CBJ DOCKS & HARBORS BOARD
FINANCE MEETING AGENDA
For Tuesday, January 27th, 2015

I. Call to Order (5:00 p.m. to 7:00 p.m.) in the **Room 224, City Hall.**

II. Roll Call (Greg Busch, Tom Donek, Dave Logan, Mike Peterson, and Scott Spickler).

III. Approval of Agenda.

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED.

IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total).

V. Approval of December 9th, 2014 Finance Committee Meeting Minutes.

VI. Consent Agenda - NONE

A. Public Requests for Consent Agenda Changes
B. Committee Member Requests for Consent Agenda Changes
C. Items for Action

VII. Unfinished Business

1. Harbor Code of Conduct
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: THAT THE DOCKS & HARBORS BOARD APPROVE ADOPTING PROPOSED HARBOR CODE OF CONDUCT.

VIII. New Business

1. Docks Fee Review – Waterfront Vendor Booth Regulation Change
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING.

2. Harbor Fee Review – Passenger For Hire Fees
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: THAT THE DOCKS & HARBORS BOARD APPROVE ADOPTION OF THE FOLLOWING CHANGES TO :
INSPECTED VESSELS:
2015 $300 PERMIT FEE AND $1.25 PASSENGER FEE;
2016 $400 PERMIT FEE AND $1.50 PASSENGER FEE; AND,
2017 $500 PERMIT FEE AND $1.50 PASSENGER FEE; AND EVERY YEAR THEREAFTER BOTH FEES WOULD INCREASE ACCORDING TO THE ANCHORAGE CPI.
UNINSPECTED VESSELS:
2015 $50 PERMIT FEE AND $1.00 PASSENGER FEE;
2016 $100 PERMIT FEE AND $1.25 PASSENGER FEE; AND
2017 $150 PERMIT FEE AND $1.50 PASSENGER FEE; AND EVERY YEAR THEREAFTER BOTH FEES WOULD INCREASE ACCORDING TO THE ANCHORAGE CPI.

IX. Items for Information/Discussion.

1. Update on FY15 Docks Enterprise & Harbor Enterprise Financials
   Presentation by Port Director

2. Update on Fund Balance
   Presentation by CBJ Finance Director

3. Update on Revenue & Expense Projections – new Cruise Ship Berths
   Presentation by CBJ Finance Director

4. Full Cost Allocation Briefing
   Presentation by CBJ Finance Director

5. Strategic Retreat - Goals/format
   Presentation by Port Director

6. Update on Thane Ore House Lease Process
   Presentation by Port Director

X. Staff & Member Reports.

XI. Committee Administrative Matters.

1. Next Finance Committee Meeting- Thursday, February 19th, 2015

XII. Adjournment.

CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Tuesday, December 9th, 2014

I. Call to Order The Finance Committee meeting was called to order at 5:00pm in **Room 224, City Hall.**

II. Roll Call The following members were present: Greg Busch, Tom Donek, Scott Spickler, and via conference call David Logan and Mike Peterson.
Also Present: Carl Uchytil –Port Director.

III. Approval of Agenda.

MOTION: BY MR. DONEK TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

IV. Public Participation on Non-Agenda Items - None

V. Approval of November 18th, 2014 Finance Committee Meeting Minutes.

MOTION: BY MR. BUSCH TO APPROVE THE NOVEMBER 18, 2014 FINANCE COMMITTEE MEETING MINUTES AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

VI. Consent Agenda - None

A. Public Requests for Consent Agenda Changes
B. Committee Member Requests for Consent Agenda Changes
C. Items for Action

VII. Unfinished Business- None

VIII. New Business

1. Waterfront Vendor Booths – Fee Review & Regulation Changes
   Presentation by Port Director

Mr. Uchytil stated the fee review committee met November 18 and there were five different options discussed to improve the waterfront vender booth sales fee structure. Mr. Uchytil presented a memo with the fee structure & renewal process for each year moving forward. The direction from the committee was to work towards a three year fee cycle and with the belief the permits would be renewable each cycle. Last year there were nine booths. At this time only four companies have existing multiyear permits moving forward they would be grandfathered in for their previous rate. The proposal is to have a fixed fee structure and use the median value of the permits of $42,000. This would be the new value that would be adjusted by the CPI unless the board elects not to. Total number of permits would be 10. There would be only one outcry booth available with a starting bid of $30,000. By 2018 the nine permits would be on the same cycle for the same fee with the exception of the one outcry annual permit. If there are more than ten interested parties we would move to a lottery system and by 2020 we may have up to eleven permits.

Mr. Uchytil also presented in the packet the current CBJ Ordinances for the Waterfront Vender Booth Permits. Mr. Uchytil presents the recommended changes for the ordinances to reflect the proposed fee structure and stated moving forward we will do our part in enforcing the regulations.

Board Questions
Mr. Peterson suggested if the outcry permit is consistently bid and sold for over the 42K set fee that we have the option added to the ordinances for any future Port Director to increase the fees for more than just the CPI.

Public Comment - None

Board Discussion/Action
Mr. Busch stated we need to get this to the Assembly so we can get implemented for the new season starting this spring. The regulation changes need to be simple and flexible so the Port Director can manage the number of permits. The vendors that met with us helped with suggestions and seemed to agree with our new plan so they can plan for their budget.

Mr. Peterson stated the wording for the regulations should read the fees can be increased, decreased or kept the same so the Port Director has the flexibility to manage the fees.

Mr. Donek stated it may not be necessary because if there is an issue then the board would re-address the fees for any changes since that is what the board is for.

Mr. Spickler stated he is comfortable with the recommendations presented.

MOTION: BY MR. BUSCH TO FORWARD THE WATERFRONT VENDER BOOTH FEE REVIEW RECOMMENDED CHANGES TO THE REGULATIONS FOR APPROVAL BY THE FULL BOARD AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

2. CBJ Marine Passenger Fee Project Proposal List
Presentation by Port Director

Mr. Uchytil stated every year each department may request marine passenger fees to cover certain expenses. The City collects $5.00 per person from the cruise line ships that visit Juneau each year. This equates to about $5 million and of the amount $3.5 million is divided by the City Manager from the requests that are received. There are more requests than money available so it is not a guarantee we will receive funds. Mr. Uchytil presented a packet that contained the breakdown of each fund requested. These requests included area-wide port operations; Port, Customers, and Visitor center maintenance support; Statter Harbor Passenger for Hire facility; downtown restrooms; future cruise terminal staging; downtown pay phones; visitor kiosk replacement; landscaping; lightering float canvas replacement; marine park parking lot brick repair; and flags & banners.

Board Questions
Mr. Spickler asked about the $133,500 figure for Port, Customs, & visitor centers maintenance support. It seems too high. He understands this helps compensate for Customers Office not paying rent but compared to his office costs this seems inflated.

Mr. Donek asked if there is tracking for what is spent.

Mr. Uchytil stated it is not that much and he compared the break down to the compiled fees the Port Directors Office has to pay. He stated the amount is also to cover future building maintenance that will be needed.

Mr. Donek asked where the funds go and are they earmarked for these offices only.

Mr. Uchytil answered it goes in to the Docks Operating funds and it is not dedicated to just these offices. It can go to fixing other maintenance issues that will arise. We can request whatever amount we want to and this number is justified.

Mr. Spickler stated he believes the $150,000 for a 400 square foot visitor's kiosk is also too excessive.

Mr. Donek asked why doesn't the Visitors center request the funds.

Mr. Uchytil answered it is on our managed property.

Mr. Uchytil stated it depends on what we are going to build and if it will remain a walk-up or an enclosed structure with restrooms.

Mr. Busch stated it is a good amount to ask for because it may be possible to add a restroom.

Mr. Peterson asked if there are temporary restrooms downtown.

Mr. Uchytil answered no we do not put port-a-potties downtown. The public restrooms are located at the library, city hall, and the tram.

Mr. Peterson recommended putting in temporary restrooms at the Archipelago property in order to gather information on how many people use them in order to get funding to build a new restroom facility. Mr. Peterson also stated he believes we should replace the marine park parking lot with asphalt. The bricks are too expensive to maintain.

Dr. Logan stated he agrees with $150,000 is too much for a kiosk only.

Mr. Uchytil answered we do not have enough room for temporary bathrooms. We do have tidelands we could use to deck over and construct restrooms and a memorial area.

Mr. Donek stated he believed we had put additional plumbing in the visitor's center for a future restroom to be built.

Mr. Uchytil answered we have more room by the peoples wharf and we can connect to the visitors centers plumbing.

Mr. Donek stated that the Statter Harbor fund request is definitely connected to cruise ship funds but it may be too early to request the funds.

Mr. Uchytil answered it is for permitting and planning.

Public Comment
Mr. Greg Pilcher – Whale Tales, Juneau, AK
We definitely need more public restrooms to improve the tourism experience. The downtown restrooms are way overused and not clean enough. Also the kiosk is very old, his grandmother used to work there when she was young so it would be nice to get a new one.

Board Discussion/Action
Mr. Busch stated we should move this discussion to the full board then we can discuss any changes.

