

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, June 20th, 2018

I. Call to Order

Mr. Simpson called the meeting to order at 5:00pm in City Hall Conference Room 224.

II. Roll Call

The following members were present: Don Etheridge, Tom Donek, David Lowell, Mark Ridgway, David Seng, Weston Eiler, and Budd Simpson.

Absent: Bob Janes and Robert Mosher.

Also present: Carl Uchytel- Port Director, David Borg- Harbormaster, and Matthew Creswell- Deputy Harbormaster.

III. Approval of Agenda

MOTION By MR. ETHERIDGE: 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 Wednesday, May 23rd, 2018 Operations/Planning Meetings Minutes

MOTION By MR. ETHERIDGE: TO APPROVE THE MAY 23rd, 2018 MEETING MINUTES AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

VI. Consent Agenda - None

VII. Unfinished Business

1. Visitor's Center Kiosk

Mr. Gillette said Jensen Yorba Lott Architects drafted three different concepts for the new Visitor's Center kiosk. We selected one option after meeting with Travel Juneau and made some modifications. He presented the preferred option. Travel Juneau is very pleased with it. The design offers them 25-30% more space on the interior than they have now. The new kiosk will be more of a rectangle. We're going to take advantage of the concrete foundation walls that are on the ramp that leads down from the upper deck to the street level so that will save us some money

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in construction. We'll be excavating the outline of the building then pour in a structural slab so the building will be at grade and we won't need ADA ramps. There will be three service windows, and one will be a little lower to meet ADA standards. There will be a bench so if people coming up to the window have kids or spouses they can sit off to the side. The roof will extent 6-8 feet from the building's edge so people will be well out of the weather, and the weather will not blow in through the windows. The upper piece will probably include the international "i" symbol that's recognized for information. We need to be careful about runoff, so we came up with this butterfly roof system with an internal drain that will go down through the building and underneath. We'd like to move forward with this concept. He's asked the architect to prepare a fee proposal to complete the design and prepare contract documents for bidding the project. We'd like to start this fall so the kiosk can be ready for next spring.

Committee Discussion

Mr. Donek asked what the funding source and estimated cost is?

Mr. Gillette said \$150,000 in Marine Passenger Fees was approved for this project.

Mr. Ridgway asked if the square footage was minimized to save costs?

Mr. Gillette said we wanted to make it big enough so it's comfortable for them to operate in but not larger than necessary. We have cut back the roof area from 20 feet in some of the earlier concepts to 6 and 8 feet. We wanted to have enough cover that people standing at the window don't get dripped on but not enough to cover hoards of people.

Mr. Ridgway said he went to look at the existing kiosk and the people there requested to not have forced air heating.

Mr. Gillette said the plan is to have baseboard heating and a ceiling fan to help distribute some of the heat and bring it down from the high ceiling. On a hot day they can open the windows and turn the fan on to get some air in there. Right now that building has some sort of HVAC system that never really worked. We'll have some receptacles in there for electricity if they need to charge a computer or something like that.

Public Comment- None

Committee Discussion/Action

MOTION By MR. SENG: TO DIRECT STAFF TO ADVANCE THE FINAL DESIGN OF A NEW VISITOR'S CENTER KIOSK.

Motion passed with no objection.

2. Auke Bay Boatyard – Appraisal

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Mr. Uchtyl presented the Horan appraisal for the new lease for Harri's Commerical Marine at the Auke Bay Loading Facility (ABLF). The new recommended lease rent is \$36,000. That's up from \$27,000 at Statter Harbor. He sent the appraisal to Mr. Duvernay a couple weeks back and has not heard from him. The increase in lease rent has to do with the fabric structure and the buildings we installed out at the ABLF. In the appraisal, Mr. Horan talks about how haul-out facilities throughout Southeast Alaska are money losers and the only reason we have them is because they are subsidized by municipalities. If it was a commercial operation that was really making a profit we'd be charging upwards of \$180,000 a year for that space. He comes up with this \$36,000 based on what we charged previously with an increase because of the new buildings. Once the Board approves the appraisal, we'll take it forward to the Assembly.

Committee Discussion

Mr. Ridgway asked if Harri's asked for the new buildings?

