked what staff will need from the Board to be able to move forward with the identified projects.

Mr. Uchytel said the Strategic Retreat efforts will continue June 8th at noon.

NO MOTION

VIII. New Business –

1. Auke Bay Marine Station CIP funds transfer

CBJ DOCKS AND HARBORS BOARD

REGULAR MEETING MINUTES

For Thursday, May 31st, 2018

Mr. Uchytel said earlier this winter \$200,000 was taken out of Harbors fund balance to put in a CIP to help with maintenance issues as well as build a float extension at the Auke Bay Marine Station. Docks & Harbors Engineer part time employee Harold Moeser put together the design and provided the engineers estimate for this project. He estimated \$158,000 and Trucano was the low bidder at \$202,000. Currently there is \$172,000 left in the CIP and we would like to move \$50,000 from the Harris Harbor Restrooms to the Auke Bay Marine Station CIP so the bid to Trucano can be awarded.

Board Questions -

Mr. Janes asked if the float extension is a practicle design for the growth at the Auke Bay Marine Station?

Mr. Uchytel said the float was designed to last for many years. Docks & Harbors has owned the poly tubs and they were stored at the Little Rock Dump for many years. Staff was waiting for the best opportunity to use these poly tubs and this project worked. Once a wave attenuator is built, this float can be moved and repurposed. The float was designed to use pilings but to get it installed this year we are anchoring it.

Public Comment-None

Board Discussion/Action

MOTION By MR. ETHERIDGE: TO RECOMMEND \$50,000 FROM HARRIS HARBOR RESTROOMS CAPITAL IMPROVEMENTS PROJECT (H51-115) TO THE ABMS MAINTENANCE AND IMPROVEMENTS CAPITAL PROJECT (H51-117) AND FORWARD TO THE ASSEMBLY FOR APPROVAL AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

2. Bid Award Auke Bay Marine Station Float Extension (DH18-068)

Mr. Gillette said yesterday the bids were opened for the Auke Bay Marine Station float extension. Trucano's bid was \$202,700 and Silver Bow's bid was \$292,000. This will go in front of the Assemly on Monday for approval and if approved allow the project to move forward quickly.

Board Questions – None

Public Comment – None

Board Discussion/Action

MOTION By MR. ETHERIDGE: TO AWARD THE AUKE BAY MARINE STATION FLOAT EXTENSION PROJECT O TRUCANO CONSTRUCTION FOR \$202,700 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING MINUTES
For Thursday, May 31st, 2018

IX. Items for Information/Discussion

1. Taku Fisheries Flag Pole project

Mr. Uchytel said Taku Smokeries wants to install a 75' flag pole with a 18 x 12 flag on the dolphin closest to the Ice house at Taku Smokeries. He wanted the representatives to attend to talk about the project. Mr. Uchytel said he still needs to figure out specifics and if this will be a lease.

Board Discussion/Public Comment –

Mr. Ridgway asked if a 75' pole coming off a dolphin would work?

Mr. Gillette said they have hired an Engineer to look into those specifics.

Mr. Etheridge asked if there was concern for the moorage of the cruise ships?

Mr. Gillette said the dolphin they want to purpose is not used anymore.

Mr. Uchytel said Don Beard with Tetra Tech is Taku Smokeries Engineer working on the flag pole project. He said his understanding of the project is they are wanting to remove the dolphin and fill the center pile with sand and material and install the flag pole inside the pile.

Mr. Simpson asked if they will fly the flag 24/7?

Mr. Uchytel said from May to September only but this has only been requested verbally and he still needs a written proposal.

X. Committee and Member Reports

1. Operations/Planning Committee Meeting- Wednesday May 23rd, 2018 – No Report

2. Member Reports – No Report

3. Assembly Lands Committee Liaison Report- No Report

4. Auke Bay Steering Committee Liaison Report- No Report

XI. Port Engineer's Report –

Mr. Gillette said his report was a separate hand out. He said we are moving forward with our relationship with Morris Communication on the Archipelago project. Representatives will be here next week for meetings.

XII. Harbormaster's Report –

Mr. Borg reported;

- He is monitoring the Lumberman
- He had a gentleman come into the office today who owns a 34' sailboat and has had it in the harbor for 18 years without insurance so he has been paying the \$.25 per foot vessel disposal fee. This is more of a fine for not having insurance. The boat owner wanted to know how to set up the disposal of this vessel on this program? Mr. Borg explained the disposal fee and how it worked but the individual wanted the Harbormaster to bring it up

CBJ DOCKS AND HARBORS BOARD

REGULAR MEETING MINUTES

For Thursday, May 31st, 2018

to the Board to entertain Docks & Harbors disposing of his vessel because he has paid the disposal fee all these years. Mr. Borg said he did the math and the boat owner has paid \$8.50 per month/\$108.00 per year/Approx \$1,800.00 for the 18 years. Disposal of a 34' vessel using our term contractor pulling it out of the water and crushing it is \$3,500 and then there is the dump fee of \$.25 per pound. Total is \$4,500 to \$5,000 per vessel. Mr. Borg said the vessel disposal fee regulation needs to be changed.

Mr. Simpson recommended bringing the whole regulation/policy and name change for the vessel disposal fee to the next OPS/Planning Committee meeting.

Mr. Ridgway asked Mr. Borg to see if the individual would write a letter to the Board.

Mr. Etheridge said when this was originally set up, the plan was to add money to a fund to pay for vessel disposal of the vessels we get stuck with but not to reimburse someone getting rid of their vessel.

XIII. Port Director's Report

Mr. Uchytel said Morris Communication is coming to town next week. He wanted to facilitate a meeting and is proposing June 8th at Noon and he believes we will have a quorum.

Mr. Simpson said there is consensus.

Mr. Uchytel said staff will set this up.

Mr. Uchytel said Trucano Construction will mobilize to Taku Harbor on Monday and hopefully be finished in a week.

XIV. Assembly Liaison Report – None

XV. Board Administrative Matters

- a. Ops/Planning Committee Meeting – Wednesday June 20th, 2018 at 5:00pm
- b. Board Meeting – Thursday, June 28th, 2018 at 5:00pm
- c. Special Board Meeting – Friday June 8th at Noon

XVI. Adjournment – The regular Board Meeting adjourned at 7:51 pm.

CBJ DOCKS AND HARBORS BOARD
SPECIAL BOARD MEETING MINUTES

For Friday, June 8th, 2018

(No Audio)

I. Call to Order

Mr. Donek called the Special Board Meeting to order at 12:05 in CBJ Room 224.

II. Roll Call

The following members were present: Don Etheridge, Weston Eiler, Bob Janes (arrived at 12:21), Mark Ridgway(via phone/arrived at 12:14), Budd Simpson, and Tom Donek

Absent: David Lowell, Robert Mosher, and Tom Donek

Also present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, Dave Borg – Harbormaster, and Matt Creswell – Deputy Harbormaster.

III. Approval of Agenda

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

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items – None

V. Archipelago Development Update

Mr. Simpson recused himself from this topic.

Mr. Uchtyl said the Morris Communications Group representatives are here to introduce themselves and talk about the project.

Robert Kuhar Vice President of Property and Facilities introduced himself.

Billy Morris President of Morris Communication introduced himself and told a little about the background of Morris Communications and the Archipelago project plans.

Allen Grinalds, Director of Real Estate with Morris Communications, Augusta, GA. He went over a power point presentation on the Archipelago development update. The slides from the presentation are attached to these minutes.

No Action was taken

Break

Back in Session 1:14pm

VI. Continuation of Strategic Planning Efforts

Michelle Turinsky, Juneau, AK

CBJ DOCKS AND HARBORS BOARD
SPECIAL BOARD MEETING MINUTES
For Friday, June 8th, 2018

She said she is the owner of Chum Fun Charters and she brings clients to fish off Wayside Park Float. She read a letter to the Board asking to dredge the Wayside float area. The letter is attached to these minutes.

Mr. Uchytel read a blog post on Strategic Planning. The post is attached to these minutes.