MOTION: BY MR. GREG BUSCH TO FORWARD THE CBJ MARINE PASSENGER FEE PROJECT PROPOSAL LIST TO THE FULL BOARD FOR APPROVAL AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

3. ADF&G Cooperative Agreement – Amalga Harbor Fish Cleaning Float
Presentation by Port Director

Mr. Uchytil stated Fish & Game Department approached him regarding Amalga Harbor not having an adequate sport fishing cleaning station. ADF&G is willing to fund the $50,000 design for a solution for Amalga Harbor. The construction costs would be paid 75% by Harbors and 25% by ADF&G. The thought is to build a separate float for fish cleaning and possibly for net repair. If the board approves this we can go to the city assembly and accept a grant for funding this project.

Board Questions
Mr. Busch asked if ADF&G does their design and assessment and determine it is not financially feasible do we have any financial obligation. Also if they come up with a plan and we decline to move forward then do we pay them back for the design costs plus 5 percent.

Mr. Donek answered that is not correct. The repayment section is only for phase II. We would not be liable for the $50,000 design fees. Mr. Uchytil should clarify the proposal agreement with ADF&G.

Mr. Peterson asked if the charter boat operators will be using this as well.

Mr. Busch answered the charter boats are also considered sport fishing.

Mr. Uchytil asked if we would be able to allow net repair for commercial fishing fleet.

Mr. Donek said the requested funds would have to correctly allocate for usage between commercial and sport fishing.

Public Comment - None

Board Discussion/Action

MOTION: BY MR. DONEK TO RECOMMEND THAT DOCKS & HARBORS REGULAR BOARD ADOPT THE ADF&G COOPERATIVE AGREEMENT AND REQUEST THE ASSEMBLY ACCEPTS AN APPROPRIATIONS ORDINANCE OF $50,000 FOR THE FEASIBILITY DESIGN AND PERMITTING OF A FISH CLEANING FLOAT AT AMALGA HARBOR AND ASKED UNANIMOUS CONSENT.
Motion passed with no objection.

4. AAHPA Resolutions to Assembly
Presentation by the Port Director

Mr. Uchytil presented two resolutions in the attached packet to the agenda that were drafted by the CBJ Assembly and received unanimous support by the Alaska Association of Harbormaster and Port Administrators (AAHPA). The first resolution is to support the full state funding of harbors. The second is the additional protection for harbor officers under the same statutes as peace officers and first responders.

Board Questions - None

Public Comment - None

Board Discussion/Action

(A) MOTION: BY MR. GREG BUSCH TO RECOMMEND TO THE REGULAR BOARD TO FORWARD TO THE CBJ ASSEMBLY FOR APPROVAL OF THE ATTACHED RESOLUTION SUPPORTING FULL FUNDING OF THE STATE OF ALASKA HARBOR FACILITY GRANT PROGRAM IN THE FY 2016 STATE CAPITAL BUDGET.
Motion passed with no objection.

(B) MOTION: BY MR. TOM DONEK TO RECOMMEND TO THE REGULAR BOARD TO FORWARD TO THE CBJ ASSEMBLY FOR APPROVAL OF THE ATTACHED RESOLUTION SUPPORTING THE ADDITION OF DOCKS AND HARBOR EMPLOYEES TO THE LIST OF EMPLOYEES COVERED BY AS 12.55.135.
Motion passed with no objection.

IX. Items for Information/Discussion.

1. Proposed Harbor Patron Code of Conduct
   Presentation by Port Director

   Mr. Uchytil presented an updated draft of a new Harbor Code of Conduct for Harbor Patrons and Visitors. We want to keep this as an information item so we can get as much feedback as possible from the board. We can then work towards regulation changes.

   Mr. Spickler stated this is a good work in progress to ensure our staff and patrons have a safe environment.

   Mr. Peterson said it may be too early to introduce any language regarding use of recreational marijuana since the new law just passed.

   Mr. Donek stated it should all be in one category for alcohol and drugs regarding patrons prohibited from being under the influence and risking the safety of themselves and others.

   Dr. Logan said recreational marijuana will be legal as soon as February 1, 2015. We need to have it listed as prohibited out of view of public and we can have the code of conduct as a work in progress if we need to change anything in the future as the new law develops.

   Mr. Uchytil said we need to have a set of rules for the Harbormaster to use in order to manage and if necessary evict patrons for bad behavior to ensure the overall safety and well-being of the harbor.

2. Statter Harbor Parking – Horton Lot Mitigation
   Presentation by Port Director

   Mr. Uchytil stated he got direction from the board to see if we can find an alternate solution for parking since the Horton Lot will be closed during the Auke Bay construction. Mr. Uchytil said he sent out several letters and only received a response from the First Student Bus parking lot. He said they may be able to assist us with 17-20 parking spots but there may be costs. Mr. Uchytil said he will need approval from the City Manager. We need to decide if we are going to charge fees.

   Mr. Donek asked if this for cars and trucks and trailers.

Mr. Uchytil answered trucks and trailers since it is the biggest loss of parking space for these users.

Mr. Spickler asked when the letters went out.

Mr. Uchytil answered October to private companies and November to the School district and UAS.

Mr. Busch stated we need to compare the prices we charge for our parking spots that we rent out to ADF&G at Douglas Harbor and how much to do we charge trailers at Auke Bay to determine what we may want to pay and charge.

Mr. Uchytil stated we need to decide what our obligation really is.

Mr. Peterson stated maybe we could add a one-time additional fee to launch ramp fees to cover the expense of paying for extra parking at Auke Bay.

Mr. Donek stated we do not have enough parking and even the new Statter plan will not be adequate. Between Statter and Amalga we just do not have enough space and we may need to look at Tee Harbor for alternate launch space.

Mr. Uchytil stated we need to address the long term free parking that is utilized by the truck and trailer users that have property at Horse, Colt, and Shelter Island and they are used to parking for free at North Douglas and Horton lot. The Harbormaster has stated people are not able to park for free at the Airport when they go on trips so it should not be expected to do so via boat trips in our lots.

Mr. Donek stated we cannot have long term vehicles taking up our new spaces for weeks at a time and we may need to establish a time limit.

X. Staff & Member Reports -None

XI. Committee Administrative Matters.

1. Next Finance Committee Meeting- Tuesday, January 27, 2015

XII. Adjournment.
The Finance Committee Meeting adjourned at 6:48pm

Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-5255 Phone • (907) 586-2507 Fax

From: David Borg, CBJ Harbormaster
To: All Harbor Users
Date: January xx, 2015
Re: Harbor Code of Conduct

DRAFT

Background:

The Docks & Harbor vision is TO BE THE SOUTHEAST ALASKA MARINE CENTER OF EXCELLENCE PROVIDING A SAFE, SECURE, MODERN, VIBRANT FACILITIES MEETING THE NEEDS OF THE USERS WE SERVE. In pursuit of our goals, Docks & Harbors is obliged to act in the best interests of all customers. Our employees work collaboratively with other CBJ employees, stakeholders and customers to deliver quality services to the Juneau public. The following Harbor Customer Code of Conduct is designed to allow Docks & Harbors to preserve its tradition of providing safe and secure facilities. This Code applies to all harbor clients who frequent CBJ owned property, including but not limited, to vessel owners and their guests, live-aboard residents, charter and commercial operators, launch ramp users and pedestrians along Docks & Harbors managed properties.

Recently, several issues have surfaced regarding the conduct of some harbor customers which merit the development of guidelines to safeguard all user groups. The establishment of a Harbor Customer Code of Conduct provides the expectations following a "reasonable person" standard. The intent to codify rules to ensure customers are made aware that illegal or prohibited behavior, affecting other customers or Docks & Harbors employees will not be tolerated.

Failure to abide by the Harbor Customer Code of Conduct may result in administrative actions that limit or restrict any person or vessel from continued use of some or all Docks & Harbors facilities.

Personal conduct:

The owner of a vessel will be responsible for the conduct of those on board the vessel. Behavior of the owner, operator or occupants of a vessel which disturbs or creates a nuisance for others in the boat harbors is prohibited. Examples of prohibited conduct include but are not limited to:

(1) Making, causing or allowing unreasonable noise so as to cause public inconvenience, annoyance or harm. Unreasonable noise means any excessive or unusually loud sound that disturbs the peace, comfort, or repose of a reasonable person of normal sensitivity.

(2) Damaging any Docks & Harbors property through reckless behavior that could be reasonably avoided.

(3) Causing, provoking or engaging in any fight, or to commit an act in a violent or reckless manner whereby the safety, life, limb or health of another is placed in fear of immediate jeopardy;

(4) Being found under the influence of alcoholic beverages, or other drugs including prescription drugs, in such a condition as to be unable to exercise care for their own safety or the safety of others, except aboard a vessel;

(5) Engaging in the use of or being instrumental in the exchange or production of illegal drugs or other illegal substances.

(6) All commercial, for profit enterprises conducting business aboard a vessel in a Docks & Harbor facility must have a commercial use permit. This does not apply to commercial fishing vessel.

(7) Behavior, language or mannerisms by harbor users toward any harbor employee during the performance of their duties by using threats or actions that place staff in reasonable fear of immediate jeopardy.

Any continuing or repeated breach of Docks & Harbors policies, rules and regulations duly established by the Docks and Harbors Board, Port Director or Harbormaster may result in forfeiture of the privilege to use some or all facilities.