Mr. Uchtyl said part of what drove the relocation was our desire to have the Statter Harbor property available for a for-hire float and bus staging area. We were operating the boatyard at the ABLF after we received the hydraulic boat lift and transitioned to having Harri's move out there and assume the boatyard responsibilities. The buildings were constructed with money left over from an earlier phase of Statter Harbor which we had set aside for a boat haul-out. We didn't want to see a boatyard with containers and temporary facilities made of visqueen. We worked with Mr. Duvernay and asked what he needed to operate a first class haul-out facility.

Mr. Ridgway asked if the equipment there is all ours?

Mr. Uchtyl said the wash down pad is ours, the self-propelled hydraulic boat lift is ours, and all the buildings are ours. Most of the stands are ours as well.

Mr. Gillette said there is no guarantee that Mr. Duvernay will continue the lease forever. If he built all this stuff then decided to leave, he could take it all away. This way if he decides to leave, we've still got an attractive facility for a new lesee.

Mr. Uchtyl said the ABLF was originally built for storage and we had to get a conditional use permit to establish the boatyard there. There was a process we had to follow, but there are some neighbors across the road who claim they never got notice of what we were doing there, so we're very keen on wanting it to look nice.

Mr. Simpson said when we were dealing with this previously it was a policy of this Board that we needed to have a boatyard even if we're losing money because it's something the community needs. He thought the appraisal did a good job of justifying the numbers and not making the lease rent too high.

Mr. Eiler said he'd quibble slightly with Mr. Horan's analysis of the economics and community benefits. However, the appraisal's comparison of other communities' boatyards will be helpful when the board revisits plans for the Little Rock Dump or Bridge to Norway Park. Juneau's

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facilities are often compared with Wrangell's travel lifts and boatyard. This appraisal suggests these facilities aren't money-makers. We should keep this comparative analysis in mind when the board considers future business decisions, and remember that Wrangell's boatyard was almost completely funded by the State of Alaska.

Public Comment- None

Committee Discussion/Action

MOTION By MR. ETHERDIGE: TO ACCEPT THE AUKE BAY BOATYARD APPRAISAL AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

VIII. New Business

1. Purchase & Sales Agreement – Transportation Staging & Deckover

Mr. Simpson recused himself from all discussions relating to Archipelago Properties.

Mr. Uchytel said the next three items deal with the Archipelago Lot. He is working with the City Manager and the Finance Director to move things forward. The City Manager is asking the Assembly to meet on July 11th for a Special Meeting. There are a number of elements for the Archipelago development that we'll try to negotiate through the Assembly. The Purchase and Sales Agreement (PSA) will be the last thing, but he wanted to discuss what the PSA will look like with the Board. This defines how much property we'll purchase from Archipelago and how much we're going to sell. This first iteration was drafted by Archipelago. The exhibits are not fully vetted yet so this is labeled DRAFT. We had Horan and Company provide an appraisal back in January. Any time property is purchased through the City, there has to be a current appraisal of the property for fair market value within 30 days. We'll go back to Horan and Company to refresh the appraisal, so they'll look at the PSA and see if there is anything in there that will affect it. If you go down to closing costs, they're equally shared. The next item is intent, which is to develop retail, transportation staging, and deckover. The retaining wall is the only thing that's probably going to be viewed as contentious by the Assembly. PND is putting together the 35% design and cost analysis that we will take to the Assembly on July 11th, and hopefully at the next Board Meeting we'll be able to share what that looks like. The retaining wall could be upwards of about \$900,000. That sounds like a lot but it's only 7% of what we anticipate will be the total cost of the construction project which is \$15 million. The part that's going to be controversial is whether the City should just build the retaining wall or if there should be cost sharing involved. Archipelago Properties are saying that because the City's project has to go first, it's delaying their ability to execute the retail portion of their project. They're claiming that allowing us to mobilize on their property is a huge cost savings to the City because we don't have to mobilize a barge and a crane. The retaining wall will primarily be on Docks & Harbors managed property. Lastly, Archipelago Properties are not happy with the

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Horan appraisal. They think it undervalues the property involved, but to keep the project moving forward they will accept it so they would argue that consideration.

Committee Questions

Mr. Seng asked about the last section on future improvements on reconfigured public property. We're going to buy the public portion from them, deck it over, and then this looks like it's written so then they could build on the land that we bought from them?

Mr. Uchytel said that would be the future waterfront attraction and nobody knows what that is yet.

