

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, December 2nd, 2015

- I. Call to Order** (5:00 p.m. in the CBJ Assembly Chambers)
- II. Roll Call** (John Bush, Tom Donek, David Summers, Bob Janes, and Budd Simpson)
- 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 October 22nd, 2015 Operations/Planning Meetings Minutes**
- VI. Consent Agenda - None**
- VII. Unfinished Business**

- 1. Fritz Cove Road
Presentation by the Port Engineer

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING

VIII. New Business

- 1. Channel Construction Lease Application
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING

- 2. Special Annual Moorage Fee for Skiffs
Presentation by the Port Director

Committee Questions

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Public Comment

Committee Discussion/Action

MOTION: PROPOSE THAT AN OWNER WITH A OPEN HULL VESSEL 21' OR LESS IN LENGTH EXCLUDING ENGINES MAY APPLY TO THE HARBORMASTER FOR MOORAGE IN THE LIMITED ACCESS AREAS OF SMALL BOAT HARBORS WHICH IS DETERMINED BY THE HARBORMASTER AT A RATE OF \$300 PER CALENDAR YEAR AND ASK FOR UNANIMOUS CONSENT.

3. A Resolution of the City & Borough of Juneau in Support of Full Funding for the State of Alaska Municipal Harbor Facility Grant Program in The FY 2017 State Capital Budget.
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO APPROVE PROPOSED CBJ RESOLUTION SUPPORTING THE ADOT MUNICIPAL HARBOR GRANT PROGRAM AND REQUEST ADOPTION BY THE FULL DOCKS & HARBORS BOARD.

4. Minor Boat Maintenance at the ABLF
Presentation by Mr. Janes

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING

IX. Items for Information/Discussion

X. Staff & Member Reports

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, January 20th, 2016.**

XII. Adjournment

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I. Call to Order

Mr. Simpson called the meeting to order at 5:00 p.m. in Room 224 of City Hall.

II. Roll Call

The following members were in attendance: Tom Donek, Robert Janes, Budd Simpson, and David Summers.

Also in attendance were: Carl Uchytel – Port Director and David Borg – Harbormaster.

Absent: John Bush.

III. Approval of Agenda

Mr. Uchytel said I propose we move Howard Lockwood's presentation to the first item under Items for Information/Discussion.

MOTION By MR. DONEK: TO APPROVE THE AGENDA AS AMENDED.

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items – None.

V. Approval of August 12th, 2015 Operations-Planning Meeting Minutes

MOTION By MR. JANES: TO APPROVE THE August 12th, 2015 Operations-Planning Meeting Minutes AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

VI. Consent Agenda – None.

VII. Unfinished Business

1. Auke Bay Boatyard Lease Amendment

Mr. Uchytel said I have included the lease in tonight's packet. The Auke Bay Boatyard Lease Amendment was tabled at last night's Finance Committee Meeting.

Committee Questions

Mr. Janes asked can we vote on the Auke Bay Boatyard Lease Amendment here or move it forward.

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Mr. Donek said part of the issue is Exhibit B has the old items. Exhibit B should be rewritten to state that the structures are intended to be replaced in kind at a future date. There are currently structures at the Statter Boatyard that are not at the Auke Bay Loading Facility Boatyard.

Public Discussion-NONE

Committee Discussion/Action

Mr. Simpson said Mr. Uchytel can update Exhibit B so we have all the relevant information to prepare a motion. We need to know what items go with the lease so we can assess the value of the rental accordingly.

MOTION By MR. JONES: TO HAVE STAFF UPDATE EXHIBIT B TO INCLUDE ITEMS TO BE LEASED AND ITEMS TO BE REPLACED AT A FUTURE DATE AND SUBMIT TO THE REGULAR BOARD FOR APPROVAL AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.

VIII. New Business

1. Docks & Harbors department referring to customers as “customers”

Mr. Summers said the term user has been brought to us through the digital age. The user would be on the computer and not paying for a product they were consuming. By using “user” instead of “customer” you are watering down the fact that the customer is paying for a product. Culturally speaking, this has taken effect in the Docks and Harbors. I would like to see customers who are paying for products referred to as customers as opposed to users.

Committee Questions

Mr. Simpson asked can you give an example of when this was a problem.

Mr. Summers said to give a specific example would be difficult. It is cultural and a cumulative problem. It blurs the relationship. Like on the internet you have the user, who is not paying for the product, and the advertiser, who is the customer paying for advertising space on the site. The site will treat the nonpaying user and the paying customer differently.

Mr. Simpson asked are you wanting the department to think of the people referred to as users as customers.

Mr. Summers replied yes. Also, I think it is incorrect to refer to a customer as a user. I am not suggesting that we rewrite anything that already exists, but going forward we

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use customer and not user. The policy would be to refer to customers as customers as opposed to other terms. Staff should be reminded to call customers “customers”.

Mr. Uchtyl said I like the term patron.

Mr. Borg said we have users, some people pay and some don't. Not everyone pays to use the harbor.

Public Discussion

Dennis Holloway of Juneau, AK said we have a lot of different user groups. There are numerous words we use that are more definitive to help us determine who we are talking about. Only using the word customer to describe all of them would make it impossible to tell which user group the person belongs to.

Mr. Simpson said Mr. Summers is not proposing we can no longer use other descriptive terms.

Mr. Summers said I would like to clear up the broad use of so many different terms. Is it that important to identify the people that are not paying for the service and call them something other than a customer? A patron is a repeat customer. I don't see that as problematic, put the word user is where I see problematic things.

Committee Discussion/Action

Mr. Donek said the word user was used before the internet. There are a lot of different user groups within the harbors.

Mr. Simpson said the word user does not have a negative connotation to me.

NO MOTION

2. Docks & Harbors department becoming a tobacco-free workplace

Mr. Summers provided pamphlets and said the Center for Disease Control (CDC) has a program with information about how to implement a tobacco-free workplace. The ground has been broken and this is not a new idea. I have observed harbor staff smoking in uniform and putting cigarette butts in the water around the harbors. This presents a lack of professionalism and a potential hazard. I would like to see the Harbors Department have a tobacco-free policy.

Committee Questions – None

Public Discussion

Mr. Borg said we fall under the City and Borough of Juneau (CBJ) policy. There is a designated smoking area at each of the harbors. Employees are not permitted to smoke in vehicles or indoors.

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Mila Cosgrove, CBJ Human Resources Director, said Administrative Policy 98-01 covers the CBJ policy for smoking. Smoking is prohibited in any enclosed area and in areas where there is a realistic expectation of secondhand smoke. You can set guidelines around the policy that exists by designating smoking areas and limiting smoking to employee breaks. You can state that you don't want people smoking on docks because that is a work area. You cannot say that an employee cannot use tobacco during their shift. You would probably get push back from the employees who do use tobacco products. You have to ask yourself is it worth the overall impact on morale.

Mr. Summers said I like the idea of prohibiting smoking on the docks. A tobacco-free workplace is a progressive idea that is not just about secondhand smoke. This would be a more efficient policy for a healthier and happier workplace. When an employer offers a smoking area for an employee they are encouraging them to continue smoking. What we want to do is offer smoking cessation opportunities for them to quit smoking. This is a better opportunity for employees.

Ms. Cosgrove said we have a very active Wellness Program at CBJ. We offer no cost tobacco cessation and we actively promote that program.

Committee Discussion/Action

Mr. Donek said the CBJ smoking policy is specific. If there is a problem with employees smoking where or when they are not supposed to be, then it is a supervisory issue.

Mr. Janes said there have been occasions when my customers were walked down the sidewalk and gangway at Statter Harbor and encountered staff smoking on the sidewalk or gangway. I would like to see a policy to back supervisors up when telling staff where they can and cannot smoke.

Mr. Summers said due to the uniqueness of the Docks and Harbors Department I would like to see these three words added to the current policy: dock, float, and watercraft. I think we need a policy change because on many occasions I have heard from staff that they cannot do anything about a certain issue because there's no policy to do that. I don't think staff should smoke in uniform, and that would be whatever the uniform of the day is.

Mr. Simpson said the problem with not allowing staff to smoke in uniform is that they are allowed to smoke while on break.

Ms. Cosgrove said you have every tool available now to set reasonable restrictions in the workplace.

Mr. Summers asked does management currently allow staff to smoke on the docks, float or watercraft. What is being done about that?

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Mr. Borg said staff is on the docks for 6 to 8 hours some days. I am not going to require staff to walk 15 minutes so they can take a smoke break. I want the job to get done. I do not want staff talking to customers while smoking. Docks and Harbors are not going to become a nonsmoking entity.

NO MOTION

IX. Items for Information

1. Juneau Port Development

Howard Lockwood – Manager, Juneau Port Development gave a PowerPoint presentation and said I want to be sure the Harbor Board Members are aware of the land/title interests that apply to this property. Mr. Lockwood went over a presentation about mining process and the changes to the harbor plan since Public Works has taken over portions of the property in the last 3 years. Mr. Lockwood also went over other financial information for the plans.

Committee Questions

Mr. Donek asked do you need a permit to remove the dredged material and put it behind a wall.

Mr. Lockwood said I would need to get an additional permit to remove the dredged material and put it behind a wall.

Mr. Simpson said the plans changed because of the Rock Dump; if there is a better use for that property, like a mega-yacht harbor, we could utilize that area.

Mr. Uchtyl said the issue is the lease, it does not address mining claims but instead requires there to be permits in place. CBJ Law requires there to be permits in place for dredging before we can extend the lease.

Committee Discussion/Action-None.

2. Juneau Port Development Operation and the Alaska State Mining Laws

David Wilfong is a Mining Engineer at the Alaska Department of Natural Resources (ADNR). Mr. Wilfong gave a PowerPoint presentation explaining the role of ADNR and how mining rights work. ADNR is the lead state agency for mining claims; which means that all other state agencies need to consult ADNR before issuing mining permits. Slide 9 outlines in red the area to which Mr. Lockwood has mining claims. CBJ owns the surface estate and the State of Alaska owns the subsurface estate. Mineral rights generally take precedence over surface estates.

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Mr. Janes said CBJ Docks and Harbors leases the land to Mr. Lockwood, and he has the mineral claims. Would Mr. Lockwood be able to continue mining without a lease from CBJ? Would CBJ be able to use the land?

Mr. Wilfong said CBJ is the surface estate owner, and as such they do have some rights. CBJ and Mr. Lockwood could write up and sign a Surface Use Agreement. Surface Use Agreements generally insure that the surface estate owner will not interfere on the mining process more than is necessary and the miner usually bonds for any damage that might occur to the surface estate. The miner is typically given a reasonable timeline to mine the property.

Mr. Donek asked do we have to deal with Mr. Lockwood's mining claims before doing anything with the property.

Mr. Wilfong said yes. There would need to be a Surface Use Agreement. Mr. Lockwood would need to be given a reasonable amount of time to mine the area. The area is comprised of sand, so it takes very little energy to remove when compared to an area like that comprised of gravel. I am uncertain as to how much time is considered a reasonable amount. I will look into that for you. However, I do know that an area of 1.5 million cubic yards of sand takes approximately 4 to 6 years to mine. There are a lot of factors that could change that estimate, such as weather and the equipment used for mining.

Mr. Simpson asked are there spawning season blackouts.

Mr. Wilfong said yes, spawning blackouts are managed by Fish and Game. There are a few things that Fish and Game has authority over. Typically that involves freshwater and critical habitat.

3. Downtown Food Vendors

Mr. Borg said we have been approached by several people in the past few years who are interested in selling food on the docks. Do we want to allow food to be sold on the docks? CBJ charges a \$50.00 fee for people to sell food around town.

Mr. Janes said the food vendors in San Francisco are strategically placed to work with the flow of traffic. I asked some of the San Francisco food vendors what the process was to get a permit, and they informed me there is a bid process for the permit every few years. We might want to consider making two or three available depending on what kind of space we have. I would like to see well designed buildings that are appropriate for the area instead of food carts that are rolled in and out every day.

Mr. Donek said I do not like the idea of a comparatively inexpensive food cart being placed in front of a restaurant that cost the owners a lot of money. Do to administrative fees we would lose money if we only charged \$50.00 for a permit.

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There are lots of places to eat downtown and the cruises include the price of the food in their travel package. Also, we need to wait until 16B is finished because we have a fence that is going down the middle of the dock.

X. Staff, Committee and Member Reports

Mr. Borg said there have been fires to the life rings at the Wharf. The total damage amounted to \$2,500.00.

XI. Committee Administrative Matters – Next Meeting:

1. The Operations/Planning Committee Meeting scheduled for Tuesday, November 10th, 2015 is CANCELLED. The next Operations/Planning Committee Meeting is scheduled for December 2nd, 2015 at the Downtown Library.

XII. Adjournment

The Operations/Planning Committee adjourned at 7:18 p.m.



**David
Wilfong**

Mining Engineer

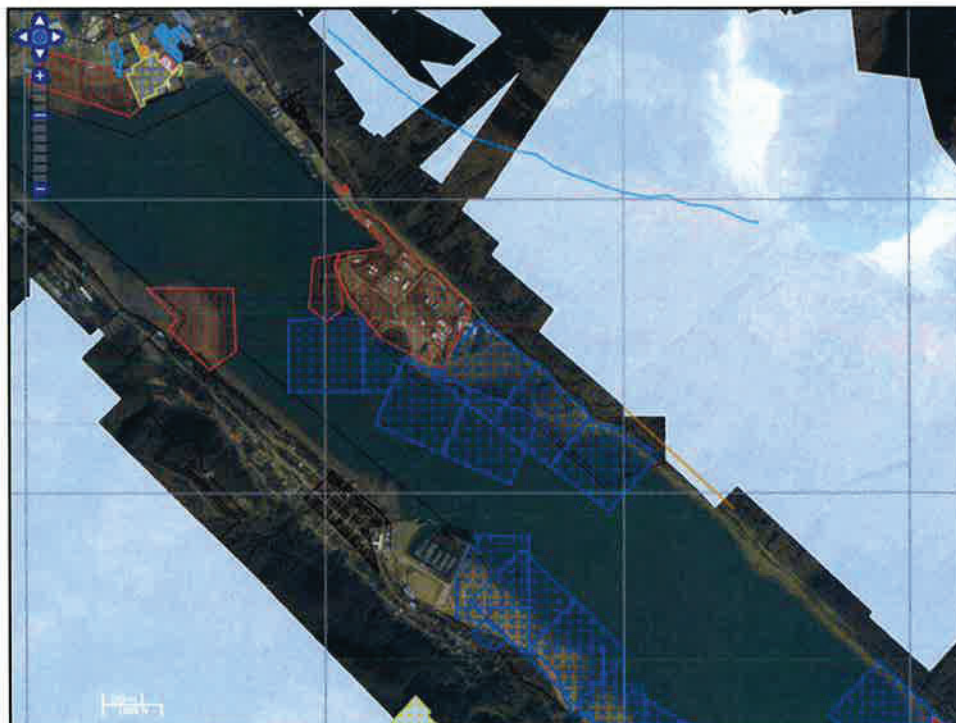
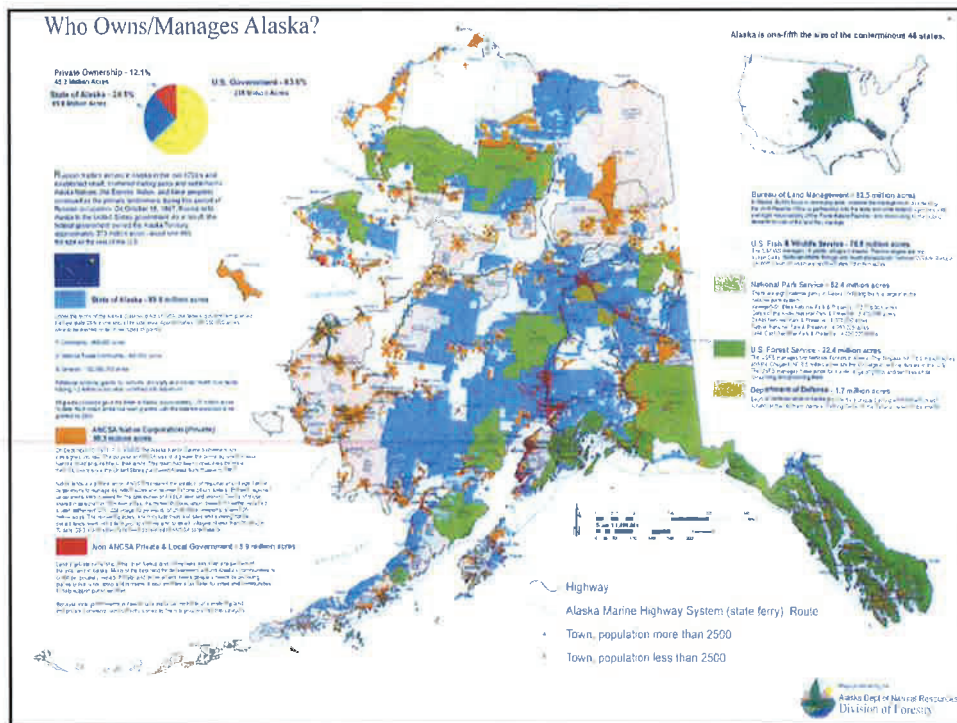
ADNR Mining Section

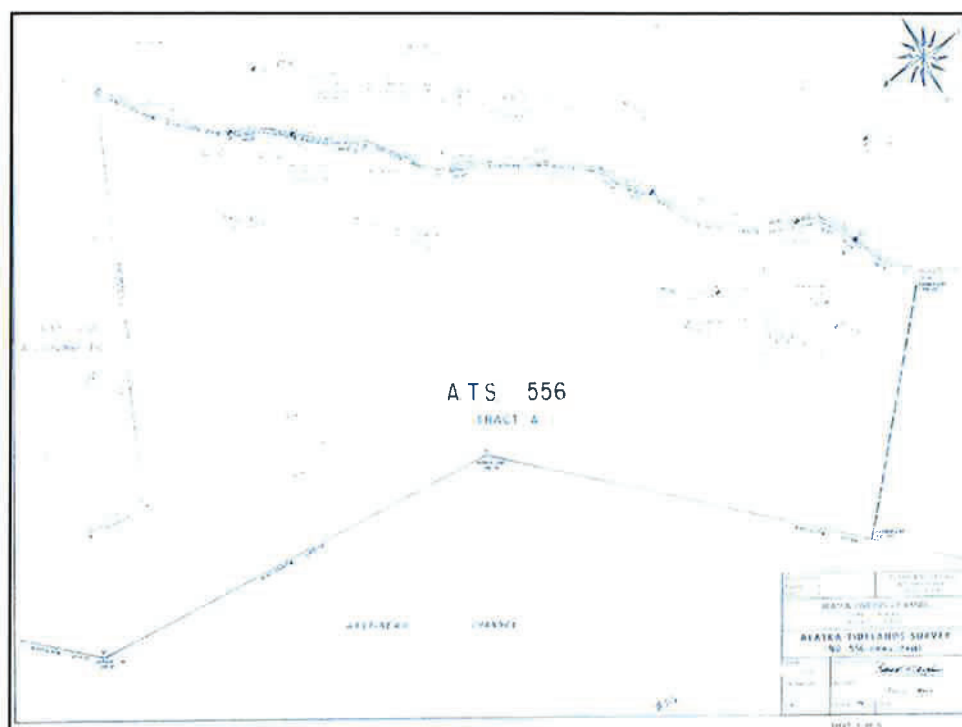
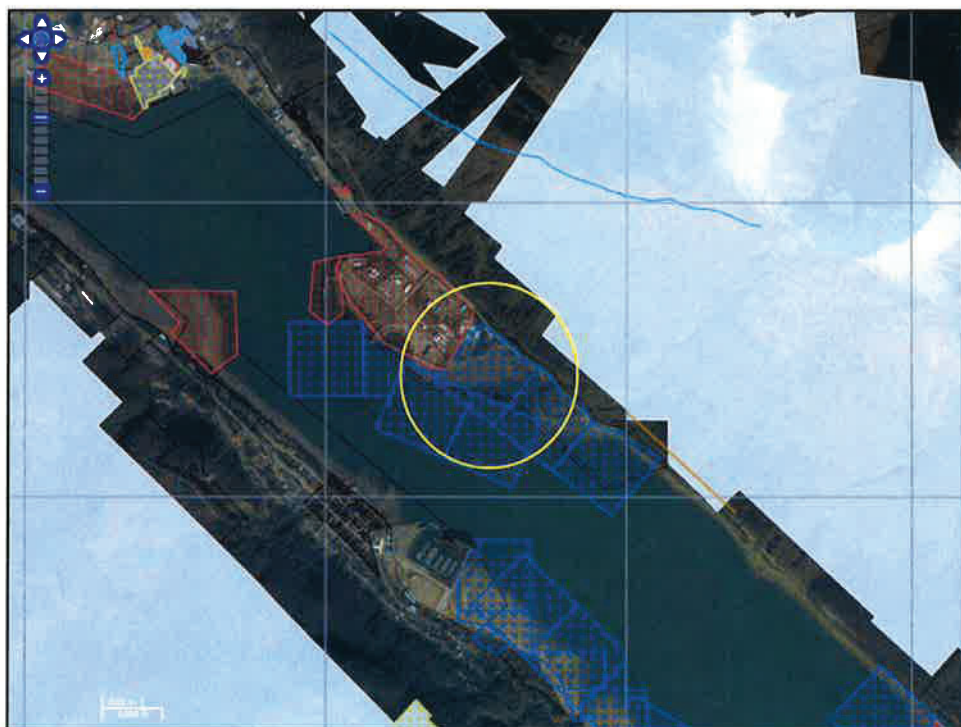
Phone 907-465-3404

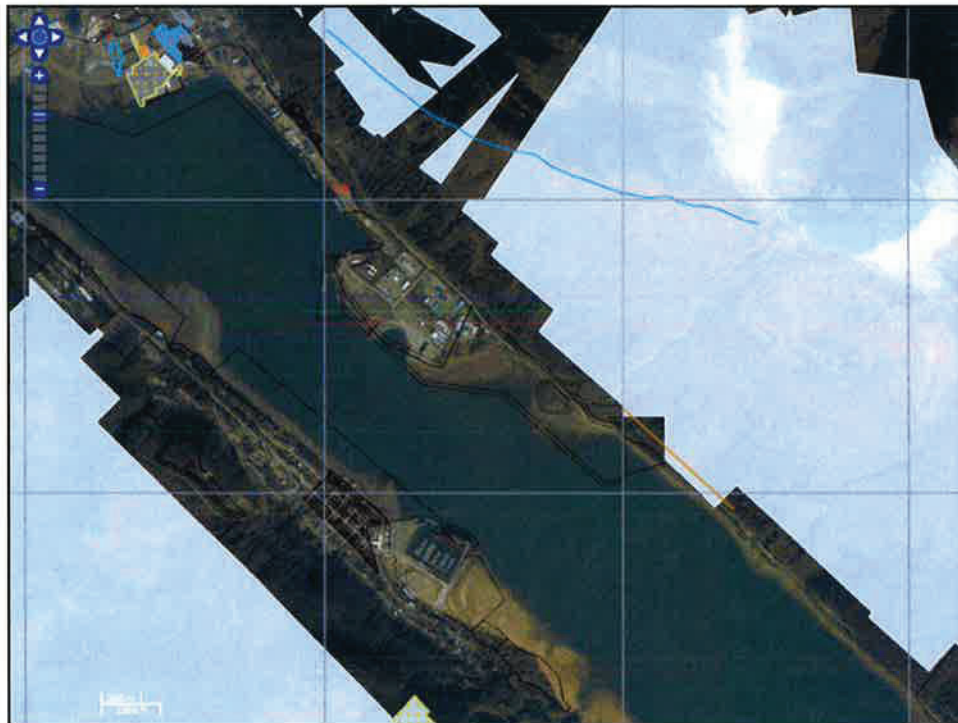
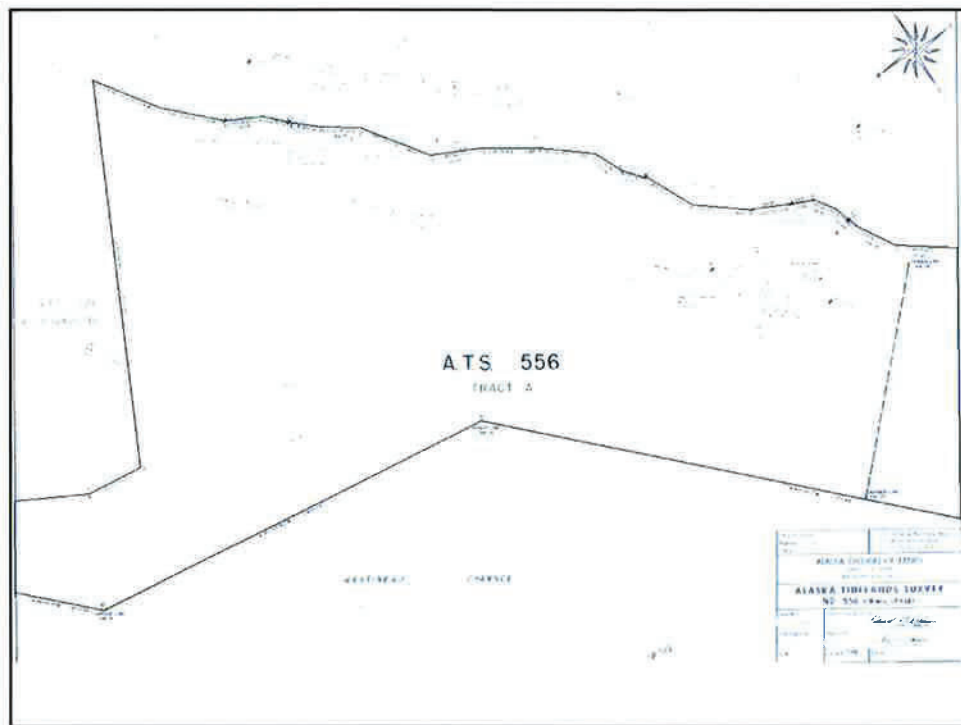
Email david.wilfong@alaska.gov

The Role ADNR Performs

- Manage State land in Alaska including
 - Land sales
 - Water quantity Management
 - Mining
 - Forestry
 - Land









Warning: Title reports are only current as of the date issued. Adjudicator must check for new information using the Recorder's Office database and LAS prior to making any decisions. A new title report needs to be requested if existing title report is more than one year old.

Title Researched by **Margie Goatley**

State of Alaska

Realty Services Section Title Unit

269-8607

Title Report RPT # 4557

ADL No. 517983

Wast # 3

Current as of 7/22/2013

1. REQUESTOR:

David Wilfong

DNR/DMLW/SERO

2. PROVIDE COPY OF COMPLETED REPORT TO:

David Wilfong

3. TITLE IS VESTED IN:

The State owns a portion of the submerged and tidelands estates of the project area. All known third party interests are listed within this report. [Please see NOTE at bottom of report].

4. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

The NW1/4SE1/4 with portions encroaching into the SW1/4NE1/4 and the NE1/4SW1/4, within Sec. 25, T. 41S., R. 67E., CRM [See ADL 517983 as depicted on attached map].

5. TITLE CHAIN:

- Tide and Submerged Lands – The Submerged Lands Act of 1953 (P.L. 31, 83rd Congress, First Session, 67 Stat. 29) o Under this Act, the State of Alaska received title to the lands beneath navigable waters, including both lands that would ordinarily pass to the State under the Equal Footing Doctrine (*Lessee of Pollard v Hagan*, 3 How. 212, 228-229 [1845]), which includes the periodically submerged tidelands and inland navigable waters, and lands over which the United States has paramount sovereign rights, i.e. submerged lands beneath a 3-mile belt of the territorial sea, o The Equal Footing Doctrine - All new states enter the Union on an equal footing with the original states with respect to sovereign rights and powers. *Pollard's Lessee v. Hagan*, 44 U.S. (3 How.) 212 (1845). Those sovereign rights and powers include ownership of the beds of navigable waters.

- State Tidelands Patent No. 224, dated 1/4/68, issued for the surface estate from the State of Alaska to the City of Juneau

- State Mining Claim Location Notice, dated 11/20/1987, to Dr. Roger Eichman, Chris Morgan and Ralph Kibby [ADL 517983].

"Deed Book 22 Page 447"
Junesau Recording Dist.

RECORDED - FILED
JUNESAU, AK DEC 20 1962
FILED IN 67-2463
BOOK 22 PAGE 447
JUNESAU, ALASKA

Section Township 41 South Range 67-68 East CR Meridian
according to the official plat of survey thereof, on file and of record with the Division of Lands and recorded in
Plat No. 512, Serial No. 67-2463
Book Page of the official records of the Juneau Recording Precinct, Juneau, Alaska

The Grantor, Alaska, expressly reserves, out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials and fossils, and in the further expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, drilling and working mines or wells on these or other lands, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

This indenture is executed subject to the covenant that no person, firm, association or corporation shall take herring spawn in waters on or over the tidelands herein conveyed, nor shall any person, firm, association, organization or corporation engage in the sale, barter or exchange of herring spawn for profit, providing however, nothing herein shall be construed to prevent or prohibit the taking of herring spawn by residents of this State for (1) personal consumption or (2) barter or exchange for the necessities of life, pursuant to A.S. 16.10.140-170 as amended.

We Have and to Hold the said land with the appurtenances thereof unto the said Grantor and their heirs and assigns forever.

In Testimony Whereof the State of Alaska has caused these presents to be executed by the Director of the Division of Lands pursuant to A.S. 38.05.030, as amended this 4th day of January, A.D. 1962.

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David Wilfong

Mining Engineer

ADNR Mining Section

Phone 907-465-3404

Email david.wilfong@alaska.gov

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, April 22nd, 2015

- ii. ~~Off season discounted rate (Oct-April)~~
 - ~~1. \$50/month~~

~~2. Staff Labor Fees (05 CBJAC 20.140)~~

~~Recommendation: \$75 per hour for each staff person with a one-hour minimum charge per staff person. \$125 boat charge per hour, one-hour minimum, and increments each 30 minutes prorated.~~

~~MOTION: TO APPROVE THE CONSENT AGENDA AS PRESENTED.~~

VII. ~~Unfinished Business~~

- ~~1. Aurora Harbor Rebuild Project – Installation of Phone & Cable TV~~
~~Presentation by Port Engineer~~

~~Board Questions~~

~~Public Comment~~

~~Board Discussion/Action~~

~~MOTION: TO BE DETERMINED AT THE MEETING.~~

VIII. New Business

- 1. Limitation of Access to Utility Easement/End of Fritz Cove Road
Presentation by Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING.