No Action was taken, but the Board was in general agreement of the need to continue to conduct strategic planning on a regular cycle.

VII. Adjournment – The Special Board Meeting adjourned at 2:14 pm.

6/08/2018

Dear Docks and Harbors Board Members,

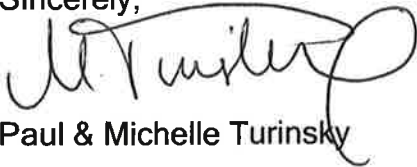
We are writing this letter to help see to it, that funds are allocated for the dredging work to be done at Wayside park, both along the beach and under the dock.

Its been brought to our knowledge that the floating dock at Wayside Park is starting to show signs of wear and tear, mainly because of it going dry on low tides. However, it is not too late to save the dock.

Over the years we have been watching the activities at Wayside Park during the summer months and have noticed young families and Elders in the community using it to help feed themselves and their families. We have also seen young men coming out of ^{Lemon Creek} ~~Wildwood~~ prison trying to turn their lives around with their families, practicing a new way of life down on the dock, teaching their children how to fish and trying to be positive role models to their children, we realize that Wayside Park is not a large revenue generator for the city, however some things such as family values are priceless.

The Dock is also an excellent alternative to people who cannot afford a boat or those who choose to not impact the environment by burning hundreds of dollars on fuel for a few fish.

Sincerely,


Paul & Michelle Turinsky

Blog post on Strategic Planning presented to the Docks & Harbors Board on June 8th, 2018

How long will this strategy work take?”

I was asked this question recently by a harried CEO. The follow-on: “Can we knock this out in an afternoon?” left me momentarily speechless.

The need for speed in our world is understandable. However, “knocking out” the work that creates the foundation for the survival and success of your business isn’t typically something you crank through in an afternoon.

In part, the use and abuse of S.W.O.T. (Strengths, Weaknesses, Opportunities, and Threats) or similar templates allow people to think that strategy work is something that you crank through mechanically. Note: there is no magical template, framework, or tool that short-circuits the hard work and thinking of strategy.

The work of strategy is some of the most challenging thinking work a firm’s members will do. And truth be told, it’s never really finished. Strategy is a process, not an event, and the work of evaluating, diagnosing, and choosing are never-ending activities.

Strategy work gives teams the filters and frames to assess and make decisions. It also provides the mechanism for turning ideas into actions.

I empathize with the executive’s underlying angst over timing. He’s leading an exciting, entrepreneurial business with nearly endless options and potential vectors. Planning to spend time away from the tornado-like environment of daily operations and opportunities seems unappealing and stressful.

For the very reasons of too many choices and too many opportunities chasing too few resources, is why strategy is needed. Right now, there’s no filter on what to do and what not to do. Every idea seems like a potential winner in isolation.

The Bottom-Line for Now:

The question is never, “How long will this strategy work take?” Rather, it’s something in the neighborhood of, “How can we leverage strategy to make smarter yes and no decisions and grow a healthy business?” I advocate an agile approach to strategy with a series of sprints that bring it to life and make it part of the operating scheme of the business. And yes, you can get started in an afternoon, but the work never stops.

ARCHIPELAGO DEVELOPMENT UPDATE

June 2018

COMPONENTS

- Uplands- Developed by Morris Company
 - Approximately 13,000 SF of retail / food / beverage / and incubator space
 - Design to incorporate theme that reflects cultural heritage and authenticity of Juneau.
 - Possibility of 2nd floor office space for a specific user if desired.
- Tidelands- Developed by CBJ Docks and Harbors
 - Public space to support year around residents and cruise ship passengers.
 - Connectivity between existing sea walk and South Franklin street to promote circulation.
 - "B" permit parking
 - Covered reception area for cruise ship passengers / multi-function use off season.

WHY DEVELOP NOW?

- The property has been on the market for a decade with no transaction.
- Current market conditions are favorable for development.
- In concert with the D&H master plan for the downtown waterfront, now is the time to cooperate to meet objectives for both parties.
- Morris is transitioning from a media company to a real estate company.
- Morris is committed, long term holder of the property and wants to "do it right."

SENSITIVITY ISSUES

- What we want to do:
 - Build a first class retail development (design, materials, etc) that will be beneficial to our neighbors and downtown as a whole.
 - Offer competitive lease rates for first class tenants with a proven track record of success.
 - Identify the ideal tenant mix for the entire property.
 - Foster growth of micro businesses.
 - Be a good steward of our property.
- We we don't want to do:
 - Overbuild and create an absorption issue.
 - Move forward absent consultation with city / neighbors / downtown businesses

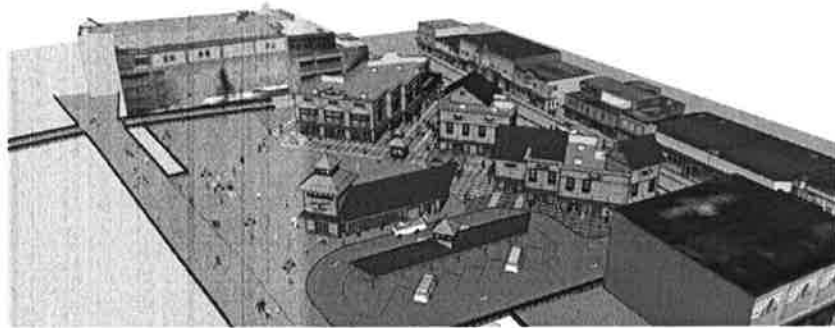
DEVELOPMENT BENEFITS

- Infill Development of Unimproved Land
- Increase in Sales Tax Revenue
- Increase in Property Tax Revenue
- Increase in Jobs
- Potential of Additional Housing

TIMELINE

- Uplands design is approximately 80% complete.
- 2018
 - PSA and Development Agreement with D&H / CBJ
 - Design Review Approval
 - Permitting
 - Begin decking construction
- 2019
 - Complete decking / parking improvements / complete pre-leasing
- 2020
 - Complete uplands improvements / Open for business

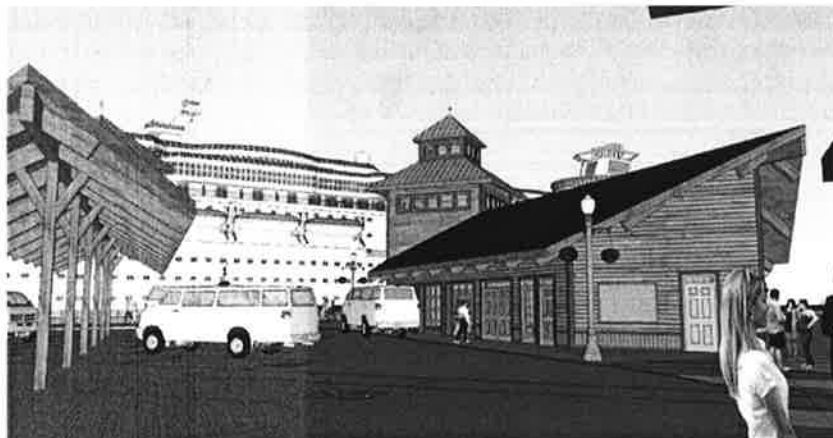
CURRENT DESIGN RENDERING



CURRENT DESIGN RENDERING



CURRENT DESIGN RENDERING



CURRENT DESIGN RENDERING





Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: Port Director
To: Assembly
Via: (1) Docks & Harbor Board
(2) City Manager
Date: June 14th, 2018
Re: DIRECT NEGOTIATION LAND SALES - AUTHORIZATION

The undeveloped property southeast of the Downtown Library is referred to as the Archipelago Lot. There are four lots (Archipelago Lot 1 - Lot 4) which encompass this area as shown in encl (1). A Morris Communications Company subsidiary, Archipelago Properties, LLC, owns Lot 1 and Lot 2. CBJ owns Lot 3 & Lot 4. Of note is the fact that the lots are not contiguous with ownership.