Mr. Seng said he is really questioning why we would buy the property, develop it, and they retain the rights to build an attraction on land that we paid for? Where is our cut?

Mr. Uchytel said there would be some consideration at that point.

Mr. Gillette said Docks & Harbors would probably not develop that but we might lease it, and what they want is the right of first refusal. They're spending a lot of money on their side so they don't want somebody to come up and put a shack in front of them.

Mr. Ridgway asked if there is a plan B? If we were to just purchase Lot 2 and build it out ourselves there is plenty of room for parking without engaging in such depth with a developer. If it gets sticky with the Assembly, is there anything that might still move us forward to meet the transportation needs?

Mr. Uchytel said we do not have a plan B. They approached us for a partnership for this plan, but that is a good point.

Mr. Etheridge said this is part of the master plan that was developed for that whole area. We need to push as hard as we can to get all of that master plan and if that fails then back up, but if we give options up front they're going to look at options that are less costly and that's the direction they're going to try to move in. We should keep moving in the current direction and then fall back if necessary.

Mr. Ridgway said he is trying to gauge the criticality of additional parking versus the criticality of following the master plan and having a very large expensive decked over space for future needs.

Mr. Uchytel said as Mr. Gillette will show us later in the meeting, the open space deck over is getting smaller and smaller. According to Archipelago, because we're demanding space for 12-15 coaches, we're squeezing them from three buildings down to two and encroaching on what they want to do. We're trying to weigh what is in the best interest of the community for public funds.

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Mr. Donek said the revision clause states 120 days to get this thing started. Where is our money coming from and can we get this thing off the ground in 120 days?

Mr. Uchytel said one of the other items on the agenda is the transfer of 16B monies into the CIP project so that's \$3.5 million. Then there will be state marine passenger fees which will be \$4.6 million. We've also got dock funds and waterfront acquisition funds. Bob Bartholomew has been coming up with the money to keep moving things forward. Right now we just have the CIP that we created, the \$200,000 for the 35% Design effort and we need to have the Assembly approve adding to that CIP account.

Mr. Lowell said design development, contracting with a reputable contractor and ordering construction materials all within 120 days seems like a compressed timeline.

Mr. Uchytel said we'll need to look at that because another huge thing is the Incidental Harrassment Authorization to drive piles.

Mr. Lowell asked if this is executed and we comply and Archipelago backs out and doesn't want to do their portion, do we still end up with the parking and the deck over?

Mr. Gillette said yes, both pieces could be free-standing. Obviously we want to do them together because they compliment each other but if we build ours and something happens, we still get our parking and structure and we can operate without their piece.

Public Comment- None

Committee Discussion/Action

Mr. Eiler said he shares Mr. Seng's concerns about the draft's provisions for veto over future improvements on city land. He understands Archipelago Properties not wanting competing commercial enterprises, but having a private company hold a veto right in perpetuity is unwise. Any approval rights they're seeking to have over public land, if any, should be narrowly tailored such as a five-year window to propose improvements. He hopes that specific figures will be added to this agreement stipulating cost share amount, acreage purchased, etc. The current draft document references exhibits that are not finalized. Archipelago's intentions are very well laid out. The board heard a great presentation from Mr. Morris and his company. That said, the City has generously taken the lead in moving this process forward by paying for a facilitated public process, as well as conceptual design and engineering work. If the City is putting the first foot forward with cash financing and construction for the project, as well as considering paying for the retaining wall, then he suggests there could be reversion language included in the document to cover changes in Archipelago's planning or participation. His hope is next time the board reviews this issue we'll have counsel from the Department of Law to help walk us through the agreement. He wants to maintain the timeline and keep the project moving, but also wants to make sure the board does not present the Assembly will something that takes them aback or isn't fully developed.

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Mr. Uchytel said he will take the Board's comments back to the Law Department to address and bring this back to the full Board meeting next Thursday.

MOTION: NONE

2. Direct Negotiation Sales Agreement – Authorization

Mr. Uchytel said when somebody comes forward with an offer to buy CBJ lands, the Assembly has the right to say whether the City Manager can enter into direct negotiations or whether there has to be a competition or further proposals. In this case, since the adjoining property owner is the one that's making the ask, it's pro-forma to ask the Assembly to allow the Manager to enter into direct negotiations for the Purchase and Sales Agreement.