- ~~2. Request for Food Vendor Cart Access to Downtown Wharf~~
~~Presentation by Port Director~~

~~Board Questions~~

~~Public Comment~~

~~Board Discussion/Action~~

Loren Domke/Kathy Nielson
965 Fritz Cove Rd.
Juneau, AK 99801

April 8, 2015

Docks and Harbors Board
City/Borough of Juneau
155 S. Seward St.
Juneau, AK 99801

Re: Limitation of access to utility easement/end of Fritz Cove Rd.

Dear Board Members:

We request that the Board close the utility easement adjacent to the end of Fritz Cove Road to motorized vehicular traffic. Currently, the easement is regularly used as a public launch ramp for boats up to 26 ft. in length. Until 2005, the easement was essentially a trail, restricted to pedestrians. Motorized vehicle access was created during the development of the Spuhn Island subdivision. After completion of the subdivision, pedestrian only access was restored when the utility contractor placed large boulders in the easement. Gradually, over subsequent years, various individuals moved the rocks to permit 4 wheel access; and, contractors working on the island used heavy equipment to create a gravel access road for their own purposes. As a consequence, vehicle usage has become a daily occurrence in the spring and summer, with boats launched and retrieved several times daily.

Intermittent efforts by neighbors to limit vehicle usage have been complicated by jurisdictional ambiguity and policy between the state and city. The easement access starts on the DOT right of way and, according to the city, crosses onto its property. DOT has not acted on requests to limit vehicle access to the beach. That has recently changed. The attached correspondence from the Southcoast Region Right of Way Office authorizes the city to assume jurisdictional control and limit access to pedestrian use.¹

There are several reasons to restore exclusive pedestrian beach access:

- **Incompatibility with other cove users and uplands residents.** Smuggler's Cove is one of the few harbors in the area which does not have a CBJ launch ramp. Past

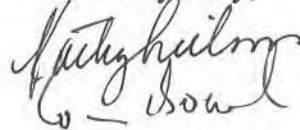
¹ See attached e mail and map from DOT Southcoast Region right of way chief.

land use plans have designated the beach access for pedestrians and non-motorized canoe and kayak use, recognizing that the cove is a unique recreational asset. The cove beach also is heavily used by individuals seeking a quiet spot to shore fish, observe marine life or just to watch the sunset. Listening to a vehicle in low range attempting to trailer launch a boat is incompatible with these activities and uses.

- **Avoidance of launch permit fees.** The beach access from the end of Fritz Cove is not particularly convenient for trailers, but it is free. Everyone resident who fishes under power benefits from use of CBJ harbors and facilities, whether or not they purchase a launch permit. For this reason, the harbor master has taken the position that access should be restricted.
- **Return to the status quo.** The defacto launch ramp created in 2005 is a significant change for homeowners living on and adjacent to the cove, and it is a change which has happened without any of the expected due process of law. Normally, before permitting a launch ramp, there would be public notice and a hearing process so that everyone affected by the decision would have an opportunity to comment. Instead, the motorized access has occurred through informal self-help measures, avoiding any of the public review process necessary for making this kind of modification to existing land use.

To expedite matters, we will personally assume the installation expense of a locking gate or bollards. Either of these solutions would preserve pedestrian access and at the same time permit vehicular access for utility maintenance.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Kathy Nielson' or 'Loren Domke', written in a cursive style.

Kathy Nielson/Loren Domke

Loren Domke

From: Buck, Joseph T (DOT) <joe.buck@alaska.gov>
Sent: Tuesday, March 31, 2015 11:02 AM
To: domkelaw@gci.net
Cc: Schmidt, Joanne M (DOT)
Subject: Smugglers Cove Access - End of Fritz Cove Road
Attachments: Smugglers Cove Beach Access - F17.pdf

Hi Loren,

To follow up on our telephone conversation last week, attached is sheet F17 from the current DOT&PF project 69397 JNU Fritz Cove Road with the Smugglers Cove beach access highlighted.

The beach access is both a permitted utility access and a public access. The environmental analysis for the Department's current highway project determined it a valued 4(f) access that would not be altered by the highway work.

If the CBJ should decide in the future to limit the beach access to pedestrians only, and wants to put up a gate of some type, they could do so on their own property or could apply to the Department for an encroachment permit for a gate within the State right-of-way. Any gate design proposed within the right-of-way would have to be located down below the cul-de-sac guard rail so as not to be a traffic hazard.

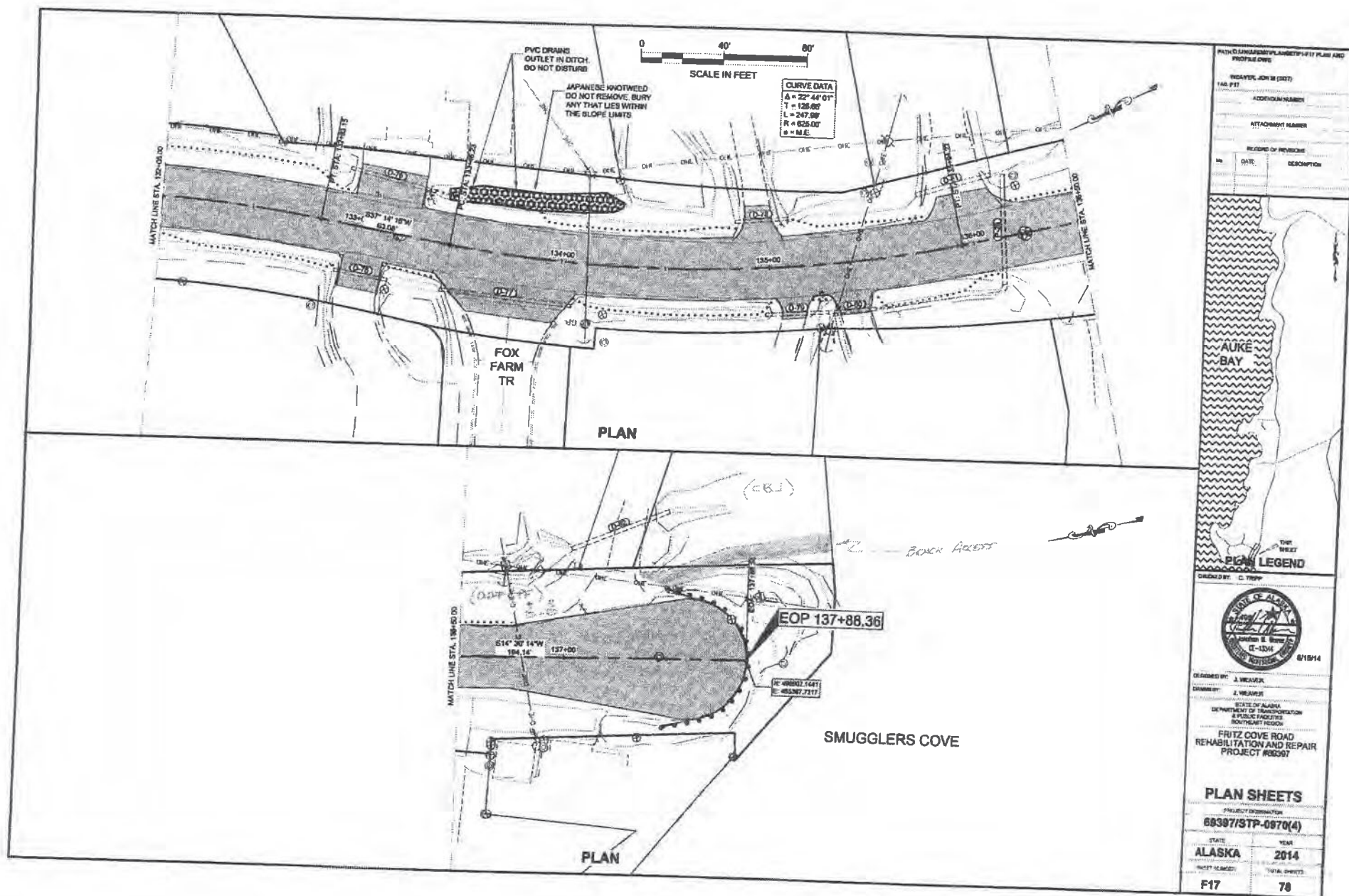
Joe

Joe Buck, PE

Right-of-way chief
Southcoast Region

Alaska Department of Transportation & Public Facilities
Right-of-Way & Utilities Section
6860 Glacier Highway
P.O. Box 112506
Juneau, AK 99811-2506
Ph: 907.465.4541
Fax: 907.465.4414
joe.buck@alaska.gov

"KEEP ALASKA MOVING through service and infrastructure"



From: [Kirk Duncan](#)
To: [Carl Uchytel](#); [Hal Hart](#); [Greg Chaney](#); [Rorie Watt](#)
Cc: [Rob Steedle](#); [Kim Kiefer](#); [Gary Gillette](#); [David Borg](#); [Erich Schaal](#); [Teena Scovill](#)
Subject: RE: FRITZ COVE ROAD - ACCESS - DOMKE REQUEST
Date: Tuesday, April 14, 2015 2:11:00 PM

Parks and Recreation has no opinion in this issue at this location

From: Carl Uchytel
Sent: Tuesday, April 14, 2015 11:08 AM
To: Hal Hart; Greg Chaney; Rorie Watt; Kirk Duncan
Cc: Rob Steedle; Kim Kiefer; Gary Gillette; David Borg; Erich Schaal; Teena Scovill
Subject: FRITZ COVE ROAD - ACCESS - DOMKE REQUEST

Hal/Greg/Rorie/Kirk –

Do you have an opinion to the Domke request to limit vehicular access to Smuggler's Cove at the terminus of Fritz Cove Road? I intend to take this to the Docks & Harbors Operations-Planning meeting next Wednesday.

Thx.

Carl

From: [Hal Hart](#)
To: [Rorie Watt](#); [Greg Chaney](#); [Carl Uchtyl](#); [Kirk Duncan](#); [Beth McKibben](#)
Cc: [Rob Steedle](#); [Kim Kiefer](#); [Gary Gillette](#); [David Borg](#); [Erich Schaal](#); [Teena Scovill](#)
Subject: RE: FRITZ COVE ROAD - ACCESS - DOMKE REQUEST
Date: Tuesday, April 14, 2015 1:11:47 PM

I think Greg covered this well.

- (1) Spuhn Island residents (note it is not remote since they have sewer, water, power) are to park in the Auke Bay area RV parking area provided by the owners.
- (2) Access and parking near water is a commodity just like access to water, views to water homes on water. It is precious because of its scarcity.
- (3) Parking and access to water generally is provided for public launching at Auke Bay.
- (4) Parking is also provided for remote Shelter Island residents and the increasing number of summer residents (per Carl a few minutes ago) for an extraordinary low price of \$100.00 per month. This is a much better deal than airport parking.
- (5) Karla Alwine said that for a price she could offer parking to Shelter Island residents as well.
- (6) There will be increasing demand for parking and access to water as more residents develop their properties at Auke Bay and the surrounding neighborhoods...including Pederson Hill, infill at Auke Lake, infill in Fritz Cove, development of Spuhn continued development on Shelter Island and development in the vicinity of the town center.
- (7) Access points such as the end of Fritz Cove Road should have signage reminding people that there is great/safe public access to water at that location along with reasonable parking accommodations.

Hal Hart AICP
Director, Community Development Department
City and Borough of Juneau
Alaska's Capital City

(907) 586-0757

From: Rorie Watt
Sent: Tuesday, April 14, 2015 12:06 PM
To: Greg Chaney; Carl Uchtyl; Hal Hart; Kirk Duncan
Cc: Rob Steedle; Kim Kiefer; Gary Gillette; David Borg; Erich Schaal; Teena Scovill
Subject: RE: FRITZ COVE ROAD - ACCESS - DOMKE REQUEST

I do not have an opinion on this. DOT maintains Fritz Cove Road and Public Works/Engineering's only need is clear access to CBJ maintained utilities. That access does not need to be exclusive use of the land. Driving access, parking etc is normal on top of many of our pipes, manholes and vaults. Thanks for asking.

From: Greg Chaney
Sent: Tuesday, April 14, 2015 11:33 AM
To: Carl Uchtyl; Hal Hart; Rorie Watt; Kirk Duncan
Cc: Rob Steedle; Kim Kiefer; Gary Gillette; David Borg; Erich Schaal; Teena Scovill
Subject: RE: FRITZ COVE ROAD - ACCESS - DOMKE REQUEST

When the Planning Commission approved the Sphun Island Subdivision, they made it pretty clear that they didn't want the end of Fritz Cove Road to become the terminus for significant boating access to the new subdivision. A condition of approval was that the developer would set aside parking along the road system near a harbor facility to accommodate property owners on Sphun Island. The developer is currently providing this parking at the RV Park in Auke Bay. I think all of this argues against allowing the end of Fritz Cove Road/Smuggler's Cove from becoming a new launch ramp area.

Greg Chaney
CBJ Lands and Resources Manager

<http://www.juneau.org/plancom/documents/SUB04-08stf060804.PDF> (see pages 9 – 12 of staff report)

http://www.juneau.org/plancom/documents/NOD_SUB04-08.PDF (see conditions 4, 5)

http://www.juneau.org/plancom/documents/NOD_SUB05-02.PDF (see condition 2)

From: Carl Uchytel
Sent: Tuesday, April 14, 2015 11:08 AM
To: Hal Hart; Greg Chaney; Rorie Watt; Kirk Duncan
Cc: Rob Steedle; Kim Kiefer; Gary Gillette; David Borg; Erich Schaal; Teena Scovill
Subject: FRITZ COVE ROAD - ACCESS - DOMKE REQUEST

Hal/Greg/Rorie/Kirk –

Do you have an opinion to the Domke request to limit vehicular access to Smuggler's Cove at the terminus of Fritz Cove Road? I intend to take this to the Docks & Harbors Operations-Planning meeting next Wednesday.

Thx.

Carl





CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
April 22nd, 2015

Russel Peterson, Juneau Alaska:

~~He said he found out today that pacemakers require a twisted pair phone line and can't work over wireless. Phone and cable are the last wires run in new construction because they are the most delicate. You can't use any wireless security camera footage as evidence in court. It will be thrown out because it is not secure, and the images can be altered. He said he will pay upfront for the cable installation and anyone wanting to hook up would pay him \$100.00. He said this is a good investment for this infrastructure.~~

Savannah Worley, Juneau, Alaska

~~She said she has wireless security system at her house and the court will take the footage as evidence.~~

Committee Discussion/Action

~~Mr. Logan asked if Mr. Gillette needed anything from the Committee?~~

~~Mr. Gillette said unless you disapprove of the temporary decking, he said staff will just work with the contractor until GCI comes back with a decision.~~

~~Mr. Janes said he would like to know more about someone with a pace maker needing direct wire and not wireless.~~

~~Mr. Donek asked what is Docks & Harbors options if GCI backs out?~~

~~Mr. Gillette said at this point GCI is interested.~~

~~NO MOTION NEEDED AT THIS TIME.~~

VIII. New Business

1. Limitation of Access to Utility Easement/End of Fritz Cove Road.

Mr. Uchtyl said this request came from Mr. Domke. He requested CBJ take control of this area and close it off to motorized trailer boat launch. What does the Committee want to do at the end of Fritz Cove?

Committee Questions

Mr. Logan asked if Mr. Uchtyl talked to the CBJ Law department to see if Docks & Harbors has liability for people using this area to launch their boats?

Mr. Uchtyl said he has not asked that question.

Mr. Logan said he assumes Docks & Harbors would be liable.

Mr. Donek asked what the problem is at this site?

Mr. Janes asked if the problem is for motorized boat use or non-motorized use?

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
April 22nd, 2015

Mr. Uchytel said Mr. Domke's letter refers to motorized boat launch use.

Mr. Summers said if Docks & Harbors were to put a launch ramp in at this site, there would need to be a public process, and there was no public process currently. He asked what has been done to stop the access for people to launch their boats? He asked if DOT put large boulders to stop access for boat launching?

Mr. Uchytel said last year a nearby resident put a chain up and DOT cut the chain.

Mr. Summers asked why DOT cut the chain.

Mr. Uchytel said because DOT said it was in their right-of-way.

Mr. Simpson asked if Docks & Harbors manages the Fox Farm parking lot?

Mr. Uchytel said he thought so.

Public Comment –

Loren Domke, Juneau Alaska

He said this would be re-closing the utility easement. This has been closed in the past. Marion Hobbs built a utility easement for Spuhn Island and placed rocks for no access when he was finished. Everything was fine for a while, then guys came along and wanted to launch their boat without buying a launch ramp permit and hauled the rocks out of the way with their pick up. Contractors working on Spuhn Island added rock to this area so they wouldn't get their pickups stuck when they back down to the beach, and now there is regular use. The beach historically is heavily used by the public during nice weather for shore fishing or just sitting on the beach to watch the sunset, and by guys with duck boats, and kayakers that carry their boats. The change recently is the motorized traffic use, and this has not been through a public process and is all done informally. He said he would like to see this closed off again, and suggested bollards would work good. He knows this area would need to remain open for utility access so bollards or a gate would work good and still allow kayakers and other people use access. He also recommended signage. People are using it because there are no signs saying they can't use it.

Mr. Janes asked Mr. Domke where people park their boat trailers after launching?

Mr. Domke said they are left on the side of the road or behind the mail boxes. Typically people don't use the parking lot that is there.

Mr. Logan asked if he knew why they were launching their boats at that location?

Mr. Domke said he doesn't keep track of how long they are gone.

Russell Peterson, Juneau, Alaska

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
April 22nd, 2015

He said he has a mooring buoy to the left of Smugglers Cove and he would like to see that area non-motorized access use so he can carry a row boat and still row out to his boat.

Committee Discussion/Action

Mr. Janes said this was not designed for motorized use and any access should be by carrying a boat and he is in support of the request.

Mr. Logan asked if there was a mechanism to allow Mr. Domke to donate money to put in bollards?

Mr. Uchytel said it would be easier if Docks & Harbors did this rather than accept a gift from the public.

Mr. Summers said he would like this closed to motorized use.

Mr. Logan said he understands that this will need to be discussed with DOT also. He recommended to discuss this with DOT and get a cost estimate, then revisit this issue.

Mr. Simpson asked if the Committee agreed that this area would be for non-motorized vehicles only. The Committee agreed.

MOTION By MR. LOGAN: TO INVESTIGATE THE COST TO CLOSE THE ACCESS OFF AND DISCUSS WITH DOT AND MAKE SURE THEY KNOW THIS HAS BECOME A DEFAC TO LAUNCH RAMP AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objection.

Mr. Simpson said this will come back to this Committee after it is refined before it is finalized.

~~2. Request for Food Vendor Cart Access to Downtown Wharf.~~

~~Mr. Uchytel said this was a request from Mr. Jonah Smith. The first request from Mr. Smith was in 2013 and he wanted to sell food on the docks. Mr. Uchytel said he is not in favor of this, but Mr. Smith wants to have a food cart along the seawalk. Within CBJ, CDD issues permits for food carts along the city streets. If this would be allowed along the seawalk, there would need to be better rules in place. The current food cart ordinance only charges \$50.00 filing fee, and \$150 per month. His concern is the seawalk is still very narrow with yellow fence and a lot of people coming and going. His other concern is that we are selling 4x4 space for \$30,000 and it undercuts other food business along the water.~~

~~Committee Questions~~

~~Mr. Donek asked if this would raise any security concerns on the dock?~~

~~Mr. Uchytel said no.~~

~~Mr. Logan asked if there was a particular location he wanted?~~

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
May 28th, 2015

I. ~~Call to Order.~~

~~Mr. Simpson called the meeting to order at 5:00 p.m. in the CBJ Assembly Chambers.~~

II. ~~Roll.~~

~~The following members were in attendance: John Bush (via phone), Robert Janes, Dave Summers, and Budd Simpson.~~

~~Absent: David Logan~~

~~Also in attendance were: Carl Uchytel—Port Director, Gary Gillette—Port Engineer, Harold Moeser—Docks & Harbors Engineer, Dave Borg—Harbormaster, Mike Peterson—Board Member, and Dick Somerville—PND Representative.~~

III. ~~Approval of Agenda.~~

~~MOTION By MR. SUMMERS: TO APPROVE THE AGENDA AS PRESENTED AND ASK FOR UNANIMOUS CONSENT.~~

~~The motion passed with no objection.~~

IV. Public Participation for non-agenda items –
Ed Grossman, Juneau, AK

He said he is building a house on Spuhn Island. He read the minutes from April 22nd where Mr. Domke petitioned the Committee for DOT to shut off the motorized access at the end of Fritz Cove road. He said he met Mr. Domke in the last couple of years when Mr. Domke was hollering in his face at this access point while Mr. Grossman was taking a load of lumber with some friends to his house on Spuhn Island. All of the material was taken for the building out of the Auke Bay Loading Facility by a commercial landing craft. There was a mistake in the order and some longer boards were needed. The builder asked him to get the boards out to the house over the weekend so the building work could continue on Monday morning. Mr. Grossman said Mr. Domke claimed that he was acting illegally and needed a permit and that he had been a lawyer longer than he had been alive. Mr. Grossman said he informed Mr. Domke that he talked to the City and was informed that this was a DOT access point. He went and talked to DOT, and they had no problem with this sort of use at this site. When Mr. Grossman told Mr. Domke that DOT has no problem with this use, he accused him of somehow bribing DOT. A complaint was filed to Mr. Uchytel by Mr. Domke and that is how he met Mr. Uchytel. At some point a Mr. Smith put up a stainless steel cable to stop access and Mr. Grossman said he called DOT. DOT said they did not put up a cable or authorize putting up a cable and sent an operations & maintenance man to cut that cable that very day. Mr. Smith called Mr. Grossman's builder and accused him of cutting his cable. The builder informed Mr. Smith that DOT cut the cable because it was illegally placed by someone in the neighborhood. Mr. Grossman said he was disappointed to see that based on one person with an axe to grind that people were willing to shut off a public access point that is important to a lot of people. He has four suggestions for the Committee to consider;

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
May 28th, 2015

1. If the Committee decides to shut off the public access, please put in a small gate where a key could be available at the Auke Bay Harbor office for AEL & P, Spuhn Island residents, Verizon, and for others who need to have an excellent access point just as hardened as any of the launch ramps in town. If you put a boulder in the way, it takes an excavator every time to provide that access, and the utilities will need maintenance over time.

2. Please allow enough room at the end of the gate so people with smaller boats can go around the end and not over and under a gate.

3. There is a City parcel adjacent to this launch point that has been used for private parking and material storage for decades. Please demark this area so the public knows this is a first come first serve area to take advantage of the parking down close.

4. The City has a wonderful parking lot at the corner of Fox Farm and Fritz Cove road that doesn't see a lot of use and the reason is because it does not allow overnight parking. There are six islands that offer great camping opportunities for people that can't afford a cabin and don't have a cabin cruiser. You could increase use of this lot by allowing overnight parking for those who use the islands, but no camping in the lot.

V. ~~Approval of April 22nd, 2015 OPS/Planning Meeting minutes.~~

~~Hearing no objection the April 22nd, 2015 OPS/Planning Meeting minutes were approved as presented.~~

VI. ~~Consent Agenda—None~~

VII. ~~Unfinished Business—None~~

VIII. ~~New Business~~

~~1. Auke Bay Speed Zone Regulation~~

~~Mr. Uchytel said at the last Docks & Harbor Board meeting, Mr. Warden spoke on a non-agenda item and expressed a need to extend out the five knot speed restriction seaward of the Statter launch ramp. He said the larger whale watching vessels are throwing a wake that is damaging property in the Auke Bay Area. His request is to extend the white speed buoy out further. The Board directed this to come to the Operations/Planning Committee meeting for review. Is the buoy properly and sufficiently located or is there a need to adjust this?~~

~~Committee Questions~~

~~Mr. Peterson asked where Mr. Warden's residence is located?~~

~~Mr. Uchytel showed the location on the map. The buoy would need to be moved out approximately an additional 1000 feet.~~

~~Mr. Peterson asked if the 1000 ft was a typical amount out from a breakwater?~~

~~Mr. Uchytel said the Law Department said if Docks & Harbors has the tidelands, we would be able to control the surface speed. He said he has received complaints of other wakes in the area. At Smuggler's Cove,~~

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, June 17th, 2015

- I. ~~Call to Order~~ (5:00 p.m. in City Hall Room 224)**
- II. ~~Roll Call~~ (Budd Simpson, Bob Janes, John Bush, David Summers, David Logan)**
- 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 May 28th, 2015 Operations/Planning Meetings 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. Kayak Launching Area Development at Fritz Cove
Presentation by the Port Engineer

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING
- VIII. ~~New Business~~ – None**
- IX. ~~Items for Information/Discussion~~**

1. Fisherman's Dock Tiger Grant Application
Presentation by the Port Engineer
- X. ~~Staff & Member Reports~~**
- XI. ~~Committee Administrative Matters~~**

1. ~~Next Operations/Planning Committee Meeting – Wednesday, July 22nd, 2015.~~
- XII. Adjournment**



Port of Juneau

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

MEMORANDUM

To: Docks and Harbors Board
OPS/Planning Committee
From: Gary Gillette, Port Engineer
Date: June 11, 2015
Re: Water Access at End of Fritz Cove Road

Background

On April 22, 2015 the OPS/Planning Committee discussed the reported motorized boat launch use at the end of Fritz Cove Road across Docks and Harbors managed lands. Mr. Loren Domke sent a letter previously (attached) and testified that there is regular use of the launch area since the rocks that formerly blocked motorized access were removed. He suggested that bollards or a gate be installed to control motorized access yet allow pedestrian access that would allow kayakers to launch. He also recommended signs to inform the public that motorized launching is not allowed. The Committee agreed this area should be for non-motorized access only and asked Staff to investigate cost to control access.

On May 28, 2015 the Committee heard testimony on non-agenda items from Mr. Ed Grossman. He is building a house on Spuhn Island and needed to use the Fritz Cove access to get supplies to his contractor when a materials shipment delivered from the Auke Bay Loading Facility was missing some lumber. Mr. Grossman had four suggestions:

1. If the Committee decides to shut off the public access, place a gate that a key might be available at the Statter Harbor office for those that might have a need for access for maintenance (AEL&P, Spuhn Island residents, Verizon, etc.). Placing boulders or jersey barriers require an excavator every time there is a need to provide service access.
2. Provide enough room at the gate to allow those with kayaks to access the beach without going over or under the gate.
3. Demark the adjacent City parcel for public parking use with signs that informs the public it is available for public use.
4. The City lot at the corner of Fox Farm and Fritz Cove should allow overnight parking for those that access the nearby islands that offer great camping opportunities but do not allow camping in the lot.

Investigation

Alaska Department of Transportation was contacted following up on the e-mail to Mr. Domke. ADOT would not allow installation of an access control device on the road right-of-way. However, they have no issue with an installation on CBJ property.

A visit to the site verified that there is a path way that is sufficient for motorized access to the beach. Comparing photos taken in 2009 and in 2015 it is apparent the path has been used often and even appears to have been graded for wider smoother access. Docks and Harbors has not performed this work.

Adjacent to the access path there is a site that is being used by private individuals for vehicle parking and boat storage. There is also a path in this area which appears it is being used for boat launching.

Potential Solutions

According to Mr. Domke the immediate need is to restrict motorized access along the path adjacent to the ADOT right-of-way. This could be accomplished by moving the rocks back in place but this didn't seem to deter past users determined to use the area. Another option would be to place "jersey barriers" such that motorized access would be blocked but allow access for pedestrian and kayak users. Mr. Domke did not seem to have an issue with kayak access and Mr. Grossman suggested that if the path were to be blocked that it should allow kayak access. He also suggested that the method of control should be something that could be removed to provide maintenance access to Spuhn Island. This could be accomplished with removable bollards. These bollards would probably not be as strong a deterrent as jersey barriers as someone might be able to hit it with a truck or pull it over with a chain (yes that kind of thing happens in Juneau).

Some of the suggestions by Mr. Grossman would require some planning and development to provide parking for users and possibly overnight parking for those leaving the area for overnight adventures. The development might include tree removal, some grading, gravel placement, barrier installation to limit use area, and signs. A full blown plan and development for maximum parking and use opportunities would be a longer term exercise. Any development beyond installation of barriers to control motorized access should include public review and input.

Costs

Use of jersey barriers might take a small bit of grading to set them level but could be installed with Docks and Harbors staff and equipment. Jersey barriers cost about \$350 each. Rough estimates for purchasing, installing two barriers, and signs is about \$1,500 to \$2,000.

Installing removable bollards might cost somewhat more as it would require an excavator to dig a hole or two; placement of sonotubes, rebar and anchor bolts; getting concrete to the site; and bolting down the bollards to the concrete. No specific costs were available at the time of this memo but it is estimated to cost a bit more than the jersey barrier option.

The other ideas of developing parking for users has not been estimated at this time since there would need to be some level of planning involved and there probably are a number of options to explore.

Discussion and Direction

Staff looks forward to discussing the issues and options at Fritz Cove Road and receiving direction for this project.

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~~Mr. Gillette said we contracted Greg Fisk to write the application for this grant.~~

~~Mr. Fisk said he did an economic analysis to see what the potential business generation would be when we complete this project. The cost of the project is estimated to be \$2.8 million. It should generate its cost annually for the City and Borough of Juneau. However, it will not generate that much economic activity for the Docks and Harbors Department; which is why a grant is necessary for construction.~~

~~Mr. Simpson said it looks like there are no matching funds required for this grant. I saw a reference to Alaska Glacier Seafood's contributing an ice machine to the project and somehow that constitutes part of a matching fund. Could you explain this?~~

~~Mr. Fisk said Tiger Grants normally require a minimum of 20% match for urban areas. Juneau is considered rural and is not required to have a matching fund. However, it is desirable to have a contribution. We were trying to demonstrate past investment and industrial partner match. This makes our application more competitive. They have \$500 million available nationwide and are expecting over \$5 billion in applications. Sometimes they will offer a partial grant. If we get a partial grant we can always request for the rest of the funds from another grant. Also, if we can build the same amount of useable space on the Northside as we have on the Southside that will provide more than 90 additional feet because we will be able to complete the end of the Gastineau Channel side.~~

~~Mr. Simpson asked would we dredge the north side or are we bringing the piling out to depth and filing.~~

~~Mr. Fisk said some of both. We will dredge to minus 15 feet with the intent of using some of the dredged material as fill behind the sheet pile.~~

VII. Unfinished Business

1. Kayak Launching Area Development at Fritz Cove

Mr. Gillette gave a PowerPoint presentation and provided a packet with information and maps regarding the Fritz Cove area.

Mr. Gillette said there have been people launching motorized vessels and kayaks at the end of Fritz Cove. We need to determine what we want the area used for. Do we want to use the area to launch all vessels, non-motorized vessels, kayaks, or do we not want to permit launching of any sort? We could put up temporary barriers and we have two options; a Jersey barrier or folding bollards. There is a parking lot that people can utilize for overnight parking that is close by, but it currently has signage that says "No Overnight Parking". The folding bollards are about \$300 each.