Archipelago Properties, LLC has applied to purchase property from CBJ to develop retail shops along South Franklin Street. Docks & Harbors, through the Marine Park to Taku Dock Urban Design Plan, desires to construct transportation staging and expanded open space which requires purchasing property from Archipelago Properties, LLC. The approximate and future desired lot adjustments are shown in encl (2).

In order to develop a Purchase and Sale Agreement, the Assembly must authorize the manager to commence negotiations.

Title 53.09.260(a) – Negotiated Sales, Leases and Exchanges states that “the proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations...”

If supported by Assembly motion, negotiations with Archipelago Properties, LLC will commence and a Purchase and Sales agreement will be returned to the Assembly for adoption by Ordinance. There is no monetary commitment by CBJ with this motion.

The City Manager requests a motion of support to further develop a Purchase and Sales Agreement with the original proposer, Archipelago Properties, LLC.

Encl: (1) Archipelago Lots 1-4
(2) Proposed Lot Line Adjustment (approximate)



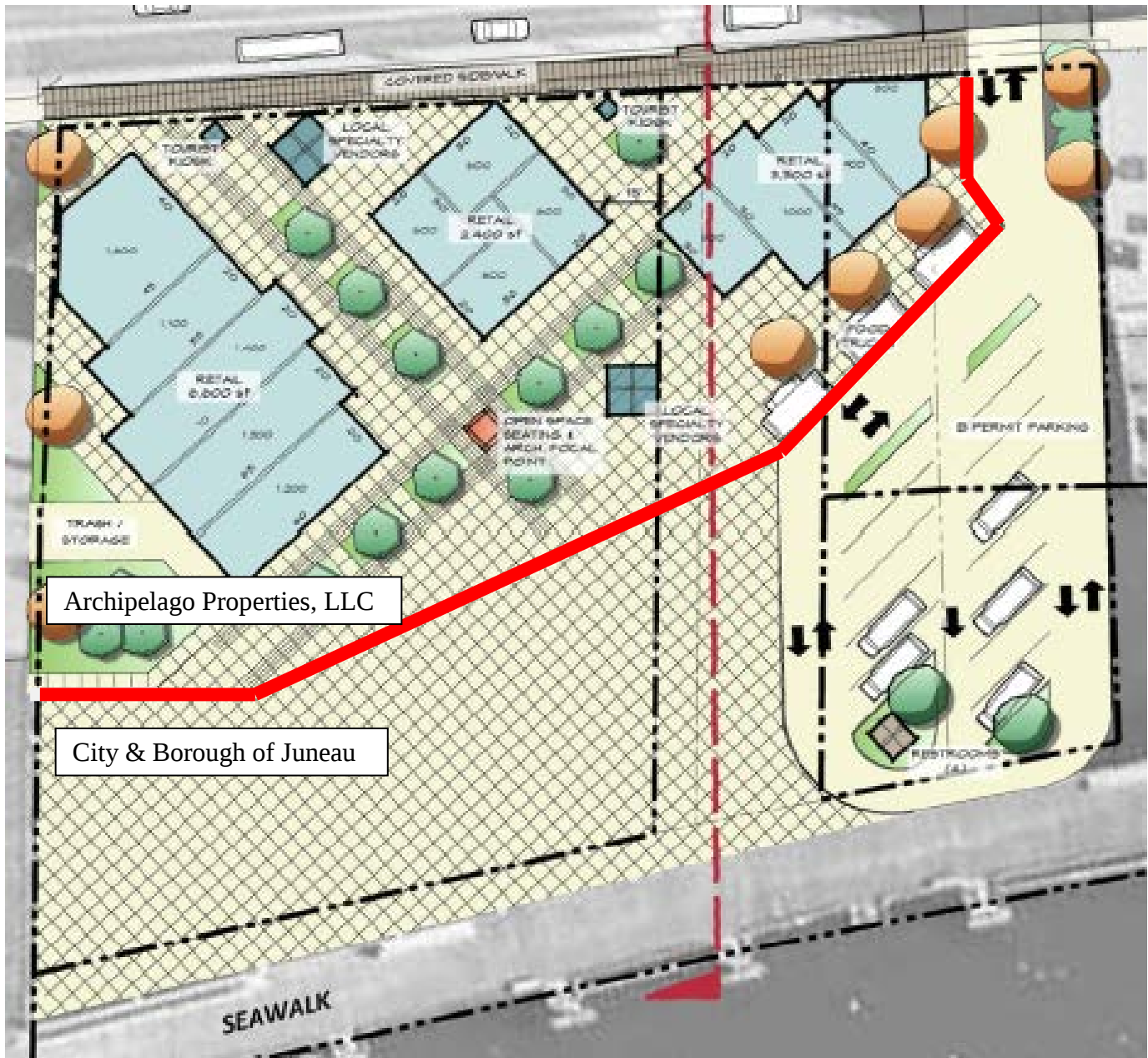
Archipelago Lot 1
356 S. Franklin Street
Owner: Archipelago Properties, LLC

Archipelago Lot 4
Owner: CBJ

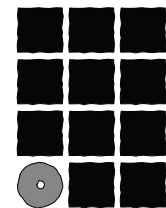
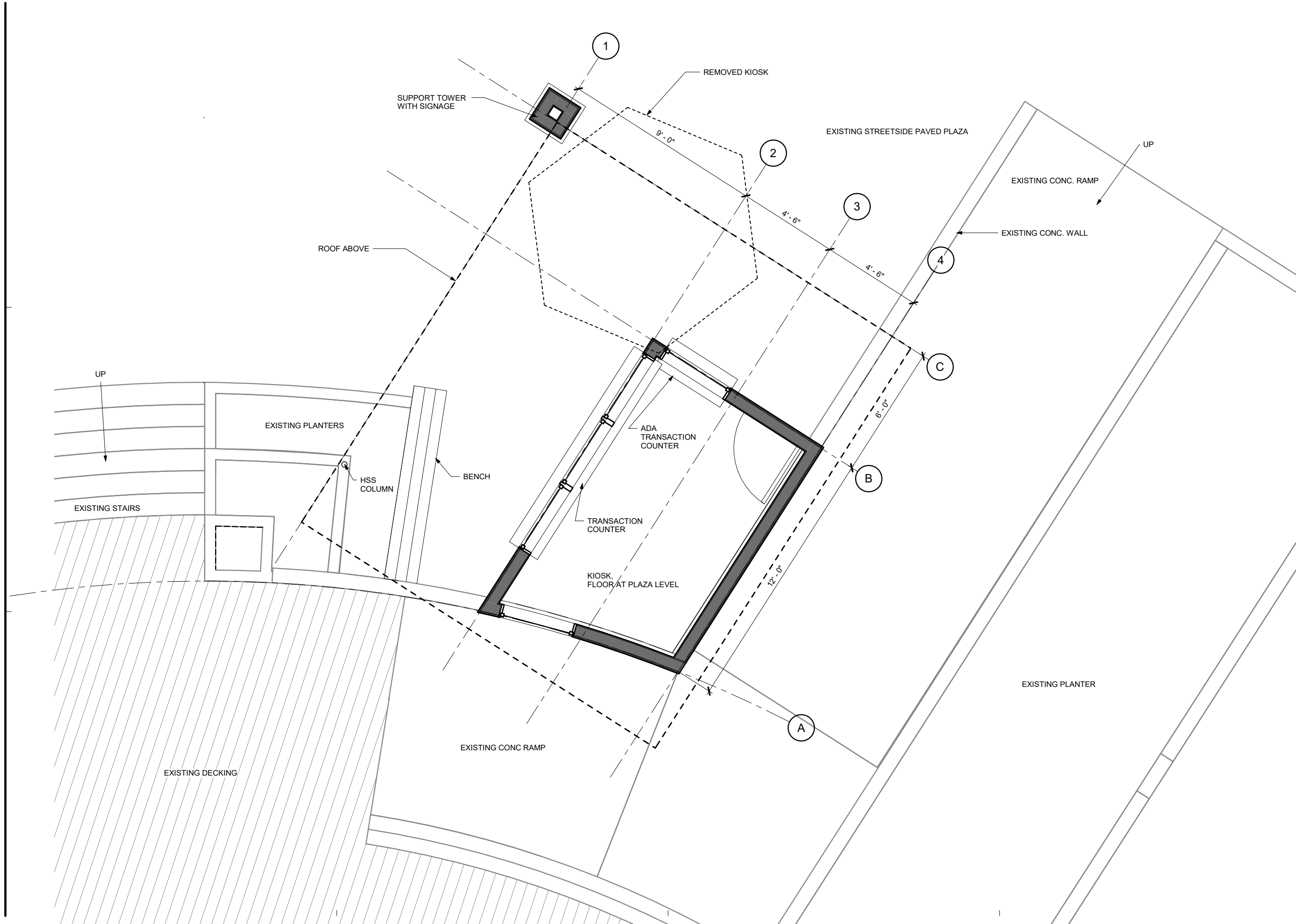
Archipelago Lot 2
388 S. Franklin St
Owner: AP, LLC