Pet Owners:

Live-aboard customers, both owners and guests, that have a dog or cat residing onboard for a period longer than fourteen (14) days shall be required to complete a registration form indicating the type, breed, name and gender of the animal and pay the registration fee. Animal owners will also be required to ensure the following:

(1) During registration, dog owners shall provide proof the animal is licensed in accordance with current CBJ regulations. Unlicensed dogs shall not reside within the D&H system at any time.
(2) Provide proof of current rabies vaccinations.
(3) Be leashed at all times when on Docks and Harbors property, floats, fingers and moorings
(4) Clean up after your animal on docks, parking areas, and all adjacent D&H properties. Use of waste bags or other waste removal product(s) are mandatory on all D&H properties.
(5) Ensure animals are properly confined on the vessel.

Failure to meet these requirements may result in the animal being banned from the harbor.

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DRAFT

Port of Juneau

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

From: Carl Uchytil, Port Director
To: Docks & Harbors Operations-Planning Committee
Copy: CBJ Law
Date: January 16th, 2015
Re: VENDOR BOOTH – FEE REVIEW

On January 6, 2015 the Docks Enterprise Fee Review Committee met to consider changes affecting the Waterfront Sales Permit activity which is codified under 05 CBJAC Chapter 10. The recommendation of the committee is attached as enclosure (1). Previously, this committee met on September 17th, October 28th and November 18th. The agenda and minutes of each of these meetings are available on the Docks & Harbors website.

The committee thoughtfully deliberated on several modifications including: perpetual permits, firm fixed permits, permitting by lottery and adjustment by CPI. Throughout the debate, the committee maintained a vision that fair treatment of persons wishing to sell tours included an opportunity for new businesses to participate in a competitive manner. Although the committee was sympathetic to existing vendor booth holders having the stability in knowing a permit would be available in future years, it was unable to reconcile the potential monopoly resulting from a closed permit issuing process. CBJ Law also provided a legal brief recommending not pursuing a perpetual permit as it exposes CBJ to risk associated with "a taking".

After hearing from industry representative, Docks & Harbors staff and CBJ Law, the most significant change is to increase the minimum outcry bid amount to $30,000. For consideration of this increased bid amount and to provide greater predictability for vendor booth applicants, the committee directed the Port Director to establish three-year permits, renewable for another three years. After the six-year period, vendor booth would be subjected to an outcry auction. The management of how many and terms of each permit are not specified in regulations; therefore only the bid amount requires Assembly approval.

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Encl (1) 05 CBJAC Chapter 10 – Waterfront Sales Permits with proposed changes
(2) Waterfront Sales Permit Application

Chapter 10 - WATERFRONT SALES PERMITS

05 CBJAC 10.010 - Policy.

These regulations are intended to implement the following policies:

(a) To provide desirable commercial services to cruise ship passengers.

(b) To provide for orderly administration by the department of appropriate vending in the downtown waterfront area.

(c) To ensure that vending uses shall remain incidental to the principle uses of the downtown waterfront area. The principle uses are pedestrian, vehicular, and recreational access to the docks and waterfront. The director may order the suspension of vending activities as necessary to avoid conflict with the principle uses.

(d) To collect revenues in support of management of and improvements to City and Borough harbor and waterfront facilities.

(e) To assure fair treatment of persons wishing to sell tours in the downtown waterfront area.

(f) Establish a system of tour sales and tour brokerage permits in order to effectuate the purposes listed above. The administration of such system shall be for the benefit of the general public, and the grant or denial of a permit, or any act or omission by the city with respect to such permit is not intended to regulate the private business relationships or to protect the business interests of one party against the other. It shall be the individual responsibility of the permit holders and their clients to enforce their rights and liabilities through civil actions or such other private relief as may be available.

(g) To provide reasonable opportunity for entrepreneurs to enter the business market.

(01/19/98)

05 CBJAC 10.020 - Prohibitions.

(a) A person shall not conduct any commercial activity within the downtown waterfront area except as authorized by a permit issued under this chapter by the director. Except as authorized by a permit, a person shall not within the downtown waterfront area:

(1) Sell or offer to sell goods or services,

(2) Construct, maintain, or use any structure, or

(3) Use any loading zone.

(b) Solicitation, advertisement, sales, use of loading zones or any other commercial activities without a permit issued pursuant to this chapter is a violation of CBJ 85.25.090 (11).

(c) A person delinquent in the payment of fines, taxes, judgments or other monies owed to the city may not receive a permit.

(d) No permit may be issued or reissued to any person whose prior permit hereunder was revoked.

(01/19/98)

05 CBJAC 10.030 - Permit duration, reissuance options, transferability, refunds, actively sell requirement, eligibility, number of permits available.

Permits may be issued by the director. Permits are valid only for the dates, times, areas, and activity specified.

(a) *Duration.*

(1) Tour sales, tour broker, and loading permits shall be valid only from May 1 through October 15 of each permit year.

(2) No permit may be issued for a period in excess of one calendar year.

(b) *Reissuance.* Permits may be reissued only as authorized by these regulations. A reissued permit shall be subject to the regulations in effect for the year in which the permit is used. Permittees and option holders assume the risk that changes in regulations could affect their business through reduced

revenues, increased costs, or both; that the number, location and rules for permits may be changed from year to year without liability to the city, compensation to permittees or option holders, and that municipal regulation hereunder shall be immune from liability pursuant to AS 09.65.070 and other applicable law.

(1) Reissuance options.

(A) A reissuance option entitles the holder to apply for and receive a permit for the tour season designated in the option, provided that the holder meets all the requirements for permit applicants and holders in the year the reissued permit will be operated.

(B) The fee for any permit issued pursuant to a reissuance option shall be the same as the fee paid for the original permit.

(C) The holder of a reissuance option shall notify the director of its intention to seek reissuance. Written notice must be received by the director no later than December 1 preceding the year in which the reissued permit will be operated. If the notice is not so received, if application is not made, or if for any other reason the permit is not reissued, the director may consider the permit, including any remaining reissuance periods, as forfeit and either available for issuance to others or withdrawn from any issuance.

(D) Reserved.

(E) These regulations apply to any permits and reissuance options authorized by 05 CBJAC 10.010—10.090.

(c) *Transferability.*

(1) A permit, other than a limited loading permit, may be transferred, together with any reissuance options, provided that such transfer includes the transferor's entire business interest in activities conducted under the permit. The transferor's business interest includes all assets used in the business conducted under the permit.

(2) No permit may be leased or rented, nor may the permittee allow the permit to be used by any person who is not an employee of the permittee.

(3) A transferred permit is not valid until it has been approved and reissued by the director.

(d) *Refunds.* No permit fees shall be refunded after the issuance of a permit.

(e) *Reserved.*

(f) *Permit eligibility and requirements.*

(1) To be eligible to bid on a tour sales or tour broker permit, the permit applicant must:

(A) Hold a current Alaska business license, and

(B) Maintain a place of business under the name on the Alaska business license within the boundaries of the city and borough.

(2) Any person holding a permit must maintain a year round place of business and mailing address in the City and Borough of Juneau, Alaska, and must designate a single individual by physical address, mailing address and phone number in Juneau upon whom service of notices and legal proceedings may be made. Service of any notice concerning the permit to that person shall be legal and sufficient notice to any of the holders, owners or any other with an interest in the permit. The director must be notified in writing no less than ten days before there is a change in the name, address or phone number of the designated person for a permit. Failure to timely notify the director shall be considered a violation of the permit conditions.

(3) No person, individual, business or corporation shall have an ownership interest in more than one tour sales or tour broker permit, meaning the person shall not pay for the operation of another permit holder's sales booth, direct or manage the activities of another permit holder's sales booth, or in any way financially contribute to the purchase of more than one permit. A permit holder who operates tours may have its tours sold by another permit holder, provided the permit holder operating the tour does not direct the activities of the other permit holder's sales booth or obtain any financial benefit from the other permit holder's sales booth other than that provided by the sale of the tour. Violations will result in permit revocation per 05 CBJ 10.080(e).

(4) Tour sales permit holders and tour broker permit holders must actively sell during the tour season. "Actively sell" means that the permit holder either derives a significant portion of its income from

sales made through a tour sales or broker's permit, or that the permit holder is making substantial use of the permit.

(g) *Number of permits available.* The director shall publicly announce the number, type and schedule for application for permits.

(01/19/98; Amended 5-2-2000, eff. 5-16-2000; Amended 6-28-2010, eff. 7-16-2010; Amended 2-7-2011, eff. 2-15-2011)

05 CBJAC 10.040 - Tour sales permits.

A tour sales permit authorizes the solicitation and sale of tours and experiences.

(a) *Application process and permit award.*

(1) *How to apply.* No later than December 1, of each year, the port director will publicly announce an application period for tour sales permits. The notice will include a description of how to apply for a permit, the number and type of permits available, and the process that will be used to award the permits. Persons must apply on an application form provided by the port director and must include all required information and attachments.

(2) *Application review.* The port director will review each application to determine if it is complete. The port director will reject incomplete applications. The port director will review complete applications to determine if the applicant meets the permit eligibility requirements set out in 05 CBJAC 10.030(f).

(3) *How the permits are awarded.* The port director will manage and award the permits by public outcry auction. The minimum bid for a permit is ~~$5,000.00~~ $30,000. Applicants meeting the permit eligibility requirements set out in 05 CBJAC 10.030(f) will be allowed to bid on a permit provided the applicant posts a ~~$5,000.00~~$30,000 bid bond payable to CBJ. The applicant must agree to forfeit the bid bond in the event the applicant does not honor a winning bid on a permit.