Committee Questions- None

Public Comment- None

Committee Discussion/Action

MOTION By MR. DONEK: TO RECOMMEND THAT THE ASSEMBLY PROVIDE DIRECTION TO COMMENCE DIRECT NEGOTIATIONS TO ADVANCE A PURCHASE AND SALES AGREEMENT WITH ARCHIEPELAGO PROPERTIES, LLC IN ACCORDANCE WITH 53.09.260(A) AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

3. Marine Park-Taku Uplands Improvement - Transfer Authorization

Mr. Uchytel said this closes out the Cruise Ship Berths project and transfers the funds to the Marine Park-Taku Uplands Improvements. That was the name the accountants came up with. It shouldn't be construed as just the Archipelago because we have other initiatives along the waterfront. It's really the Urban Design Plan: Marine Park to Taku Dock visioning project for the next few years. This is just the process to transfer money from one account to another. He will bring this to the Board next week. He has been working with the City Manager and the Finance Director and they may change some of the language.

Committee Questions- None

Public Comment- None

Committee Discussion/Action

MOTION By. MR. DONEK: TO RECOMMEND TO PUBLIC WORKS TRANSFER OF \$3,310,000 FROM CRUISE BERTHS CAPITAL IMPROVEMENT PROJECT (H51 101)

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**TO THE MARINE PARK – TAKU UPLANDS IMPROVEMENT CIP (H51 116) AND
ASKED UNANIMOUS CONSENT.**

Motion passed with no objection.

4. RESOLUTION IN SUPPORT OF JUNEAU FISHERIES TERMINAL EXPANSION

Mr. Uchytel said we had a conference call with our federal lobbyist Katie Kachel earlier this week about BUILD Grants, which used to be called TIGER Grants. We had her firm look at the three TIGER Grants we applied for last year and their frank feedback was the Juneau Fisheries Terminal has the best opportunity to be selected. We are focusing on putting what meager resources we have to beef that project up. The BUILD Grants are due July 19th. There is only one Assembly meeting before then, so he had to call in favors to get this resolution on the Assembly docket for Monday. Even though we are going to submit other BUILD Grants for the Marine Services Yard and the Elevated Seawalk between Statter Harbor and the Auke Bay Marine Station, he just wanted to get this one in the form of a resolution. This is a very simple resolution saying we have a need at the Juneau Fisheries Terminal. US DOT has money they are willing to dole out and we want to position ourselves to be competitive.

Committee Questions

Mr. Ridgway asked what this potentially commits us to in terms of moving forward?

Mr. Uchytel said rural communities can submit applications for up to \$25 million without any match. Both the Fisheries Terminal and Marine Services Yard are both \$25 million asks. The Elevated Seawalk is a \$12 million ask. They are looking for economic development so it's harder to justify the Elevated Seawalk. Greg Fisk started this TIGER Grant several years ago and we've been trying to improve every year. When we did the land use master plan for Bridge Park to Norway Point we added a lot of things for the Fisheries Terminal. Katie Kachel has someone that writes grants and really understands this stuff. He said our grant is better than average and gave us some good suggestions to move forward. He's got keen insight and he said we don't want to build things that are going to draw from Hoonah and Wrangell. The idea is expanding the pie, not stealing from other regional hubs. We've got to go back and review that and see how we can bolster it a bit. When we asked for review from US DOT a couple years ago, they said it was a very good package and it's only gotten better. It's gotten as far as on the Secretary's desk, it just hasn't had the political muscle to be chosen.

Public Comment- None

Committee Discussion/Action

**MOTION By MR. ETHERIDGE: TO ADOPT A RESOLUTION IN SUPPORT OF THE
JUNEAU FISHERIES TERMINAL AND APPLICATION FOR BUILD (BETTER
UTILIZING INVESTMENT TO LEVERAGE DEVELOPMENT) TRANSPORTATION
DISCRETIONARY GRANT AND ASKED UNANIMOUS CONSENT.**

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Motion passed with no objection.

IX. Items for Information/Discussion

1. Updated Renderings – Archipelago Properties, LLC

Mr. Simpson recused himself from this discussion.