Archipelago Lot 3
Owner: CBJ

Encl: (1)
Archipelago Lots



Encl (2)
Approximate property line adjustment following successful negotiations



**Jensen
Yorba
Lott
Inc.**

522 West 10th Street
Juneau, Alaska 99801
Phone 907-586-1070
Fax 907-586-3959
jensenyorbalott.com

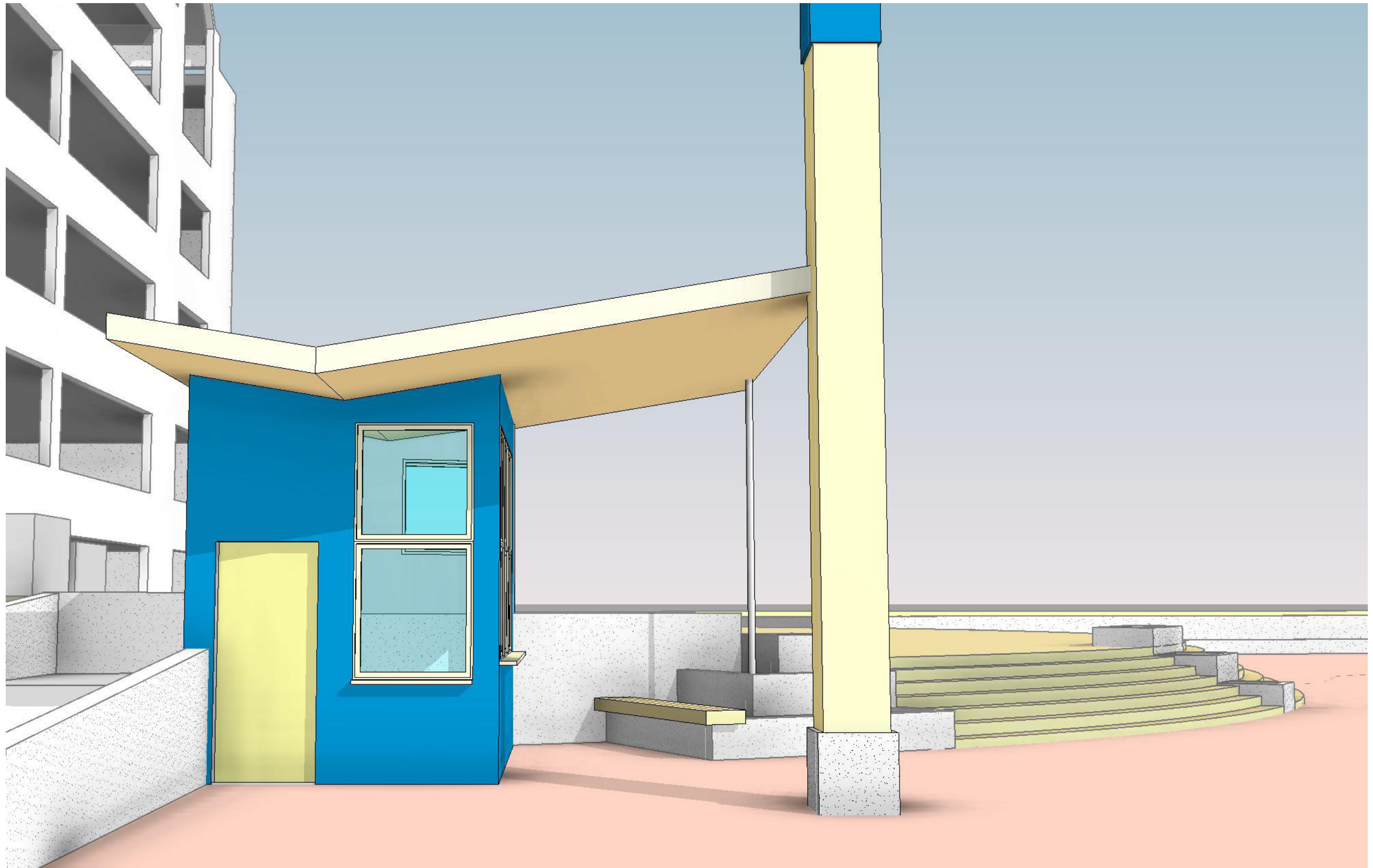
Concept Drawings
City and Borough of Juneau
Information Kiosk
Juneau, Alaska