(b) *Permit requirements.* The port director may issue permits and require permit holders to comply with stipulations as necessary to assure compliance with applicable requirements of this chapter and the Maritime Transportation Security Act of 2002. Permit holders shall also comply with the prohibitions set out in 05 CBJAC 10.020, the tour sales area rules set out in 05 CBJAC 10.040(c), and the general operating requirements set out in 05 CBJAC 10.070

(c) *Tour sales area rules.*

(1) A permit holder shall only sell tours in a booth provided by the port director. The port director will provide booths at the Steamship Wharf Plaza, the Visitor's Center Lot, and the Columbia Lot sales areas. The port director reserves the right to relocate or close booths as required for public safety, security, or other good cause. The booths at each sales area will be assigned by lot. In order to assure equitable exposure for each permit holder, the port director will cause the permit holders to shift one booth on each day of operation. A permit holder shall only occupy the booth assigned by the port director.

(2) A permit holder shall not have more than one representative selling tours at a booth, except when training new employees and then for no longer than is necessary to adequately train the employee. A permit holder shall make its best effort to maintain a presence at its booths during all hours when cruise ship passengers are likely to purchase tours in a sales area. The permit holder shall provide the port director with a list of all individuals that will sell tours at its booths and, if requested, staff identification documentation, booth staffing schedules, and other documentation, as determined by the director necessary to demonstrate the permit holder complies with this requirement.

(3) The permit holder shall not sell, or permit to be sold, tours on any vouchers or receipts other than their own.

(4) The permit holder shall provide the port director with a list of all tours sold pursuant to its permit, including the name of the company providing the tour.

(5) The permit holder may display up to two large signs on a single booth provided the signs do not extend beyond the front profile of the booth. The permit holder may also display ~~a~~ one-foot by one-foot signs for each tour the permit holder sells. These signs may not extend more than six inches beyond the front profile of the booth.

(6) The permit holder or its representatives shall not engage in hawking or disruptive behavior or interfere with the operations of other sales booths.

(01/19/98; Amended 5-2-2000, eff. 5-16-2000; Amended 1-7-2008, eff. 1-15-2008; Amended 2-7-2011, eff. 2-15-2011)

05 CBJAC 10.050 - Reserved.

Editor's note—

Regulation adopted January 7, 2008, effective January 15, 2008, repealed 05 CBJAC 10.050, which pertained to tour broker permits.

05 CBJAC 10.060 - Loading permits.

No person shall operate, park, stand, or stop a commercial vehicle, or cause or direct the same, within the designated loading zones in the downtown waterfront area except as authorized by a permit issued hereunder. Vehicular use of designated loading zones for commercial purposes without a permit is a violation of CBJ 85.25.090(11).

(a) *Application process.*

(1) Application forms for loading permits will be available at the Harbor office between April 1 and October 15.

(2) Applications must be made on the form provided by the department, and must be complete, including all required attachments. Any incomplete application will not be considered for a permit.

(b) *Permit requirements and conditions of operations.*

(1) The port director is authorized to designate loading zones in the downtown waterfront area and establish rules to assure safety, security, and efficiency of operation.

(2) The port director may issue loading zone permits and require permit holders to comply with stipulations as necessary to assure safety, security, and efficiency of operation. Permit holders shall also comply with the loading zone rules set out in 05 CBJAC 10.060(c) and the general operating requirements set out in 05 CBJAC 10.070

(3) An applicant for a loading zone permit must show that use of the permit will be limited to transportation of passengers and/or crew to or from cruise ships. If the applicant will be transporting passengers, the showing must consist of at least one of the following:

A. A tour sales permit in the applicant's name;

B. A contract for the sale of tours onboard a cruise ship;

C. A contract with a cruise ship for the transportation of passengers;

D. A contract for the sale of tours with a tour sales permit holder. An applicant may enter into a contract with one tour sales permit holder only; or

E. If the applicant sells tours without the aid of the cruise lines, a cruise ship, or a tour sales permit holder, the applicant must show that it will only transport persons who have purchased tours directly from the applicant, and the applicant shall, upon request, provide the port director with a daily manifest showing the names of passengers to be transported.

(c) *Loading zone rules.*

(1) No signs are allowed in the loading zone.

(2) Loading zone permits shall be prominently displayed in the lower right corner of the front windshield of the vehicle, or as specified by the director.

(3) No person shall sell or solicit the sale of any goods or services in any loading zone.

(4) Goods and passengers shall be staged at loading zones so as to minimize vehicular standing time. No vehicle shall be present in a loading zone except as reasonably necessary for loading or unloading goods or passengers.

(5) The driver of a vehicle must remain in the driver's seat unless assisting in the loading or unloading of passengers or luggage in the immediate vicinity of the vehicle. No driver may leave a vehicle unattended in a loading zone for any period of time.

(6) "A" loading zones.

(A) Vehicles containing 18 or more passenger seats may be operated only in loading zones marked "A."

(B) Permittees using "A" loading zones shall submit a schedule of all cruise ships they will be meeting. For each meeting, permittees must use the "A" loading zone closest to the terminal or lightering dock designated on the schedule. Permittees may not depart from the schedule unless approval is obtained from the director at least 24 hours in advance. Approval shall be contingent upon the impact of changes upon other permittees, users of the park, and traffic conditions.

(7) "B" loading zones. Vehicles containing fewer than 18 passenger seats may be operated only in loading zones marked "B."

(8) A vehicle without the appropriate permit may use a loading zone as necessary for a health or safety emergency. Such use shall be the minimum necessary to resolve the emergency.

(d) *Limited loading permits.* A person may apply for a limited loading permit for designated vehicles to provide services in a designated loading zone to a cruise ship or cruise ship passengers for occasional or off-peak-hour use. Application must be made to the director no less than one business day in advance of use.

(1) *Nonpassenger vehicles.* If the vehicle will be left standing in a loading zone for any amount of time, or if the driver will not remain with the vehicle for any period of time, the applicant must schedule that time with the director so as not to interfere with the efficient use of the loading zone by other permittees. The permittee must conduct all business efficiently so as to minimize any standing in the loading zone.

(2) *Passenger vehicles.* All requirements of subsection (c) of this section apply to vehicles providing passenger services to a cruise ship pursuant to a limited loading permit.

(e) *Fees.*

(1) The fee for a loading permit shall be established at least annually by the docks and harbors board.

(2) The fee for a limited loading permit shall be $15.00 per vehicle for each permit day or $250.00 per year, whichever is less.

(01/19/98; Amended 1-7-2008, eff. 1-15-2008)

05 CBJAC 10.070 - General operating requirements.

(a) Permittees are responsible for complying with all state, federal, and local laws applicable to their activities.

(b) Permittees shall police the area immediately around their vending area and shall properly dispose of all litter accumulating there during the course of their activities.

(c) Permittees shall reimburse the City and Borough of Juneau for any damage to municipal property caused by the permittee's activities, including the cost of litter abatement.

(d) No permittee may store equipment or supplies in the downtown waterfront area except as approved by the director in advance.

(e) Permittees shall prominently display the permit issued pursuant to these regulations, as well as all other required permits and licenses, at all times during their activities hereunder.

(f) Permittees may not engage in hawking or make an unreasonably loud noise. Written information may be distributed to interested parties only when requested.

(g) Permittees, as a condition of receiving a permit, shall execute an instrument under the terms of which the permittee shall agree to indemnify, defend, and hold harmless the City and Borough of Juneau from any and all claims for injury or damage to persons or property suffered in connection with the permittee's activities unless such injury or damage is caused by the gross negligence of the City and Borough of Juneau.

(h) Prior to issuance of a permit, the prospective permittee must provide the department with a broker's certificate of insurance showing that the permittee has obtained at least $500,000.00 or, in case of courtesy vehicles, $300,000.00, of public liability insurance. The certificate must establish that the City and Borough is named as an additional insured on such policy, and that the insurer thereof shall notify the City and Borough if the policy is modified, canceled, or terminated. Vehicles operated under and in conformity with CBJ Chapter 20.40 are exempt from the requirements of this subsection.

(i) Permit holders are responsible for compliance with permit conditions. Any entity or person listed on a permit issued to a partnership, joint venture or other form of association or joint ownership, shall be deemed to be jointly and severally liable for any violations of these regulations by any person operating under the permit.

(01/19/98)

05 CBJAC 10.080 - Enforcement and penalties.

(a) The port director may summarily suspend a permit issued under 05 CBJAC 10 without a hearing for a period not to exceed ten days if any activity conducted under the permit presents an immediate danger to the public health, welfare, or safety.

(b) The port director may suspend a permit, revoke a permit, deny a permit, deny the reissuance of a permit, or deny the ability to bid on a permit under 05 CBJAC 10 after an informal hearing before the port director and upon written findings that the permittee or applicant has violated these regulations, engaged in fraud or gross negligence, or misrepresented the nature and substance of a tour product.

(c) The port director shall conduct the hearing called for in 05 CBJAC 10.080(b) as follows:

(1) The permittee or applicant shall be provided with at least ten days notice of the hearing. The notice shall include a brief statement of the facts giving reason for the proposed suspension, revocation, or denial.