Mr. Gillette presented renderings of the Archipelago property. He had PND revise the bus staging area to make sure it's going to work for the transportation vehicles coming to this property. It expanded a bit and impacted the third building on Archipelago's side. Their architect went back to the drawing board and came up with a scheme where they have two buildings rather than three. Our building would be a covered shelter area with restrooms that can be used for events in the winter. The property line generally falls between the concrete and the wood decking but we've modified that some. They basically have the same amount of square footage. The presentation they made to the Board said they were going to add second stories to their buildings to fit better in with the scale of things. Their drawings show two buildings, our parking area, and smaller buildings that would accommodate small businesses. Their design also shows what our building and canopy might look like. He met with our consultant, Northwind Architects, and will present to the Board next Thursday some different ideas on the architectural style of buildings. He is not supportive of the pagoda type roof styles. His intent is to make it look maritime related, something you might have seen on that site before like a cold storage. Archipelago is open to coming up with something we all can support. It's a good project. It meets both of our needs. We get our transportation staging and they get some retail, possibly some second story uses like a restaurant, but that's their decision.

Committee Discussion/Public Comment

Mr. Seng said the entrance to the parking lot looks like the traffic flow in and out is set up such that vehicles can't turn in if somebody is trying to come out.

Mr. Gillette said this is reversed from normal and we haven't gotten approval from ADOT yet. The doors of these vehicles are always on the right side so to bring vehicles in, park, and let the people out so they can get to the island and move safely without walking through the middle of the parking lot, this is the way we had to bring them in.

If we bring them in the other way, they're letting people out in the middle of the parking lot. Our case that we'd like to make to ADOT is since this is a restricted lot that is not open to the general public, we can train those drivers to come in this way and go out that way. Another reason is to keep vehicles further away from the adjacent building, which there is some concern about. As is the case all along Franklin, we've got pedestrians walking right in front of the lanes so we have to deal with that. One idea is to have some lights in the sidewalk and as a vehicle pulls up it triggers the lights to flash so it gives the pedestrians notice that a vehicle is entering there. Those are details we'll have to work out with ADOT, they have to approve this. Originally we had four different schemes as to where this parking lot would go and this was by far their favorite. PND is

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looking at the site distance triangles you analyze for traffic and once we get that information we're going to have another sit down with ADOT and make sure we are moving forward on the same page.

Mr. Eiler asked how much the footprint of the parking lot has grown?

Mr. Gillette said it is definitely wider. We can't be right up against the property line because there is a building there. We're going to have some sort of mechanism, maybe planters to help soften the edge so if a vehicle backs out they're going to hit that as opposed to the building. That added about three feet. The lanes grew a little because we started out using a 24' vehicle. That was the largest vehicle we had in the B zone and that vehicle was only carrying 18 people. We met with the industry and the transportation providers and they said if we can go to a 25' vehicle that can carry 25 people we can increase the capacity of this lot by 30% or more. We changed the design vehicle and that widened our aisles. These drawings show 12 spaces. The industry said they'd like to see 12-15 spaces. To try and get the extra spaces we brought in a drive lane where a small vehicle that's only carrying 6 passengers could drop off. He'd like to rethink that because it adds ten feet to the width and that's part of what's encroaching. It's also impacting our building's location and may be more of a management issue than we want to deal with. We met with Archipelago when they were here. They said it really pinches them and they'll have to look back at their plans but they understand the reasons for it so they didn't challenge us, and this is what they came up with to accommodate a larger lot.

Mr. Eiler said we ought to define how much parking we really need on this spot. He urged the Board not to fall into the trap of thinking this is in a vacuum, and pointed out that both on the other side of the parking garage and over by the tram are very large open areas for parking. He suggested that we might think about having this more carefully tailored. Even if it's not the most efficient for parking the real crux of what we are trying to do with this plan and with these properties was mixed use. Parking was something that's a welcome add and even though he gets it, the demographics are growing and we'll need more of it, he would hate to think that we are only looking at this spot for a solution on that. He would just throw that out as we talk with the Archipelago people, if we're really starting to impinge and force this property to be two very large structures as opposed to what was adopted in our preferred option of the plan which was multi-smaller structures. Lets just get what we need as opposed to the most efficient parking space.

Mr. Lowell said he gets the driving force behind reversing the traffic flow, it makes sense to a certain degree having them be able to step out of the van onto this island but he sees it potentially causing some congestion at the entrance. There are pedestrians trying to cross and then there could be delays resulting in the fact that you've got a van trying to pull in while another one's trying to leave and transit that sidewalk. He feels like maybe the tail is wagging the dog a little bit on having to step out of a van and walk two feet to a refuge island in lieu of causing some traffic flow issues at the entrance.