REVISIONS



SHEET TITLE
Kiosk Plan

DATE: June 8, 2018
FILE: 18005

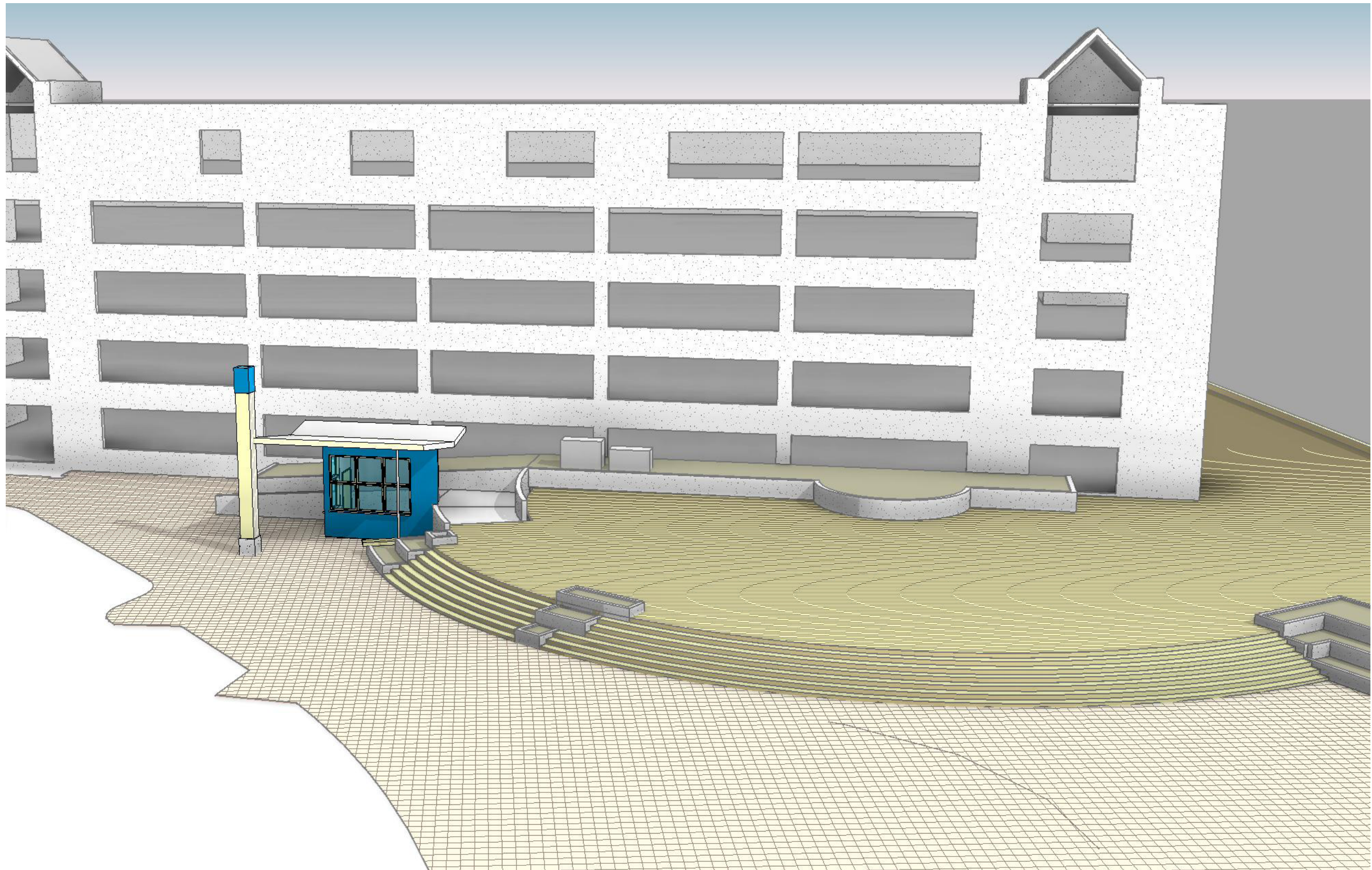


Information Kiosk
City and Borough of Juneau

Concept Drawings - June 8, 2018

Perspective - Franklin Street

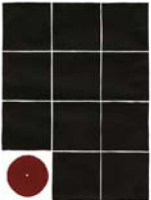




Information Kiosk
City and Borough of Juneau

Concept Drawings - June 8, 2018

Perspective - Birdseye

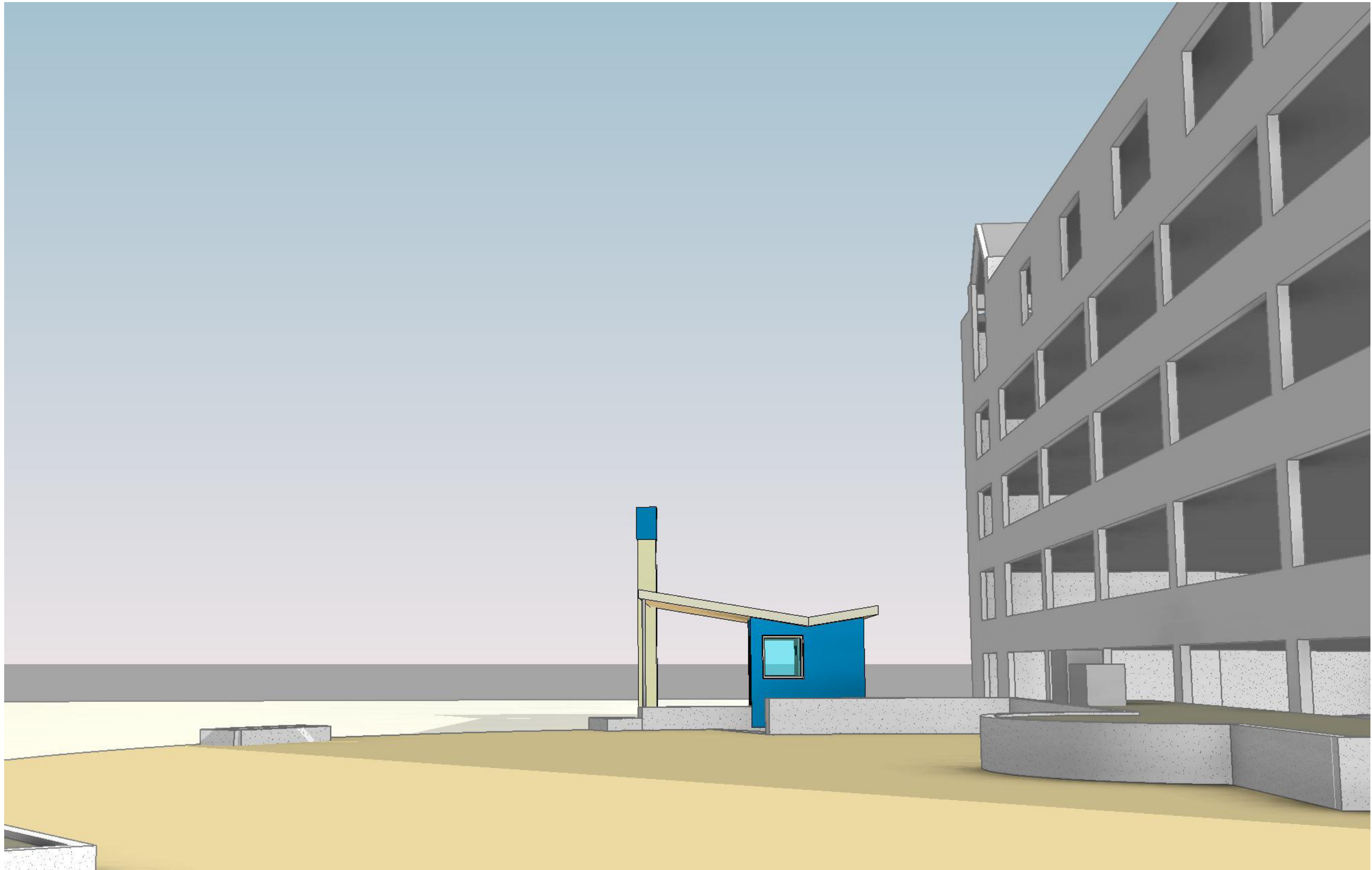




Information Kiosk
City and Borough of Juneau

Concept Drawings - June 8, 2018

Perspective - Marine Park



Information Kiosk
City and Borough of Juneau

Perspective - Steamship Wharf

Concept Drawings - June 8, 2018

**APPRAISAL REPORT
MARKET RENTAL VALUE
BOAT HAUL-OUT FACILITY AT
AUKE BAY LOADING FACILITY
JUNEAU, ALASKA**



Boat haul out lease area looking in a westerly direction from its eastern boundary approximated by concrete barriers. Note controlled access to the Auke Bay Loading Facility fence photo left. Photo taken May 15, 2018 by C. Horan.

PREPARED FOR: 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: May 15, 2018

REPORT DATE: June 8, 2018

OUR FILE NO.: 18-053

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS
CHARLES E. HORAN MAI / WILLIAM G. FERGUSON,
JOSHUA C. HORAN, AND SLATER FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

PHONE NUMBER: (907)747-6666

FAX NUMBER: (907)747-7417

commercial@horanappraisals.com

June 8, 2018

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

VIA Email teena_larson@juneau.org

Re: Appraisal Report Market Rental Value Boat Haul-Out Facility at Auke Bay Loading Facility, Juneau, Alaska Our File: 18-053

Dear Mr. Uchtyl,

The CBJ Docks and Harbors Department (CBJ-lessor) is negotiating a new lease with Harri Commercial Marine (HCM-lessee), represented by Jeff Duvernay, for the Auke Bay Loading Facility (ABLF) boatyard, which it had operated under previous amended lease, which is expiring. We've estimated the annual market rent based on the new draft lease, attached to this report. We have made certain assumptions about the property and its operation based on our review of the old lease, the proposed lease and what we found on site. These are described in the attached report. The intended use of this appraisal is to assist in estimating the annual rent based on these lease terms. The intended users are the CBJ Docks and Harbors decision makers and management, and the perspective lessee. This appraisal is not intended for any other use or for any other users.

There are limited comparable rents or use fees for these types of facilities. In this case, we have considered the experience of the present operator, and reviewed other government subsidized boat haul-out facilities and the income they may generate. These facilities are generally not economically feasible in terms of their actual cost and income potential. They are often subsidized by government grants, in order to support the overall economy and the local boat fleets. We reviewed the inventory of haul-out facilities throughout the region. Most of these are publicly owned and operated. The privately run facilities are not leased out. They are usually operated in conjunction with other marine industrial business services. There are instances of limited land leases in Seward, Wrangell, and two marine haul-out leases in Juneau, which were considered for comparison rent basis. Giving principle weight to these Juneau leases, and considering the other background information, it is my opinion a reasonable market annual rent under the terms of the propose lease has of the inspection date May 5, 2018 is as follows:

\$36,000 per year

Your attention is invited to the remainder of this report, which sets forth the extraordinary assumptions and more general Assumptions and Limiting Conditions, and the most pertinent data considered in estimating the market. The Certification of Appraisal is in the addenda. This appraisal report 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.