(2) The permittee or applicant shall have an opportunity to be heard at the hearing and shall have the right to call or cross-examine witnesses.

(3) Relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of a common law or statutory rule that makes improper the admission of the evidence over objection in a civil action. Hearsay evidence may be used to supplement or explain direct evidence, but is not sufficient by itself to support a finding unless it would be admissible over objection in a civil action.

(4) The hearing shall be recorded by audio tape.

(d) The port director shall issue a written decision. The permittee or applicant may appeal the port director's decision to the docks and harbors board by filing a notice of appeal, setting forth the reasons for the appeal, with the port director within ten days of the director's decision.

(e) A permittee whose permit is revoked loses all rights and privileges under that permit, shall deliver copies of the permit to the port director, and may not apply for a new waterfront sales permit for a period of one year after the revocation. In addition, for a period of one year after revocation, no application for a waterfront sales permit shall be approved for an applicant who was an owner, operator, partner, director, manager, officer, assignor, or transferor, of any operation or business which required a waterfront sales permit, regardless of its form of legal entity, if the waterfront sales permit for that operation or business was revoked.

(f) Failure to follow any permit condition is a violation of CBJ 85.25.090, and may carry a fine of up to $250.00 for each instance of a violation.

(01/19/98; Amended 4-24-2006, eff. 5-2-2006; Amended 2-7-2011, eff. 2-15-2011)

05 CBJAC 10.090 - Definitions.

As used in this chapter:

"Courtesy vehicle" means a vehicle owned or operated by a business and used to transport passengers without additional charge, where such transportation is provided in conjunction with and in furtherance of a related primary business purpose or enterprise of that person.

"Department" means the City and Borough of Juneau Docks and Harbors Department.

"Director" means the port director or the port director's designee.

"Downtown waterfront area" and "facility" means that property owned by the City and Borough of Juneau located adjacent to the city cruise ship wharves, which is under the regulation of the Docks and Harbors Department and/or the Parks and Recreation Department. This includes all public spaces, loading zones, parking areas, and any wharves or trestles or portions thereof designated for enforcement hereunder by resolution of the harbor board.

"Employee" means a person who provides services at the direction and under the control of another. An employee is an integrated part of the employer's business, is hired, supervised and paid by the employer for hours set by the employer, and the employer furnishes tools and materials for the employee's use. For purposes

of this chapter, drivers operating vehicles pursuant to CBJ Chapter 20.40 shall be considered the employees of the holder of that certificate.

"Hawking" means the loud or continuous audible solicitation of business by a permittee to the general public.

"Permittee" [and] "permit holder" [and] "holder" mean the business entity or its authorized representatives conducting activities in the downtown waterfront area according to a permit issued under these regulations.

"Person" means a natural person, partnership, corporation, association, or other legal entity.

"Tour season" means May 1 through October 15 of one calendar year.

"Tours and experiences" means tours, transportation, transfers, entertainment, meals and services sold to customers and includes all services provided whether or not incidental to, advertised with, or specifically offered in the sale. All transportation provided to a customer by a permittee, or arranged by a permittee is considered a part of the tour or experience.

"Vehicle" means a device in, upon or by which a person or property may be transported or drawn including devices moved by human, animal, mechanical or other power source.

(01/19/98; Amended 5-2-2000, eff. 5-16-2000)

CBJ DOCKS & HARBORS
2015 WATERFRONT SALES PERMIT
APPLICATION TO BID

I. **General Information:** The Port of Juneau has _____ waterfront sales permits available for the 2015 season. A waterfront sales permit allows for the sale of tours in designated areas at the CBJ's cruise ship docks. The permits will be sold by outcry auction at 2:00 p.m. on _____ in the CBJ Assembly Chambers. In order to bid on a permit, interested persons must complete and submit this permit application form to the Port Director by 4:30 p.m. on _____, 2015 and meet the eligibility requirements listed below. Winning bidders must pay the bid price in full by 4:30 p.m. on _____, 2015. Before a permit is issued, the winning bidder must provide a list of the tours that will be sold at the booth, their employee information, and the insurance certificate required under this permit. Persons obtaining a permit must comply with certain permit conditions when operating at the facility.

II. **Permit Requirements:** To be eligible to bid on and receive a waterfront sales permit, an applicant must:

(1) In accordance with 05 CBJAC 10.030 (f) (1)(a), Hold a current Alaska business license;

(2) In accordance with 05 CBJAC 10.030 (f) (3)(1)(b), Have maintained a place of business under the name of the Alaska business license within the boundaries of the City and Borough of Juneau, Alaska;

(3) In accordance with 05 CBJAC 10.030 (2), Maintain a year round place of business and mailing address in the City and Borough of Juneau, Alaska and must designate a single individual by physical address, mailing address and phone number in Juneau upon whom services of notices and legal proceedings may be made;

(4) In accordance with 05 CBJAC 10.030 (f) (3), Not have an ownership interest in more than one permit, meaning the permit holder may not pay for the operation of another permit holder's sales booths, direct or manage the activities of another permit holder's sales booths, or in any way financially contribute to the purchase of more than one permit.

(5) In accordance with 05 CBJAC 10.030 (f) (3), A permit holder who operates tours may have its tours sold by another permit holder, provided the permit holder operating the tour does not direct the activities of the other permit holder's sales booths or obtain any financial benefit from the other permit holder's sales booths other than that provided by the sale of the tour;

(5) In accordance with 05 CBJAC 10.030 (f) (4), Actively sell during the tour season meaning the permit holder either derives a significant portion of its income from the sales made through the permit or that the permit holder is making substantial use of the permit; and

(6) In accordance with 05 CBJAC 10.020 (c), Not be delinquent in the payment of fines, taxes, judgments, or other monies owed to the City and Borough.

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CBJ DOCKS & HARBORS
2015 WATERFRONT SALES PERMIT
APPLICATION TO BID

(7) In accordance with 05 CBJAC 10.040 (c) (3), The permit holder shall not sell, or permit to be sold, tours on any vouchers or receipts other than their own.

(8) In accordance with 05 CBJAC 10.070 (a) Permittees are responsible for complying with all state, federal, and local laws applicable to their activities. Applicants are hereby noticed that Violations of Alaska Consumer Protection Act AS 45.50.471 - AS 45.50.561 and specifically Section 45.50.471. - Alaska Unfair Trade Practices and Consumer Protection Act, apply to the permitting process. Applicants are also reminded of Alaska Statute 45.50.562 - .596 making it unlawful to restrain trade or commerce by fixing, controlling or maintaining prices, allocating or dividing customers or markets or refusing to deal or inducing third parties to deal with another person. Violators will be subject to administrative and criminal fines to the maximum extent allowed by law, including the revocation of CBJ business and other CBJ licenses.

(9) In accordance with 05 CBJAC 10.70 (h) Prior to issuance of a permit, the prospective permittee must provide the department with a broker's certificate of insurance showing that the permittee has obtained at least $500,000.00 or, in case of courtesy vehicles, $300,000.00, of public liability insurance. The certificate must establish that the City and Borough is named as an additional insured on such policy, and that the insurer thereof shall notify the City and Borough if the policy is modified, canceled, or terminated.

(10) Provide a $30,000 bid deposit (money order, cashier's check, or bid bond) by 4:30 p.m. on _____ , 2015. The deposit is refundable if a permit is not obtained; it will be credited towards the cost of a permit if one is obtained, and the deposit will not be refunded if a person is the winning bidder but does not pay for the permit by the payment deadline.

III. **Permittee Information (1-10 below must be completed in full)**

(1) Legal Business Name:_____

(2) Owner(s) _____

(3) Business Mailing Address:_____

_____

(4) Business Physical Address: _____

_____

(5) Business Phone number:_____

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CBJ DOCKS & HARBORS
2015 WATERFRONT SALES PERMIT
APPLICATION TO BID

(6) Name of Designated Contact:_____

(7) Designated Contact Person Mailing Address:_____

(8) Designated Contact Person Physical Address:_____

_____

(9) Designated Contact Person Telephone Numbers:

(Home)_____(Fax)_____(Cell)_____

(10) E-mail address:_____

IV. **Verification**

(1) Attach a copy of current business license.

V. **Certification.**

As a reminder, the purpose of these regulations is fairness to all businesses. By signing this agreement you acknowledge and understand the regulations and ordinances regarding these permits and will comply with all the laws of the State of Alaska.

If any clause or provision of this Application is determined to be illegal, invalid, or unenforceable under present or future laws, the remainder of this Application shall not be affected by such determination, and in lieu of each clause or provision that is determined to be illegal, invalid, or unenforceable, there shall be added as a part of this License a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

No alteration or variation of this Application shall be valid or binding unless contained in a written amendment signed by the City and [applicant].