Committee Questions

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Mr. Janes asked where does Docks and Harbors authority end and the Department of Transportations (DOT) begin.

Mr. Gillette said the area we are considering putting a barrier is on the City and Borough of Juneau's property. Mr. Gillette contacted Joe Buck at the DOT and he said they would not discourage us from putting up a barrier.

Mr. Simpson asked what the zoning for this area is.

Mr. Gillette said I assume it's residential.

Public Discussion

Carla Allwine of Juneau, AK

Ms. Allwine pointed at the map provided and said these areas are used by residents who had off-road properties around Smugglers Cove. The City just ignored the fact that people parked their cars there because they had nowhere else to park. When Sphun Island's conditional use permit was approved the City approved a different access road. Ms. Allwine was a part of the Auke Bay Planning Commission last year. This area was talked about when discussing the safety of kayakers in the Auke Bay area. We could develop this area for kayak use and perhaps other small vessels.

Kurt Henning of Spoon Island, AK

Mr. Henning said he sees families using the small islands for recreational purposes and they launch from the end of Fritz Cove Rd. He thinks it should be expanded for more use. To ask these small boat users to launch at Statter or Douglas does not make sense. It would not be safe because the wakes are very high for these small boat users.

Dennis Watson of Juneau, AK

Mr. Watson said the Harbor Board should look at these properties as an opportunity. Over time you can take that area and develop it. The public has a right to the water. I do not think it should be used for any commercial use. There should be signs at the parking lot so people know they can park there. People should be allowed to use the area within reason.

Dave Hanna of Juneau, AK

Mr. Hanna said he has been in the Fritz Cove area for 50 years now. That area has always been used to launch and haul skiffs. The area is in good shape for small vehicles. It is too difficult for large boats and vehicles to back down that area; so people don't. It is a firm beach and no environmental degradation is occurring.

Loren Domke of Juneau, AK

Mr. Domke said he and his wife propose the utility easement be maintained. They would pay for bollards and a gate. This would prevent motorized vehicles from using the area. There was no motorized access until 2009; which meant that people had to

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carry everything up and down the beach. There has been unauthorized use of motorized vehicles through an illegal process. In other words, people have removed the stones put in place after the development out at Spuhn Island. Kayakers only have to carry their kayaks another 50 feet compared to people with motorized access. I think the simple bollards would allow for access for non-motorized users. There should also be signage informing that public where they can park. I would like to see us keep motorized access off the beach. This is like the camel's nose under the tent; the nose isn't very big, but the rest of the camel is going to come. We have had industrial tourism use at the end of the road, which has been very controversial and the neighbors oppose it. I think what we outlined in April with our letter was reasonable. It would maintain access to utility easements for maintenance. All this would require is a few bollards.

Marion Hobbs of Juneau, AK

Mr. Hobbs said he worked on a project there, and when he left in 2007, the permitting was set up that it would always be open to foot traffic. I don't think it should be commercialized. It should be left for maintenance and for the public to use.

Steve Allwine of Juneau, AK

Mr. Allwine said he too is opposed to commercial traffic in the Fritz Cove area. This area has the potential to take pressure off the Auke Bay area. This area is a great resource for our neighborhood because it allows us easy access to the smaller islands. I do not encourage any commercial use in the area. I'm surprised you are considering closing the area down. If you adopt some regulation and proper signage, you could designate the area for 18 foot skiffs and kayaks only. It would be useful to have an area designated for overnight parking too.

Committee Discussion/Action

Mr. Janes said this would be a safe place for small craft to launch. There needs to be signage. We should look into restricting the boat length.

Mr. Donek said our intent was never to close this area off. We are trying to figure out what the best use for the area is. The North Douglas Launch Ramp is inadequate for the use out there. North Douglas is a popular fishing area. There is no amount of signage you can put up that will stop someone from launching a boat larger than what is permitted. If they can back down they will launch. We could put up a blocking device further down towards the launching area; this way people can get further down and not have to walk as far to launch. We need to come up with a barrier that will allow for carry down and does not put a huge burden on our staff.

Mr. Simpson said everyone agrees on these points: we should keep the area open to kayaks and canoes, anything that can be walked down is fine, and no commercial users are welcome.

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Mr. Janes said the area needs to be managed properly no matter which route we choose.

Mr. Borg said parking will be an issue. Boats with trailers get parked anywhere by the owners. The Department of Transportation then gets on our case about people parking their trailers along the road. Someone is going to try to launch a 32 foot boat there, and then topple it over because the road is not made for that. Then they will try to hold use liable for the boat toppling over. Plus we will have to fix the ramp. We will need to figure out what type of trailer will be permitted to launch. Perhaps we could only allow single axial trailers. We will need a comprehensive plan. As it is now, I am opposed to allowing motorized vehicle access at the end of Fritz Cove Rd. We can put signs up, but people ignore them or shoot holes in them. It is a great opportunity, but we have to take all angles into consideration and move forward with a plan.

Mr. Janes said I think we need to know more before we make a decision.

Mr. Simpson said I think we should walk the property and examine the area further. We should put up Jersey barriers in the short-term while we continue to discuss what is best for the long-term. This will allow people to continue to carry down small crafts but won't be a permanent structure in case we decide to open the area for launching small vessels. Do we want to require people to have a launch permit to use the Fritz Cove area? We only need to consider the Launch Permit if we are going to allow trailers. The public will have the opportunity to speak at the Full Board Meeting because it will be an Agenda Item.

Mr. Logan said I suggest we keep it in the Operations/Planning Committee until there is a consensus for action.

MOTION By MR. JANES: TO REFER THE KAYAK LAUNCHING AREA DEVELOPMENT AT FRITZ COVE TO THE Operations/Planning Committee Meeting on Wednesday, July 22nd, 2015¹ AND ASK UNANIMOUS CONSENT.

The motion passed with no objection.

Mr. Janes said there will be an opportunity for the public to speak at the next meeting and people are welcome to send an email prior to the meeting.

Mr. Simpson said he encourage anyone who is interested to email their comments to Docks and Harbors. This will allow you to get all of your points made.

Mr. Gillette asked is there anything specific you want staff to provide before the next meeting.

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Mr. Janes said staff provided sufficient information, but the public has more they would like to provide. Also, I would also like the opportunity to walk the location to get a feel for the area.

VIII. ~~New Business None~~

IX. ~~Staff, Committee and Member Reports~~

~~Mr. Donek said Mr. Simpson suggests we do some interim appointments.~~

~~Mr. Logan said I will be on the Operations/Planning Committee until August.~~

~~Mr. Janes said Rob Warden called me today. He spoke at our last meeting about the dock at Auke Bay. He said he thinks it is still an unsafe situation. This can go directly to the Tourism Best Management Practices (TBMP). Then we can come up with a way to keep the whale watchers in a self-regulated runway through that area in Auke Bay. I think it will take a while to implement and to make work. I think we can make it better and solve the problem.~~

X. ~~Committee Administrative Matters~~

~~Next Operations/Planning Committee Meeting is scheduled for Wednesday, July 22nd, 2015¹.~~

XI. ~~Adjournment~~

~~The Operations/Planning Committee adjourned at 6:20 p.m.~~

¹This date was subsequently changed to July 15th .

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~~tonight as an information item to find out how the Board would like to proceed with this. He gave Mr. Lockwood and the Board members a copy of the Draft letter.~~

~~Mr. Logan recommended Mr. Lockwood carefully read the letter and consult an attorney.~~

~~Mr. Lockwood said he would do that.~~

~~Mr. Logan said this will be an action item in September and the list is in the letter of what you will need in order for another lease extension to be granted. You will need to give all the items in the letter to the Port Director.~~

~~Mr. Janes said in reading this letter he agrees with everything except the last sentence "Without the necessary permits and the survey plat the lease may be terminated". He said he is glad the word "may" is used because that gives the Board a little discretion to still be able to renew the lease. However, the permits are critical to the Board's decision making.~~

~~Mr. Orman said the word "may" is the word that the Law Department is worried about. If the Board goes back and looks at the 2007 Ordinance, the intent was for one extension and this Board has already authorized three. If Mr. Lockwood meets the requirements, then he would move into the 36 month building period. This is the eighth year for this lease and beyond the 24 months he was given to get the permits. The language in the lease used "shall" as to the requirements. The concern is that this was passed by the Assembly and the requirements are not being met.~~

~~Mr. Logan asked Mr. Orman to attend the September meeting where this will be an action item.~~

~~Mr. Uchytel said there is also some legal words in the lease about due diligence and that is how the Board was able to grant the extensions.~~

X. Committee and Board Member Reports

~~1. Harbor Fee Review Committee Meeting – June 3rd, & June 17th, 2015~~

~~Mr. Simpson said at the June 17th meeting, the Committee discussed and heard testimony on the daily recreational boat launch fees and the public did not want the fees raised. The Committee recommended to raise the daily fees by a dollar. There was also a request for a senior citizen waiver or discount, but the Committee is still working on this.~~

~~2. Operations/Planning Committee Meeting – May 28th & June 17th, 2015~~

~~Mr. Simpson said at both meetings, the Committee discussed the area at the end of Fritz Cove where people are launching their boats. There is a dispute where people want to continue to have access to the water to launch their~~

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boats and the neighbors in that area don't like that. This area is used by the people that have homes on Spuhn Island. Docks & Harbors does own this property with a DOT right of way through the middle of it. The Committee also heard a complaint from Rob Warden on wake damage to his private dock.

Mr. Janes said he will take this issue to TBMP and maybe establish a corridor that the TBMP members would stay into to reduce the wake.

~~3. Finance Committee Meeting – June 18th, 2015~~

~~Mr. Spiekler said the Committee discussed the following;~~

- ~~• Recreational boat launch permits and could not come to an agreement;~~
- ~~• Mr. Uchytel gave a financial summary report and it appeared to be within budget.~~
- ~~• Update on the Thane Ore House RFP~~

~~4. Docks Fee Review Committee Meeting – Cancelled~~

~~5. Member Reports –~~

~~Mr. Peterson said he was not able to attend the Lands Committee meeting but will give a full report at the next Board meeting.~~

~~Mr. Summers said he has been approached by the downtown merchants with an issue on using the public docks versus the private docks on the single and two cruise ship days. He understands logistic wise some ships aren't able to dock at the public dock. He said with the cruise ship negotiations two years out, he wanted to know if we should start long term negotiations with cruise lines for the new docks? He would like to start discussions on this topic.~~

~~Mr. Uchytel said Cruise Line Agencies set all the schedules due to several different factors. Docks & Harbors is the facility manager and has not been involved with the scheduling in the past.~~

~~Mr. Summers said there is a perception from the local business owners that Cruise Line Agencies uses the private docks before the public docks for their benefit.~~

~~Mr. Janes said with the two new docks going in there is an obligation to keep these docks filled. This needs to be a policy decision.~~

~~Mr. Bush said Cruise Line Agencies does have ownership interest in the AJ Dock. He said he has been approached also that Docks & Harbors should fill the public docks first.~~

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~~Mr. Zaruba asked if there was any reason to believe that the new dock won't be filled as is now?~~

~~Mr. Uchytel said the ships at anchor currently will now be able to dock at the dock. The City benefits if the ship is docked at either dock and doesn't see being disenfranchised at the current status quo.~~

~~Mr. Peterson said he would support having a representative at the table for the cruise ship scheduling.~~

XI. Port Engineers Report –

Mr. Gillette said his written report is in the packet.

He said he checked with CDD about the table of permissible uses for the end of Fritz Cove, to address the launching issues, which is in a D1 zone. Where this land is located, there is no provision to get a permit to build a launch ramp. Having a launch ramp in this zone is not allowed. Parking lots are not allowed unless they are associated with the use on that property. The idea to have the parking lot for kayakers or pedestrian access to the beach would be allowed.

~~Mr. Gillette showed a power point presentation on the 16B dock project structure being built. Manson Construction plans to be in Juneau in September to begin the project.~~

~~Mr. Spickler asked what the expected life of the new 16B dock is?~~

~~Mr. Gillette said 50 years.~~

~~Mr. Spickler asked where Docks & Harbors is in the process for the electrification for this dock?~~

~~Mr. Gillette said when the new parking lots where put in, conduit was buried from the other side of Franklin street to the bank of the water. There is 24/6" conduits buried under the parking lot with vault locations for access. Docks & Harbor is ready for the electric, we are just unsure when AEL & P will be ready and coordination with the cruise line companies. There are still a lot of decisions to be made.~~

~~Mr. Simpson asked if there are any water tight bulkheads in the new docks.~~

~~Mr. Gillette said yes.~~

XII. Harbormaster's Report –

Mr. Borg reported;

- ~~Performed maintenance on the Grid.~~

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, July 15th, 2015

- I. ~~Call to Order~~** (5:00 p.m. in the CBJ Assembly Chambers)
- II. ~~Roll Call~~** (Budd Simpson, Bob Janes, John Bush, David Summers, David Logan)
- 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 June 17th, 2015 Operations/Planning Meetings Minutes~~**
- VI. ~~Consent Agenda – None~~**
- VII. ~~Unfinished Business~~**
1. ~~Launch Ramp Fee Increase~~
Presentation by the Port Director
- ~~Committee Questions~~
- ~~Public Comment~~
- ~~Committee Discussion/Action~~
- ~~MOTION: TO BE DETERMINED AT THE MEETING~~**
2. Fritz Cove area
Presentation by the Port Engineer
- ~~Committee Questions~~
- ~~Public Comment~~
- ~~Committee Discussion/Action~~
- MOTION: TO BE DETERMINED AT THE MEETING**
- VIII. ~~New Business~~**
1. ~~Zone Change Litte Rock Dump Area from Waterfront Commercial Industrial to Industrial~~
Presentation by the Port Director



Port of Juneau

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

MEMORANDUM

To: Docks and Harbors Board
OPS/Planning Committee
From: Gary Gillette, Port Engineer
Date: July 8, 2015
Re: Water Access at End of Fritz Cove Road

Background

At the June 18, 2015 OPS/Planning Committee meeting discussion and testimony was heard regarding vehicle/trailer boat launch activities at the end of Fritz Cove Road. The parties presenting testimony offered opinions ranging from blocking the access to vehicular use but allowing pedestrian access; to installing removal bollards to serve cases of emergency or maintenance tasks at Spuhn Island; to leaving it open to vehicle/trailer access; to improving the access for vehicle/trailer use.

The Committee considered the testimony and information presented and voted to table the discussion to allow time for more information to be made available. Since that meeting no additional information has been presented by the public on this issue.

Investigation

Staff consulted with the Community Development Department regarding zoning and permitting issues pertinent to the area. The area is zoned D-1 Residential. Launch ramps are not an allowed use in the D-1 zoning district thus a permit would not be obtainable. Pedestrian beach access is allowed without a permit. Kayak launching would be allowed as it is essentially a pedestrian activity and allowed at any beach access. Developing the property for parking to serve the beach access would be allowed provided there were no services or buildings associated with the lot. A written explanation is provided in an e-mail message from Teri Camery, Planner at CDD and attached to this memo.

Options

Given the zoning information it seems there are a couple options the Committee might consider. They are:

1. Status Quo
2. Close the access points to pedestrian only with use of jersey barriers and provide signs to inform the public of the restrictions of use.
3. Close the access points to pedestrian only with use of removable bollards (emergency and maintenance only) and provide signs to inform the public of the restrictions of use.
4. Secure the existing parking area adjacent to the beach access and provide signs to inform the public of the restrictions of use. Note this is not the parking lot on Fox Farm Trail.

Recommendations

Staff recommends options 2 and 4 for the following reasons:

- Installation of jersey barriers can occur sooner and at less cost than removable bollards.
- The adjacent parking area can be secured with surplus piling pieces at a low cost to Docks and Harbors.
- Signs can be purchased and installed by staff at low cost.
- All the work can be done by Docks and Harbors staff for low cost.

From: [Beth McKibben](#)
To: [Teri Camery](#); [Gary Gillette](#)
Subject: RE: Fritz Cove Road Launch Area
Date: Wednesday, July 08, 2015 3:54:37 PM

agreed

Beth McKibben, AICP
Planning Manager, CDD
City & Borough of Juneau
907.586.0465



Please consider the environment before printing this email.

From: Teri Camery
Sent: Wednesday, July 08, 2015 3:11 PM
To: Gary Gillette
Cc: Beth McKibben
Subject: RE: Fritz Cove Road Launch Area

That sounds fine to me. Thanks for checking.

Teri Camery, Senior Planner
City and Borough of Juneau
Community Development Department
155 S. Seward
Juneau, AK 99801
907) 586-0755

Please consider the environment before printing this email.

From: Gary Gillette
Sent: Wednesday, July 08, 2015 2:56 PM
To: Teri Camery
Cc: Beth McKibben
Subject: RE: Fritz Cove Road Launch Area

One follow-up question.

It was suggested that removable bollards be installed to block the vehicle access. The bollards could be removed with permission of Docks and Harbors for Spuhn Island emergency or maintenance use. Would this be allowed?

From: Teri Camery
Sent: Tuesday, June 30, 2015 3:06 PM
To: Gary Gillette
Cc: Beth McKibben
Subject: RE: Fritz Cove Road Launch Area

Hi Gary,

Thank you for your questions. I've reviewed the CBJ Title 49 Table of Permissible Uses, and have

answers for you below each question as follows:

So, the question is: If this location is used as truck/trailer launch ramp is it allowed by zoning and would it require a permit?

Truck/trailer launch ramps with parking would be classified as Marine Facilities in the TPU, Category 9.600. Marine Facilities are not allowed, with or without any permit process, in the D-1 zoning district, which is the zoning district at the Fritz Cove cul-de-sac.

If it is a pedestrian beach access is it allowed by zoning and does it require any permitting?
Pedestrian beach access does not require any permit and is allowed in all zones.

If D&H were to develop the property for a parking lot for the beach access is this allowed and does it require any permitting?

If it's just pedestrian beach access, without associated amenities such as bathrooms, picnic tables, etc., then my interpretation is that it would stay below the threshold of being classified as a Marine Facility and would be allowed in this zone. If the beach access includes a boat ramp (sufficient for motorized boats as opposed to hand-carried kayaks), dock, restrooms, etc., then my interpretation is that it would be considered a marine facility and could not be allowed in D-1 zoning.

Beth, do you concur?

I hope that answers your questions. Please let me know if you need anything else.

Teri

Teri Camery, Senior Planner
City and Borough of Juneau
Community Development Department
155 S. Seward
Juneau, AK 99801
907) 586-0755

Please consider the environment before printing this email.

From: Gary Gillette
Sent: Tuesday, June 30, 2015 2:10 PM
To: Teri Camery
Subject: Fritz Cove Road Launch Area

Teri

Recently Docks and Harbors Board (D&H) received a letter of complaint and public testimony that folks were launching power boats from trailers at the end of Fritz Cove Road. At some point in time the path to the water was blocked to truck/trailer launching but someone moved the rocks thus allowing motor vehicle access. The complainant suggested that D&H block the path to the water to motor vehicles but allow pedestrian access which would also allow access for kayakers.

In subsequent testimony we heard from another person who is building a house on Spuhn Island and suggested that we block the path with removable bollards such that if there were repair or maintenance work needed at Spuhn Island one could get a key from D&H to allow access. He also suggested we develop a parking area on adjacent city land for this beach access. In follow-up testimony we heard from some folks that truck/trailer access has been occurring for many years and that it should continue to be allowed at all times. They objected to blocking it off and suggested making improvements.

So, the question is: If this location is used as truck/trailer launch ramp is it allowed by zoning and would it require a permit?

If it is a pedestrian beach access is it allowed by zoning and does it require any permitting?

If D&H were to develop the property for a parking lot for the beach access is this allowed and does it require any permitting?

Thanks for any information you can provide.

Gary



Gary H Gillette, Architect

Port Engineer

155 S. Seward Street

Juneau, Alaska 99801

907-586-0398

907-586-0295 (fax)

gary.gillette@juneau.org **Please Note New E-Mail Address**

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2. Fritz Cove Area

Mr. Gillette said I contacted the Zoning Department and they said this area is zoned D-1 Residential. Launch Ramps are not allowed in areas zoned D-1 Residential. However, pedestrian beach access is allowed. We can offer a parking lot, but no buildings or services are allowed. My recommendation is to install jersey barriers. We can do this immediately and it will cost less than other options. We can secure the adjacent parking area with surplus pilling that we have and staff can install signs.

Public Discussion

Dave Hannah of Juneau, AK

Mr. Hannah said I did testify on this subject at the last meeting we had. This may not be permitted if it was a designated launch ramp area under the current zoning, but it predates the City and Borough of Juneau, AK. The use of this ramp has been going on long before the borough existed out at the Fritz Cove area. As such it is technically grandfathered in. I am familiar with this because I use properties for uses that would not be permitted in today's zoning. Since those uses began prior to the formation of the borough they are permitted to continue. It is debatable that launching is not permitted there. I would also like to point out that this has been going on for more than 50 years and no one has complained until now. We have one person who complains but there is no foul here; no one is trespassing on this person's property or denying them access to their property. There is no harm being done to this complainant. Before you take an action that might be unnecessary I think it deserves a lot more consideration. If you do decide to block it off I would like to sell you the jersey barriers. I'm the guy who makes them. I don't think it is the right answer. I think a gate would make more sense though.

Loren Domke of Juneau, AK

Mr. Domke said I am the most recent complainant, but there have been other people. I think the reason the Harbor Board has received resistance is that it is convenient for Spoon Island contractors who are building out there to use this area. So you have a small section of the population who want to use that area. There have been well over a dozen people using that launch area this week and most of them have been different people. I think that denies the Docks and Harbors launch permit fees. My observation has been that it is getting worse. As far as grandfathering, I have lived within 150 feet of the Fritz Cove area, and at first there was just a trail. No one took a trailer up and down because it was impassable to trailers after Spoon Island was developed. It is a recent development and it has been getting worse every year.

Committee Discussion/Action

Mr. Donek said my concern is that it is now a trail down to the water. I would like to see something that is openable without having to get a crane out there. I see the use of

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Wednesday, July 15th, 2015

the Fritz Cove area increasing if we do not control it. I am in favor of blocking it off. I would like to see a way of opening the area up in case of an emergency. Can we install a gate? I don't think it would be too expensive.

Mr. Simpson said it does not seem like a very big problem in the scheme of things. I don't know how much money we should spend on this, which is why I like the Jersey barrier option.

Mr. Donek said it is not a big problem now, but I don't want it to become a bigger problem.

Mr. Gillette said the problem with gates is that you don't have access for the pedestrian unless you go around it. That might turn into more excavation and that would lead to increasing the footprint of what is already there. If you want something removable we can go with bollards.

Mr. Simpson said I have not been able to go to the area to see what it looks like. I do not want to have staff go in a particular direction without knowing what it is like over there.

Mr. Logan said I am fine with Jersey barriers. I do not see a need to have emergency access. Emergency crews can go to Statter Harbor or another launch ramp for easy access to the water. It is just for utility crews and if they are out there working they can bring out their equipment and remove the Jersey barriers.

Mr. Janes said we have had historical use of the area that we now find is not permitted in the current zoning. We should study this for a few more months. I don't think we need to decide right now. Mr. Domke can keep us informed as to the use out there and will let us know if it gets out of control. There are people on Spoon Island who purchased there knowing they could use the Fritz Cove area to load necessities in their skiffs. They could use the Auke Bay Loading Facility. I would like to walk the area and think about it so we can make an educated decision.

VIII. ~~New Business~~

~~1. Zone Change Little Rock Dump Area from Waterfront Commercial Industrial to Industrial~~

~~Mr. Uchytel said the Community Development Committee explained what a zoning change would do from Waterfront Commercial Industrial to Industrial. That is what the city engineer would like to do. He has applied for that zoning change and the Planning Commission has denied it. It was then appealed to the Assembly and they tabled it. This past week the Committee of the Whole took up discussion on this and the direction from the Board was to bring the issue to the Operations and Planning Committee for further discussion. Do we need to take a proactive response to this?~~

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, August 12th, 2015

- I. ~~Call to Order~~ (5:00 p.m. in the CBJ Assembly Chambers)
- II. ~~Roll Call~~ (Budd Simpson, Bob Janes, John Bush, David Summers, Tom Donek)
- 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 July 15th, 2015 Operations/Planning Meetings Minutes~~
- VI. ~~Consent Agenda~~ - None
- VII. **Unfinished Business**

- 1. Fritz Cove Road - Zoning Issue
Presentation by Port Engineer

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING

- 2. ~~Douglas Harbor 35% Design & Budget Review~~
~~Presentation by Port Engineer~~

~~Committee Questions~~

~~Public Comment~~

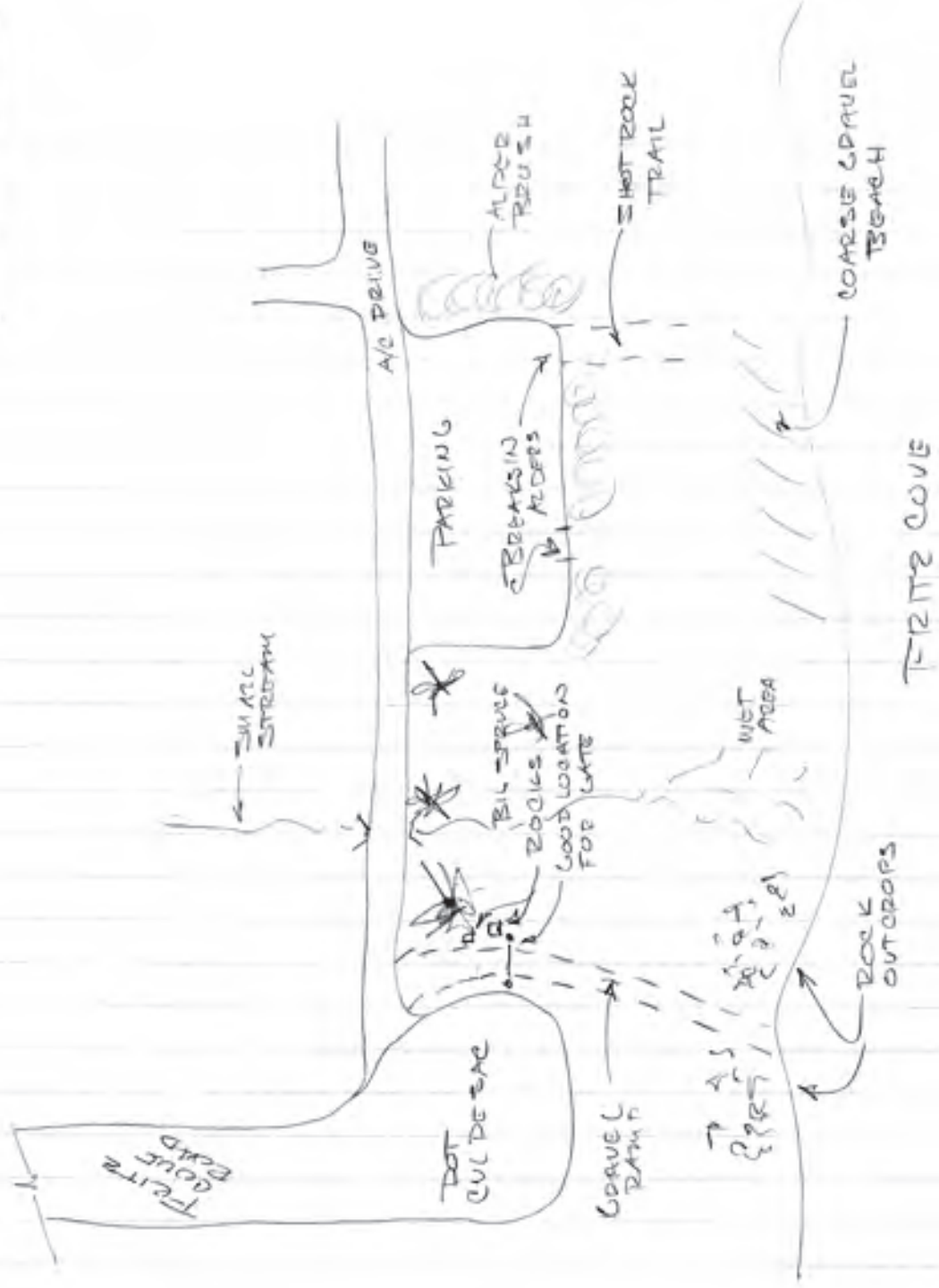
~~Committee Discussion/Action~~

~~MOTION: TO BE DETERMINED AT THE MEETING~~

- VIII. ~~New Business~~ - None

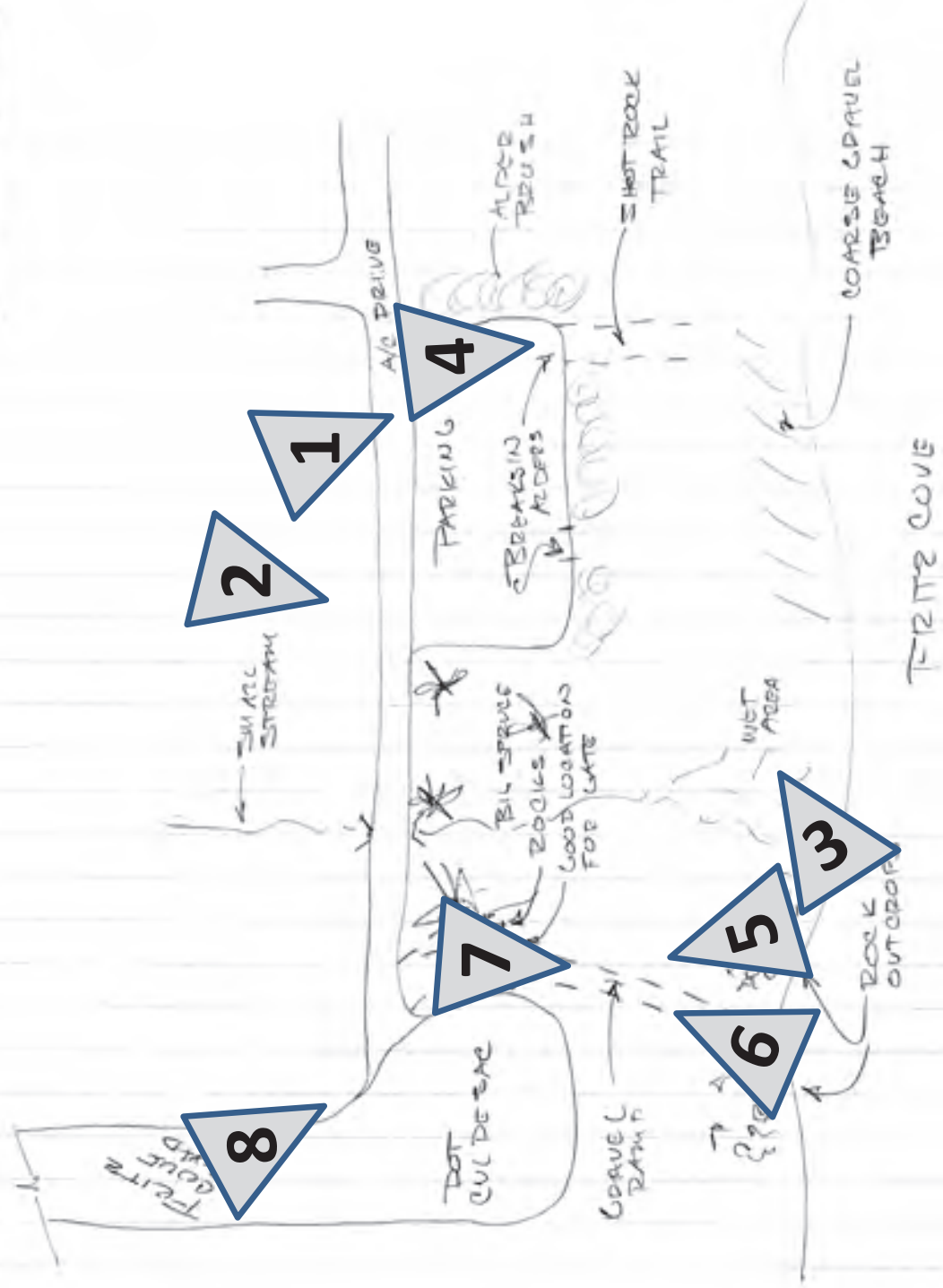
Fritz Cove Road Beach Access

JULY 16, 2015



Fritz Cove Road Beach Access

JULY 16, 2015



5 Location and Direction of Photo



Photo 1



Photo 2



Photo 3



Photo 4



Photo 5



Photo 6



Photo 7



Photo 8

Loren Domke/Kathy Nielson
965 Fritz Cove Rd.
Juneau, AK 99801

JUL 30 2015
CBJ Manager's Office

July 27, 2015

Ms. Kim Kiefer, City Manager
City/Borough of Juneau
155 S. Seward St.
Juneau, AK 99801

Re: Exhaustion of city remedies/Limitation of vehicle access to utility easement/end of Fritz Cove Rd.