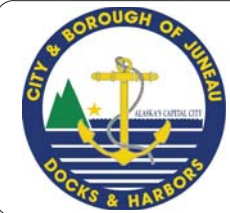
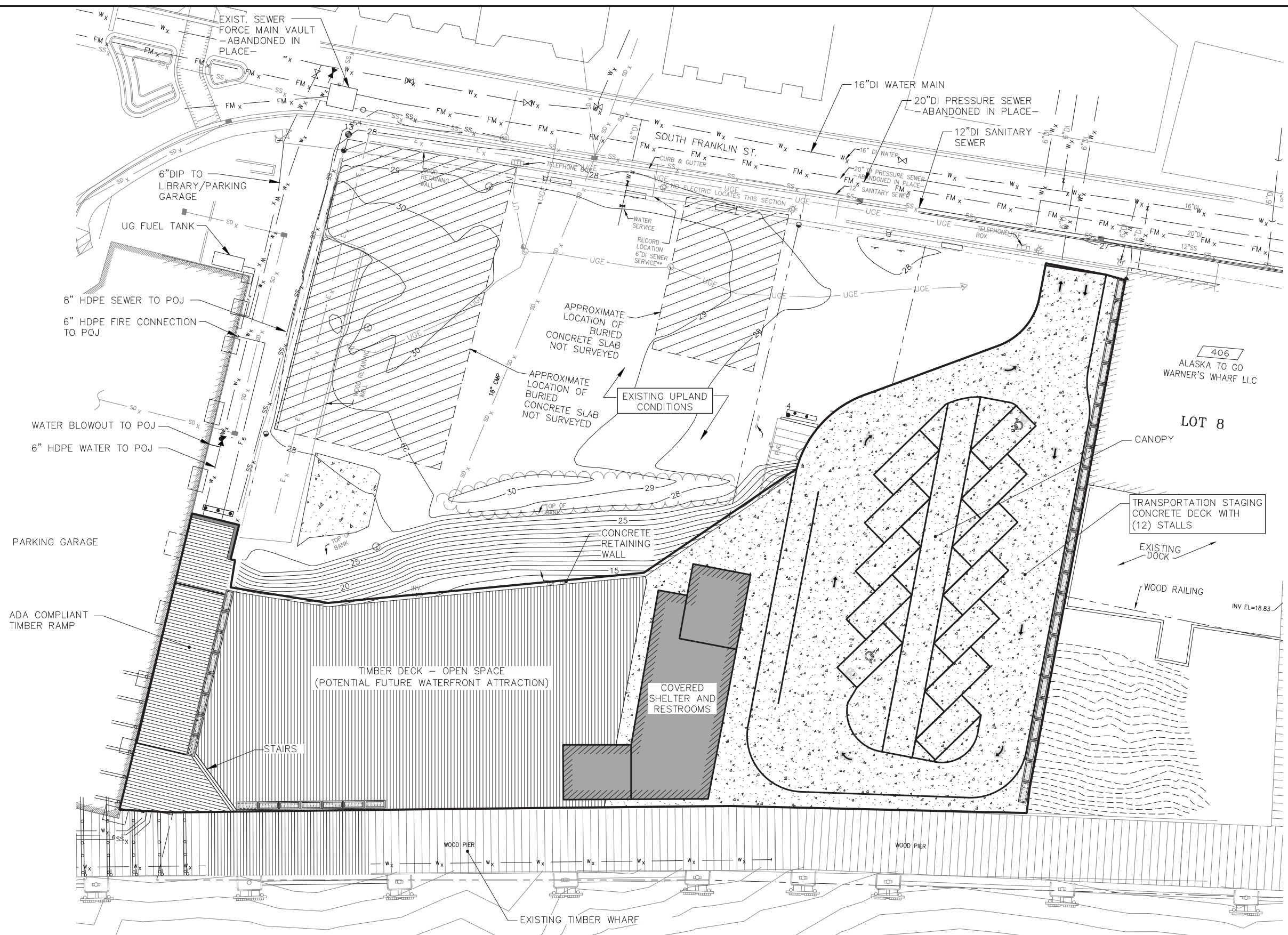
If you have any questions or comments, please feel free to contact us at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles Horan".

Charles E. Horan, MAI

Horan & Company, LLC



REVISIONS				
REV.	DATE	DESCRIPTION	DWN.	CKD.

P**N****D**

ENGINEERS, INC.

9360 Glacier Highway Suite 100
Juneau, Alaska 99801
Phone: 907-586-2093
Fax: 907-586-2099
www.pndengineers.com

DESIGN: PND
DRAWN: PND
CHECKED: CRS
APPROVED: CRS

SCALE: 0 20 40 FT.
SCALE IN FEET

**DOWNTOWN WATERFRONT
IMPROVEMENTS
CITY AND BOROUGH OF JUNEAU**

SHEET TITLE:
PUBLIC DEVELOPMENT PLAN

PND PROJECT #: 182045.02

DATE: JUNE 22, 2018

-----DWG 431 2



Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: Port Director
To: Public Works & Facilities Committee
Thru: Docks & Harbor Board
Date: June 22nd, 2018
Re: TRANSFER - \$3.31M FROM CRUISE BERTHS PROJECT (H51-101) TO MARINE PARK TO TAKU UPLANDS IMPROVEMENTS (H51-116)

1. The successful on-time and under-budget completion of the new Cruise Berths Project (CIP H51-101), has resulted in available funds of \$3.31M for the Port Development Fee fund which were planned as contingency funding but not needed.
2. It is recommended that these monies be transfer to CIP H51-116 (Marine Park to Taku Uplands Improvements). This CIP will be used to further develop the downtown waterfront as envisioned in the Marine Park to Taku Dock: Urban Design Plan.
3. In 2012, the Assembly identified funding for the two new cruise ship docks (known as 16B) and \$2M for related uplands expenditure authorization for the Archipelago property purchase and development. The initial uplands work near the Tram and the new docks have been completed. Docks & Harbors is now working towards the next phase to include a land transaction (purchase and sale with Archipelago Properties, LLC), transportation staging area and expanded open space through a deckover.
4. If the PWFC approves, the Assembly approval would be required at the following regular Assembly meeting. The Docks & Harbors Board will consider this transfer at its June 28th regular Board meeting. The Assembly will be briefed on the transportation and tidelands deckover at an Assembly meeting on July 11th.

#

Parties:

Archipelago Properties, LLC (AP) and the City and Borough of Juneau (CBJ)

Property:

That property collectively owned by the Parties and commonly referred to as the Archipelago Property located on the channel side of S. Franklin Street in Juneau, AK between the downtown waterfront parking garage and the Pier 49 building. Specifically, Lots 1 and 2 owned by AP and Lot 3 and a portion of Lot 4 owned by CBJ, all within the Archipelago Subdivision plat 2013-22, as further described in Exhibit "A".

Land Values:

Land values shall be calculated using the appraisal conducted by Horan and Company, LLC for the Property, with a report date of 11 January 2018. AP has agreed not to contest this appraisal. The Parties acknowledge this appraisal will most likely require updating to comply with CBJ land sale / acquisition ordinances. If the land values differ substantially from the referenced appraisal due to any terms or conditions set forth in this PSA, the Parties agree to work together in good faith to reach a mutually agreed upon valuation for this land reconfiguration.

Closing Costs:

The Parties agree to each pay 50% of the closing costs associated with this transaction. The Parties agree to each pay their own exclusive attorney fees.