City: City and Borough of Juneau

Date: _____

By: _____
Authorized Representative
Carl Uchytil, PE.
Port Director

Permittee:

Date: _____

By: _____
Authorized Representative

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CBJ DOCKS & HARBORS
2015 WATERFRONT SALES PERMIT
APPLICATION TO BID

CITY ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss:
_____ JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the _____ day of _____, 201__, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared _____, to me known to be the individual described in and who executed the within and foregoing instrument, and s/he acknowledged to me that s/he signed the same as _____ of the City and Borough of Juneau, in the name of and for and on behalf of said entity, freely and voluntarily and by authority of its _____ Agreement, for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

_____
Notary Public in and for the State of Alaska
My Commission Expires: _____

Permittee ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss:
_____ JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the _____ day of _____, 201__, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared _____, to me known to be the individual described in and who executed the within and foregoing instrument, and s/he acknowledged to me that s/he signed the same as _____ of [applicant company name], in the name of and for and on behalf of said entity, freely and voluntarily and by authority of its _____ Agreement, for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

_____
Notary Public in and for the State of Alaska
My Commission Expires: _____

DRAFT

05 CBJAC 20.080 - Passenger-for-hire fee. 05 CBJAC 20.080 - Passenger-for-hire fee.

(a) *Definition.* The fee assessed to a person conducting passenger-for-hire activities at Douglas Boat Harbor, North Douglas Boat Launch, Amalga Harbor Boat Launch, Echo Cove Boat Launch, Tee Harbor Launch Ramp, Harris Harbor, Harris Harbor Launch Ramp, Aurora Boat Harbor, Statter Boat Harbor, or Statter Boat Harbor Launch Ramp.

(b) *Relationship to other fees.* This fee applies in addition to other fees set out in 05 CBJAC 020, except as follows:

(1) A person paying moorage fees for reservations moorage at Statter Harbor as set out in 05 CBJAC 25.040 shall not be required to pay this fee;

(2) A person paying freight use fees as set out in 05 CBJAC 20.070 shall not be required to pay this fee if the passengers are loaded at a launch ramp;

(3) A person conducting passenger-for-hire activities at the Douglas Boat Harbor Launch Ramps, North Douglas Launch Ramp, Amalga Harbor Launch Ramp, Tee Harbor Launch Ramp, and Echo Cove Launch Ramp are assessed fees as set out 05 CBJAC 01 in lieu of this fee; and

(4) A person conducting passenger-for-hire activities at the Intermediate Vessel Float or the Marine Park Lightering Float are assessed moorage fees as set out in 05 CBJAC 15 in lieu of this fee.

(c) *Requirements.* The owner of a vessel must apply to and obtain a permit from the Harbormaster in order to conduct passenger-for-hire activities at Douglas Boat Harbor, North Douglas Boat Launch, Amalga Harbor Boat Launch, Echo Cove Boat Launch, Tee Harbor Launch Ramp, Harris Harbor, Harris Harbor Launch Ramp, Aurora Boat Harbor, Statter Boat Harbor, or Statter Boat Harbor Launch Ramp. Applications are available at any of the Docks and Harbor Department Offices. The Harbormaster is authorized to issue permits with reasonable conditions concerning insurance, operations, and the payment of fees.

(d) *Inspected vessel fees.* The Harbormaster shall assess permit fees to the owner of a vessel engaged in passenger-for-hire activities that is regulated under Subchapter T and S of 40 CFR 33 as follows:

(1) ~~Calendar year permit: $300.00 plus $1.10 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity; or~~

(1) Calendar year 2015 permit: $300 plus $1.25 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2016 permit: $400 plus $1.50 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2017 permit: $500 plus $1.50 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.

~~(2) Calendar day permit: $1.00 per certificated passenger seat; or~~

(2) Each calendar year after 2018, a fee equal to the previous year's fee adjusted by the Anchorage Consumer Price Index (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the moorage year, rounded to the nearest $1.00 for the permit and nearest $0.10 per passenger, unless the docks and harbors board takes action to keep the fee the same as the previous year.

(3) No charge for non-profit use when approved by the Harbormaster on a case-by-case basis.

(e) *Uninspected vessel fees.* The Harbormaster shall assess permit fees to the owner of a vessel engaged in passenger-for-hire activities that is not regulated under Subchapter T and S of 40 CFR 33 (~~six pack~~ OUPV - operator of uninspected passenger vessels) as follows:

~~(1) Calendar year permit: $50.00 per vessel plus $15.00 per passenger seat; or~~

(1) Calendar year 2015 permit: $50 plus $1.00 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2016 permit: $100 plus $1.25 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity. Calendar year 2017 permit: $150 plus $1.50 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.

(2) Each calendar year after 2018, a fee equal to the previous year's fee adjusted by the Anchorage Consumer Price Index (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the moorage year, rounded to the nearest $1.00 for the permit and nearest $0.10 per passenger, unless the docks and harbors board takes action to keep the fee the same as the previous year.

(2) Five or fewer uses in a calendar year: $75.00 per vessel; or

(3) No charge for non-profit use when approved by the Harbormaster on a case-by-case basis.

(Amended 4-11-2005, eff. 4-19-2005; Amended 12-5-2005, eff. 12-12-2005; Amended 4-24-2006, eff. 5-2-2006; Amended 7-15-2013, eff. 7-23-2013)

Port of Juneau

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

From: Carl Uchytil, Port Director
To: Docks & Harbors Finance Committee
Copy: CBJ Finance Department
Date: January 27th, 2015
Re: FINANCIAL SUMMARY – FY15

1. This is an update to the Docks Enterprise and Harbor Enterprise financial report for the first half of the fiscal year ending on December 31, 2014. In general, the FY15 results show year-to-date similarities with FY14.

2. The Docks Enterprise Financial Summary provided by encl (1) shows that the revenue is up nearly $158K from the same period the year prior. This is the result of vendor booth sales permits paying in calendar year 2014, most likely for tax purposes. The Docks Enterprise expenses show $578K in FY15 versus $558K in FY14, to date. The FY15 expenses do include $45K for landscaping which was not charged the prior year.

3. The Harbor Enterprise Finance Summary provided by encl (2) shows revenue down 5% over the previous year. We have received the state Raw Fish Tax for this year in the amount of $395K which was slightly up from the previous year of $384K. We anticipate a windfall from a settlement agreement regarding the Mt Robert Tramway to influence this account by approximately $500K. The Harbor Enterprise expenses are within 2% of the prior year-to-date ($1.797M vs $1.764M).

#

Encl (1) Docks Enterprise Financial Summary – First Half of FY2015
Encl (2) Harbor Enterprise Financial Summary – First Half of FY2015

Financial Summary by Department and Division

FY 2015

Department Summary

	Budget Last Year	Budget This Year	Actuals Last Year	Actuals This Year	Encumbrances Last Year	Encumbrances This Year	Remaining Balance
Department Docks							
Division Dock - Operations							
Charges For Services	(1,110,000.00)	(1,030,000.00)	**(649,238.86)**	**(676,639.52)**	0.00	0.00	(353,360.48)
Misc Revenues	(730,800.00)	(578,000.00)	**(778.43)**	**(131,234.11)**	0.00	0.00	(446,765.89)
Transfers In	(287,600.00)	(287,600.00)	**(143,800.02)**	**(143,800.02)**	0.00	0.00	(143,799.98)
Reimburseables	(11,000.00)	(11,000.00)	**(5,499.96)**	**(5,499.96)**	0.00	0.00	(5,500.04)
Total Revenues	**(2,139,400.00)**	**(1,906,600.00)**	**(799,317.27)**	**(957,173.61)**	**0.00**	**0.00**	**(949,426.39)**
Personal Services	760,600.00	706,600.00	**315,310.59**	**316,271.11**	0.00	0.00	390,328.89
Travel and Training	11,000.00	12,500.00	**5,718.62**	**4,043.30**	0.00	0.00	8,456.70
Services	485,155.00	542,900.00	**217,873.18**	**248,117.56**	0.00	10,363.54	284,418.90
Commodities and Materials	40,000.00	54,500.00	**19,550.51**	**9,489.90**	0.00	0.00	45,010.10
Misc and Other	20,000.00	0.00	**0.00**	**0.00**	0.00	0.00	0.00
Equipment	10,000.00	10,000.00	**0.00**	**0.00**	0.00	16,300.00	(6,300.00)
Total Expenses	**1,326,755.00**	**1,326,500.00**	**558,452.90**	**577,921.87**	**0.00**	**26,663.54**	**721,914.59**
Division Docks - CIP Engineering							
Personal Services	57,000.00	60,000.00	**27,269.90**	**24,402.29**	0.00	0.00	35,597.71
Travel and Training	1,500.00	2,000.00	**221.08**	**226.66**	0.00	0.00	1,773.34
Services	15,000.00	15,000.00	**0.00**	**0.00**	0.00	0.00	15,000.00
Total Expenses	**73,500.00**	**77,000.00**	**27,490.98**	**24,628.95**	**0.00**	**0.00**	**52,371.05**
Department Summary							
Total Revenues	(2,139,400.00)	(1,906,600.00)	(799,317.27)	(957,173.61)	0.00	0.00	(949,426.39)
Total Expenditures	1,400,255.00	1,403,500.00	585,943.88	602,550.82	0.00	26,663.54	774,285.64
	(739,145.00)	(503,100.00)	(213,373.39)	(354,622.79)	0.00	26,663.54	(175,140.75)