Mr. Gillette said he doesn't know if we reversed the flow if it would change that at the street.

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Mr. Lowell said you're going to have a van coming down and wanting to pull in, say we flop those arrows around, and a van that's coming out. One could enter and one could exit at the same time as opposed to one having to cross over the other one that's trying to exit. He thinks the space would work either way.

Mr. Gillette said while we feel we had some good reasoning for this, one of which is you get vans further away from the building, if ADOT says we can't do that we can still make it work.

Mr. Ridgway said he recalls some of the initial drawings that Corvus presented at a planning event and it seems as if the designs that have been presented to the Board have changed significantly. He asked if staff could collate those in one file so we can see the development of the design over time?

Mr. Gillette said the intent is still supported by this and actually our Marine Park to Taku Dock proposal had two buildings. Corvus felt that having three little buildings wasn't as efficient as having two larger buildings. Archipelago came up with that third building concept. Both the Docks & Harbors plan and their ideas from day one has been to encourage this cross property traffic between South Franklin Street and the dock.

Mr. Ridgway asked why the DOT said we could not move the entrance to the north?

Mr. Gillette said he met with four DOT planners and they thought that was the absolute worst place to put another driveway because you've got the roundabout, people all over, it's on a curve, and the sight distance is very bad. There was a suggestion to drive through the parking garage but that is not do-able because of the height.

Mr. Uchytel asked Mr. Gillette to describe how big our covered staging area building is. There is a not a lot of room there for the future attraction.

Mr. Gillette said this building is what Archipelago's architect proposed. It has two restrooms each with one fixture. The whole building is 2200 sq ft. There is a three story pagoda with an observation deck up three stories. We are trying to figure out what we want for a covered staging area for people to stand out of the weather while they're waiting for their bus, to maybe have some picnic tables in there, and that would be useful during the winter. In trying to figure out what that space needed to be, he visualized the Yacht Club. The main room in the Yacht Club is 1740 sq ft. That's usually pretty good for a gathering, and if you think about it as just being an open space it's probably enough for a couple of picnic tables and people to stand there out of the weather while they're waiting for their bus. If you visualize it as an event hall for winter use and you want to have a small concert or a flea market with tables and that kind of thing, it seems kind of small. We wanted to add 50% and make it 2500 sq ft for the hall. We didn't feel one bathroom fixture for each side was enough. The tram has six toilets on each side so in order to be useful we're looking at three to four toilets. When we started adding that in our building grew to 3300 sq ft. Now we've got a bigger parking lot and a bigger building, which means we've got less area for that future attraction and open space. While the site looked pretty big at first, things are encroaching. It's still evolving. We envision the building having some sort of doors that move up

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or slide out of the way so most of the time in the summer it will be wide open, you can look and walk right through it. Then you could close it down, put a little heat in there and still use it in the winter.

Mr. Eiler said going back to the concept of building for the locals and the tourists, the Board might think if there is some value in leaving that in some form of an open space or adding to it in a park-like fashion compared to the Jersey seashore. If it's going to be tight to build something in there anyways, maybe we think more creatively about how to use it as open space.

Jim Becker- Juneau, AK

Mr. Becker asked if anyone has looked at what percentage of tourists get on a bus, take a long tour, then get back on the ship? He's taken a lot of relatives on tours and they go all the way out to the Shrine and they want to get back so they have time to do a little bit of shopping. He doesn't want this development to hurt the shops up the street or other businesses. Greg Fisk always talked about a circulator. These folks are not going to walk very far.

Mr. Uchtyl said Archipelago Properties have been meeting with a lot of local businesses. Their numbers indicate that there are approximately 200,000 sq ft of retail in the downtown corridor and this is only going to add about 7%.

Mr. Gillette said part of this has already happened to us. There are stores in the downtown historic district that are empty and have been for a couple of seasons. People are not being drawn into there because there is no place to drop them off. It's a tough one and it's been happening for a number of years, it's not just this development.

Mr. Ridgway said if there is any opportunity as a part of this to work closer with the City to develop a grander idea of how to move people around, that would be a great opportunity. It's time to begin looking at the circulator idea as something that is moving people around without taking up a bunch of bus parking.