Intent:

The Parties wish to execute a purchase and sale agreement to facilitate a reconfiguration of these lands for their mutual benefit and redevelopment, whereas CBJ shall deck over their reconfigured land between the upland portion of the Property and the existing sea walk and add transportation staging shuttle parking; and AP shall develop a mixed-use retail center on the uplands consisting of the following contemplated elements: retail, food and beverage, micro-business incubator space, apartments / lofts, and office space. Time is of the essence. The reconfigured land will be developed sequentially and independently: public space pile supported decking and transportation staging shuttle parking will be completed first followed by commercial development of the uplands.

Retaining wall:

CBJ, in conjunction with building a pile-supported deck structure over its submerged lands, shall be responsible for the construction of the retaining wall

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located approximately at the 20 foot high water mark crossing through the Property, as further described in Exhibit “B”.

Construction Easement:

Recognizing the extraordinary cost associated with constructing the pile decking and “B” permit parking from the channel side of the Property from barges, AP shall grant to CBJ an exclusive construction easement on its uplands portion of the reconfigured Property, as further described in Exhibit “C”, to allow staging of equipment, material, and personnel, as well as construction from the uplands side of the Property. CBJ shall indemnify and hold harmless AP during construction and have appropriate liability insurance. These terms shall survive after CBJ construction is complete.

Uplands Site Preparation:

Recognizing the monetary and time value of staging from the uplands and AP’s year-long delay in constructing its mixed-use development, CBJ shall provide a pad-ready uplands site to include removal of existing foundations, land leveling, and soil compaction as needed, but not to include pile supports for building improvements.

Reversion:

CBJ shall have 120 days from the effective date of the purchase and sale agreement to enter into contract with a reputable contractor for the construction of the decking and “B” permit parking lot, to include ordering of construction materials. If CBJ has not entered into contract with a reputable contractor for the construction of the decking and transportation staging shuttle parking lot, to include ordering of construction materials, within 120 days of the effective date of the purchase and sale agreement, AP shall have the right, but not the obligation, to repurchase the land sold to CBJ in this purchase and sale agreement at market value.

Alleyway located between public parking deck and Property:

As a condition of this purchase and sale agreement, CBJ agrees to provide a public access and utility easement for the alleyway between the Property and the public parking deck structure. AP and its tenants, invitees, and contractors shall have the non-exclusive right to access the alleyway in the normal course of conducting business to service the Property. This alleyway shall be available for access to utilities from South Franklin Street to the mutual benefit of both Parties. This alleyway is further described in Exhibit “D”.

Easements:

AP and CBJ agree to provide a reciprocal floating public pedestrian easement between the reconfigured properties to facilitate traffic flow, circulation, and

connectivity between South Franklin Street and the existing sea walk. No barriers shall be constructed between the two reconfigured properties, except as required for pedestrian safety between the transportation staging shuttle parking area and the AP development. In the event a barrier is deemed required for public safety, both Parties prior to installation shall agree upon the design and location.

Subject to final design if applicable, CBJ and AP shall grant to one another utility easements for the installation, repair, and improvements for utilities as needed. AP and CBJ shall each be responsible for the repair and condition of utility improvements on their respective reconfigured parcels. If repair or improvements of utilities is required, and if the utilities centrally located service both properties, and if the utilities are not located in the public right-of-way, the Parties agree to share the cost of repairs and improvements.

CBJ grants to AP and its tenants, invitees, and contractors a non-exclusive easement for access to the transportation staging shuttle parking area in the normal course of business. At no time, however, shall this easement conflict or impair with the primary use of the transportation staging shuttle parking area, which is to serve cruise ship passengers and tour agencies, as designated by CBJ. This non-exclusive easement shall only be in effect outside of peak usage by commercial passenger transportation vehicles, the primary user of the transportation staging parking lot.

Design of Covered Passenger Welcome / Assembly Area:

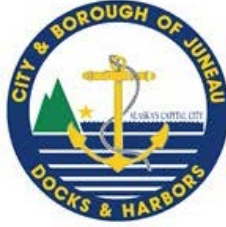
AP and CBJ hereby covenant with one another that the architectural design of the covered passenger welcome / assembly area shall be consistent in aesthetic, materials, and workmanship as the commercial uplands portion of the development.

Future Improvements on Reconfigured Public Portion of Property:

“Future Improvements” is defined as any permanent or temporary structure for any commercial or public use on the public portion of the reconfigured lands, exclusive of the transportation staging shuttle parking lot and covered passenger welcome / assembly area.

AP shall have an approval right for any Future Improvements contemplated within the zone designated on Exhibit “E”. AP expresses, also, a strong desire to explore the possibility of building a structure in the public interest within this zone such as a museum or entertainment venue. Any future structure within this zone designated on Exhibit “E” shall be a separate negotiation subject to the terms of this purchase and sale agreement. Notwithstanding anything to the contrary, CBJ hereby agrees not to allow any commercial enterprise to conduct business on its portion of the development which would compete with AP on its property including, but not limited to, food carts, tour stands, kiosks, or any type of commercial vendors.

City & Borough of Juneau



RESOLUTION NO.

A RESOLUTION OF THE CITY & BOROUGH OF JUNEAU IN SUPPORT OF JUNEAU MARINE SERVICES CENTER.

Whereas, the CBJ Docks & Harbors is an enterprise organization under the direction of the Assembly; and

Whereas, Docks & Harbors plays an integral role in advancing economic opportunities for marine related businesses, tourism and commercial fisheries; and,

Whereas, Docks & Harbors receives no direct sales tax or property tax in the operational budget and, as an enterprise operation, is expected to self-generate revenue for annual expenses and to explore all opportunities for grant funding where it exists; and,

Whereas, the development of marine infrastructure to support local businesses has been minimal over the 30-50 years with Juneau lacking the capacity to haul-out or service vessels greater than 45-tons, requiring 15% of Juneau commercial fleet to seek services outside the community or the state; and,

Whereas, Docks & Harbors has developed conceptual plans to develop marine and boat services to meet the commercial vessel needs in Juneau by constructing a 150 ton vessel lift, 4 acre boatyard facility, a 120-foot moorage float and wash down pad as part of a new Juneau Marine Service Center; and,

Whereas, The U.S. Department of Transportation has announced \$1.5 billion in funding under Better Utilizing Investments to Leverage Development (**BUILD**) Transportation Discretionary Grant program which provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives; and,

Whereas, Docks & Harbors intends to submit an application to U.S. DOT for **BUILD** Transportation Discretionary Grant consideration to expand the Juneau Fisheries Terminal.

Now therefore be it resolved, the Assembly hereby places its full support of the proposed **BUILD** Transportation Discretionary Grant for the Juneau Marine Services Center.

Adopted and approved by a duly constituted quorum of the Assembly of the City & Borough of Juneau on this 11th day of July, 2018.

Mayor, City & Borough of Juneau

ATTEST:

Elizabeth McEwen, City Clerk

City & Borough of Juneau



RESOLUTION NO.

A RESOLUTION OF THE CITY & BOROUGH OF JUNEAU IN SUPPORT OF AUKE BAY NON-MOTORIZED COASTAL TRANSPORTATION LINK.

Whereas, the CBJ Docks & Harbors is an enterprise organization under the direction of the Assembly; and

Whereas, Docks & Harbors plays an integral role in advancing economic opportunities for marine related businesses, tourism and commercial fisheries; and,

Whereas, Docks & Harbors receives no direct sales tax or property tax in the operational budget and, as an enterprise operation, is expected to self-generate revenue for annual expenses and to explore all opportunities for grant funding where it exists; and,

Whereas, in January 2018, the City & Borough of Juneau was the beneficiary of 2-acres of the former-NOAA Laboratory at the Auke Bay Marine Station; and,

Whereas, the Auke Bay Marine Station has limited connectivity between the Don D. Statter Harbor Facility which is currently serviceable only by Glacier Highway; and,

Whereas, Docks & Harbors has developed conceptual plans to develop a 1400 foot long Non-Motorized Coastal Transportation Link consisting of a pile supported timber and structural deck with architectural guardrail and lighting to connect the existing parking area at Statter Harbor to the newly acquired Auke Bay Marine Station; and,

Whereas, The U.S. Department of Transportation has announced \$1.5 billion in funding under Better Utilizing Investments to Leverage Development (**BUILD**) Transportation Discretionary Grant program which provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives; and,

Whereas, Docks & Harbors intends to submit an application to U.S. DOT for **BUILD** Transportation Discretionary Grant consideration to construct the Auke Bay Non-Motorized Coastal Transportation Link.