Financial Summary by Department and Division

FY 2015

	Budget Last Year	Budget This Year	Actuals Last Year	Actuals This Year	Encumbrances Last Year	Encumbrances This Year	Remaining Balance
Department Harbors							
Division Harbors-Operations							
State Revenues	(350,000.00)	(350,000.00)	**(304,414.83)**	**(395,010.48)**	0.00	0.00	45,010.48
Charges For Services	(2,600,000.00)	(2,740,500.00)	**(1,901,041.67)**	**(1,748,739.59)**	0.00	0.00	(991,760.41)
Misc Revenues	(739,400.00)	(722,800.00)	**(527,380.61)**	**(444,108.16)**	0.00	0.00	(278,691.84)
Total Revenues	**(3,689,400.00)**	**(3,813,300.00)**	**(2,732,837.11)**	**(2,587,858.23)**	**0.00**	**0.00**	**(1,225,441.77)**
Personal Services	1,420,100.00	1,640,000.00	**724,743.65**	**824,619.78**	0.00	0.00	815,380.22
Travel and Training	16,500.00	11,000.00	**1,716.28**	**4,882.03**	0.00	0.00	6,117.97
Services	1,032,387.00	997,600.00	**552,466.12**	**533,881.64**	19,760.00	59,371.75	404,346.61
Commodities and Materials	147,900.00	144,500.00	**87,115.79**	**58,891.87**	0.00	0.00	85,608.13
Misc and Other	0.00	0.00	**14,217.88**	**0.00**	0.00	0.00	0.00
Equipment	16,764.00	10,000.00	**6,774.00**	**75.00**	0.00	15,000.00	(5,075.00)
Transfers Out	753,200.00	748,800.00	**376,600.02**	**374,400.00**	0.00	0.00	374,400.00
Total Expenses	**3,386,851.00**	**3,551,900.00**	**1,763,633.74**	**1,796,750.32**	**19,760.00**	**74,371.75**	**1,680,777.93**

Department Summary

Total Revenues	(3,689,400.00)	(3,813,300.00)	(2,732,837.11)	(2,587,858.23)	0.00	0.00	(1,225,441.77)
Total Expenditures	3,386,851.00	3,551,900.00	1,763,633.74	1,796,750.32	19,760.00	74,371.75	1,680,777.93
	(302,549.00)	(261,400.00)	(969,203.37)	(791,107.91)	19,760.00	74,371.75	455,336.16

CBJ DOCKS FUND (Updated January 23, 2015)

Dock Fund Activity Including Revenues Transferred in for Cruise Berth Enhancement CIP

FY	FY12	FY13	FY14	FY15 Budget	FY16 Budget
Revenues:	1,611,158	1,618,477	1,423,890	1,541,000	1,541,000
Expenditures:	(2,351,199)	(2,266,970)	(2,285,232)	(1,403,500)	(1,432,100)
Other Financing Sources (Uses):	13,188,161	8,115,836	15,862,732	365,600	380,200
Net Change - Net Assets	12,448,120	7,467,343	15,001,390	503,100	489,100
Beginning Net Assets	40,844,810	53,292,930	60,760,273	75,761,663	76,264,763
Ending Net Assets	53,292,930	60,760,273	75,761,663	76,264,763	76,753,863

Dock Fund Operations

FY	FY12	FY13	FY14	FY15 Budget	FY16 Budget
Revenues:	1,611,158	1,618,477	1,423,890	1,541,000	1,541,000
Expenditures:	(1,333,681)	(1,244,368)	(1,264,917)	(1,403,500)	(1,432,100)
Other Financing Sources (Uses):	(3,598,063)	391,012	464,848	365,600	380,200
Change in Fund Bal (FB):	(3,320,586)	765,121	623,821	503,100	489,100
Beg Unrestricted FB	5,462,705	2,142,119	2,907,240	3,531,061	4,034,161
Ending UnRestr FB:	2,142,119	2,907,240	3,531,061	4,034,161	4,523,261

CBJ HARBOR FUND (Updated January 23, 2015)

Harbor Fund Activity Including Revenues Transferred in for CIP

	FY12	FY13	FY14	FY15 Budget	FY16 Budget
Revenues:	3,154,885	3,173,272	3,508,430	3,390,500	3,435,000
Expenditures:	(3,420,948)	(3,466,939)	(3,818,424)	(3,551,900)	(3,620,800)
Other Financing Sources (Uses):	3,390,941	7,677,780	789,285	422,800	436,400
Net Change - Net Assets	3,124,878	7,384,113	479,291	261,400	250,600
Beginning Net Assets	47,938,661	51,063,539	58,447,652	58,926,943	59,188,343
Ending Net Assets	51,063,539	58,447,652	58,926,943	59,188,343	59,438,943

Harbor Fund Operations

	FY12	FY13	FY14	FY15 Budget	FY16 Budget
Revenues:	3,154,885	3,173,272	3,508,430	3,390,500	3,435,000
Expenditures:	(2,434,329)	(2,498,178)	(2,814,717)	(3,551,900)	(3,620,800)
Other Financing Sources (Uses):	(697,421)	(1,754,936)	(376,372)	422,800	436,400
Change in Fund Bal (FB):	23,135	(1,079,842)	317,341	261,400	250,600
Beg Unrestricted FB	3,950,123	3,973,258	2,893,416	3,210,757	3,472,157
Ending UnRestr FB:	3,973,258	2,893,416	3,210,757	3,472,157	3,722,757

City and Borough of Juneau
Docks & Harbor FINANCE COMMITTEE
January 27, 2015

Issue:
Cost & Funding Source (revenue) Update for Cruise Ship Berth Enhancement (16 B) and Seawalk Project.

Background:

- In September 2010 Resolution 2542 was adopted setting forth the Assembly's approval of a design concept for replacing the CBJ cruise ship docks in downtown Juneau. It was resolved that Docks and Harbors improve the cruise ship docks by installing two new floating berths seaward of the existing dock in a manner substantially as set out in Concept 16B.
- April 25, 2011 the Committee of the Whole recommended to the Assembly that the following commitments be made to fund the 16B and Seawalk project:
    - Current balance in the Port Development Fee fund (subsequently approximately $4 million).
    - All PDF and State Marine Passenger Fees (SMPF) collected through FY16.
    - Starting in FY14 a pledge to use all PDF for 25 years in order to secure a revenue bond for construction of the project.
- In June 2012 & November 2013 the Port Engineer provided updated estimated project costs. In March 2014 the cruise dock project was competitively bid and awarded to Manson Construction for $53.7 million ($1.7 million below the engineers estimate).
- In August 2012 the Assembly adopted ordinance 2012-28 (subsequently amended by ordinance 2014-01) authorizing the sale of $29 million in port revenue bonds for these projects. The Port Development fees have been/will be pledged to pay off the bonds. In Feb. 2014 $6 million in bonds were sold and allocated to the Seawalk project.

Current Status:
Attached are schedules providing updated financial information.

1. Cost estimate schedule summarizing $94 million by project.
2. Revenue schedule showing $85.6 million allocated to the projects. The schedule also an alternative approach, instead of authorizing additional bonds, to fund the remaining $8.9 million.

City and Borough of Juneau
Docks & Harbors Finance Committee
Tuesday, January 27, 2015

Cruise Ship Berth Enhancement & Seawalk Project Cost Update

	Final Design - Pre Bid Oct 2013		Actual Costs (through FY14)/Budget as of Jan. 2015	Nov 2013 - Jan 2015 Increase (Decrease)
Cruise Ship Dock Expansion & Upland Improvements				
Phase I, II, & III Cruise Terminal Staging Area	12,255,000		12,255,000	-
Phase II & III Berth Cost Update	61,492,000		61,480,000	(12,000)
Taku Dock Modifications	1,250,000		1,250,000	0
CBJ Project Administration	-		-	0
1% For Art	553,000		553,000	0
Subtotal	**75,550,000**		**75,538,000**	**(12,000)**
Seawalk	15,000,000		15,000,000	0
Archipelago Seawalk uplands	2,000,000		2,000,000	0
Subtotal	**17,000,000**		**17,000,000**	**0**
Total Project Costs (previously approved by the Assembly)	92,550,000	*	92,538,000	(12,000)
Required Bond Fund Reserve	2,900,000	*	2,100,000	(800,000)
Total Project & Financing Costs	**95,450,000**		**94,638,000**	**(812,000)**

City and Borough of Juneau
Docks & Harbors Finance Committee
Tuesday, January 27, 2015

Cruise Ship Berth Enhancement & Seawalk Project Revenue Update

Revenue Detail	November 2013	January 2015	Variance Increase/ (Decrease)
State Grants & Dock Fund			
State DCCED Grant (partial)	$3,279,000	$3,279,000	$0
State Grant	7,500,000	7,500,000	-
State Grant	477,000	477,000	-
Dock Fund	4,096,000	4,096,000	-
Subtotal	**$15,352,000**	**15,352,000**	**$0**
CBJ Port Development Fee (PDF)			
FY 09-2014	18,412,000	17,147,000	(1,265,000)
CBJ Marine Passenger Fee (MPF)			
FY 09-2013	4,413,000	3,913,000	(500,000)
State Marine Passenger Fee (SMPF)			
FY 12-2016	21,273,000	21,441,000	168,000
Sub-total Revenue (previously authorized by Assembly)	**59,450,000**	**57,853,000**	**(1,597,000)**
Revenue Bond ($29.4 million authorized net of $1.6 million for bond reserve)	36,000,000	27,800,000	(8,200,000)
Total Project Revenue	**95,450,000**	**$ 85,653,000**	**(9,797,000)**
Total Project Expenditures	**$ 95,450,000**	**$ 94,638,000**	**(812,000)**
Project Balance (Shortfall)	**0**	**(8,985,000)**	**(8,985,000)**
Additional Funding Sources			
PDF FY15 (not needed for debt)		2,300,000	2,300,000
SMPF FY17		4,400,000	4,400,000
Dock Fund Balance		1,600,000	1,600,000
Revenue Balance - Surplus (Shortfall)	**$0**	**($685,000)**	**($685,000)**