Mr. Seng said it looks more and more like we are building this for the tourist industry and not for the locals. He doesn't know if we've lost sight of that concept or if we've just said it doesn't pay as much as what we can get from the tourist industry.

Mr. Uchtyl said one of the things we have to be aware of is where the money is coming from. The majority of the money is coming from head tax. We're trying to make it work for locals as a year-round destination with the covered shelter. We're only developing half of this facility and the renderings we're looking at are from Archipelago with that lense of what they're building.

Mr. Donek said private industry is doing this and we are kind of along for the ride.

2. Electric Vehicle Charging Station – Statter Harbor Launch Ramp

Mr. Uchtyl said CBJ Engineering installed a electric vehicle charging station at the Statter Harbor launch ramp facility. The installation was done at no cost to Docks & Harbors. He

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received a phone call from Duff Mitchell asking what we plan to do about having a fee for charging in our lots. His recommendation is if vehicles are going to be using the charging station at Statter Harbor they should pay the normal \$1 per hour or \$5 per day for parking. Unless the Board does not think we should impose a parking fee for vehicles parked at the charging station, that's how we will move forward.

Committee Discussion/Public Comment

Mr. Donek said he heard the City is looking at the possibility of charging for power.

Mr. Uchtyl said they have asked us how we manage our launch permits, so it may be something like that.

Mr. Simpson asked if we only have one plug in?

Mr. Borg said it's one charger with two parking spots.

3. New Board Year Planning

Mr. Uchtyl said we have one more meeting with this Board membership and he wants to take the opportunity to ask if there are improvements staff can do or what we can be doing in planning for the Board for next year.

Committee Discussion/Public Comment

Mr. Donek said if the Board wants to continue the Operations Committee as a Committee of the Whole, they should revise the bylaws because right now we have a Finance Committee and an Ops Committee and membership is different than this.

Mr. Eiler said we might also think of planning long term. Once or twice a year we have Board retreats, maybe we should have three mini-retreats three times a year for strategy as an ongoing thing and maybe we plan those out now so we don't get side-swiped by holidays or other scheduling issues.

Mr. Simpson said at the July meetings after we seat our new Board Members we'll get into committees and assignments in more detail but it's good to have that in mind.

4. LUMBERMAN Update

Mr. Uchtyl said we've asked Aaron Timian, the point of contact with DNR, to come talk to the Board next Thursday. DNR has received a quote for \$200,000 to have the Lumberman towed to Hoonah and cut up. DNR's position is they are not funded to do this. DNR would be willing to have Docks & Harbors take care of it. Even if \$200,000 is a high quote, if it's \$100,000 - that's dredging that could be done at Wayside Park or something else we give up by doing that. Mr. Borg and Mr. Timian have been talking. DNR knows it's not Docks & Harbors responsibility but

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they would like us to ask the Assembly to take care of it. For Statter Harbor Phase IIIA, the dredging project, part of the permit to move those dredge materials onto DNR land is we agree to pay \$1000 per year for 35 years so that's one thing we could negotiate. There are no good answers here.

Committee Discussion/Public Comment

Mr. Donek asked if we should add another anchor so it doesn't move any further.

Mr. Borg said as soon as we put a line on it, it becomes our responsibility and it's a huge liability. DNR has already started the impound paperwork so we don't want to blur any legal lines.

X. Staff & Member Reports

Mr. Uchytel said the Harris Restrooms are open. The Corps of Engineers is not going to consider a cost share agreement for the Statter Harbor wave attenuator for FY18. Taku Harbor is complete and it looks great. The Special Assembly meeting is on July 11th. He has asked for a waiver from Jim Potdevin who manages the harbor grants to consider an application for Aurora Harbor Phase III. Phase II has not been closed out yet because we had enough money left over for zinc annodes for the entire Phase I and Phase II of Aurora Harbor. When the Corps comes to dredge in the fall of 2019, he thinks our best move is to demo everything. We need to get this waiver that will allow us to compete for funding for Phase III. We got word back from Central Council Tlingit and Haida that ADEC agreed to close out the soil remediation issue. Mr. Uchytel thanked Mr. Lowell for his service on the Board.

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- Wednesday, July 18th, 2018.

XII. Adjournment- The meeting was adjourned at 7:05pm.