Dear Ms. Kiefer:

Our intent in writing is to determine if the city will enforce a zoning restriction on motorized beach access in our neighborhood. Specifically, we have been requesting since early April that the city close the unauthorized boat launch ramp and vehicle access across the beach at the end Fritz Cove Rd. A copy of our original letter and a relevant Docks and Harbors staff memo of July 8, 2015 are enclosed for your interest. Without going into the multi-year history of this unpermitted launch ramp, **CBJ staff have concluded that vehicular access may not be permitted in this neighborhood (a D-1 single family residential zone) under any circumstances absent a zone change for the entire area.**¹ Our request has been under consideration for four months by the OPS/Planning Committee of the Docks and Harbors Board. At the July 15 OPS/Planning meeting, despite the July 8 staff memo, the committee refused to take action on the matter, leaving the access open and our request effectively tabled.²

We have several suggestions to move forward:

- **Move the request to a vote of the entire Board.** The OPS/ Planning Committee on July 15 were unwilling to move on the recommendation in the July 8 staff memo and thus on our request for closure of the unauthorized access, despite a previous several month delay at the request of two committee members. At the

¹ July 8, 2015 Port Engineer Memo, page 1.

² Apparently, our request is again going on the agenda at the next OPS/Planning Committee meeting in August. Given the history of this issue, we expect more slow rolling through the fall without bringing the matter to a vote.

very least, our request should come before the entire Board for a vote without more delays.

- **Return lands jurisdiction to Parks and Recreation.** The launch ramp and two immediately adjacent parcels, designated for parking, should be returned to management by Parks and Recreation. The predominant uses for the beach always have been and remain recreation by pedestrians and as a non-motorized kayak/canoe launch area (with boats hand carried to the beach). The predominant uses in a docks/harbor zone are marine-related commercial uses. The Table of Permissible Uses, Category 9.600, prohibits commercial/ marine-related activities in a D-1 zone. There is no logical reason for Docks and Harbors to have jurisdiction over an area which may not be developed for marine related commercial uses, including a truck/trailer launch ramp.³
- **Exhaustion of city remedies.** Our ordinances have clear appeal procedures from final decisions by CBJ subordinate bodies and after final assembly action. What is not clear is how to exhaust administrative remedies when a subordinate body declines to act on a matter before it.

We request either that our request be acted on by the appropriate CBJ agency or that we be advised there is no further administrative remedy before CBJ. Thank you.

Yours very truly,


Kathy Nelson/Loren Domke

³ Members of the OPS/Planning Committee expressed surprise that lands control had been delegated to Docks and Harbors. It is not apparent how the city made the lands management assignment.

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OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, August 12th, 2015

I. ~~Call to Order~~

~~Mr. Simpson called the meeting to order at 5:00 p.m. in the Assembly Chambers.~~

II. ~~Roll Call~~

~~The following members were in attendance: John Bush, David Summers, Tom Donek, Bob Janes, and Budd Simpson.~~

~~Also in attendance were: Carl Uchytel—Port Director, Gary Gillette—Port Engineer, Dave Borg—Harbormaster, and David Lowell—Board Member.~~

III. ~~Approval of Agenda~~

~~MOTION By MR. JANES: TO APPROVE THE AGENDA AS PRESENTED.~~

~~Motion passed with no objection.~~

IV. ~~Public Participation on Non-Agenda Items—None~~

V. ~~Approval of Previous Meeting Minutes~~

~~MOTION By MR. JANES: TO APPROVE THE July 15th, 2015 Ops/Planning Meeting Minutes AS PRESENTED AND ASK UNANIMOUS CONSENT.~~

~~Motion passed with no objection.~~

VI. ~~Consent Agenda—None~~

VII. Unfinished Business

1. Fritz Cove Road – Zoning Issue

Mr. Gillette said at the last Ops meeting there was a recommendation by staff to use bollards to block off the area used as a launch ramp and to secure the small parking area with signs that relate to beach access. The Community Development Department (CDD) indicated it is not able to be zoned for a boat launch. Since the last meeting, committee member Tom Donek went down to the area, drew a map, and took some pictures which are included in the packet. Docks & Harbors also received a letter to the City Manager written by Kathy Nielson and Loren Domke, which is in the packet. There is no other new information to add.

Mr. Simpson said he also did a site visit and it was helpful to his understanding of the area in discussion.

Committee Questions

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Mr. Janes asked if the area could be grandfathered in as a historic access area regardless of the current zoning?

Mr. Uchytel said he spoke with a CDD staff member who did not think it merited “historic use,” but we are still waiting on a decision from the CDD Director

Mr. Simpson asked Mr. Gillette to elaborate on the zoning issue.

Mr. Gillette said CDD confirmed that in the D1 (Density 1 unit per acre) zoning district, a launch ramp would not be allowed. We could not apply for a permit to build a launch ramp there.

Mr. Simpson asked if there is one there already, is it just a question of historic use?

Mr. Gillette said it is a question of whether it actually has historic use, and how far that goes back. Some of Mr. Domke’s testimony indicated that it didn’t see use until Spuhn Island was developed, and that probably wouldn’t be classified as “historic.” It’s also never been designated as a launch ramp. If it were a designated launch ramp and the zoning changed, that’s when you typically get “grandfather” rights.

Public Discussion

Ed Grossman of Juneau, AK

Mr. Grossman said he is building a house on Spuhn Island. He’s been before the Board and has read the minutes from the last meeting. It’s helpful to know the zoning issues out there, but the bigger issue is that regardless of zoning, you have a current use there that isn’t a problem. You have a conjecture that someday somebody will launch a big boat. You have complaints by one, maybe two neighbors that just don’t like the idea. You should be embracing this opportunity to take some of the pressure off some of your other overflowing launch sites. Currently, the Harbor people are parking in the road this weekend. Auke Bay Harbor is so full that people are anchoring in the bay because they can’t tie up, and inside the bay they’re tying 3, 4, and 5 deep. Allowing some place for small craft to access the Channel Islands, or for folks like Mr. Grossman to bring materials back and forth is a valuable asset. There is parking in this area and a hardened beach. People like him aren’t asking you to develop a launch ramp, because it’s already there, and there is no maintenance to the City. He said he had also brought up at a few meetings that the reason for some of the complaints about people parking along mailboxes and such, is because that current parking area at the corner of Fox Farm doesn’t allow for overnight stay. That was built as a mitigation for the subdivision out there, and you could correct some of that congestion around the residences or their mailboxes by changing that to allow a 4 or 5 night stay or allow for holiday weekend use of Channel Islands. If you decide that there is a need to close off this access, please use something that is less of a hassle to move for legitimate use for locals, a utility company, emergency access, etc. Bollards or a gate are definitely much better solutions than jersey barriers where you need to bring in an excavator.

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Dave Hanna of Juneau, AK

Mr. Hanna said he would just like to reinforce everything that Mr. Grossman said and agrees 100%. He added that he remembers the launch area that comes down out of the parking lot was being used as far back as the 1960's to launch skiffs, most of which were being moored out there. There is a historical use there, not unlike the Tee Harbor beach launch. He believes that's also D1 zoning and people can drive down on the beach and launch their boat at that location. He doesn't understand where the problem is. There's really no damage being done to anyone. If there is concern about people parking by the mailboxes, opening up that parking lot at the entrance to fox farm would be an easy and free solution. Mr. Hanna reinforced the gate idea. It would actually be fairly easy to construct a pair of swinging gates that locked open at about 6 or 6 ½ feet wide. If we are bound and determined to close it off so nobody can back their pickup with a boat down there, at least the people that have 12 or 14 foot skiffs with big beach wheels on the back could get to the water. In the time he's spent working on the island in the last four or five years, it's amazing how many people he sees coming out of there in little skiffs and inflatables to go out to all the little islands.

Savannah Worley of Juneau, AK

Ms. Worley asked how Docks & Harbors would regulate having only small crafts going down? How much harbor staff time is it going to take to regulate that ramp, gate, bollard, jersey barrier, or whatever you want to put there? How are you going to make sure that only the people with small crafts are using it? It's still going to be abused, and the parking will be abused. Regulating that kind of stuff is going to be a tough deal for Harbor staff.

Committee Discussion/Action

Mr. Janes said he hates to fix something that's not broken and he's afraid that we're going to break something that's not broken. He's not for having another regulation in our books if we don't really need it. He doesn't know of anything that has ever happened out there that has caused damage or harm to any of the neighbors. It's not going to be over-used because there's not going to be a place for people to park. He said he is swaying towards the idea of leaving it as it is now, not taking up the harbor staff's time to try and regulate it, and carrying on as we have been for many years. If a problem arises then we deal with it.

Mr. Donek said it is difficult to make a decision with the zoning issue up in the air. If it can be done with the zoning restrictions out there, he would like to put an openable gate across it versus putting something that permanently closes it off. He can see the need for beach access, but he can also see the real potential for abuse, if we just leave it open. He can see why people like Mr. Grossman might want to use it. If it's legal to do, he would suggest a lockable gate and Mr. Borg's staff would be in charge of allowing people to use it if they have a legitimate reason to use it other than launching a recreational boat.

Mr. Summers said there are problems and we have complaints from people who don't like motorized use out there in our packets. It's a simple matter of do we manage that property or not? If we manage the property we can develop it as a boat launch or not, and there are fees

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associated with that for users just like everything else. If we manage it, we either have to close it or operate it. There are problems in the neighborhood, some people don't like it, so it's not fair to the people that submitted their complaints for us to sit here and say that it's not a problem. Mr. Summers said he doesn't think it's clear whether it's our space or not.

Mr. Bush asked for clarification whether this is a DOT right-of-way?

Mr. Gillette said it's CBJ property managed by Docks & Harbors. It's accessed off the DOT right-of-way, but the actual area that's used for launching is on CBJ property.

Mr. Donek asked if we need a driveway permit from DOT to have that there, since it does come off the side of the DOT right-of-way?

Mr. Gillette said the driveway that comes off the DOT right of way is the driveway that splits our lot in half and there's some sort of easement or use agreement that accesses those houses back there. The access to this ramp comes off of that, so we've already got a driveway there. As far as the CDD issue, it's clear that it's not zoned to allow a launch ramp, it's the grandfather issue of how they interpret the historic use. To answer a question that was brought up in testimony, Tee Harbor launch ramp area is not owned by the City, that's on State land and it's zoned waterfront commercial, so they could actually apply for a ramp permit there. It is different, it's not the same scenario that we have.

Mr. Summers liked the suggestion from the public comment period that if we were to create a barrier of whatever kind, it should still allow for consistent use by non-motorized vehicles, such as a skiff small enough to carry. That might mean that you could carry a motor too, throw it on there and scoot across to Spuhn Island and that wouldn't be much different than a kayak launch, if a kayaker had an assist motor. He doesn't think that includes trailer parking, you would have to put it in the back of your truck.

Mr. Donek said that type of access is already available from our little parking lot. There are two access points, one at the far end of the parking lot and another one to the west. As far as launching non-motorized carry-downs, whether they are skiffs or kayaks, that function is already well served out there from our parking lot. It's actually nicer because it's several feet lower in elevation and you don't have to climb the hill to get up to the road.

Mr. Simpson said we're not talking about restricting motorized vessels, we're talking about motorized access on the beach. He is receptive to the suggestion that some kind of a gate as opposed to a jersey barrier might be a good way to go, because then at least if we changed our minds sometime in the future, or if there's a good reason for somebody to access it, for example a construction project or something that just needs that spot, it would be available.

MOTION by Mr. Donek to direct staff to look into the feasibility of installing a lockable gate across this boat launch area and having it cleared by CDD, and ask unanimous consent.

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Mr. Janes objected that he doesn't know what the gate means, whether it will be opened for only emergency vehicles or whether it will include access by those that have been issued a key. There is a big question as to what that gate symbolizes so he can't support that motion.

Mr. Simpson said this property is managed by Docks & Harbors, and since we've got it, we've either got to give it back to somebody else and do nothing, or we've got to manage it in some way. Putting a gate there that's consistent with what appears to be the correct zoning application for the area at least makes some sense. We haven't developed a comprehensive policy yet for the use of that area, but this at least allows us to begin controlling it.

Mr. Donek said that the motion is to have staff look into the feasibility of the gate. We don't know if we can build a gate or if it will be allowed, and there's no sense in going down the road of how we're going to manage that until we know whether or not we can do it. CDD may come back and say absolutely not, and then we're back to a pile of rocks. Does that clarify your objection, Mr. Janes?

Mr. Janes said it still leaves a lot of unanswered questions, but withdrew his objection.

Mr. Simpson said Mr. Domke suggested that we could transfer this to Parks & Rec.

Mr. Uchytel said we don't need permission to put the gate up, we could do it tomorrow if we wanted. The question for CDD is whether the historical use has any merit, but that's the only thing we need to ask anybody outside Docks & Harbors.

Mr. Simpson said putting a gate in allows us to manage the property, and if we decide that the historical use takes precedent over the local neighbor's complaint, we can open that gate.

Mr. Uchytel said he wants to be careful that this gate is not to establish a launch ramp facility. Once you go down that road, there's going to be expectation that it's managed, maintained, plowed in the winter, etc. He doesn't think that's where staff wants to go with this.

Mr. Donek said if we put up a gate, we have a launch ramp. If the gate is opened, we have a launch ramp. Do we have an illegal launch ramp right now, or can we manage it as a restricted use or permitted use only? If it's not a launch ramp, we're putting rocks in it.

Mr. Gillette said in his discussions with CDD he asked about launch ramp use and they said it is not allowed in that zone. He asked about having a gate that could be opened for emergency use or period use to access utilities or maintenance on Spuhn Island and they said that would be fine.

Mr. Donek withdrew his motion, as the feasibility question has already been answered.

Mr. Summers asked Mr. Borg how it would be for staff to manage a gate out there?

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Wednesday, August 12th, 2015

Mr. Borg said it would be a nightmare. He likes the idea if it's for utility access or emergency vehicles only. He doesn't always have staff that can come unlock the gate because someone did a Home Depot run. It's going to be a nightmare plain and simple.

Mr. Simpson said there's virtually no circumstance under which the Home Depot run couldn't be made from Statter Harbor.

Mr. Borg said the expectation from the public will be that it's going to be available for them to go back and forth. Even if it's a 12 hour notice, it takes 15 minutes for one of my guys from Statter Harbor to run out there, unlock a gate, then hang around for 30 minutes while they drive a truck down and unload it. Then he's got the neighbors coming out and saying "Oh isn't this nice, now you guys are coming down here and using this as a launch ramp." It's just going to be a nightmare.

Mr. Simpson asked what Mr. Borg's suggestion would be?

Mr. Borg suggested to install a gate which will be available for emergency vehicles and emergency access. As much as he would love to make it all work for everybody, it isn't going to work for everybody.

Mr. Simpson said if we put a gate up, it means that we're managing the site. We can open it later if we decide that it should be available for anyone who wants it, but I don't see that happening.

Mr. Borg asked if we would charge for freight loading? It's not a launch ramp, but now we're going to have people saying "I don't want to go pay \$60/hr to sit on the ramp and load up gear so I'll just have Docks & Harbors open the gate and I'll pull my drop down up there and load it up."

Mr. Janes said until he hears from the Law Department or someone who can give us a certainty on this historic use that has been benign and rather passive, he doesn't feel that he can really make a good decision on this. If it is historically legal to do and there are no problems that have occurred, he tends to want to leave it alone.

MOTION By MR. BUSH: TO CREATE JERSEY BARRIERS WITH A GAP NO WIDER THAN 6 FEET, PUT THEM IN PLACE AND BE DONE WITH IT, AND ASK UNANIMOUS CONSENT.

Mr. Summers objected because he would rather see a gate that could be opened for emergency services or utilities. He offered an amendment that there be a locking gate installed with the following policy: to be opened for emergency use only at the discretion of the Harbormaster or the Port Director, with the follow up that the 6 foot space be available.

Mr. Simpson said the 6 foot space is available at the other place. The gate could close it off and people with canoes and kayaks still have as much access as they need.

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Wednesday, August 12th, 2015

Mr. Summers said the idea being, speaking to other comments, if in the short term we hear from the CBJ Law Department there is a historical use, the gate would go, and we haven't made a major investment.

Mr. Simpson said the gate can just be opened too. So there is a motion which is essentially to install a gate. It's Mr. Bush's motion as amended by Mr. Summers, and consented to by Mr. Bush.

Mr. Donek asked if this goes to the full board for further discussion?

Mr. Simpson said yes, it has to, and asked for a vote.

John Bush – Yes
David Summers – Yes
Tom Donek – Yes
Bob Janes – No
Budd Simpson – Yes

Motion passed 4 yes – 1 no.

~~2. Douglas Harbor 35% Design & Budget Review~~

~~Mr. Gillette said staff is reviewing the 35% design submittal from our consultants, PND Engineers. Mr. Somerville is here to answer any questions, and staff would like to continue moving forward with the design process.~~

~~Mr. Uchytel added that the design we're looking at right now would require the Board to use \$1.2 million of Harbors fund balance.~~

Committee Questions

~~Mr. Lowell asked if our dredging permit precludes us from adding additional volume beyond what's shown in the plan?~~

~~Mr. Gillette answered yes, since the Corps of Engineers is dredging the historic footprint. Originally, there was a different plan that had additional dredging area, but it added to the cost and by the time all the environmental requirements for the permit were met, the cost was prohibitive.~~

~~Mr. Lowell said the clear space behind the 24' slips on the south side of the harbor is a very tight area. He would consider trying to put more transient and skiff moorage there in lieu of the 24' slips. He's not aware of the demand for the 24' slips. He suggested to trade and add transient moorage on the backside and install more 24' slips somewhere along the walk floats.~~

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, August 27th, 2015

~~Mr. Nankervis said another part of this is to not do reply all because it would be conducting business and would be in violation of the Open Meetings Act. Conducting business on the Juneau.org emails is the safe way to go.~~

~~Mr. Peterson asked if these emails were monitored by the City Clerk?~~

~~Mr. Uchytel said no. The concept is once you go to the server, you give up your privacy. Also unless you save your emails to another area, after 90 days the emails will be deleted.~~

~~Mr. Donek asked when this takes affect?~~

~~Mr. Uchytel said immediately.~~

~~Mr. Nankervis said the account isn't monitored, but recoverable.~~

~~Mr. Uchytel said there is also a telecommunication policy that will need to be signed by all the Board members.~~

X. Committee and Member Reports

1. Operations/Planning Committee Meeting – Wednesday August 12th, 2015

Mr. Simpson reported the Committee heard;

- The Fritz Cove access issues – There are two legitimate but opposing point of view. The Committee decided to put a lockable openable gate at the ramp access. This will still be accessible for kayaks and smaller non-trailerred vessels.
- ~~The 35% Douglas Harbor Design~~
- ~~Mr. Summers made motions to address at a future meeting relating to relationships between Harbor staff and Harbor Patrons.~~

~~2. Finance Committee Meeting – Thursday August 20th, 2015~~

~~Mr. Peterson reported the Committee heard;~~

- ~~The 35% Douglas Harbor Design~~
- ~~Appointed the Finance Committee Vice Chair – David Lowell~~

~~3. Member Reports – None~~

XI. ~~Port Engineers Report –~~

~~Mr. Gillette reported;~~

- ~~Statter Harbor is still on schedule and moving forward.~~
- ~~The Cruise Ship Berth project begins September 16th.~~
- ~~Aurora Harbor is in the final close out.~~

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA
For Thursday, September 24th, 2015

I. ~~Call to Order~~ (5:00 p.m. in City Hall Conference Room 224).

II. ~~Roll~~ (John Bush, Tom Donek, Bob Janes, Robert Mosher, David Lowell, Mike Peterson, Budd Simpson, David Summers, and Tom Zaruba).

III. ~~Approval of Agenda~~

~~MOTION: TO APPROVE THE AGENDA AS PRESENTED.~~

IV. ~~Approval of August 27th, 2015 Regular Board Meeting Minutes.~~

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

VI. ~~Consent Agenda~~—NONE

VII. Unfinished Business

- ~~1. Public Hearing—Notice of Proposed Changes to Regulations
Amendment of Title 05, Chapter 20 (Small Boat Harbor Fees and Charges)
Presentation by the Port Director~~

~~Board Questions~~

~~Public Comment~~

~~Board Discussion/Action~~

**~~MOTION: TO APPROVE PROPOSED REGULATIONS CHANGES AND THAT
ASSEMBLY TAKE ACTION TO ADOPT.~~**

2. Fritz Cove Beach Access Gate
Presentation by the Port Engineer

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DETERMINED AT THE MEETING.

Gary Gillette

From: Beth McKibben
Sent: Tuesday, September 08, 2015 2:56 PM
To: Carl Uchytel; Gary Gillette
Cc: Rob Steedle; Teri Camery
Subject: Friz Cove Boat Ramp

CDD has reached a conclusion, summarized as follows:

- Boat ramps without associated facilities are not specifically listed in the Table of Permissible Uses.
- Public moorage is allowed in the D-1 zoning district with a Conditional Use Permit. A boat ramp could be considered a lesser impact of moorage, though moorage is not part of this proposal. Moorage could be added with something as simple as a mooring buoy.
- Marine Commercial Facilities are not allowed in the D-1 zoning district according to the TPU. The proposed boat ramp could be restricted from commercial use through conditions and design, if needed.
- In response to these points and other code technicalities, we have concluded that the code could both support or deny use of a boat ramp in this area. We support putting the use under a marine commercial facility just because it doesn't fit well under anything else in the code. This would mean that the use is denied.
- We recommend, based on our best interpretation of the code, that a boat ramp not be allowed. If this interpretation is challenged, the Docks and Harbors Board or some other entity could take the issue to the Planning Commission for a Use Not Listed determination. Another option is to request an code amendment to the TPU to specifically list boat ramps as an option. That would be the best resolution because it would settle the issue not just for this case and this area but for all zoning districts.

Beth McKibben, AICP
Planning Manager, CDD
City & Borough of Juneau
907.586.0465



Please consider the environment before printing this email.

From: [Teri Camery](#)
To: [Gary Gillette](#)
Cc: [Beth McKibben](#)
Subject: RE: Fritz Cove Road Access - Grandfather Rights
Date: Friday, September 18, 2015 12:00:15 PM

Hello Gary,

Thank you for your questions.

A use is considered a grandfather right if it was an established use at a time when it was legal in the code. In this case, we don't have information on when the use began or how long it continued, so we can't determine if it was an established legal use at the time and therefore a grandfather right. If the use has been discontinued for a year, then the grandfather right (more formally known in CBJ code as a legally non-conforming use) goes away.

Please let me know if you have further questions.

Cheers,
Teri

Teri Camery, Senior Planner
City and Borough of Juneau
Community Development Department
155 S. Seward
Juneau, AK 99801
907) 586-0755

Please consider the environment before printing this email.

From: Gary Gillette
Sent: Tuesday, September 15, 2015 3:14 PM
To: Teri Camery
Cc: Beth McKibben
Subject: Fritz Cove Road Access - Grandfather Rights

The Fritz Cove access issue is not done yet. We have been asked to bring this to the Harbor Board on Sept 24.

One outstanding issue is grandfather rights. At one of our meetings someone asked about GF rights because he remembered launching a boat with his father back in the 1960s or thereabouts. On the other hand we heard from someone else that the problems only started when a contractor moved the rocks which blocked access to the beach in about 2005 when they were developing Spuhn Island.

Could you please inform us of what constitutes GF rights and how long do they apply?
If the access was indeed blocked – how long would the access need to be blocked to affect GF rights?



Gary H Gillette, Architect

Port Engineer

155 S. Seward Street

Juneau, Alaska 99801

907-586-0398

907-586-0295 (fax)

gary.gillette@juneau.org **Please Note New E-Mail Address**

From: [REDACTED]
To: [Jennifer Shinn](#)
Subject: Fritz Cove Access
Date: Tuesday, August 18, 2015 1:04:43 PM

Hi Jennifer:

I'll be out of town next week, so please provide these comments to the Docks and Harbors Board regarding Fritz Cove/Smuggler's Cove access for the Aug 27 meeting. Thank you.

Dear D&Hs Board:

I was pretty discouraged at the result of the most recent D&Hs operations committee meeting regarding the poor decision on the end of Fritz Cove salt water access point. It was decided to recommend to the full Board that the end of Fritz Cove be gated and no access allowed except emergency vehicles. I beg of you to be more foresightful in your decision.

The facts are these:

- Mr. Domke, the complainant, has no case for asking you to close off access at the end of FCR. His personal property is not being trespassed upon or otherwise damaged by current use of the public access point.
- This access has been used by folks launching small motorized and non-motorized craft for decades without issue. There remains no issue.
- No resource damage is occurring and there is no safety concern.
- A gate closing off access to everyone except emergency vehicles is useless to the public.
- If gated, a key can be signed out at the Auke Bay Harbor office for legitimate purposes. A small admin fee could be charged, and a deposit for the key taken. This is a very small administrative task requiring nobody to leave the office as Mr. Borg has suggested would be needed.
- You have yet to address the overnight parking prohibition for the lot at the corner of Fox Farm and FCR. Allow overnight parking so this can change from a basketball court back to a useful parking lot for those camping in the Channel Islands.
- With a naturally hardened beach, and ample parking, you should be embracing this area for the launching of small craft rather than thwarting it. You are overflowing at Amalga and Auke Bay, and maybe the other launch sites, thus it makes no sense to close off the FCR launch.
- Mr. Donek wishes to shut off access because somebody, someday may try to launch a larger vessel. This is pure speculation. Why would someone with a sizable boat do this when it's much easier at a harbor launch ramp with a dock? Even if this occurred, what's the problem? Would this speculative person do this twice?
- Mr. Janes has put it best; closing off the FCR launch access is breaking something that is not broken. Please reconsider the Operations Committee recommendation. It's expedient in addressing an exaggerated complaint and pure speculation of what could happen, but damaging over the long term by removing viable public salt water access options for Juneau residents.

Thank you,
Ed Grossman

From: [REDACTED]
To: [Jennifer Shinn](#)
Subject: Fritz Cove Access
Date: Tuesday, August 18, 2015 7:50:01 PM

Hi Jennifer,

My wife and I are unfortunately out of town during the Docks and Harbors board meeting on August 27th, 2015, that is regarding the possible closing of small boat access and fencing at the end of Fritz Cove Road.

Please use this letter as our testimony opposing the closing of this important access point.

We are writing today to again express our dissatisfaction and disbelief that the board would move to close this access to the Juneau public.

Our reasons for not closing this access point are as follows:

1. No current problem exists. We live on Spuhn Island and have a direct view of this area. The usage we see are families, small groups of people or single kayaks launching very small vessels. This would include small skiffs with small motors on trailers, kayaks, and dingys in order to recreate in the area; whether kayaking around the small islands, picnicking, or camping at Suedla Island. Many local families as well as teenagers use Suedla Island for overnight camping. To require these groups to put in at Douglas or Statter Harbors would create a safety concern for many of these smaller vessels.
2. No resource damage is being caused and the usage is small for trailered vessels and it seems perfectly safe. It is my understanding that the usage has been ongoing for decades.
3. With the high usage occurring in facilities such as Statter, Douglas, and Amalga Harbors to shut down this location would only cause problems where no problems exist. And it makes it harder for people to recreate around these small islands.

Please consider the above facts. A no action vote would allow the public to continue to have a safe and close access point to enjoy recreating around these small islands. And keep these people in smaller vessels safer with this access point instead of having to go over such large bodies of water to get to these areas.

Thank you for your consideration in this matter.