Docks & Harbors In-Direct Cost Allocation Analysis		
Department	**Y15**	**Basis of CBJ Central Services Cost Allocation**
Management Information Systems	$84,200	A three year weighted average based on use of MIS services including hardware and software applications to be supported
Finance Controllers	62,100	
Accountants		An estimate of time spent
Accounts Payable		The number of accounts payable transactions
Payroll		The number of FTEs
Human Resources	25,600	The number of FTEs
Finance Purchasing	10,600	The number of POs, p-card transactions, and purchase request transactions
Finance Admin/Director	14,300	Department FTEs weighted for effort in budget preparation and financial oversight
City Attorney	59,900	An estimate of time spent
City Clerk	6,500	
Advisory Boards		The number of committees and advisory boards
Print Shop		Print shop charges
Public Information		Number of packets distributed and web postings made
Records Management		Cost centers benefiting from records management
Finance Treasurer	68,900	
Accounts Receivable		An estimate of time spent
Cash Office		An estimate of time spent
Mailroom		Mail piece count
City Manager	3,900	Department FTEs supervised weighted for estimated time spent
Building Maintenance	7,700	Specific costs by building
	$343,700	
Note: All allocations are based on the ratio of the department's number to the total citywide excluding the Schools and Hospital.		

Port of Juneau

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

revised

From: Carl Uchytil, Port Director
To: Docks & Harbors Board
Copy: CBJ Law
CBJ Lands & Resources
Date: January 23rd, 2015
Re: Thane Ore House Lease

Background: In 1995, Mr. George Jefferson was provided a 30-year lease from the State of Alaska for ADL #103289 (Thane Ore House). The original lease rent was set at $3700. In 2004 the lease rent was adjusted to $6700 per annum. On September 3rd, 2013 Mr. Jefferson was noticed of the lease in delinquent status. Consistent with the "Termination" provisions, on June 5, 2014, affidavit terminating the lease was filed and later recorded for failing to make lease payments. We have requested CBJ Collection pursue collections of past moneys owed to Docks & Harbors. The former lessee had until August 9th, 2014 to remove or sell all personal property from the premises. On or about September 1st, 2014, Docks & Harbors secured the facilities with new locks and security monitoring equipment.

The original lease had a provision, provided below, pre-dating changes to Alaska Statue 38.05.090 in 1997 (emphasis added):

> (b) If improvements or chattels, or both, having an appraised value exceeding $10,000 as determined by the director are not removed within the time allowed, the improvements or chattels or both shall, upon notice to the lessee, be sold at public sale under the direction of the director. ***The proceeds of sale inure to the lessee who placed the improvements or chattels on the land after paying to the state all rents due and expenses incurred in making the sale***. If there are no other bidders at the sale, the director may bid in the name of the state. The bid money shall be taken from the fund to which the land belongs and the fund shall receive all money or other value subsequently derived from the sale or leasing of the improvements or chattels. The state acquires all the rights that any other purchaser could acquire by reason of the purchase.

The legal interpretation of this clause that that the former lessee would be entitled to the value of the building in excesses of $10,000. Docks & Harbors contracted with Horan & Co to provide an appraisal of the land (vacant & unimproved) and an appraisal of the building. The appraiser provided a *fee simple interest* land value of $86,000 and determined the building to be fully depreciated with *no present value*. The resulting appraisal allows Docks & Harbors to proceed without encumbrances from the previous lessee.

Current Situation: The Horan & Co appraisal validated staff observations: that although the property is sited in a desirable location; the facility has not been maintained; is in decrepit condition; and, would require significant capital to rebuild the infrastructure, including septic and potable water. Nonetheless, the Port Director has received inquiries from more than one party interested in pursuing a lease agreement with Docks & Harbors.

Lease Regulations: The Docks & Harbors regulations guiding leases are found under 05 CBJAC 50 (Lease Administration). In particular 05 CBJAC 030 (Lease Applications) provides the following:

(a) *Application requirements.* All applications for lease of lands shall be submitted to the port director on forms provided by the director. With the application, an applicant shall also submit a development plan that includes:

(1) The nature and purpose of the proposed lease;

(2) A site plan;

(3) The use, value, and nature of improvements to be constructed;

(4) The dates construction is estimated to commence and be completed;

(5) A detailed description of the proposed operation;

(6) Whether the intended use complies with the CBJ Land Use Code, CBJ Title 49, and the comprehensive plan of the City and Borough; and

(7) Additional information that would assist the port director, the Docks and Harbors Board, and the Assembly in acting on the application.

(b) *Application processing.* The port director will review each application for completeness within 30 days of receipt unless the director notifies the applicant that more time is required to complete the review. If the port director determines that the application is not complete, the director will provide the applicant with a general description of the information needed to make the application complete. Once the application is complete, the port director will estimate the cost for the docks and harbors department to process the application and will notify the applicant in writing of the estimated cost. The applicant is required to pay all costs associated with processing of the application, including any costs to survey and appraise the area proposed to be leased. The applicant must agree in writing to pay the processing costs prior to the Docks and Harbors Board taking action on the application. Failure of the applicant to agree to pay, or pay, any processing cost will result in the application being denied. The applicant may assist the port director by arranging for specified components of the work, such as survey and appraisal, provided any such work to be performed by applicant is approved in writing in advance by the port director.

Although the regulation does indicate the minimum acceptable lease rent, it does not provide guidance when there are multiple prospective lessees.

05 CBJAC 50.040 - Appraisal, lease rent requirements, and dispute resolution

(b)Minimum acceptable annual rental. No land or interest in land shall be leased for less than the approved, appraised annual rental except that when leased to a governmental unit, agency, department, or body for public purposes, or to a nonprofit organization for the purpose of performing a public or quasi-public health function, such minimum rental may be waived by the Assembly by resolution; however, such waiver does not constitute a waiver to the requirement for a review and adjustment of rental rates every five years.

Under CBJ code 53.20.020 - Lands available for leasing, the inference is that the lessee would be selected through a bidding process:

All lands and interests in land owned by the City and Borough, including tide and submerged lands, may be leased as hereinafter provided for surface use only unless the assembly has given specific approval to the lease of land in connection with the disposal of materials, timber or other resources under sections 53.09.320 and 53.09.330; however, lands devoted to or reserved for public use may not be leased, nor may any existing lease on such lands be renewed unless such lease is for or will not interfere with the public use or purpose to which the land is devoted or reserved. Except as provided in CBJ 53.09.260, no lands may be leased which have not, at least 30 days before award

or execution of a lease, been declared by the assembly by resolution to be available for leasing or identified in the approved land management plan for disposal by competitive bid leasing in the current year. The call for bids for leases shall be advertised in the same manner as provided for auction sales. A lease of land authorized specifically by ordinance may be made to such person or entity and under such procedures and minimum terms and conditions as are set forth in the ordinance.

Regarding a bid proposal and process, 53.20.110 states:

> The apparent high bidder, or the preference privilege holder, if preference privilege is exercised, shall upon award of the lease deposit with the official the portion of the annual rental then due together with the unpaid costs of survey, appraisal and advertising. All payments must be made in cash, money order, certified check or cashier's check, or any combination thereof. Upon deposit of the required sum by apparent high bidder or preference privilege bidder, the manager shall thereupon issue to the successful bidder a receipt for the required sum containing a description of the land or interest leased, the price bid and terms of the lease, the receipt whereof shall be acknowledged by the bidder in writing.

CBJ Law has determined this language indicates the land can be leased as a result of a bid process.

CBJ 53.20.120 then allows "Prior to the signing of the formal lease by the City and Borough, the manager may, without cause, reject any and all bids for leases when the best interest of the City and Borough clearly justifies such action." This would allow the Port Director to reject a bid which was not within the scope and framework of what may be appropriate by Docks and Harbors Board.

In general, the lease process allows Docks and Harbors Board and the Port Director to not just accept the highest bid, but potentially the best project for the area.

Next Steps: Following the process used in the 2005 selection of Juneau Port Development for the Little Rock Dump properties:

1. Public Notification that Docks & Harbors was accepting applications for the subject lease using two criteria for selection:
    a. the development that provides the most marine-related benefit to the community of Juneau; and
    b. the development that provides the most economic benefit to the City and Borough of Juneau in general and the Docks & Harbor Department in particular.
2. Pre-application Meeting held for qualified lessees.
3. Selection committee meets to determine best qualified.
4. Docks & Harbors approves the lease.
5. Assembly Waterfront Committee approves the lease.
6. Lands Committee reviews and approves the lease.
7. Assembly introduces an ordinance and sets public hearing.
8. Assembly approves non-code lease ordinance.
9. Docks & Harbors records the lease.

For the property in question, Docks & Harbors should determine whether the criteria previously used should be evaluated again in this competitive process and whether this process meets the vision of the Board. process is not employed in the selection process, I recommend setting the annual lease rate at 10% of the fee simple interest value ($8600/annum) based on the Horan appraisal.

#

Encl (1) Horan & Co Appraisal dated December 24, 2014