Now therefore be it resolved, the Assembly hereby places its full support of the proposed **BUILD** Transportation Discretionary Grant for the Auke Bay Non-Motorized Coastal Transportation Link.

Adopted and approved by a duly constituted quorum of the Assembly of the City & Borough of Juneau on this 11th day of July, 2018.

Mayor, City & Borough of Juneau

ATTEST:

Elizabeth McEwen, City Clerk

[MUNICIPALITY/CITY/ BOROUGH/REGIONAL HOUSING AUTHORITY]

RESOLUTION NO. _____

A RESOLUTION OF THE ASSEMBLY OF THE CITY & BOROUGH OF JUNEAU, FORMALLY SUBMITS A HARBOR FACILITY GRANT APPLICATION TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT&PF) IN THE AMOUNT OF \$2,000,000 FOR THE PROJECT ENTITLED AURORA HARBOR IMPROVEMENTS PHASE III.

WHEREAS, the State of Alaska, Department of Transportation and Public Facilities administers the Harbor Facility Grant Program; and

WHEREAS, the City & Borough of Juneau owns and maintains Aurora Harbor and Aurora Harbor is eligible for a Harbor Facility Grant; and

WHEREAS, the City & Borough of Juneau has the required 50% in local matching funds for construction of Aurora Harbor Phase III per the Harbor Facility Grant Program; and

WHEREAS, the City & Borough of Juneau is capable of completing Aurora Harbor Phase III within eighteen (18) months after award of a Harbor Facility Grant; and

WHEREAS, the Aurora Harbor Phase III is critical to the City & Borough of Juneau;

NOW, THEREFORE, BE IT RESOLVED by the ASSEMBLY of the CITY & BOROUGH OF JUNEAU that the CITY & BOROUGH OF JUNEAU supports the project entitled Aurora Harbor Phase III and agrees, subject to available Alaska Legislative funding and selection by DOT&PF, to enter into a grant agreement with the State of Alaska, Department of Transportation and Public Facilities for a Harbor Facility Grant.

Mayor/City Manager/Official (Authorizing Signature)

Attested by _____
City Clerk/Secretary

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

Project	Status	Schedule	Contractor	Notes
Boat Yard at ABLF				
Construction	Complete		ACC	Contract Close-Out
Auke Bay Loading Facility - Phase II				
TIGER Grant Reporting - Annual	On-Going	Sept. 2018		Annual equipment depreciation report
Aurora Harbor Re-Build - Phase II				
Construction Administration - Inspection	In Progress		PND	Extended for anode installation
Final Completion	In Progress		NCS	Extended for anode installation
Zinc Anodes for Phase I and II	In Progress		NCS	
ADOT Grant Amendment				
Statter Master Plan Phase III				
Army Corps of Engineers Permit	In Progress		PND	
Incidental Harrasment Authorization	In Progress		PND	
Eagle Permit	In Progress		Staff	Awaiting USFWS permit
Phase III A - Blasting, Dredging, Retaining Wall				
Design - Bid Documents	In Progress		PND	Awaiting 95%
Construction Bid	Hold		TBB	
Construction	Hold	Fall 2018	TBD	Pending ACOE Permit
Phase III B - Float Installation				
Design - Bid Documents	Hold		PND	Awaiting PO Change
Construction Bid	Hold		TBB	
Construction	Hold	Fall 2019	TBD	
Phase III C - Uplands, Restrooms				
Design - Bid Documents	Hold		PND	
Construction Bid	Hold		TBB	
Construction	Hold	Fall 2019	TBD	
MP to Taku Upland Improvements				
Geotech Over-Water	Hold		PND	
Geotech Report	Hold		PND	
Schematic Design & Cost Estimates	In Progress	July 10,2018	PND	
Hazard Zone Determination	In Progress		PND	Awaiting Engineer review
City Project Review	In Progress		Staff	Preparing Application
Flood Zone Exception	In Progress		Staff	Preparing Application
Army Corps of Engineers Permit				
Incidental Harrasment Authorization				
Fund Transfer from H51-101 to H51-116				

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Gary Gillette, Port Engineer

D&H Board Review		June 28, 2018		
PWFC Review		July 9, 2018		
Assembly COW Review		July 11, 2018		
Transfer - Assembly Action		July 23, 2018		
Archipelago Property Procurement				
Funding	In Progress		Staff	Working with Finance Director
Boundary Line Delineation	In Progress		Staff	Awaiting Final Morris Plan Concept
Amalga Harbor Fish Cleaning Station				
Planning	Hold			Board Strategic Plan meeting
Aurora - Harris Harbors Dredging				
Dredging Activity	Hold	2019	ACOE	Awaiting final dates for work
Negotiating Beneficial Use Agreement	In Progress			Working with ACOE
Auke Bay Marine Station				
Subdivision	In Progress		Staff	Coordinate with UAS
Shared Work with UAS	In Progress		Staff	Awaiting Agreement Amendment from Law
Float Construction and Installation	In Progress		Trucano	
Harris Harbor Restrooms and Showers				
CA/Inspection	Complete		JYL	Contract Close-out
Construction	Complete		Island	Contract Close-out
Marine Park ICC Cathodic Protection				
Construction	Complete		Island	Awaiting Contract Close-out
Contract Administration & Inspection	Complete		Tinnea	Awaiting Contract Close-out
Marine Park Sheet Wall Coating				
Design	In Progress		Tinnea	\$190,000 cost estimate
Construction Bid	Hold		Tinnea	Awaiting Funding
Construction	Hold		TBD	
Contract Administration & Inspection	Hold		Tinnea	
ADOT Grant Application - Annodes	Hold			
Little Rock Dump Feasibility Study	In Progress		PND	Board Strategic Plan meeting
Statter Breakwater Safety Improvements				
Phase II	Hold			Board Strategic Plan meeting
Sewage Pump-Out Improvements				
Douglas Barge	Hold			Seeking Funding
Statter Winterization	Hold			Seeking Funding
Harris Winterization	Hold			Seeking Funding
D&H Managed Lands - Surveys				
ASLS 2013-15 - Uplands at Tee Harbor	Hold	2020	TBD	
ATS 1682 -DIPAC-Channel Construcion	Hold	2020	TBD	

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ATS 1690-NPS Dock at Indian Point	Hold	2019	TBD	
ATS 1691 - Adjacent to ABMS	In Progress	2018	PDC	Awaiting Prelim Plat Comments
ATS 1692 - North Douglas Boat Ramp	In Progress	2019	PDC	Preliminary Plat comments
ATS 1693-DIPAC Wayside Park	Hold	2019	TBD	
ATS 1694-Tee Harbor Submerged Lands	Hold	2020	TBD	
ATS 1700-Statter Harbor Launch Ramp	In Progress	2018	PDC	Awaiting Recordation by ADNR
ATS 1707 - Cruise Berths	In Progress	2018	DOWL	Awaiting CDD Comments
Archipelago Lot Easement	In Progress		Staff	Preparing MOA for owner
Visitor Information Kiosk				
Concept Design	In Progress		JYL	Awaiting final design fee proposal
Wayside Park Float				
Dredging as Float Grounds Out	Hold			Awaiting Funding
Taku Harbor Repairs				
Construction	Complete		Trucano	Contract Close-Out
Construction Admin/Inspection	Complete		PND	Contract Close-Out
MMPA Observation	Complete		PND	Contract Close-Out
Current-Weather Equipment Maintenance	Hold		MXAK	Awaiting fee proposal
U.S. DOT "BUILD" Grant Applications				
Marine Services Center	In Progress	July 19, 2018	Staff	
Fisheries Terminal	In Progress	July 19, 2018	Staff	
Auke Bay Transportation Link	In Progress	July 19, 2018	Staff	