Sincerely,

Kurt And Debi Henning

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, September 24th, 2015

~~Mr. Uchytel said the moorage fees are July to June because that is the fiscal year for all CBJ.~~

~~Mr. Borg said administratively that would not be a good idea because he would not have enough people. The fees timeline currently works.~~

~~Mr. Donek said to answer Mr. Damon's questions, the Commercial Launch ramp fee applies to Commercial users not someone who wants to pull their boat out one time. If you want to use the launch ramp one time, there is a \$15 daily use fee.~~

~~Mr. Damon asked if he could launch and retrieve several times on the same day.~~

~~Mr. Borg said yes if it is the same day.~~

~~Mr. Borg said to answer Mr. Damon's question on purchasing another trailer in the middle of the season, a person would need to bring in their registration and proof of purchase and that person would receive another permit.~~

~~Mr. Simpson said there has been a lot of time spent on multiple trailers in the same family. The proposed changes are an effort to try to curtail potential abuses but still recognize people that had different boats for different purposes when in fact they were only going to use one at a time.~~

~~Mr. Donek would like after annual "(January 1 to December 31)".~~

~~Mr. Orman said that sounded good.~~

~~MOTION By MR. SIMPSON: TO APPROVE THE PROPOSED REGULATION CHANGES TITLE 05, CHAPTER 20(SMALL BOAT HARBOR FEES AND CHARGES) RELATING TO THE LAUNCH RAMP FEES AND REFER TO THE ASSEMBLY FOR ACTION AND ASK UNANIMOUS CONSENT.~~

~~Motion passed with no objection.~~

2. Fritz Cove Beach Access Gate

Mr. Gillette said this has been discussed several time. The last directive was to install a gate but there was still a question on the grandfather rights issue. He said he did research and a "use" is grandfathered in if it is an established use at the time and it was legal in code. Mr. Gillette said there was testimony from an individual that remembered launching a boat when they were a young kid. Mr. Gillette said he is not sure that is now established as a legal use. He researched in the codes as far back as 1972, and there wasn't anything said about that. Mr. Gillette said there was also testimony that there wasn't an

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, September 24th, 2015

issue until the rocks that blocked the access were moved in 2005 when they started developing Spuhn Island. With that testimony he knows there was some period the access was blocked. If that use was abandoned for a year, you lose grandfather rights. He asked direction from the Board how they would like him to proceed.

Board Questions -

Mr. Zaruba asked why the Board is looking into this?

Mr. Donek said some of the people that live on Fritz Cove road don't like that area being used as a launch ramp and others have come in and said they like it and use it. It was also a surprise for the Board that Docks & Harbors manages this area. The Board needs to decide if this needs to be blocked off with rocks or a gate that can be opened to allow access for people taking supplies to Spuhn Island. Even with a gate, there will still be adequate kayak access and a parking area.

Mr. Mosher asked if there was an option to just leave it as is?

Mr. Simpson said it is in our jurisdiction and with competing interests in play, Docks & Harbors Board is forced into a position to decide what to do. Leaving it like it is would be one option. The Board decided over quite a bit of testimony that a good compromise would be to install a gate. This would not be permanently blocking this off and still allow foot traffic and kayak use. It would also allow some boats that would need to use this area get an access key from the Harbormaster.

Mr. Gillette said launch ramps are not allowed in that zone. Also, when someone comes and complains to the Board it is the Board's responsibility to address the situation.

Mr. Janes said he does not like the situation the Board has been put in. He said he would like to just leave it alone. It hasn't been a problem and people use it. However, the Board is put into a situation that something needs to be done. He recommends;

1. Leave alone for a year and see what happens.
2. Do the minimum restrictions so kayaks and small skiffs still have access.

Mr. Donek said the Board needs to decide because this is an illegal boat launch ramp that is not allowed to be there. Mr. Borg has a problem if it is open, he will need to manage that area. The gate was an attempt to give Mr. Borg something to work with instead of just an open area.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, September 24th, 2015

Mr. Zaruba recommended to put a gate in and revisit this issue in a year to see how it worked.

Mr. Simpson said that is what has been proposed and someone can come back at any time and say that solution is no good and the Board can revisit this issue at that time.

Mr. Zaruba said he would like this revisited in a year just to see what it looks like.

Public Comment

Tom Williams, Juneau, AK

He said he does launch his kayaks from that launch ramp. He said leaving it alone would be a good approach, however, if it is inconsistent with the use from CBJ, he doesn't understand why there is a compromise? You can either use it or you can't. If you can't use this to launch boats, than you shouldn't put a gate in that still allows some people to be able to launch. He said he would object to putting a gate there. He recommends to block off this area with rocks and revisit this issue in a year. He also recommended to put signs up in the parking area stating this is Harbor parking. He said this is Harbor owned so the Harbormaster will still need to do enforcement there.

Board Discussion/Action -

Mr. Donek said if this was left open, it will remain a launch ramp. As soon as a gate was installed, it was no longer a boat launch ramp and would be taken out of the CBJ code issue and would be a controlled use beach access.

Mr. Simpson said the access would be given for emergency situations and not intended for a public launch ramp ever again.

Mr. Donek said staff has been given direction to put up signage.

Mr. Gillette said CDD did say emergency situations would be an allowable use.

Mr. Janes asked if large boulders could be placed there and see what happens.

Mr. Gillette said there were boulders blocking the access and the contractors working on Spuhn Island moved them.

Mr. Janes said he launches his kayaks with a trailer and so if this is blocked off there would be discrimination toward certain kayak users.

MOTION By MR.SIMPSON: TO DIRECT STAFF TO PLACE A LOCKABLE LOCKED GATE AT THE FRITZ COVE BEACH ACCESS POINT SUFFICIENT TO PREVENT BOATS ON TRAILERS FROM GOING DOWN THE RAMP AND

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, September 24th, 2015

INSTALL SIGNAGE IN DEPARTMENT CONTROLLED PARKING AREAS IN THAT LOCATION AND GATE ACCESS ONLY BE OPEN FOR EMERGENCIES AND ASK UNANIMOUS CONSENT.

Mr. Janes objected.

Mr. Donek called for a vote.

Bob Janes – No

Robert Mosher – No

Mike Peterson – No

Budd Simpson – Yes

Tom Zaruba – No

Tom Donek - Yes

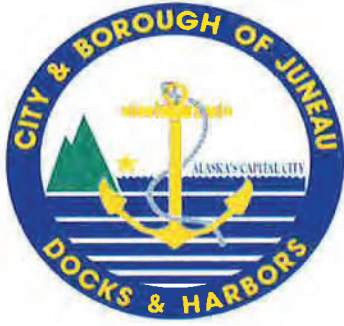
Motion did not pass and Mr. Donek will send this back to the Ops/Planning meeting for more review

VIII. ~~New Business~~

~~1. Boatyard Lease Amendment~~

~~Mr. Uchytel said this is a lease amendment for Harri's Commercial Marine to relocate to the Auke Bay Loading Facility. At the Board's Strategic planning meeting in March, the Board prioritized that they wanted to move the Boatyard for Docks & Harbors plans to better manage the master planning of Statter Harbor. Moving the boat yard out of Statter Harbor will allow building Statter Harbor to it's best and highest use. Within the existing lease, which was formerly known as Juneau Marine Services, and currently known as Harri's Commercial Marine, the lease will be for a term of 10 years or until such time as a new boat haul out facility is constructed at Auke Bay. In the event the new boat haul out facility is constructed, the lessee has the right of first refusal. The need for a RFP is not in question. Harri's Commercial Marine has that within the contract of the lease. Mr. Uchytel said he consulted with CBJ Law on how to move the boat yard in an expedited manner. In August an MOA was crafted on how to move forward with the goal of having Harri's Commercial Marine operating by September 1st. CBJ Law will need to put together a lease amendment that would be brought back to this Board next month. This will essentially be the existing lease at the new location with a new lease rent proposed at \$27,000 which is a lease rent established by Horan & Company our term contractor for appraisals.~~

~~Board Questions—~~



City & Borough of Juneau • Docks & Harbors
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

Port of Juneau

To: Docks & Harbors OPS/Planning Committee

CC: Docks & Harbors Regular Board

From: Carl Uchytel, Port Director

Date: December 2nd, 2015

Re: Channel Construction application for re-lease of ADL2193/ATS 7

1. **Background:** The original lease property is ADL 2193/ATS 7 Lot 2 containing 1.607 acres. This a parcel of tidelands seaward of the mean high water line on Gastineau Channel. This lease was originally a 55 year lease entered into on April 25th, 1961 between Construction Services Inc. and Alaska Department of Natural Resources. The assignment changed on April 8th, 1967 to Juneau Ready Mix Inc. There was an amendment to the lease effective October 25th, 1978 changing the five year adjustment intervals to a one time 25 year period and 10 year intervals thereafter. Effective February 8th, 2001 the Department of Natural Resources conveyed the tidelands and transferred lease administration for Lease No ADL 2193/ ATS 7 Lot 2 to City and Borough of Juneau. The assignment was changed on June 19th, 2003 to William R. Tonsgard, and September 24th, 2008 changed again to Channel Construction which is the current lessee. There was an amendment to this lease effective May 5th, 2010 adding to the leased property a parcel of tidelands consisting of approximately .51 acres (22,192 S.F.) located adjacent to the existing leased property making a total lease area of approximately 2.117 acres (see attached Map 1). The current rate of \$0.13 per square foot was established by the Docks & Harbors Board effective August 26th, 2004 for the 1.607 acres and \$0.15 per square foot was used for the .51 acre additional lease area. On March 14th, 2011, a statement of sublease was signed allowing Channel Construction to sublease 266 S.F. to DIPAC and DIPAC sublease 258 S.F. to Channel Construction (see attached map 2). The current and proposed use is for a barge landing. In accordance with the terms of the current tideland lease agreement, Channel Construction has a preference right for this lease. An appraisal is currently being conducted and should be available by December 2nd, 2015. This lease will expire on April 25th, 2016.

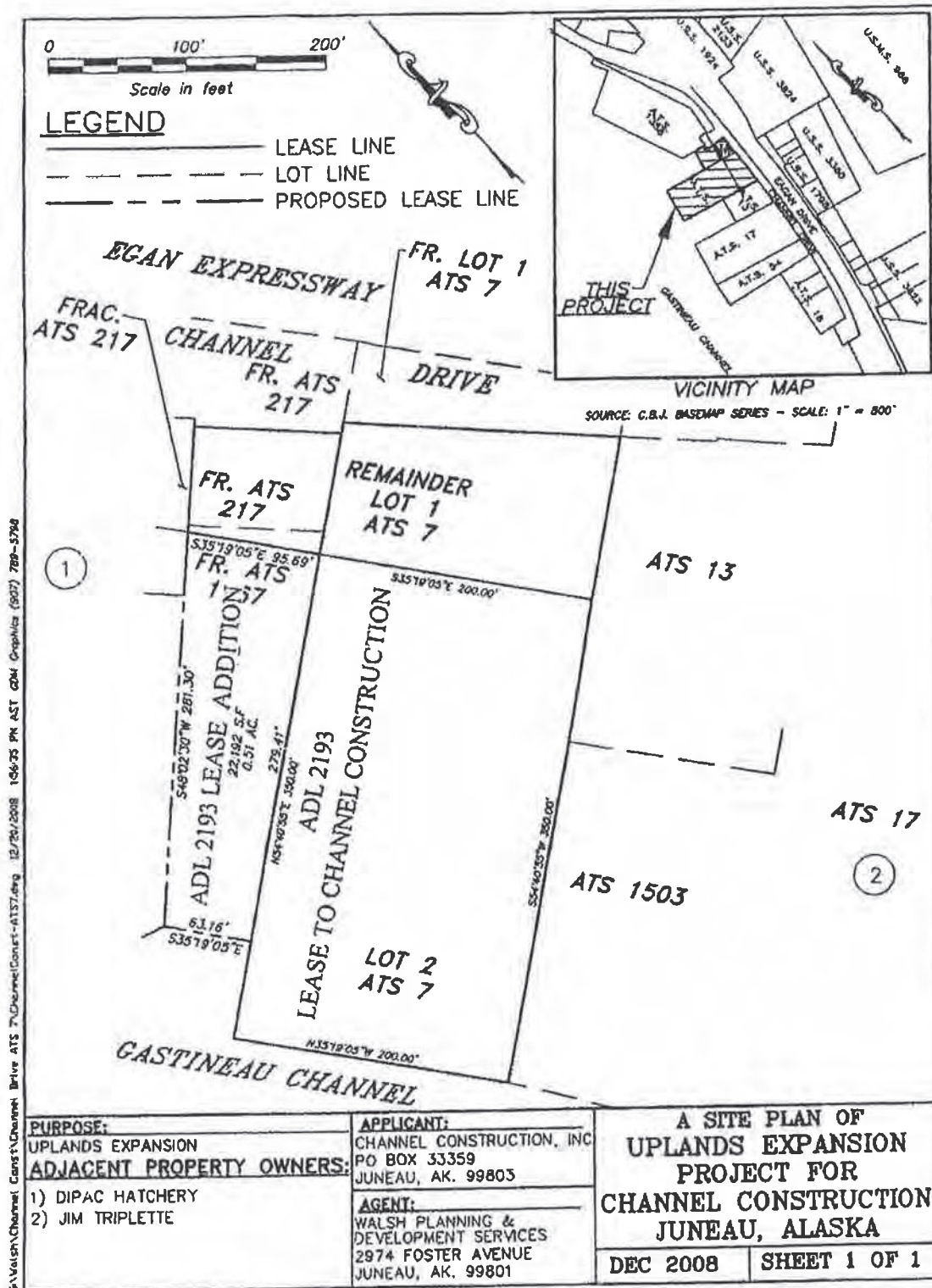
2. **Recommendation:** Recommend to approve Channel Constructions application for a new lease and move forward to the Finance Committee to recommend a fair and reasonable land lease amount.

Attachments

- (1) – Additional Lease area map
- (2) – Statement of Sublease map
- (3) - Application

**EXHIBIT A.
LEASE ADDITION
CHANNEL CONSTRUCTION
ADL 2193**

Attachment (1)



Ord. 2010-08 - Exhibit A



4 of 4

2010-007778-0

LEGEND

—— LEASE LINE
 - - - - PROPOSED LEASE LINE



STATEMENT OF SUBLEASE:

CHANNEL CORPORATION, INC HERewith LEASES 266 SQUARE FEET OF AREA FROM ITS LEASE ENTITLED FRACTION ATS 1067 TO ITS NEIGHBOR DIPAC FOR AS LONG AS BOTH CHANNEL CORPORATION, INC'S LEASE AND DIPAC'S LEASE ARE VALID

Dated: 3/11, 2011.

William R. Tomsard
 WILLIAM R. TOMSARD, PRESIDENT
 CHANNEL CORPORATION, INC
 JUNEAU, ALASKA

STATEMENT OF SUBLEASE:

DIPAC HERewith LEASES 258 SQUARE FEET OF AREA FROM ITS LEASE ENTITLED FRACTION TRACT A, ATS 1356 TO ITS NEIGHBOR CHANNEL CORPORATION, INC FOR AS LONG AS BOTH CHANNEL CORPORATION, INC'S LEASE AND DIPAC'S LEASE ARE VALID

Dated: 3/14, 2011.

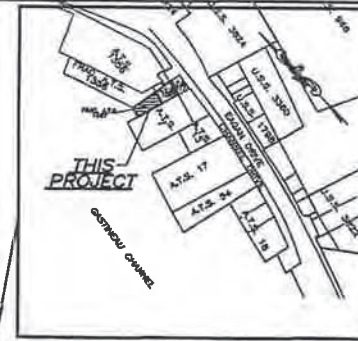
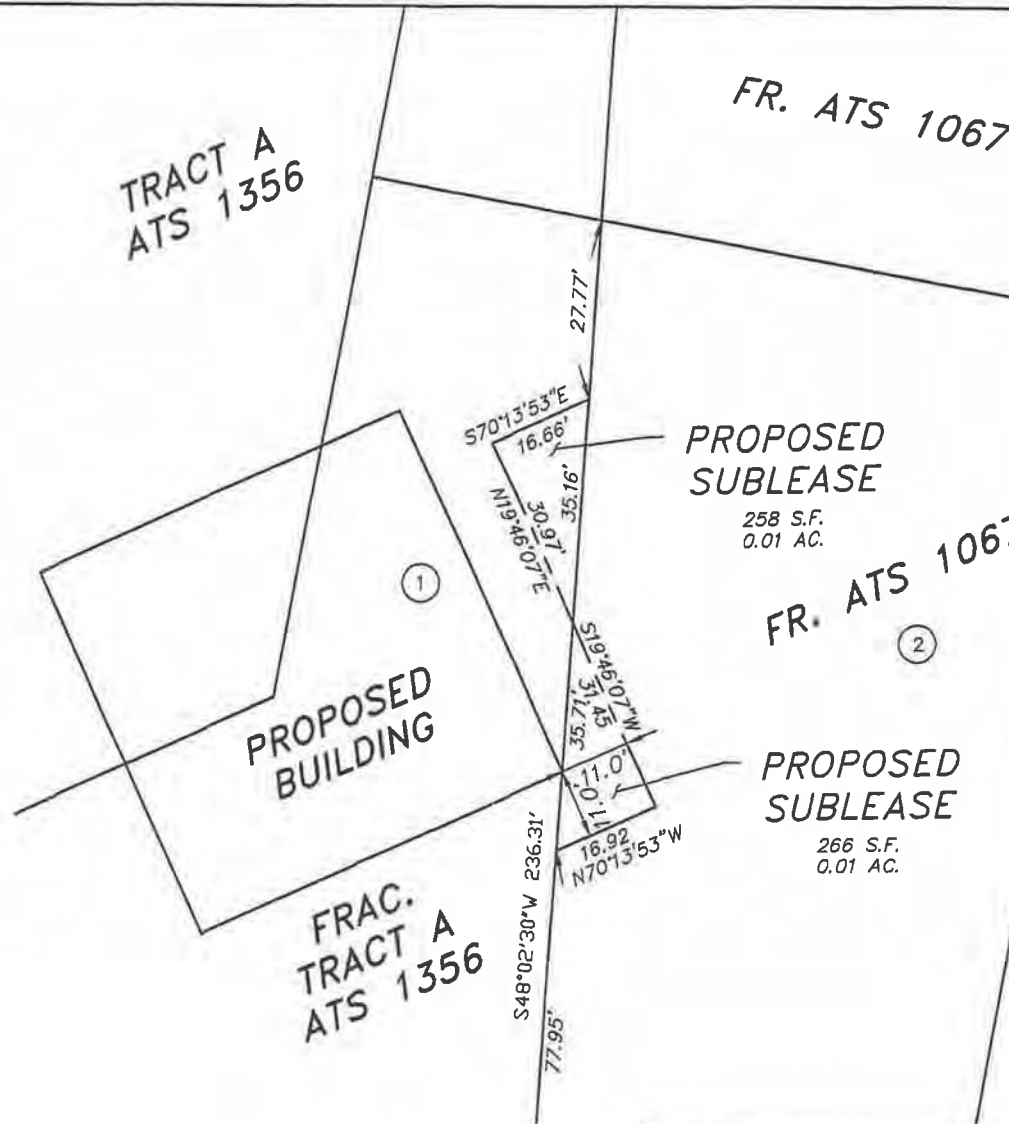
Eric Prestegard
 ERIC PRESTEGARD, PRESIDENT
 DIPAC
 JUNEAU, ALASKA

CERTIFICATE OF APPROVAL

THE LESSOR OF BOTH CHANNEL CORPORATION, INC AND DIPAC'S LEASES, THE CITY AND BOROUGH JUNEAU DOCKS AND HARBORS DEPARTMENT, HERewith ACKNOWLEDGES THESE SUBLEASES.

Dated: MARCH 14, 2011.

John Stone
 JOHN STONE, PORT DIRECTOR
 CITY & BOROUGH OF JUNEAU
 DOCKS AND HARBORS DEPARTMENT



VICINITY MAP
 SOURCE: C.B.J. BASEMAP SERIES
 SCALE: 1" = 600'

PURPOSE: SUBLEASE ADJACENT PROPERTY OWNERS: 1) DIPAC HATCHERY 2) CHANNEL CONSTRUCTION, INC	APPLICANT: CHANNEL CONSTRUCTION, INC PO BOX 33359 JUNEAU, AK. 99803	A PLAT OF A SUBLEASES BETWEEN CHANNEL CONSTRUCTION, INC. AND DIPAC JUNEAU, ALASKA
	AGENT: WALSH PLANNING & DEVELOPMENT SERVICES 2974 FOSTER AVENUE JUNEAU, AK. 99801	
		MAR 2011 SHEET 1 OF 1

City and Borough of Juneau Property Docks and Harbors Application for Lease

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.

Date 10/28/15 ADL# 2193/ATS 7

Applicant's Name: CHANNEL CONSTRUCTION INC.

Group, Association, or Corporation Name _____

Mailing Address: PO BOX 33359

City/State/Zip JUNEAU AK 99803

Message Phone 907-789-0200 Work Phone 907-789-0200

Is applicant authorized to conduct business under the laws of the State of Alaska?

YES

Is applicant 19 years or older?

YES

What type of lease are you applying for?

TIDELANDS LEASE
(uplands lease, tidelands lease, easement)

Legal Description:

Lot(s) LOT 2 Block/Tract# ATS7 Survey/Subdivision 1798

Other: _____

Acres 1.607 + .51

Total area Approximately 2.117 acres.

What is the proposed use and activity on the leased land?

BARGE LANDING

Proposed term of lease 35 ? YEARS

Are you planning to Sublease this land? Yes (No) - 266 S.F. to DIPAC

Are there any improvements or construction planned? no

If yes, submit a development plan that includes.

- a. The nature and purpose of the proposed lease.
- b. A site plan
- c. The use, value, and nature of improvements to be constructed.
- d. The dates construction is estimated to commence and be completed.
- e. A detailed description of the proposed operation.
- f. Whether the intended use complies with the CBJ Land Use Code, CBJ Title 49, and the comprehensive plan of the City and Borough of Juneau.
- g. Additional information that would assist the Port Director, the Docks and Harbors Board, and the Assembly in acting on the application.

CBJ zoning title and plans are available from the Community Development Department.

The Board recommends that applicants carefully review current site conditions before making an application.

The Board intends to award leases to the development that provides the most marine-related benefit to the community of Juneau and the development that provides the most economic benefit to the City and Borough of Juneau in general and the Docks and Harbors Department in particular.

The lease must meet all applicable requirements listed in CBJ ordinance 53.20.

WR [Signature] 11/14/15
Signature Date

If applying on behalf of an agency, municipality, or organization, state which one. PRESIDENT
Title

Please do not write below. Docks and Harbor use only.

Application Received	<u>11/17/15</u>	\$10.00 Filing Fee Received	<u>21 11/23/15</u>
Date approved by Operations Committee	_____		
Date approved by Finance Committee	_____		
Approved by Regular Board	_____		
Law Department Ordinance	_____		
Assembly Action	_____		
Lands	_____		
Public Notice	_____		
Ad Option	_____		
Final Lease Signed Date	_____		

APPRAISAL REPORT MARKET RENT OF
LOT 2, ATS 7, ADL 2193 &
THE LEASE ADDITION, ATS 1067,
PLAT 2010-08, (2.116 ACRES),
2691 CHANNEL DRIVE, LOCATED IN
GASTINEAU CHANNEL, JUNEAU, ALASKA



LOOKING SOUTH OVER SUBJECT'S FILLED AND UNFILLED AREA FROM THE
ADJACENT DIPAC LEASE

PREPARED FOR: City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

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

EFFECTIVE DATE: May 1, 2015

REPORT DATE: December 2, 2015

OUR FILE NO.: 15-119

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN, MAI / WILLIAM G. FERGUSON,
JOSHUA C. HORAN, SHEILA M. KRAMER

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

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

December 2, 2015

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

VIA Email teenalarson@juneau.org

Re: Appraisal Report Market Rent of ATS 7, and Lease Addition, approximately. 2.116 Acres,
Located in Gastineau Channel, at 2691 Channel Drive, Juneau, Alaska, Our File 15-119

Dear Mr. Uchtyl,

We have contacted the lessee, inspected the property and made a market analysis of the tidelands and waterfront real estate market to determine the market rent for the above referenced Tidelands Lease. Based on this analysis, the estimated annual market rent value, as of the valuation date of May 1, 2015, is as follows:

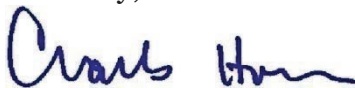
ATS 7, Lot 2 and Lease Addition
92,193 SF @ \$0.15/SF = \$13,828.95/year

This is a retrospective appraisal and is completed under the extraordinary assumption that the subject was in a similar condition on the effective date as it was on the inspection date.

Your attention is invited to the remainder of this report which sets forth the Assumptions and Limiting Conditions and Certification of Appraisal in the addenda, and the most pertinent data considered in estimating the market rent of the subject property. This appraisal report is intended to comply with the rules and regulations as set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) and the City and Borough of Juneau's Appraisal instructions.

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

Sincerely,



Charles E. Horan, MAI
Horan & Company, LLC



Joshua Horan, Real Estate Appraiser

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Certifications

Assumptions & Limiting Conditions

Terminology

Scope of Work

Leases

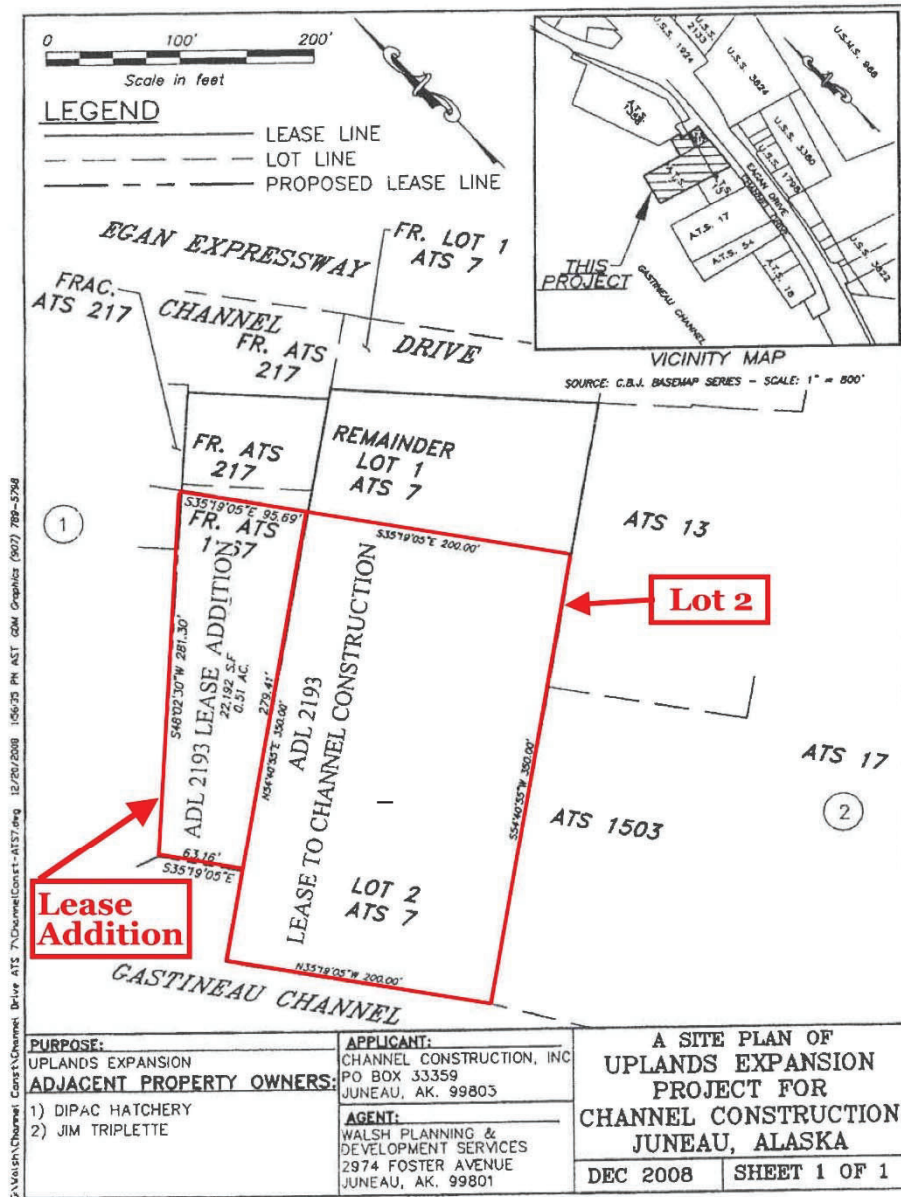
Subject Photographs

Comparable Write ups

Qualifications

1 INTRODUCTION

EXHIBIT A. LEASE ADDITION CHANNEL CONSTRUCTION ADL 2193



Ord. 2010-08 - Exhibit A



FIGURE 1.1 SUBJECT SITE PLAN

The purpose of this appraisal is to estimate the current market rent of the subject based on the five year rental adjustment provisions of the lease. This is a retrospective appraisal assignment. Our inspection date is several months after the effective date which is the lease review date. This appraisal is made under the extraordinary assumption that the subject was in a similar condition on the effective date as it was on the inspection date. The subject is located just north of the applicant's business property at 2685 Channel Drive, adjacent to Gastineau Channel in Juneau, Alaska (ATS 7). It is currently used as a barge landing. The lease was originally signed in 1961 and terminates in April of next year. The lessee is in the process of applying for a lease renewal on the property. The lease was most recently reviewed in 2010 when an amendment was signed increasing the leased area by approximately a half acre. The annual lease payment at that time was set at \$12,428/year per city records.

The lease terms are summarized as followed below. Please see the addenda for a complete copy of the lease.

Synopsis of Lease

<i>Legal Description/Leased Premises:</i>	ATS 7, Lot 2 (1.607AC), ADL 2193, Plat 2010-08, and Lease Addition (0.51AC), Juneau Recording District, First Judicial District, State of Alaska, containing approximately a total 2.117 AC (92,193 SF) of property.
<i>Lessor:</i>	City and Borough of Juneau, as land manager
<i>Lessee:</i>	Channel Construction, Inc.
<i>Term of Lease:</i>	55 years
<i>Annual lease payment</i>	\$12,428.00 plus sales tax
<i>Lease Dates:</i>	Began April 25, 1961, expires April 24, 2016
<i>Last Lease Review Date:</i>	May 5, 2010 (Effective date of lease amendment)
<i>Rental Adjustment Period:</i>	Initial 25 year period with 10 year intervals afterward per 1978 lease amendment
<i>Use:</i>	Barge Landing.
<i>Property Rights Included:</i>	Normal rights conveyed by lease.
<i>Property Rights Excluded:</i>	No mineral or timber rights are conveyed by lease.
<i>Other Terms of Lease:</i>	Typical full net lease indemnifying lessee.
<i>Reversion of Improvements:</i>	Not specified but typically able to be retained by lessee or its successor if all obligations of lease have been fulfilled, and lease extended. Improvements must be removed if lease is terminated.
<i>Easements:</i>	None noted on Plat.
<i>Improvements Included:</i>	None. All improvements to be provided by lessee. This updated valuation is based on the site being undeveloped and in its pre-lease condition .

1.1 PURPOSE OF APPRAISAL, INTENDED USERS AND INTENDED USE

The purpose of this appraisal is to determine the annual market rent of the subject. The market rent estimate is for the property in fee simple interest less mineral rights in its **Pre-Lease (undeveloped) Condition**.

Intended use: This valuation is to be used to set market rent for a tidelands lease as administered by the City and Borough of Juneau.

Intended Users are the City and Borough of Juneau and Channel Construction, Inc. William R. Tonsgard, President, as Lessee

1.2 PARTIES TO THE TRANSACTION

Client and Ostensible Owner

City and Borough of Juneau (CBJ) is the client, and ostensible owner. The State of Alaska retains subsurface minerals rights with a reverter clause if CBJ is dissolved, and condition of title in that the CBJ cannot sell the tidelands, but may lease them; management is administered by the CBJ.

Lessee

Channel Construction, Inc., William R. Tonsgard, President.

1.3 LESSEE CONTACT, INSPECTION & EFFECTIVE DATE

We contacted the lessee's business via the phone number noted in the lease. Mr. Tonsgard was not available, however we were able to speak with Dave Payne, his accountant. We informed Mr. Payne of our assignment and our inspection date. He noted that Mr. Tonsgard or himself may be present at the time inspection if they had time, but that we were free to inspect the property without any Channel Construction representative present.

Charles and Joshua Horan inspected the property on Tuesday, September 29, 2015. Mr. Tonsgard and Mr. Payne were not present during the inspection. The effective date of this appraisal is May 1, 2015, a retrospective date which is the lease review date.

1.4 APPRAISAL METHODOLOGY

The most direct way to estimate market rent is by the **Rent Comparison Approach**. In this approach, the annual rent of similar properties is considered on a price per square foot basis. We identify comparable information through interviews with knowledgeable participants in the real estate markets such as local appraisers, other lessors and lessees, discussions with municipal property assessment personnel and others who are familiar with the real estate market in Southeast Alaska. A search was performed of similarly used properties in the communities throughout Juneau, Alaska. Information was collected from reliable sources as available, primarily from the Port of Juneau for land leases.

Our office maintains market data information on sales, transfers and on a geographic location basis for those rural properties not connected to a road system, and those connected. Within

each of these areas, the data is further segmented into commercial and residential properties. Within these divisions of separation are divisions for zoning and whether the properties are waterfront or upland parcels. Horan & Company, LLC maintains and continually updates this library of sale transactions throughout the Sitka and Southeast Alaska region and has done so for over 30 years.

1.5 TIDELANDS LEASE RENTS - RATIOS AND PERCENTAGES

Estimating market value or market rents for tidelands has always been a challenge in the State of Alaska. In terms of the overall real estate market, transactions for tidelands alone are very infrequent. Once Alaska became a state in 1959 they acquired ownership of most navigable water-tidelands. There had been a few patented tidelands sites and municipalities had some patented tidelands which they could lease or sell. The Constitution of the State of Alaska prohibits the sale of tidelands parcels. The state and most municipal governments view tidelands as a critical component for public access to the waterways and economic development. As a result, they are generally leased to ensure continual productive use and public access.

When tidelands do sell, they are usually associated with waterfront uplands forming a functional property unit between the water and public roadways. This would be the case, for instance, where there is a dock or barge landing facility requiring tidelands for marine improvements and an uplands staging area. Sometimes these facilities sell where the uplands are owned in fee simple interest and the tidelands are leased. In these instances the contributory value of the tidelands can be estimated as the residual of the allocated value of the uplands portion of the sales price. There are frequently more market transactions to indicate the value of the uplands than tidelands. It has then become a common practice over the years to value tidelands as a percentage of the unit value of their adjoining uplands.

Uplands to Tidelands Unit to Value Ratio

Over time we have isolated the value of tidelands which have sold, leased or otherwise been valued based on transactions whereby an allocation is made between uplands and tidelands components. The following Table 1.1 summarizes 11 observations of the ratio (%) of tidelands square foot values to the square foot value of the uplands. This allocation is based on the sales of similar uplands, allocations by the buyers or sellers or appraisal analysis. In some instances, such as observations 9 and 11, there is a range of value based on differing views by the participating parties or a range of comparable sales in that area compared to the value of the known component.

The tidelands to uplands unit value ratios range from 12% to 40% in these observations. In other instances the range can even be wider from 5% to more than 50%. The driving factors in this ratio are how effectively the tidelands are used as compared to the uplands value. For instance, if the tidelands serve as a good, compact dock site and the adjacent uplands are filled, have a contained shore line and efficiently complement the use of the tidelands, the ratio would be lower than if the uplands were unfilled, low value raw land needing to be developed. This

Table 1.1 - Range of Tideland Unit Value Ratio (%) of Upland Unit Value					
No.	Location	Date	Size in SF	SF Value	Ratio
			Upland Tideland	Upland Tideland	Tideland as % of Upland
1	4100 Tongass Ave., Ketchikan	2003	26,915	\$16.03	
			14,275	\$1.94	12%
2	1000/1010 Stedman, Ketchikan	2005	76,597	\$16.00	
			102,133	\$4.99	31%
3	1007 Water St., Ketchikan	2001	61,000	\$17.25	
			40,594	\$4.19	24%
4	Mile 4 Mitkof Hwy, Petersburg	2010	170,772	\$2.50	
			346,720	\$0.57	23%
5	4513 HPR, Sitka Sitka	2005	179,507	\$10.72	
			42,035	\$2.74	26%
6	111 JT Brown St., Craig	2009	62,340	\$8.00	
			50,890	\$2.00	25%
7	76 Egan Drive, Juneau	2013	8,692	\$51.50	
			12,918	\$20.55	40%
8	108 Egan Drive, Juneau	1995	NA	\$55.00	
			NA	\$16.00	29%
9A	Alaska Glacier Seafoods, Juno Range of Comp unit values	2000	NA	\$ 22.00	
			NA	\$ 3.04	14%
9B	Alaska Glacier Seafoods, Juno Range of Comp unit values	2000	NA	\$ 8.00	
			NA	\$ 3.04	38%
10	Jacobsen Dock, Juneau	2013	100,000	\$20.05	
			379,694	\$5.00	25%
11A	2691 Cahnnel Dr, Juneau Range of Comp unit values	2003	51,231	\$9.00	
			51,401	\$1.08	12%
11B	2691 Cahnnel Dr, Juneau Range of Comp unit values	2003	51,231	\$5.31	
			51,401	\$1.58	30%

latter situation would impact the ratio due to the relatively lower value of the uplands as compared to the utility of the tidelands. Conversely, if the tidelands are oversized and extend an excessive distance from the shore, diminishing their utility due to shallow run out or other site limitations, they may have a lower unit value and subsequently a lower tidelands to uplands ratio. This is due to the parcel being larger than would otherwise be necessary as compared to a more efficient, smaller site which would have a higher ratio of unit value.

If no comparable tidelands sales are available it makes sense to estimate the value of suitably complementary uplands and apply a ratio to the unit value of these uplands from 10% to 40% to indicate the value of the tidelands under appraisal.

Land Lease Percentage Rates

If the purpose of the appraisal is to estimate annual market rent the best method is to use directly comparable annual rents on a price per square foot or price per acre basis.

Sometimes there are no directly comparable rents available or it is desirable to have a check against the limited rent data that may be available for estimating rents. The commercial land rent market oftentimes sets rents by calculating a percentage of the estimated market value of the land being rented.

Land leases are most often granted by public or private institutions. Sometimes leases state the rates, other times the rents are informally calculated based on a rate. Land Lease rates range from about 4% to 12% of the market value of the land, on an annual basis. Over a long period of time these rates may fluctuate with the institutional land owners' anticipation of return on investment. However, they are more stable than short term changes in interest or bond rates for instance. We have kept track of these land lease percentage rates over a long period of time. The following summarizes our most recent discussions with various institutions who lease land.

The Alaska railroad, the University of Alaska and the Alaska Mental Health Trust all lease land at various rates depending on location. Urban lands have targeted rates of 10-12% per year, but are leasing at lower rates of 7-8% depending on negotiations. The Alaska Railroad leases urban, commercial, and industrial waterfront land from 7% to 10%, with the higher rates in Seward and Anchorage's Ship Creek areas. Their leases are typically 35 years in length and are adjusted every five years based on appraisals. The rents are capped at a 35% increase and a floor of minus 35%. Short term year to year rates are higher. Long term leases over 5 years would have lower rates. Generally these types of leases are adjusted every 3 to 5 years based on reappraisal or the Consumer Price Index.

Municipalities throughout the state lease tidelands based on a lease percentage rate. Over the last 20 years we have seen these lease rates range from as low as 4% to as high as 12%. In the last 10 years or so these rates have settled between the 7% to 9% range. Several municipalities, such as Craig and Skagway, have a legislated 8% per year rate. The City and Borough of Sitka has been leasing land at the Gary Paxton Industrial Park for 9%. Several municipalities, such as Ketchikan and Petersburg, have adopted lower rates for certain lands as an economic incentive for business development. In 2014 Ketchikan dropped its rate to 4%. Petersburg rates are as low as 6%.

For most private commercial leases these rates have not changed in the past several years and are best described as stable. A market rate of 8% is well supported.

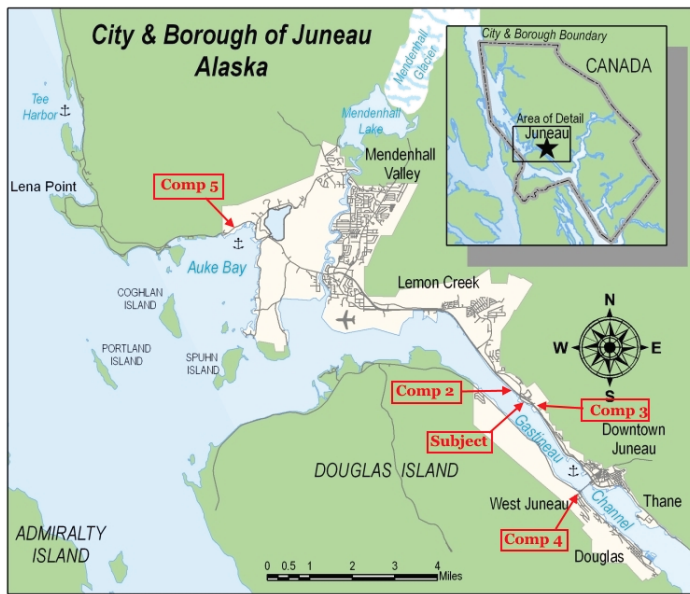


FIGURE 2.1 – JUNEAU AREA MAP

compounded annual growth of 0.5% is less than the state growth of 1.3%. The overall region has rebounded a little stronger as well. This confirms what has been observed in the Juneau economy, things are stable with growth in certain market segments.

The October 2013 JEDC Economic Indicators Report confirms that the housing market is stable with some upward movement in the price of single-family detached dwellings. Figure

2.3, Median Price of Single-Family Homes in Juneau 2009 to 2013 shows a 14% increase from a low of 2009 to August of 2013.

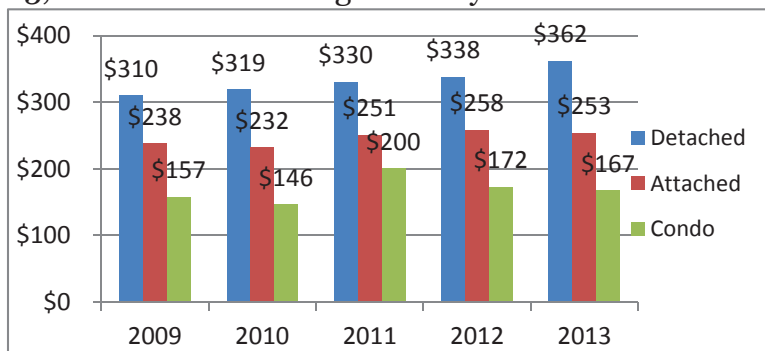


FIGURE 2.3 - MEDIAN PRICE OF SINGLE-FAMILY HOMES IN JUNEAU 2009-2013, JEDC-2013, PG. 30

2.1 JUNEAU AREA ANALYSIS

Demand for real estate is generally driven by population, and population is sustained by employment. The Juneau economy is primarily driven by the government. 40% of all jobs and 50% of all wages in Juneau are Federal, State or Tribal Government. Being the state capital, State of Alaska employment makes up about a quarter of this payroll.

Juneau's population has risen each of the last five years from a low in 2007 of 30,350 to 33,064 in 2013, see Figure 2.2. This

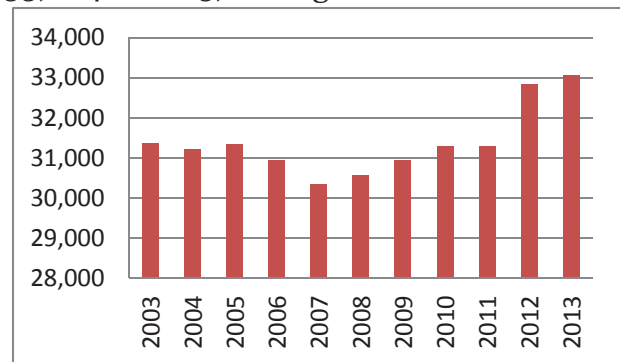


FIGURE 2.2 – JUNEAU, ALASKA POPULATION TRENDS (2003-2013)

Attached dwellings and condominiums show a more modest growth over this time. This trend is typical of the region and confirms the Juneau market has continued to remain firm over the last several years after recovering from its lows from the middle of the last decade.

2.2 CHANNEL DRIVE / LEMON CREEK NEIGHBORHOOD



FIGURE 2.4 - SUBJECT NEIGHBORHOOD MAP

The subject property is near the mid portion of Channel Drive adjacent to Egan Drive, a four-lane, divided state highway. Access to the area is via the controlled traffic exchange at Salmon Creek nearby. The subject is a barge landing site. The adjacent waterfront character is primarily industrial or commercial uses.

Other developments in the neighborhood include the Department of Transportation offices as well as the Juneau Empire's offices on the upland side of the road. The waterfront side of Channel Drive has improvements for World Wide Movers, a radio station and contractor storage sites, a barge landing site, a park area along with industrial uses and a fish hatchery building and associated structures. Near the south-end of Channel Drive is a small industrial

building that had been used for float plane operation, but is now a warehouse for a wholesale business. Across the Highway is the Bartlett Hospital medical campus, SEARHC campus and medical clinics, offices and associated uses.

There are no waterfront sales for commercial land in this area over the last 10 years. There are very few sales since the recession of 2009 the following table shows sales of various finished commercial lots and their square foot values over this time period.

TABLE 2.1 – COMMERCIAL LOT SALES					
Record #	Address	Sale Date	Sale Price	Size SF	Price/ SF
Salmon Creek Area (Subject)					
7898	3408 Glacier Highway	11/24/2004	\$200,000	23,855	\$8.38
4451	3406 Glacier Highway	6/5/2003	\$400,000	42,911	\$9.32
4431	1601 Salmon Creek Ln	5/6/2005	\$348,000	37,274	\$9.34
7901	1501 Salmon Creek Ln	5/14/2003	\$250,000	21,852	\$11.44
3890	1801 Salmon Creek Ln	9/24/2005	\$625,086	54,450	\$11.48
7897	1701 Salmon Creek Ln	12/1/2012	\$261,360	21,780	\$12.00

There was one unfinished lot approximately one acre that was rezoned commercial and sold for \$4.00/SF requiring another \$4.00/SF for site prep for about \$8.00/SF in the up land area of this neighborhood. As can be seen there was significant activity in 2003 to 2005 ranging from \$8.00 to \$11.50/SF. The one sale in 2012 sold \$12.00/SF, not significantly different than the prior sales. This demonstrates non waterfront commercial land values in this area have been flat.

The existing tidelands allows the use of areas deep enough to moor medium draft vessels. Areas have been dredged in the past, creating a few basins to allow barge traffic and moorage along the shoreline. The tidelands start to shallow up in this area due to the combined impacts of glacial rebounding and siltation, with reduced water depths the norm. The waterfront to the south and west is zoned Waterfront Industrial (WI), with an upland portion zoned General Commercial (GC).

The growth in this area is static. The waterfront parcels are near fully developed. Some of the uses such as the wholesale business no longer use their waterfront at all. The isolated location and difficulty of getting to these tidelands dampens the demand for these waterfront uses. The most consistent demand for use of these tidelands have been fishery related and private construction such as the DIPAC and Channel Construction sites. Since Northland Barge Company was acquired by AML last year its business has moved away from the subject neighborhood to the AJ Rock Dump area. This has further diminished the demand for waterfront site uses in the area.

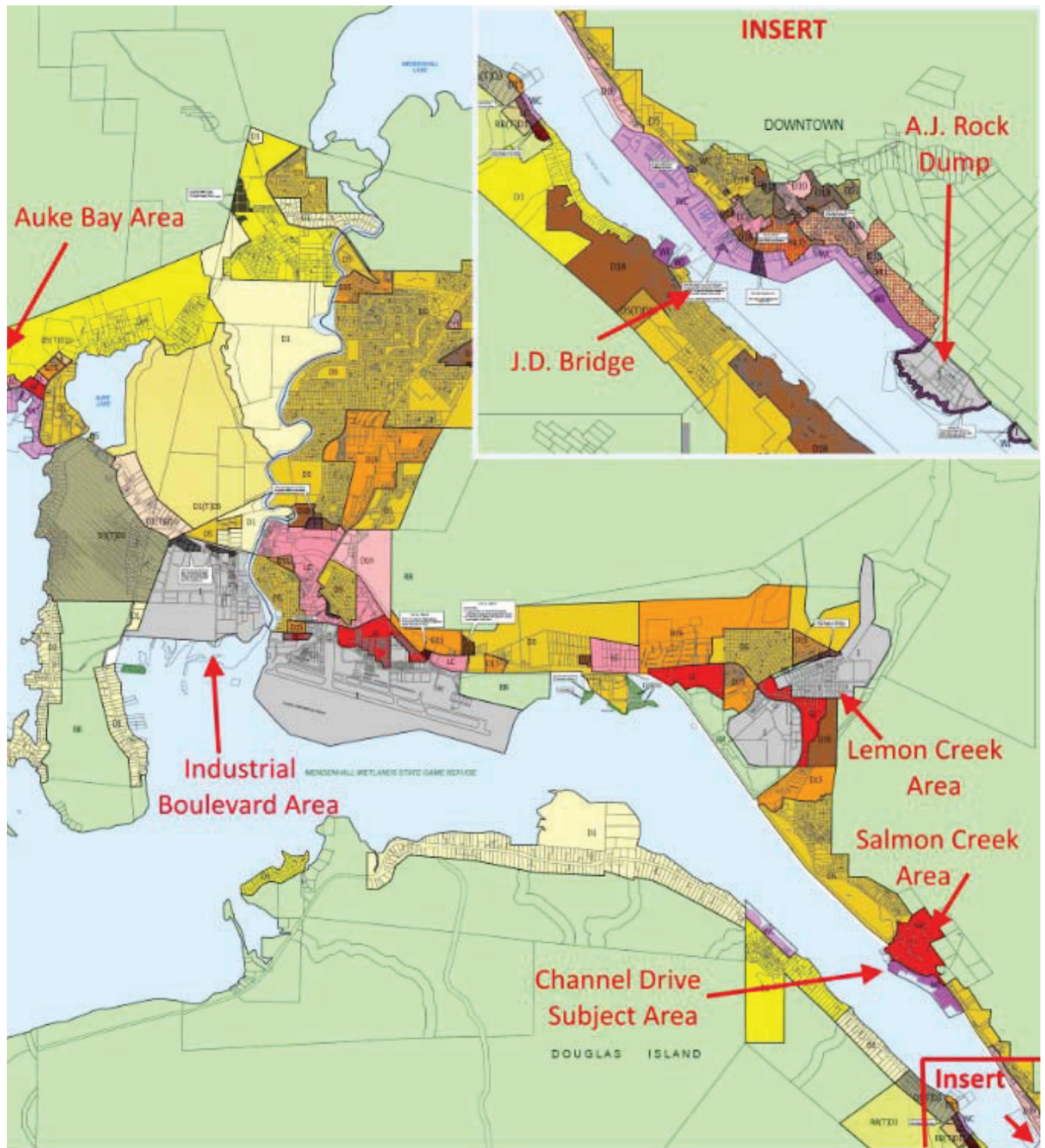


FIGURE 2.5 – COMPETING NEIGHBORHOOD LANDS

2.3 COMPETING NEIGHBORHOODS

The subject is identified as tidelands in its legal description but can go dry on many low tides. The uses for land in this area would compete with other industrial neighborhoods. The most similar neighborhoods to the Salmon Creek/Channel Drive area include the Industrial Boulevard and Lemon Creek areas. Demand for non-waterfront commercial/industrial land in these areas has been relatively persistent. The most competitive waterfront areas include the AJ Rock Dump area, the Trucano complex across the Juneau Douglas (JD) Bridge and Auke Bay which is split into two areas, one by the Statter Harbor Marina complex and the other by the ferry terminal.

Land along the subject's **Channel Drive** includes uplands and water frontage. It is zoned WI, Waterfront Industrial. The access road is paved and all utilities are present. All but two parcels are developed. Developed uses include a moving company, barge landing site, contractor yards, fish hatchery and fish processor, and a park. There are less than 12 sites along the waterfront.

The last market sale of land along the waterfront was the sale of the subject in June 2003 for just under \$300,000 (record #1745). This site included tidelands and filled uplands that were variously allocated tidelands at \$1.08/SF and \$9.00/SF, respectively. This indicates the tidelands are about 12% of the uplands unit value. The sales also allocated with a 30% upland to tide land ratio which would suggest \$1.58/SF for the tidelands and \$5.31/SF for the filled lands. Using an 8% land capitalization rate the implied square foot rent value of this range would be \$0.09/SF (\$1.08/SF x 8%) to \$0.13/SF (\$1.58/SF x 8%).

The water frontage is generally leased tidelands which range from an annual lease amount of \$0.10/SF to \$0.16/SF implying \$1.25/SF to \$2.00/SF fee simple at a rate of 8%¹, in their natural condition before fill.

Land values in the **Industrial Boulevard** area do not have water frontage and are zoned Industrial. Most of the neighborhood has been or is being developed with warehouses, mechanic shops, boat repair shops, wholesalers, boat condominiums, open contractor storage, and specialty services requiring that zoning. Most of the land is filled and leveled at street grade. All utilities are present. There are several dozen individual lots with the total neighborhood bounded by the Mendenhall River to the north, Gastineau Channel and Mendenhall Wetlands to the west and south and the Airport boundary to the southeast. On the north boundary is the Glacier Highway. Land in this neighborhood ranges from \$6/SF to a high of \$14/SF.

Lemon Creek commercial and industrial area is located between downtown and the Mendenhall Valley and has been steadily developing with owner-occupied service type structures. Mini warehouse units, storage buildings, some modified retail buildings,

¹ \$0.10/SF / 8% = \$1.25, \$0.16/SF / 8% = \$2.00

apartments, and larger tracts with large retail structures, and in the GC zone more retail type buildings, car lot, banks etc. From Anka St on the NW portion of the neighborhood to Commercial Blvd. is zoned Industrial and land sales are in the \$10/SF to \$12.50/SF range for smaller fully prepared lots. That land is zoned Industrial and includes Concrete Way, location of the Police Station, and several small commercial buildings. Further to the west is the landfill, and associated uses, but also commercial uses. It has similar land values.

The A.J. Rock Dump neighborhood is located about 1/2 mile east of downtown, along the water frontage. Many lots are inside the subdivision without water frontage. Many of those developed lots are used for commercial and industrial activity. The Litho business relocated here several years ago from downtown. AML barge lines moved here from a site closer to downtown. Now they have a large barge landing site, offices, and yard space. It may take up 1/3 of the area neighborhood. Bulk tank farms and storage structures fill the remaining lots. Most of this area is developed and land values for the upland portion are in the \$10 to \$16/SF range. Tidelands are developed with a cruise ship dock, moorage for private work boats, and marine improvements since the water depth offshore is sufficient for that use. A waterfront upland parcel leased in 2013 based on a \$20/SF value or \$1.60/year. The adjacent tidelands for a dock leased based on a value of \$5.00/SF or indicating a rent of \$0.40/SF per year.

The Auke Bay neighborhood is quite small with four major developed sites, including the Glacier Seafoods dock and processing plant, the Alaska Marine Highway terminal, the Gitkoff dock and the Allen Marine transfer site. These uses require deeper water offshore for deep draft vessels. They share good access and all utilities. The waterfront sites are fully developed. Any expansion now will be seaward on leased tidelands.

The Trucano waterfront complex on the Douglas side of the **J.D. Bridge** is a small, somewhat competitive area. Again there are very few transactions. Tidelands have been leased in this area ranging from \$.05/SF to \$0.20/SF depending on accessibility, land character and title encumbrance.

The competing neighborhoods are filling in with occupied land in the 75%-90% range. The vacant land is either overpriced at this time, or has challenging soils, but will likely be developed with similar uses.

3 PROPERTY DESCRIPTION

3.1 OVERALL DESCRIPTION

The subject tidelands lease is an irregular shaped 92,193 SF parcel which fronts seaward of Channel Construction's upland lot at 2691 Channel Drive. As shown by the plat, the subject has



no road frontage, but is attached to ATS 217 and ATS 7, Lot 1, which are owned by Channel Construction, Inc. and have access from Channel Drive. The size of the site is 2.116 acres or 92,193 SF. The north lot line is 295.69' wide. The north south length of the east lot line is 350'. The southern property fronts the channel and has a jog which yields an approximate frontage of 333'. The west lot line is 354.89' and borders the DIPAC fish hatchery. Water depth is deep enough to moor barges for loading and unloading of materials, although it goes dry at low tides.

Access

The site, as presently developed, has vehicular access via Channel Drive via common ownership/control. Access via saltwater is the Gastineau Channel.

Utilities

City sewer, water and private utilities including power, trash collection, phone, cable and fuel are available to the parcel.

3.2 ZONING

The property is zoned Waterfront Industrial (WI). The WI district, is intended for industrial and port uses, which need or substantially benefit from a shoreline location. In addition, many of the uses that are allowed in the Waterfront Commercial (WC) district, are also allowed in the WI district. The WC district allows for both land and water space for commercial uses, which are directly related to or dependent upon a marine environment. Such activities include private boating, commercial freight and passenger traffic, commercial fishing, floatplane operations, and retail services directly linked to a maritime clientele. Other uses may be permitted if water-dependent or water-oriented. It appears the subject's current use as a barge landing complies with the zoning.

3.3 ASSESSED VALUATION AND TAXES

The subject, ATS 7 and addition, is owned by the City and Borough of Juneau and State of Alaska, and is therefore not subject to real estate taxes in its fee simple interest. The possessory interest in the site and the improvements, however, are taxable. The CBJ assessor has assigned the subject a parcel number, 7B0901010061, and maintains an assessed value. The current (2015) assessed value is \$142,900 which reflects the possessory interest of the lease as though five years were remaining, although the lease is in its final year. This is typical practice for municipalities in Alaska, as most of these leases are renewed. The possessory interest value of the land is \$142,900 and is based on a fee simple value for the land of \$377,000 which includes the filled and unfilled portions of the original leased area of 70,000 SF of Lot 2, ATS but not the 22,192 SF addition from 2010. The assessor estimates 25,900 SF of the site is filled and allocates it at \$12/SF yielding a value of \$310,000 for the filled portion with the remaining unfilled 44,100 assessed at \$1.50/SF or \$66,200. The current mil rate in Juneau is 10.56 mils for fiscal year 2014/15. The indicated real estate taxes based on an assessed value of \$142,900 are \$1,509.02.

3.4 EASEMENTS AND OTHER RESTRICTIONS

There is no 50' pedestrian easement on the lease area, according to the plat of ATS 7 or on the site plan for the lease addition. The appraiser is unaware of any other easements or restrictions. The plat notes for ATS are included below per client request. Please see Figure 3.2.

NOTE:

Bearings obtained by deflection from existing monuments in U. S. Survey No. 1798.
(W.C. C. 4, M.C. B C. 3)

Lot 2 shown for lease purposes.

**FIGURE 3.2 – PLAT NOTES FROM RECORDED PLAT OF ATS 7, PLAT 2001-8,
JUNEAU RECORDING DISTRICT.**

3.5 FUNCTIONAL UTILITY OF SITE

These tidelands function well for the intended use as a barge landing and marine construction staging area. The water depth is adequate for this use.

4.1 HIGHEST AND BEST USE

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

Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value.

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

Marine-related industrial uses are the defining use for the subject parcel and are the highest and best use. The subject's current use as a barge landing site and staging area meets all four tests of highest & best use.

4.2 TIDELANDS LEASE VALUATION

The most direct way to value the subject's lease is by the price per square foot basis. There are no directly comparable recent waterfront sales, however, there are several renegotiated rental renewals in the past several years. The subject site is 92,193 square feet, or 2.116 acres. Leases of other similar sites on an annual lease amount per square foot are analyzed. The range indicated by this method would consider location, date of lease start, and the use of the site.

Tidelands sites are generally leased, and managed by the City and Borough of Juneau. The Constitution of the State of Alaska prohibits the sale of tidelands parcels. Most state leases were 35-55 years and contain a 50' pedestrian access easement. In that regard no adjustments are needed from lease to lease. In the case of the subject, it is totally submerged or washed with tidal change and there are no easements noted on the Plat or lease addition site map.

The following are similar tidelands lease rents that are used to develop the annual rent of the subject.

TABLE 4.1 – COMPARABLE TIDELAND LEASE RENT TABLE						
Comp/ Rec #		Transaction Description and Location	Date	Size (SF)	Indicated Annual Lease Payment	Annual Rent/SF
1	1637	13391 Glacier Highway-Auke Bay ATS 1533, ADL 106233 –Transfer Facility	07/12	187,352	\$28,100	\$0.15
2	4187	2697 Channel Drive – DIPAC Hatchery Tracts A&B and extension, ATS 1356, ADL 104320	10/14	274,236	\$41,134.45	\$0.15
3	4175, 4176	2591 Channel Drive –ATS 1670, Grant- Wick lease	06/14	40,076	\$6,011.40	\$0.15
4	1744	3560 N Douglas Hwy-Barge & Fuel Tracts A&B, ATS 842, ADL 51488	05/10	43,865	\$8,773.00	\$0.20
5	2444	11957 Glacier Highway, ATS 1324, Fishermen's Bend Marina	01/14	311,454	\$34,260	\$0.11
Subject – 2691 Channel Drive, ATS 7			05/15	92,193 SF	Solve	Solve

The above most recently adjusted tidelands leases nearly bracket the subject size and utility. There does not appear to be adjustments for some variation in size, however the extremely large comps tend to indicate a lower unit value due to economies of scale. The dates noted in the date column represent the last lease review date per the city's records. The market conditions have not changed over this time.

Qualitative Ranking

Attributes of the sales that would influence value are not readily quantifiable in the market and discrete adjustments cannot be made. A qualitative rating has been developed to weigh market differences between the subject and the comparables whereby, if a comparable attribute is superior to the subject, a minus rating of -1, -2, or -3 is given, depending on its severity. Conversely, if a comparable attribute is inferior to the subject, a plus rating of +1, +2, or +3 is given, depending on its severity, to weight this with other attributes towards the subject. The gradation of weighting 1 to 3 is used since all qualitative attributes are not, in the appraisers' opinion, equally weighted within the market.

Table 4.2 summarizes the salient characteristics of the subject and the five sales and provides for a weighted rating of comparable to the sales to the subject.

TABLE 4.2 - ACRE PRICE QUALITATIVE RATING GRID FOR UPLAND PORTIONS TRACTS 1 & 2						
Comparable Elements	Subject-2691 Channel Dr	Comp 1 – 13391 Glacier Hwy (1637)	Comp 2 – 2697 Channel Drive (4187)	Comp 3 – 2591 Channel Drive (4175, 4176)	Comp 4 – 3560 North Douglas Hwy (1744)	Comp 5 - 11957 Glacier Highway (2444)
Annual Rent		\$28,100	\$41,134.45	\$6,011.40	\$8,773	\$34,260
Annual Rent/SF		\$0.15/SF	\$0.15/SF	\$0.15/SF	\$0.20/SF	\$0.11/SF
Titled Interest	Leasehold	Similar	Similar	Similar	Similar	Similar
Conditions of Sale	Cash	Similar	Similar	Similar	Similar	Similar
Market Conditions	05/15	07/12	10/14	06/14	02/10	06/14
Location	Channel DR	Auke Bay	Similar	Similar	J.D. Bridge	Similar
Zone	WI	WI	Similar	Similar	Similar	WC
Size	92,193 SF	187,352 SF	274,236 SF	40,076 SF	43,865 SF	311,454 SF
Waterfront Access Quality	Typical draft, dry at some tides	Deep draft, submerged	Similar	Similar	Deeper draft	Deep draft, submerged
Street Access & Utilities	Paved, All	Similar	Similar	Similar	Similar	Inferior tertiary location
Pre-lease condition	Unfilled	Similar	Similar	Similar	Partial fill	Similar
Overall Rating		Superior	Similar	Similar	Superior	Inferior

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

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

The **titled interest** is rated similar between the subject and comparables.

All comparables were found to be similar in the **conditions of sale**, all being supported by reasonable market evidence, having been rationally negotiated.

The comparables range in transaction time from 2010 to 2015. **Market Conditions** for Juneau's commercial waterfront/tidelands have been fairly static over this time period. No adjustments are warranted in this category as a result.

The remaining categories and how they compare to the subject are discussed below on a comp by comp basis.

Comparable 1 is the tidelands lease for a facility used for transferring passengers to a small cruise ship from busses. It is larger than the subject at 4.3 acres. The tidelands are located in Auke Bay about 10 miles north of the subject also in WI zoning. No adjustments are warranted in the location, zone or size categories. This property benefits from superior access via deeper waters than are seaward of the subject. It is considered superior to the subject by -1 as a result. This property is similar to the subject in street access off of Glacier Highway, which like the subject's Channel Drive, is a paved thoroughfare with access to all public utilities. This comp's pre-lease condition is similar to the subject's in that both are unfilled. Based off these considerations, this comparable is considered superior to the subject by -1.

Comparable 2 is the tidelands lease for the Douglas Island Pink and Chum hatchery on Channel Drive. It is similar with the subject in terms of location and water depth issues. Although larger, it is ranked similar to the subject. Its tidelands are used for rearing pens and other features of a fish hatchery. Although it has had significant fill placed on the lease area, it was originally unfilled in its pre lease condition making it similar to the subject in this category. Overall, this sale is considered similar to the subject.

Comparable 3 are two parcels just to the south of the subject property. They are leased by the same owner and have the same lease terms and are considered jointly as one comp in this analysis. They are currently not being used. These parcels are considered similar to the subject in nearly every regard save size which does not warrant an adjustment. Although one of the parcels had fill placed on the lease area, it was originally unfilled and similar to the subject in its pre lease condition. These leases are considered similar to the subject, overall.

Comparable 4 is a tidelands lease currently developed as a barge landing operation just north of the Juneau Douglas Bridge on the Douglas side of the Channel. This area is a smaller industrial development which includes a tank farm, barge landing, and a marine construction company. It is considered similar in the location category to the Channel Drive Area. This area is also zoned WI like the subject. No adjustment is warranted for size. While this comp has some water depth concerns, it is still superior in waterfront access to the subject by -1. Street access is via the paved North Douglas Highway which includes all public utilities, similar to

Channel Drive. This comp differs from the subject in its pre-lease condition which was approximately 1/3 filled at the time of lease. It is considered superior to the subject's unfilled pre-lease condition by -1. Overall, this site is ranked superior by -2.

Comparable 5 is a lease which is at the outermost portion of the Fisherman's Bend Marina located in Auke Bay. This lease has street access via adjacent tidelands and Glacier Highway. It is considered inferior in street access given its tertiary location removed from the street and uplands development by +1. Its Waterfront Commercial zoning and location in Auke Bay are considered similar to the subject. This site has a much larger size, being nearly three times as large as the subject. It is considered inferior by +1 in the size category due to the economies of scale associated with its larger size. As noted above, this parcel is at the outside of the marina development, and has access to deeper waters than the subject. It is considered superior by -1 in the waterfront access category. The prelease condition of this is considered similar to the subject. Overall, this property is ranked inferior to the subject by +1.

Based on the preceding analysis the Comps are ranked in the grid below in relation to the subject:

TABLE 4.3 - QUALITATIVE ADJUSTMENT GRID			
COMP #	RATING	RENT/SF/YR	RANKING
#4	Superior	\$0.20	Superior (-2)
#1	Superior	\$0.15	Superior (-1)
Subject	Solve	Solve	Solve
#2	Similar	\$0.15	Similar
#3	Similar	\$0.15	Similar
#5	Inferior	\$0.11	Inferior (+1)

Rankings are based on adjustments from 1 to 3, with very superior comparables ranked as -3; and very inferior ranked as +3. Variations are from 1-3 depending on severity of inferior or superiority.

The comps indicate a relatively tight range of value between \$0.11/SF and \$0.20/SF rounded. The most significant variable is water depth and marine access. Comps 1, 4 and 5 are all superior in this category. In addition, Comp 4 is superior in its pre-lease state which was approximately 1/3 filled. It represents the upper end of the range as a result. Bracketing the lower end of the range is Comp 5, located in Auke Bay, has its superior water depth offset by its inferior tertiary location further away from street access and uplands as well as its much larger size which yields an inferior size per square foot due to economies of scale. Comp 1 is considered superior in its deeper, waterfront access, however, it is weighed less than the other sales due to its much larger size. Comp 2, the DIPAC lease, and Comp 5 are both located on Channel Drive near the subject and both yield similar rents per square foot. They are considered very comparable and heavily weighted.

Based on the foregoing direct comparison of existing tidelands leases, and the indicated range on an annual basis of \$0.11/SF to \$0.20/SF, the subject's annual per square foot rent is placed at \$0.15/SF near the middle of the range. The Market Rental Value Conclusion is as follows:

92,193 SF @ \$0.15/SF = \$13,828.95/Year

ADDENDA

CERTIFICATION OF APPRAISAL

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.
- No one provided significant real property appraisal assistance to the persons signing this certification
- The appraisers personally inspected the subject property on September 29, 2015. The effective date is May 1, 2015 based on the lease review date.
- We have not performed any services regarding the subject property within the three years prior to the appraisal report date, as appraisers or in any other capacity.
- As of the date of this report, Charles Horan has completed the continuing education program of the Appraisal Institute.



Charles E. Horan, MAI

Horan & Company, LLC



Joshua Horan, Real Estate Appraiser

Report Date: December 2, 2015

TERMINOLOGY

Market Value

Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows:

Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows:

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

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

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

Market Exposure is estimated at 12-24 months.

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Page 73

Market Rent

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

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Pages 121 & 122

Tidelands

All areas which are at or below mean high tide and coastal wetlands, mudflats, and similar areas that are contiguous or adjacent to coastal waters and are an integral part of the estuarine systems involved. Coastal wetlands include marshes, mudflats, and shallows and means those areas periodically inundated by saline water.

http://law.sc.edu/pathfinder/coastal_development/reference/definitions.shtml

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and valuation contained herein are expressly subject to the following assumptions and/or conditions:

1. It is assumed that the data, maps and descriptive data furnished by the client or his representative are accurate and correct. Photos, sketches, maps, and drawings in this appraisal report are for visualizing the property only and are not to be relied upon for any other use. They may not be to scale.
2. The valuation is based on information and data from sources believed reliable, correct and accurately reported. No responsibility is assumed for false data provided by others.
3. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property.
4. This appraisal was made on the premise that there are no encumbrances prohibiting utilization of the property under the appraiser's estimate of the highest and best use.
5. It is assumed that the title to the property is marketable. No investigation to this fact has been made by the appraiser.
6. No responsibility is assumed for matters of law or legal interpretation.
7. It is assumed that no conditions existed that were undiscoverable through normal diligent investigation which would affect the use and value of the property. No engineering report was made by or provided to the appraiser.
8. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
9. The value estimate is made subject to the purpose, date and definition of value.

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

Extraordinary Assumptions

EA 1 This is a retrospective appraisal and is completed under the extraordinary assumption that the subject was in a similar condition on the effective date as it was on the inspection date.



Port of Juneau

City & Borough of Juneau • Docks & Harbors
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

Scope of Work Project Agreement

Project Name: Appraisal for Channel Construction ATS 7
Contract Name and Number: Appraisal Professional Services DH14-010
Project Agreement Number: 16-002
Term Contractor: Horan & Company
Date: 08/27/15
Project Manager: Teena Larson
Term Contractor Representative: Charles Horan

Project Overview

Project Description

Provide an Appraisal for Channel Construction Lease ATS 7. Effective date 05/01/15.

Scope of Work

Prepare an appraisal as outlined in 05 CBJAC 50.050 and all applicable standards in the current edition of Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Foundation. The Appraiser must make an onsite inspection of this property and comparables. Reports must contain onsite photographs of all appraised properties and comparables that are inspected.

Comparable land data sheets are required for all reports, and must include a complete legal description, recording information, and a photograph of the comparable that meets the required standard for photographs.

A comparable land location map is required, showing the location of the comparable in relation to the appraised properties and other comparables.

Whenever possible, all transactions should be verified with a knowledgeable party (grantor, grantee, broker, lessor or lessee), either by the appraiser conducting the subject appraisal or by an appraiser who verified the information in another report. Failed efforts to reach knowledgeable parties shall be stated on the comparable

land form.

The appraisal report shall include an annual land rent comparisons chart, stating location, date, rent, size in square feet and rent per square foot. When relating comparable transactions to the subject property, adjustments must be fully discussed and presented in an adjustment table. Such adjustments need to be defined in qualitative or quantitative terms, clearly stating which method is most reliable.

The appraiser should provide one hard copy of the report for review by the port director. The appraiser should then provide to the port director one hard copy and a PDF copy of the final, reviewed report.

Project Issues

Project Schedule

Please have the appraisal completed on or before October 31st, 2015.

Project Cost Estimate

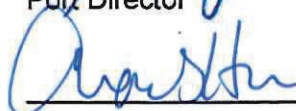
The Contractor will be paid based on Time and Materials for this project in accordance with the Contractor's estimate.

APPROVALS

CITY AND BOROUGH OF JUNEAU
DOCKS AND HARBORS

 8/27/2015
Carl Uchytel, P.E. date
Port Director

TERM CONTRACTOR

 9/18/2015
Charles Horan date
Horan and Company

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FOREST, LAND AND WATER MANAGEMENT

AMENDMENT TO LEASE AGREEMENT

THIS AMENDMENT to that certain 55-year lease issued on April 25, 1961
and serialized ADL 02193 is executed and made effective as follows:

* * * * *

The above referenced lease agreement is amended in accordance with Chapter 138 of the Session Laws of 1977, as amended by Chapter 182 of the Session Laws of 1978. The lessee has filed with the Lessor a Request for Conversion of Lease on October 20, 1978. Under the provisions of these Acts the annual lease rental will be \$ 2,158.68, effective October 25, 1978 for a 25-year period starting with the effective date of this amendment. This rental is subject to adjustment at the expiration of the initial 25-year period, and at intervals of 10 years thereafter, in accordance with the procedures and limitations prescribed by statute.

~~Quarterly~~ annual rental payment of \$ 2,158.68 is due on or before April 25 of each lease year until reappraised in accordance with law.

All other terms and conditions of the above-referenced lease agreement are not affected by this amendment, and remain in full force and effect.

This amendment is hereby incorporated into and made a part of the above-referenced lease agreement as of the effective date of this amendment.

LESSEE:

JUNEAU REED MIX INC
By [Signature]
Mgr.

Date: 1-9-79

LESSOR:

[Signature]
Chief, Land Management Section
Division of Forest, Land and Water
Management
Alaska Division of Lands

Date: JAN 30 1979

APPROVED AS TO FORM:

Shelley J. Higgins
Assistant Attorney General
Sept 14, 1978
Date

CC

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2010-007778-0

Recording Dist: 101 - Juneau

12/27/2010 2:37 PM Pages: 1 of 4



Recorder return to: City and Borough of Juneau
Attn: John M. Stone, Port Director
155 S. Seward Street
Juneau, AK 99801

**AMENDMENT TO
CBJ – CHANNEL CONSTRUCTION TIDELANDS LEASE
LEASE NO. ADL 2193**

AMENDMENT TO LEASE RECORDED ON 6/25/2013 2013-006484-0

PART I: PARTIES

This Lease Amendment is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter “City,” and Channel Construction, Inc. (Channel Construction), hereafter “Lessee.”

PART II: LEASE BEING AMENDED AND AUTHORITY

This is an Amendment to Lease No. ADL 2193, which lease was originally entered into between the Alaska Department of Natural Resources and Construction Services, Inc., on April 25, 1961, for the lease of a parcel of tidelands generally described as Lot2, Alaska Tidelands Survey No. 7, containing 1.607 acres, more or less. Lease No. ADL 2193 was assigned by the original lessee and ultimately the lease was assigned to Channel Construction, which is the current lessee. Effective February 8, 2001, the Department of Natural Resources conveyed the tidelands on which Lease No. ADL 2193 is located to the City and transferred administration of the lease to the City. Lease No. ADL 2193 has continued under the administration and management of the City Docks and Harbors Department.

This Lease Amendment is executed by the parties pursuant to the authority granted by the Assembly in Ordinance 2010-08 adopted on April 5, 2010 and effective on May 5, 2010. Except for the amendments to the lease set forth herein, Lease No. ADL 2193 remains unchanged and in full force and effect.

PART III: LEASE AMENDMENT

ADDITION TO LEASED PROPERTY. The property leased to Channel Construction under Lease No. ADL 2193 is amended to add to the leased property a parcel of tidelands consisting of approximately 0.51 acres (22,192 square feet) located adjacent to the existing leased property, as generally depicted on Exhibit A to Ordinance 2010-08, which exhibit is attached hereto and incorporated by this reference. The tidelands parcel added to the leased property is hereafter referred to as “the lease addition.” The final legal description of the lease addition will be established and incorporated by reference to this Lease Amendment when the City has completed a survey approved by the Department of Natural Resources of the additional tidelands conveyed to the City.

ADDITIONAL TERMS OF LEASE AMENDMENT. In addition to the terms and conditions of existing Lease No. ADL 2193, this Lease Amendment shall be subject to the following terms and conditions:

Amendment to CBJ – Channel Construction Tidelands Lease No. ADL 2193

Page 1 of 3

- (A) The lease addition shall be used by Lessee for expansion of Lessee's port staging area.
- (B) The annual lease payment for the lease addition shall be \$0.15 per square foot per year, plus sales tax, which is the current per square foot lease rate for the leased property as established by the Docks and Harbors Board effective August 24, 2006. The Port Director will re-evaluate and adjust the annual lease payment for the full leased property (including the lease addition) in accordance with the regular schedule for such adjustments provided for under CBJ 53.20.190(2). The new annual lease payment for the full leased property shall be paid retroactively to the beginning of that lease payment adjustment period. Lessee shall pay all appraisal costs associated with re-evaluating and making adjustments to the annual lease payment.
- (C) Lessee shall be responsible for obtaining all necessary permits and approvals for any development of the lease addition and any improvements on the lease addition. Lessee is required to obtain approval of its development plans and any improvements from the Docks and Harbors Board prior to development of the lease addition.
- (D) Lessee shall indemnify, defend, and hold harmless the City and its officers and employees from any claims related to or arising out of Lessee's development, use, operation, or maintenance of the lease addition and any improvements on the lease addition.

PART IV: EXECUTION

The City and Lessee DIPAC agree and sign below. This Lease Amendment is effective immediately upon signature by both parties.

CITY:

Date:

By:

Authorized Representative
John M. Stone
Port Director

LESSEE:

Date:

By:

Authorized Representative
NAME
POSITION

Approved as to form: , CBJ Law Department

CITY ACKNOWLEDGMENT

STATE OF ALASKA

)

) ss:

FIRST JUDICIAL DISTRICT

)

This is to certify that on the 27th day of December, 2010, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, John M. Stone personally appeared, to me known to be the Port Director of the City and Borough of Juneau, Alaska, a municipal corporation which executed the above and foregoing instrument, who on oath stated

Amendment to CBJ – Channel Construction Tidelands Lease No. ADL 2193

Page 2 of 3

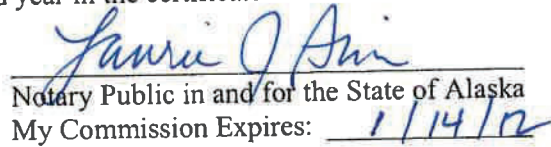


2 of 4

2010-007778-0

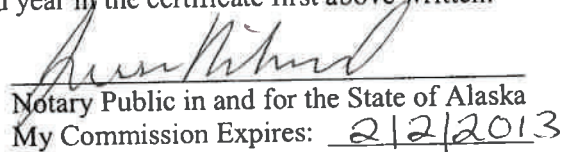
115

WITNESS my hand and official seal the day and year in the certificate first above written.



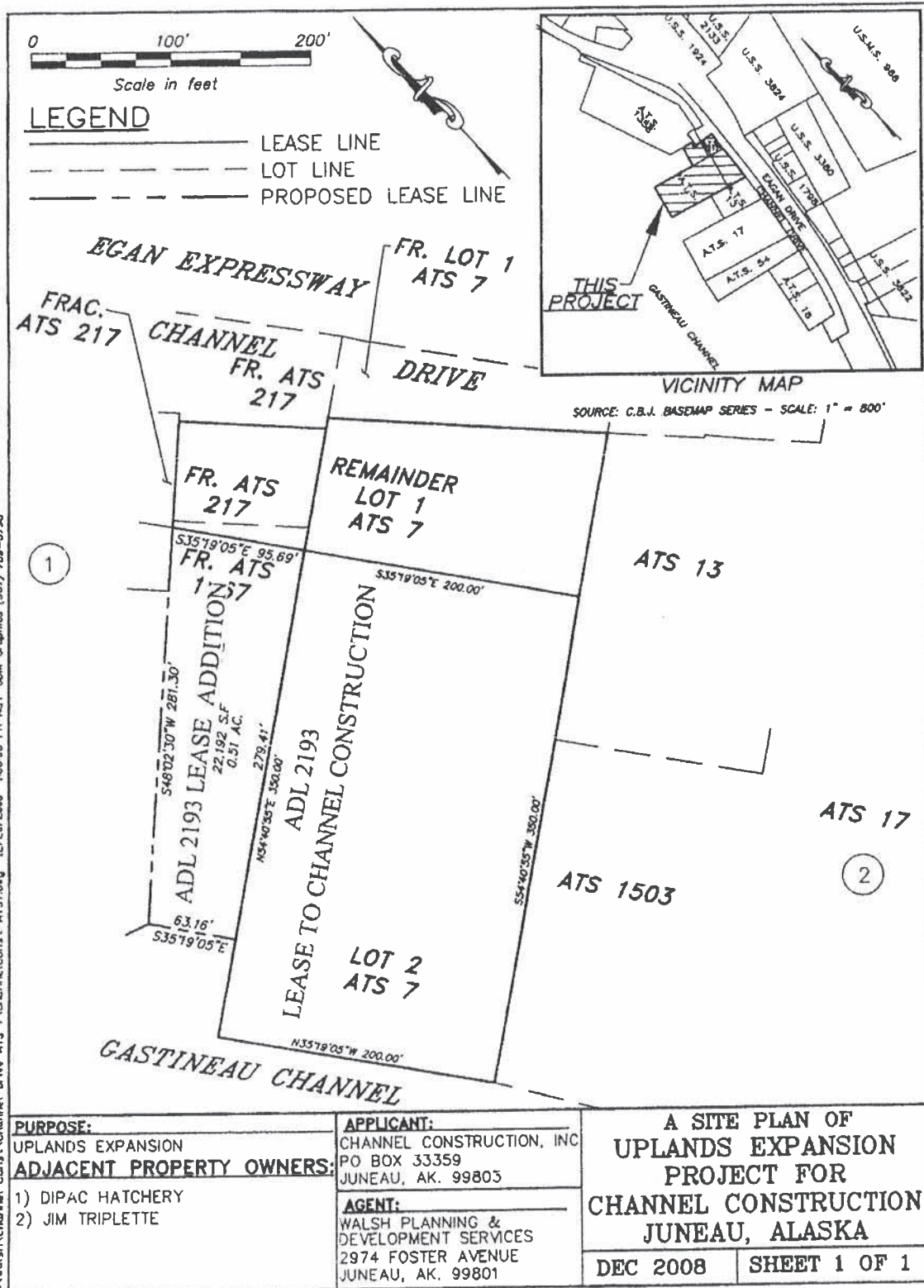
STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

WITNESS my hand and official seal the day and year in the certificate first above written.



Amendment to CBJ – Channel Construction Tidelands Lease No. ADL 2193

**EXHIBIT A.
LEASE ADDITION
CHANNEL CONSTRUCTION
ADL 2193**



Ord. 2010-08 - Exhibit A



4 of 4

2010-007778-0

Subject Photographs



PHOTO 1 - LOOKING EAST FROM NORTHERN PROPERTY LINE AT THE UNFILLED PORTION OF THE SITE FROM TOE OF THE SUBJECT'S FILL. (092915_12621)



PHOTO 2 - LOOKING SW OVER FILLED PORTION OF SUBJECT WITH UNFILLED PORTION PHOTO FAR LEFT. THE DIPAC WAREHOUSE IS VISIBLE IN THE BACKGROUND. 092915_12643

Subject Photographs



PHOTO 3 – LOOKING NORTH OVER LEASE ADDITION FROM DIPAC LEASE. THE CONCRETE BARRIERS APPROXIMATE THE PROPERTY LINE. 092915_12648



PHOTO 4 - LOOKING WEST ALONG CHANNEL DR. ENTRANCE TO CHANNEL CONSTRUCTION IS PHOTO LEFT 092915_12654

HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 1**

Community: 03 CBJ - Auke Bay
Address: 13391 Glacier Highway
Location: Auke Bay, Allen Marine Barge Dock
Legal: ATS 1533, Plat 97-65, Juneau Recording District, First Judicial District, Alaska; ADL No. 106233
 Assessor Parcel #4B3001020050;

Recording District: Juneau**City:** Juneau**State:** AK**Zip:** 99801**Instrument:** Lease **Serial:****Trans.Type:** Land Lease**Rights:** Leasehold**Terms:** Annual Lease**Annual Rent:** \$28,100**Trans. Date:** July 19, 2012**Grantor:** City and Borough of Juneau**Grantee:** Allen Marine Tours, Inc.**Size (SF):** 187,351.56**Frontage:** 500'**Zone:** WI**Utilities:** Water, Telephone, Electric**Access:** Road, paved**Improvements:** None**Land Class:** Waterfront, Commercial, Tidelands**Topography:** Submerged, Sloping**Vegetation:** None**Soil:** Tidelands**Present Use:** Independent docking facility as a passenger transfer facility for tours or ferry service.**Intended Use:** Floating Dock**Highest and Best Use:** Waterfront industrial**Comments**

Vacant as leased. This site has since been developed as a commercial dock. Original tidelands lease established December 1, 1997, and transferred to the City and Borough of Juneau in 2001. The lease term is for 30 years with five year rental adjustments at the option of lessor. The plat does NOT note a 50' shoreline public access on this site. The site is mostly submerged land dropping off steeply. See Our File 03-102.

Analysis:

$$\$28,100/\text{year} \div 4.30 \text{ acres} = \$6,535/\text{AC}/\text{year} \text{ or } \$15/\text{sf}$$
Marketing Info: Non-competitive lease based on appraisal.

Capitalized lease; the original rent annual payment was \$21,075 per December 1, 1997. Adjusted August 26, 2004 to \$28,100/year. The lease was due to be reappraised in 2009, however an appraisal was not performed until 2012. That appraisal recommended the lease rate remain at \$28,100/year. Typical lease percentage rate at that time was 8%. Reappraisal anniversary date is 07/01/2017. The transaction date noted above is the effective date of the Lease Rental Review letter sent to the lessee. from the city.

Confirmed with: Teena Scovill, CBJ John Stone, Lessor

Confirmed date: 1/8/2015 1/21/2010

Confirmed by: J.Horan T.Riley

Book/Tab: 84 Auke Bay

Revision Date: 12/1/2015

Record Number: 1637



041304_0837

Looking at the subject from Glacier Highway in a westerly direction.



HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 2****Community:** 12 CBJ - Salmon Creek**Address:** 2697 Channel Drive**Recording District:** Juneau**City:** Juneau**State:** AK**Zip:** 99801**Location:** DIPAC Hatchery**Legal:** ATS 1356, Tracts A and B; Juneau Recording District, First Judicial District, Alaska ADL 104320; Amendment Lease Addition 61,663 SF**Parcel Number:** 7R0901010070**Instrument:** Lease **Serial:****Trans.Type:** Land Lease**Rights:** Lease**Terms:** Annual Rent**Annual Rent:** \$41,135.4**Trans. Date:** October 17, 2014**Grantor:** City and Borough of Juneau**Grantee:** DIPAC**Size (SF):** 274,236**Frontage:** Gastineau Channel**Zone:** WI**Utilities:** All**Access:** Road, paved**Improvements:** None in lease**Land Class:** Commercial, Tidelands, Waterfront**Topography:** Drops from road to muddy tidal flats awash at most tides; no submerged land.**Vegetation:** None**Soil:** See Comments**Present Use:** Gastineau Hatchery**Intended Use:** Gastineau Hatchery**Highest and Best Use:** Commercial**Comments**

Tract B is designated as public access for urban fishing and satisfies the state requirement for pedestrian access across the front of the entire parcel. This site is used as a large hatchery operation with ponds, buildings, aquarium, and parking. This site functions well as a hatchery location. See Our File 03-102. An additional 61,663 SF was added in 2010.

Analysis:

$$\$41,134.45 / 274,236 \text{ SF} = \$0.15/\text{SF}$$

Marketing Info: Original lease negotiated in 1992 assigned Tract B to offset 50' public easement. Expansion requested by DIPAC and Channel Construction in 2008 required CBJ to obtain land from State. Process complete in 2010 with additional lease area ATS 1682 Tract A rented at same rate as adjoining lease parcels. This additional land totaled 61,663 SF was added per amendment dated 11/29/2010 which used as the effective lease adjustment date. Rate set in October 2009 adjustment was also \$41,135.40

Confirmed with: City and Borough of

Confirmed date: 04/24/2015

Confirmed by: J.Horan

Book/Tab: 84

Salmon Creek - WI

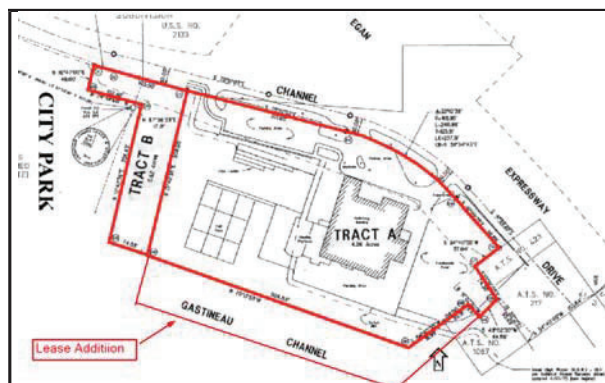
Revision Date: 12/1/2015

Record Number: 4187



012015_208

Looking SE from Channel DR toward comp.



HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 3A****Community:** 12 CBJ - Salmon Creek**Address:** 2591 Channel Drive**Location:** South end of Channel Drive**Legal:** Tract B, ATS 1670, Plat 2015-1, Juneau Recording District, First Judicial District, Alaska

Formerly Lot 3, ATS 18, ADL 1891 ; Parcel Number: 7B0901010020

Recording District: Juneau**City:** Juneau**State:** AK**Zip:** 99801**Instrument:** Lease **Serial:** 2009-003200-0**Trans.Type:** Land Lease**Rights:** Lease**Terms:** Annual rent**Annual Rent:** \$3,005.7**Trans. Date:** June 1, 2014**Grantor:** City and Borough of Juneau**Grantee:** DJG Development, LLC, Prop/Wick Grant Liv Trust**Size (SF):** 20,038**Frontage:** 100'**Zone:** WI**Utilities:** All**Access:** Road, paved**Improvements:** None in lease**Land Class:** Tidelands**Topography:** Gently sloping tidal flats**Vegetation:****Soil:****Present Use:** Vacant**Intended Use:** Speculation**Highest and Best Use:** Commercial**Comments**

The site was replatted in January 2015 changing the lot dimensions slightly and reducing the size from 0.461 acres (20,081 SF) to 0.46 acres (20,038 SF). The site's former legal description was Lot 3, Plat 2001-7.

It is leased by the same lessee in conjunction with the adjacent ADL 2090 (our record #4176). The site is composed of unfilled gradually sloping tidelands. The land near the road is suitable for fill, but access to water is limited due to tide changes and mud flats seaward of the subject at lowest tides. The average site depth is 210'. Due to rebounding, additional land may be required for deep water access. The 50' pedestrian easement typical for tidelands leases is not noted on the plat for this property. See Our File 03-102 and our files 14-134.

Analysis:

$$\$3,005.70 / 20,038 \text{ SF} = \$0.15/\text{SF}$$

Marketing Info: The original lease began on April 25, 1961 and was set to expire April 24, 2016. A new lease was signed June 1, 2009 at an annual rate of \$3012.15 or \$0.15/SF based on appraisal. The lease rate is to be reviewed by the harbor board every five years.

The size was reduced slightly in January 2015 from 0.461 acres to 0.46 acres. The current lease rate is effective 06/01/2014 and is based on this reduced square footage.

Prior to the new lease in 2009, the last adjustment date was 6/1/07. with the lease set at \$3,012.15 or \$0.15/SF for the 20,081 SF.

Confirmed with: Teena Scovill CBJ Ports

Confirmed date: 04/27/2015

Confirmed by: J.Horan

Book/Tab: 84

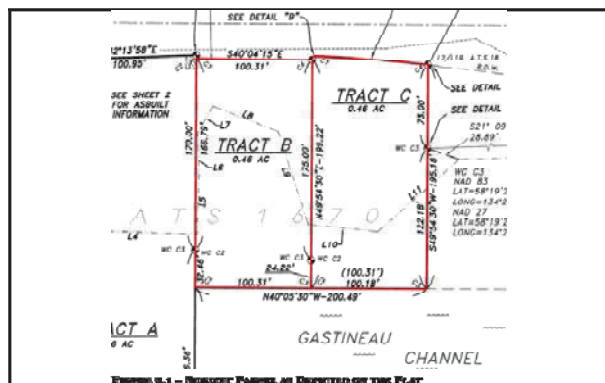
Salmon Creek - WI

Revision Date: 12/1/2015

Record Number: 4175



012015_0045



HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 3B****Community:** 12 CBJ - Salmon Creek**Address:** 2591 Channel Drive**Location:** South end of Channel Drive**Legal:** Tract C, ATS 1670, Plat 2015-1, Juneau Recording District, First Judicial District, Alaska

Formerly Lot 2, ATS 18, ADL 2090

: Parcel Number: 7R0901010020

Recording District: Juneau**City:** Juneau**State:** AK**Zip:** 99801**Instrument:** Lease **Serial:** 2009-003201-0**Sale Price:** \$3,005.7**Trans.Type:** Sale**Trans. Date:** June 1, 2014**Rights:** Lease**Grantor:** City and Borough of Juneau**Terms:** Annual rent**Grantee:** DJG Development, LLC, Prop/Wick Grant Liv Trust**Size (SF):** 20,038**Frontage:** 100'**Zone:** WI**Utilities:** All**Access:** Road, paved**Improvements:** Fill not included in lease**Land Class:** Tidelands**Topography:** Gently sloping tidal flats**Vegetation:****Soil:****Present Use:** Vacant**Intended Use:** Speculation**Highest and Best Use:** Commercial**Comments**

The site was replatted in January 2015 changing the lot dimensions slightly but the size remained unchanged at 0.46 acres (20,038 SF). The site's former legal description was Lot 2, Plat 2001-7.

It is leased by the same lessor in conjunction with the adjacent ADL 1891 (our record #4175). This parcel is currently partially filled, however, it is leased in its unfilled pre-lease condition. In its pre-lease condition the subject is gradually sloping tidelands. Access to water is limited due to tide changes and mud flats seaward of the subject at lowest tides. The average site depth is 210'. Due to rebounding, additional land may be required for deep water access. This site is a "shallow" parcel. The 50' pedestrian easement typical for tidelands leases is not noted on the plat for this property. See Our Files 03-102 and our files 14-134.

Analysis:

$$\$3,005.70 / 20,038 \text{ SF} = \$0.15/\text{SF}$$

Marketing Info: The original lease began on April 25, 1961 and was set to expire April 24, 2016. A new lease was signed June 1, 2009 at an annual rate of \$3012.15 or \$0.15/SF based on appraisal. The lease rate is to be reviewed by the harbor board every five years.

The site was replatted in January 2015 but the size remained at 0.46 acres. The current lease rate is effective 06/01/2014.

Prior to the new lease in 2009, the last adjustment date was 6/1/07. with the lease set at \$3,012.15 or \$0.15/SF.

Confirmed with: Teena Scovill CBJ Ports

Confirmed date: 04/27/2015

Confirmed by: J.Horan

Book/Tab: 84

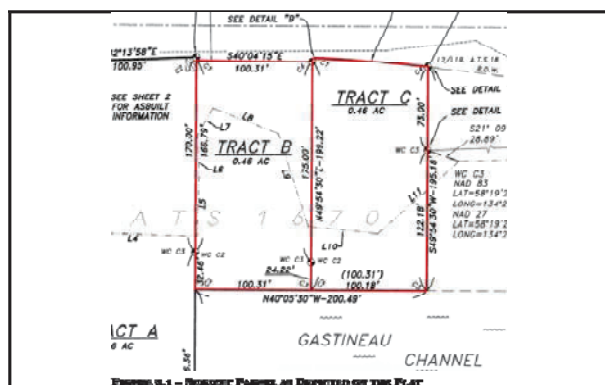
Salmon Creek - WI

Revision Date: 12/1/2015

Record Number: 4176



012015_0045



HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 4**

Community: 20 CBJ - North Douglas
Address: 3564 North Douglas Highway
Location: Near the Juneau-Douglas Bridge
Legal: Tracts A&B, ATS 842, Juneau Recording District, First Judicial District, Alaska ADL 51488
 ; Parcel Number: 6D0601020010

Recording District: Juneau
City: Juneau
State: AK
Zip: 99801

Instrument: Tidelands **Serial:**
Trans.Type: Land Lease
Rights: Lease
Terms: Annual Rent

Annual Rent: \$8,773
Trans. Date: May 27, 2010
Grantor: City and Borough of Juneau
Grantee: Trucano Family Partnership

Size (SF): 43,865
Frontage: 215'
Zone: WI

Utilities: All
Access: Water and road via adjacent land
Improvements: None
Land Class: Tidelands, Waterfront, Commercial

Topography: Sloping beach
Vegetation: None
Soil: Gravel

Present Use: Vacant at time of lease
Intended Use: Fill and develop barge landing site
Highest and Best Use: Waterfront industrial

Comments

The site was approximately 1/3 filled and 2/3 unfilled tidelands at the time it was leased. It is this pre-leased condition that is reflective of the rental renewal. See Our File 03-102. The lease terms are typical state lease, total net, no option to purchase. The lease can be sublet with consent not unreasonably withheld. Building and site improvements remain the property of the lessee, which can be transferred at renewal.

Analysis:

$\$8,773/\text{year} \div 43,865 \text{ SF} = \$0.20/\text{SF}/\text{year}$

Marketing Info: This was a non-competitive lease based on appraisal,

This is a 55-year lease, beginning on August 19, 1971 and expiring on August 18, 2026. On August 1994, a prior rental adjustment date, the fee value of the land was estimated at \$120,200. An 8% lease percentage rate was applied to determine the \$9,600 annual rent. Rental adjustment to \$8,773/year on July 28, 2005. The transaction date 05/27/2010 is the lease date reviewed by the city with no change. Next reappraisal anniversary date is 2/22/15.

Confirmed with: CBJ spreadsheet CBJ Docks and Harbors/Teena
 Confirmed date: 01/13/2015 12/14/2014
 Confirmed by: J.Horan J.Corak
 Book/Tab: 84 North Douglas
 Revision Date: 12/1/2015
 Record Number: 1744



041304_0784

ATS 842 in its filled condition after lease



HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 5**

Community: 03 CBJ - Auke Bay
Address: 11957 Glacier Highway
Location: Fisherman's Bend Marina, Auke Bay
Legal: ATS 1324, ADL 103170; Parcel Number: 4B2801020140

Recording District: Juneau
City: Juneau
State: AK
Zip: 99801

Instrument: Lease
Serial: 2008-011152-0

Trans.Type: Land Lease

Rights: Lease, Leasehold less Minerals,
 Subsurface

Terms: Annual Rent

Annual Rent: \$34,260

Trans. Date: January 2, 2014

Grantor: City and Borough of Juneau

Grantee: Andrews Marina Inc.

Size (SF): 311,454

Frontage:

Zone: WC

Utilities: Electric

Access: Adjacent tidelands

Improvements: None in lease

Land Class: Waterfront, Tidelands, Commercial

Topography: Submerged

Vegetation: N/A

Soil: Tidelands

Present Use: Marina

Intended Use: Marina, Retain for possible expansion

Highest and Best Use: Marina

Comments

This leased site is the extension of the upland marina. The site is totally submerged ranging from -30' to -90' below mean low water. The southern portions of the site are relatively deep and completely submerged. Located in the inner core of Auke Bay, the subject is well protected but does experience wind and wave action at times. Given these physical characteristics, it is well suited for its use as a marina, but its distance from the shoreline and depth makes it more expensive to develop. The distance from shore restricts their utility to an extent. It is currently improved with two fingers, a portion of the main float and the fuel dock. There is reportedly a minor encroachment of a private float to the west.

Analysis:

2014

$34,260/\text{year} \div 7.15 \text{ acres} = \$4,791.61/\text{AC}/\text{year}$ or
 $\$34,260/\text{year} / 311,454 \text{ SF} = \$0.11/\text{SF}/\text{year}$

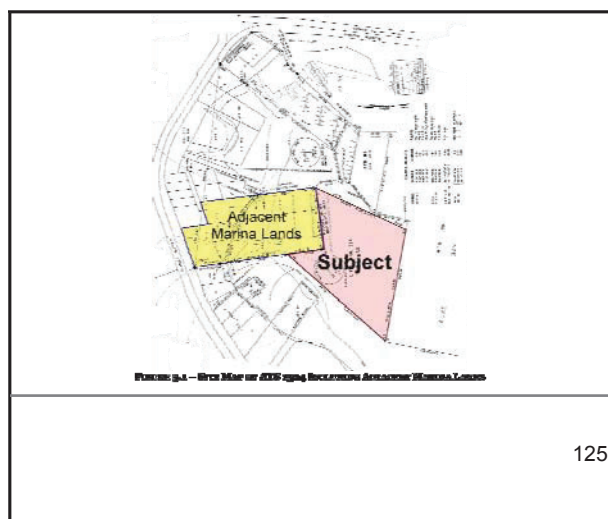
$\$24,250/\text{year} \div 7.15 \text{ acres} = \$3,392/\text{AC}/\text{year}$ or
 $\$24,250/\text{year} / 311,454 \text{ SF} = \$0.08/\text{SF}/\text{year}$

Marketing Info: The subject is part of the Fisherman's Bend Marina located at 11957 Glacier Highway in Auke Bay, Juneau, Alaska (ATS 1324). The tidelands were originally part of a 20 year lease, ADL 103170, which began 01/02/87 at a rate of \$13,600/ year(\$0.04/SF). It expired on January 1, 2007. According to city

Confirmed with: DNR records
 Confirmed date: 1/1/1988
 Confirmed by: C.Horan
 Book/Tab: 84
 Revision Date: 12/1/2015
 Record Number: 2444

CBJ - Teena Larson

Auke Bay



QUALIFICATIONS OF CHARLES E. HORAN, MAI

Professional Designation	MAI, Member Appraisal Institute, No. 6534
State Certification	State of Alaska General Appraiser Certification, No. AA41
Bachelor of Science Degree	University of San Francisco, B.S., Business Administration, 1973

Employment History:

8/04 – now	Owner, HORAN & COMPANY, LLC
3/87 – 7/04	Partner, HORAN, CORAK AND COMPANY
1980 – 2/87	Partner, The PD Appraisal Group, managing partner since November 1984 (formerly POMTIER, DUVERNAY & HORAN)
1976 – 80	Partner/Appraiser, POMTIER, DUVERNAY & COMPANY, INC., Juneau and Sitka, Alaska
1975 – 76	Real Estate Appraiser, H. Pomtier & Associates, Ketchikan, AK
1973 – 75	Jr. Appraiser, Ketchikan Gateway Borough, Ketchikan, AK

Lectures and Educational Presentations:

2007, "Conservation Easements" Presentation - Alaska Association of Assessing Officers, Fairbanks, AK
1998, "Easement Valuation Seminar," Alaska Chapter Appraisal Institute, Anchorage, AK
1998, "Easement Valuation Seminar," Seal Trust, Juneau, Alaska
1997, "Sitka Housing Market," Sitka Chamber of Commerce
1997, developed and taught commercial real estate investment seminar for Shee Atika, Inc.
1994, developed and taught seminar "Introduction to Real Estate Appraising," UAS, Sitka Campus
1985, Speaker at Sitka Chamber of Commerce, "What is an Appraisal? How to Read the Appraisal"
1984, Southeast Alaska Realtor's Mini Convention, Juneau, Alaska
Day 1: Introduction of Appraising, Cost and Market Data Approaches
Day 2: Income Approach, Types of Appraisals, AIREA Accredited Course
1983, "The State of Southeast Alaska's Real Estate Market"
1982, "What is an Appraisal?"

Types of Property Appraised:

Commercial - Retail shops, enclosed mall, shopping centers, medical buildings, restaurants, service stations, office buildings, auto body shops, schools, remote retail stores, liquor stores, supermarkets, funeral home, mobile home parks, camper courts. Appraised various businesses with real estate for value as a going concern with or without fixtures such as hotels, motels, bowling alleys, marinas, restaurants, lounges.

Industrial - Warehouse, mini-warehouse, hangars, docks barge loading facilities, industrial acreage, industrial sites, bulk plant sites, and fish processing facility. Appraised tank farms, bulk terminal sites, and a variety of waterfront port sites.

Special Land - Partial Interest and Leasehold Valuation - Remote acreage, tidelands with estimates of annual market rent. Large acreage land exchanges for federal, state, municipal governments and Alaska Native Corporations; retail lot valuations and absorption studies of large subdivisions; gravel and rock royalty value estimates; easements, partial interests, conservation easements; title limitations, permit fee evaluations. Appraised various properties under lease to determine leasehold and leased fee interests. Value easements and complex partial interests.

Special Projects - Special consultation for Federal land exchanges. Developed Land Evaluation Module (LEM) to describe and evaluate 290,000 acres of remote lands. Renovation feasibilities, residential lot absorption studies, commercial, and office building absorption studies. Contract review appraiser for private individuals, municipalities, and lenders. Restaurant feasibility studies, Housing demand studies and overall market projections. Estimated impact of nuisances on property values. Historic appreciation / market change studies. Historic barren material royalty valuations, subsurface mineral and timber valuation in conjunction with resource experts. Mass appraisal valuations for

Municipality of Skagway, City of Craig, Ketchikan Gateway Borough and other Alaska communities. Developed electronic/digital assessment record system for municipalities. Developed extensive state-wide market data record system which identified sales in all geographic areas.

Expert Witness Experience and Testimony:

2009 Expert at mediation - Talbot s Inc vs State of Alaska, et al. IKE-07-168CI
 2008 Albright vs Albright, IKE-07-265CI, settled
 2006 State of Alaska vs Homestead Alaska, et al, 1JU-06-572, settled
 2006 State of Alaska vs Heaton, et al, 1JU-06-570CI, settled
 2006 State of Alaska vs Jean Gain Estate, 1JU-06-571, settled
 2004 Assessment Appeal, Board of Equalization, Franklin Dock vs City and Borough of Juneau
 2000 Alaska Pulp Corporation vs National Surety - Deposition
 U.S. Senate, Natural Resources Committee
 U.S. House of Representatives, Resource Committee
 Superior Court, State of Alaska, Trial Court and Bankruptcy Courts
 Board of Equalization Hearings testified on behalf of these municipalities: Ketchikan Gateway Borough, City of Skagway, City of Pelican, City and Borough of Haines, Alaska
 Witness at binding arbitration hearings, appointed Master for property partitionment by superior state court, selected expert as final appraiser in multi parties suit with settlements of real estate land value issues

Partial List of Clients:

Federal Agencies

Bureau of Indian Affairs
 Bureau of Land Mngmnt
 Coast Guard
 Dept. Of Agriculture
 Dept. Of Interior
 Dept. Of Transportation
 Federal Deposit Ins Corp
 Federal Highway Admin.
 Fish & Wildlife Service
 Forest Service
 General Service Agency
 National Park Service
 USDA Rural Develop.
 Veterans Administration

Lending Institutions

Alaska Growth Capital
 Alaska Pacific Bank
 Alaska Ind. Dev. Auth.
 ALPS FCU
 First Bank
 First National Bank AK
 Key Bank
 Met Life Capital Corp.
 National Bank of AK
 Rainier National Bank
 SeaFirst Bank
 True North Credit Union
 Wells Fargo
 Wells Fargo RETECHS

ANCSA Corporations

Cape Fox, Inc.
 Doyon Corporation
 Eyak Corporation
 Goldbelt
 Haida Corporation
 Huna Totem
 Kake Tribal Corporation
 Klawock-Heenya Corp.
 Klukwan, Inc.
 Kootznoowoo, Inc.
 Sealaska Corporation
 Shaan Seet, Inc.
 Shee Atika Corporation
 TDX Corporation
 The Tatitlek Corporation
 Yak-Tat Kwan

Companies

AK Electric Light & Power
 AK Lumber & Pulp Co.
 AK Power & Telephone
 Allen Marine
 Arrowhead Transfer
 AT&T Alcom
 Coeur Alaska
 Delta Western
 Gulf Oil of Canada
 Hames Corporation
 HDR Alaska, Inc.
 Holland America
 Home Depot
 Kennecott Greens Creek
 Kennedy & Associates
 Madsen Construction, Inc.
 Service Transfer
 Standard Oil of CA
 The Conservation Fund
 Union Oil
 Ward Cove Packing
 White Pass & Yukon RR
 Yutana Barge Lines

Municipalities

City & Borough of Haines
 City & Borough of Juneau
 City & Borough of Sitka
 City of Akutan
 City of Coffman Cove
 City of Craig
 City of Hoonah
 City of Ketchikan
 City of Klawock
 City of Pelican
 City of Petersburg
 City of Thorne Bay
 City of Wrangell
 Ketchikan Gateway Borg.
 Municipality of Skagway

Other Organizations

BIHA
 Central Council for Tlingit & Haida Indian Tribes of Alaska (CCTHITA)
 Diocese of Juneau
 Elks Lodge
 Hoonah Indian Assoc.
 LDS Church
 Moose Lodge
 SE AK Land Trust (SEAL)
 SEARHC
 Sitka Tribe of Alaska
 The Nature Conservancy

State of Alaska Agencies

Alaska State Building Authority (formerly ASHA)
 Attorney General
 Dept. of Fish & Game
 Dept. of Natural Service, Div. of Lands
 Dept. of Public Safety
 DOT&PF
 Mental Health Land Trust
 Superior Court
 University of Alaska

Education

7-Hour National USPAP Update Course, Mount Vernon, WA, April 2013
Fall Real Estate Conference 2012, Seattle, WA November, 2012
Appraising the Appraisal: Appraisal Review-General, Rockville, MD, May 2012
Information Security Awareness for Appraisal Professionals Webinar, December, 2012
Fall Real Estate Conference 2011 Seattle, WA October, 2011
Appraisal Curriculum Overview (2-day General) Milwaukee, WI, August 2011
Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), Rockville, MD, Oct 2010
Business Practices and Ethics, Seattle, WA, Apr 2010
Fall Real Estate Conference, Seattle, WA, Dec 2009
7-hour National USPAP Update Course, Seattle, WA, May 2009
Fall Real Estate Conference, Seattle, WA, Nov 2008
Attacking and Defending an Appraisal in Litigation, Kent, WA, Sep 2008
Sustainable Mixed-Use N.I.M., Seattle, WA, Feb 2008
Appraising 2-4 Unit Properties, Bellevue, WA, Sep 2007
Business Practices and Ethics, Seattle, WA, Jun 2007
7-hour National USPAP Update Course, Seattle, WA, Jun 2007
Residential Market Analysis and Highest and Best Use, Seattle, WA, Apr 2007
Basic Appraisal Procedures, Seattle, WA, Feb 2007
USPAP Update Course, Anchorage, AK, Feb 2005
Rates & Ratios: Making Sense of GIMs, OARs, and DCF, Anchorage, AK, Feb 2005
Best Practices for Residential Appraisal Report Writing, Juneau, AK, Apr 2005
Scope of Work - Expanding Your Range of Services, Anchorage, AK May 2003
Litigation Appraising - Specialized Topics and Applications, Dublin, CA, Oct 2002
UASFLA: Practical Applications for Fee Appraisers, Jim Eaton, Washington, D.C., May 2002
USPAP, Part A, Burr Ridge, IL, Jun 2001
Partial Interest Valuation - Undivided, Anchorage, AK, May 2001
Partial Interest Valuation - Divided, Anchorage, AK, May 2001
Easement Valuation, San Diego, CA, Dec 1997
USPAP, Seattle, WA, Apr 1997
The Appraiser as Expert Witness, Anchorage, AK, May 1995
Appraisal Practices for Litigation, Anchorage, AK, May 1995
Forestry Appraisal Practices, Atterbury Consultants, Beaverton, OR, Apr 1995
Advanced Sales Comparison & Cost Approaches, Univ. of Colorado, Boulder, CO, Jun 1993
Computer Assisted Investment Analysis, University of Maryland, MD, Jul 1991
USPAP, Anchorage, AK, Apr 1991
General State Certification Review Seminar, Anchorage, AK, Apr 1991
State Certification Review Seminar, Dean Potter, Anchorage, AK, Apr 1991
Highest and Best Use and Market Analysis, Baltimore, MA, Mar 1991
Financial Institution Reform, Recovery & Enforcement Act of 1989, Doreen Fair Westfall, Appraisal Analyst, OTS, Juneau, AK, Jul 1990
Real Estate Appraisal Reform, Gregory Hoefer, MAI, OTS, Juneau, AK, Jul 1990
Standards of Professional Practice, Anchorage, AK, Oct 1987
Federal Home Loan Bank Board Memorandum R41C Seminar, Catherine Gearhearth, MAI, FHLBB District Appraiser, Juneau, AK, Mar 1987
Market Analysis, Boulder, CO, Jun 1986
Federal Home Loan Bank Board Regulation 41b, Instructor Bob Foreman, MAI, Seattle, WA, Sep 1985
Litigation Valuation, Chapel Hill, North CA, Aug 1984
Standards of Professional Practices, Bloomington, IN, Jan 1982
Course 2B, Valuation Analysis & Report Writing, Stanford, CA, Aug 1980
Course 6, Introduction to Real Estate Investment Analysis, Aug 1980
Course 1B, Capitalization Techniques, San Francisco, CA, Aug 1976
Course 2A, Case Studies in Real Estate Valuation, Aug 1976
Course 1A, Real Estate Principles and Valuation, San Francisco, CA, Aug 1974

Rev 07/13

QUALIFICATIONS OF JOSHUA C. HORAN

Education:

Graduated from Sitka High School, Sitka, Alaska

Graduated with a BS in Foreign Service from Georgetown University, Washington, DC

Employment:

Nov 2006 to Present - Real Estate Appraiser Trainee - Horan & Company, LLC

Dec 2003 to Jul 2004 - Intern for Shee Atika Incorporated, Sitka, Alaska

Summers, 1997 to 2002 - Park Ranger, National Park Service, Sitka, Alaska

Certification & Approvals:

Residential Real Estate Appraiser, State of Alaska License #617

Appraisal Education:

Appraisal Principles; Appraisal Institute, Long Beach, CA, October 2004

Appraisal Procedures, Appraisal Institute, Long Beach CA, October 2004

Residential Case Study, Tacoma, WA, March 2006

15-Hour USPAP, Anchorage, AK, June 2006

REO Appraisal: Appraisal of Residential Property Foreclosure, 7 Hr, Tigard, OR March 2009

Introduction to FHA Appraising, 7 Hr, Tigard, OR March 2009

Uniform Standards of Professional Appraisal Practice - 2009 Update 7 Hr, Juneau, AK June 2009

Home Valuation Code of Conduct & 1004 Market Conditions Form Seminar, June 2009, Juneau, AK

Uniform Standards of Professional Appraisal Practice - 2011 Update, Juneau, AK; June 2011

Current Issues & Regulatory Updates Affecting Appraisers #10066; William King & Associates, Inc.;
Juneau, AK; June 2011

Loss Prevention Program for Real Estate Appraisers; LIA Administrators & Insurance Services; Juneau,
AK; June 2011

Narrative Residential Report Writing Using Microsoft Word & Excel, 14 Hr., Anchorage, AK, February
2013

7 Hour USPAP, Anchorage, AK February 2013

Mortgage Fraud - Protect Yourself, 7 Hr, Mckissock.com, April 2013

General Appraiser Sales Comparison Approach, 30 Hr, Chicago, IL, October 2014

Types of Property Assessed for Taxation:

City of Craig real property assessment roll; single-family, multi-family and mobile homes.

City of Skagway real property assessment roll, single-family, multi-family and mobile homes.

Types of Property Appraised:

Residential - Single-family, multi-family, vacant lands, mobile homes and island property.

Commercial - Warehouses and vacant lands.

Boards & Committees

Shee Atika Benefits Trust Scholarship Committee Board Member, July 2005 to July 2008

Rev. 11/14

Harbor Fee Review

Special Annual Moorage Fee for Skiffs

REGULATION: 05 CBJAC 20.020

An owner with an open-hulled vessel 21 feet or less in length, excluding engines, may apply to the Harbormaster for moorage in the limited access areas of the small boat harbors. The Harbormaster will assign moorage in these areas on a first-come, first-serve basis. If assigned moorage by the Harbormaster, all requirements pertaining to annual moorage apply, except the annual moorage fee that the owner shall pay, which shall be as follows:

- (1) \$580.00 from July 1, 2013 through June 30, 2014; and
- (2) Each moorage year after June 30, 2014, 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 \$5.00, unless the docks and harbors board takes action to keep the fee the same as the previous year.

(Amended 4-11-2005, eff. 4-19-2005; Amended 10-24-2005, eff. 11-1-2005; Amended 12-11-2006, eff. 7-1-2007; Amended 7-15-2013, eff. 7-23-2013)

CURRENT RATES:

DOUGLAS, HARRIS AND AURORA HARBORS		
	<i>Effective thru June 30, 2015</i>	<i>Effective July 1, 2015</i>
Skiff	\$590 per year	\$ 600 per year
Daily	54¢ per foot	55¢ per foot
Monthly	\$4.20 per foot	\$4.25 per foot
Annual (July 1 – June 30)	5% discount on 12-month advanced payment	5% discount on 12-month advanced payment

STATTER HARBOR		
	<i>Effective thru June 30, 2015</i>	<i>Effective July 1, 2015</i>
Skiff	\$590 per year	\$600 per year
Daily Moorage	54¢ per foot	55¢ per foot
Monthly	\$7.05 per foot	\$7.15 per foot
Annual (July 1 – June 30)	5% discount on 12-month advanced payment	5% discount on 12-month advanced payment

ANNUAL REVENUE:

During FY15, there were two customers downtown and no customers at Statter Harbor who chose to pay the special annual moorage rate for skiffs, resulting in an annual revenue of \$1,200.00.

STAFF RECOMMENDATION:

Delete the regulations for an annual skiff fee. It is not widely used and the monthly rate typically is more advantageous.

ADOT Municipal Harbor Grant FY17 Scoring

FY17 Applicants (for SLA 16)	Project Name	Tier	Score	Amount Requested
Kodiak, City of	City Float	I	148.6	\$ 1,365,792
Wrangell, City and Borough of	Shoemaker Bay Harbor	I	139.8	\$ 5,000,000
Sitka, City and Borough of	Crescent Harbor	I	138.0	\$ 5,000,000
Aleknagik, City of	City Dock	I	117.0	\$ 94,000
Whittier, City of	Whittier Small Boat Harbor	II	113.0	\$ 500,000
Anchorage, Municipality of	Ship Creek Boat Ramp	II	102.8	\$ 688,722
Juneau, City and Borough of	Aurora Harbor	II	98.0	\$ 2,000,000
Valdez, City of	Valdez New Small Boat Harbor	II	93.4	\$ 5,000,000
Skagway, Municipality of	Skagway Harbor	II	65.0	\$ 1,000,000
Total				\$ 20,648,514

City & Borough of Juneau



RESOLUTION NO.

A RESOLUTION OF THE CITY & BOROUGH OF JUNEAU IN SUPPORT OF FULL FUNDING FOR THE STATE OF ALASKA MUNICIPAL HARBOR FACILITY GRANT PROGRAM IN THE FY 2017 STATE CAPITAL BUDGET.

Whereas, the City & Borough of Juneau recognizes the majority of the public boat harbors in Alaska where constructed by the State during the 1960s and 1970s; and

Whereas, these harbor facilities represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaskan coastal communities; and

Whereas, these harbor facilities are ports of refuge and areas for protection for ocean-going vessels and fishermen throughout the State of Alaska, especially in coastal Alaskan communities; and

Whereas, the State of Alaska over the past nearly 30 years has transferred ownership of most of these State owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

Whereas, the municipalities took over this important responsibility even though they knew that these same harbor facilities were in poor condition at the time of transfer due to the state's failure to keep up with deferred maintenance; and

Whereas, consequently, when local municipal harbormasters formulated their annual harbor facility budgets, they inherited a major financial burden that their local municipal governments could not afford; and

Whereas, in response to this financial burden, the Governor and the Alaska Legislature passed legislation in 2006, supported by the Alaska Association of Harbormasters and Port Administrators, to create the Municipal Harbor Facility Grant program, AS 29.60.800; and

Whereas, the City & Borough of Juneau, is pleased with the Department of Transportation and Public Facilities administrative process to review, score and rank applicants to the Municipal Harbor Facility Grant Program, since state funds may be limited; and

Whereas, for each harbor facility grant application, these municipalities have committed to invest 100% of the design and permitting costs and 50% of the construction cost; and

Whereas, the municipalities of the City of Aleknagik, the Municipality of Anchorage, the City and Borough of Juneau, the City of Kodiak, the City and Borough of Sitka, the Municipality of Skagway, the City of Valdez, the City and Borough of Wrangell, and the City of Whittier have offered to contribute \$20,648,514 in local match funding for FY2017 towards nine harbor projects of significant importance locally as required in the Harbor Facility Grant Program; and

Whereas, completion of these harbor facility projects is all dependent on the 50% match from the State of Alaska's Municipal Harbor Facility Grant Program; and

Whereas, during the last ten years the Municipal Harbor Facility Grant Program has only been fully funded twice; and

Whereas, during the last ten years the backlog of projects necessary to repair and replace these former State owned harbors has increased to over \$100,000,000.

Now therefore be it resolved that the Membership of the Alaska Association of Harbormasters and Port Administrators urges full funding in the amount of \$20,648,514 by the Governor and the Alaska Legislature for the State of Alaska's Municipal Harbor Facility Grant Program in the FY 2017 State Capital Budget in order to ensure enhanced safety and economic prosperity among Alaskan coastal communities.

Passed and approved by a duly constituted quorum of the Assembly of the City & Borough of Juneau on this 6th day of January, 2016.

Mayor, City & Borough of Juneau

ATTEST:

Laurie Sica, City Clerk