

CBJ DOCKS & HARBORS BOARD
CIP / PLANNING COMMITTEE MEETING AGENDA
For Thursday, December 9, 2010

I. Call to Order (5:00 pm in ASSEMBLY CHAMBERS).

II. Roll Call (Mike Williams, Kevin Jardell, Eric Kueffner, Jim Preston, Bob Westmann, 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 time).

V. Approval of November 18, 2010 CIP/Planning Meetings Minutes.

VI. Items for Action.

1. Archipelago Property Offer

Presentation by Port Engineer

Public Discussion

Committee Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING

2. CBJ Downtown Marine Support Facility

Presentation by Port Engineer

Public Discussion

Committee Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING

VII. Items for Information/Discussion.

None

CBJ DOCKS & HARBORS BOARD
CIP / PLANNING COMMITTEE MEETING AGENDA
For Thursday, December 9, 2010

VIII. Member & Staff Reports.

IX. Committee Administrative Matters.

Next Tentative Meeting: January 20, 2011 at 5:00 pm at the Assembly Chambers.

X. Adjournment.

CBJ DOCKS & HARBORS BOARD
CIP/PLANNING COMMITTEE MEETING MINUTES
For Thursday November 18, 2010

I. Call to Order.

Committee member Mr. Williams called the meeting to order at 5:45 p.m.

II. Roll.

The following members were present: Mr. Williams, Mr. Preston, Mr. Donek and Mr. Wostmann via teleconference.

The following members were absent: Mr. Kueffner, and Mr. Jardell.

Also in attendance were: Mr. Gillette – Port Engineer, and Ms. Danner – Assembly Liaison.

III. Approval of Agenda.

MOTION by Mr. Donek: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS PRESENTED. The motion passed without objection.

IV. Public Participation.

There was none at this time.

V. Approval of Previous Meeting Minutes.

MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO APPROVE THE PREVIOUS MINUTES OF October 21, 2010. The motion passed without objection.

VI. Items for Action.

1. Fisherman's Bend and Andrew's Marina Property Offer.

Mr. Gillette stated that in the committee members packet there is an email that was sent to Heather Marlow who is the lands manager and then forwarded on the Mr. Stone from Mr. and Mrs. Andrews, the owners of Fisherman's Bend and Andrew's Marina offering the sale of the facilities to CBJ for \$4,000,000.00 dollars. (See attached)

Mr. Gillette went over the process and procedures involved with the purchase of the facility such as an appraisal and also a need condition survey, which will help in the decision making of the Board.

Public Comment:

Mr. Swanson stated that his concern is not with the purchase of the property but what he is more
CIP/Planning Committee Meeting Minutes
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concerned with is the condition of the Dehart's facility and the badly needed repairs.

Mr. Watson commented on the difference in cost for slips in Dehart's versus Fisherman's Bend.

He recommended taking a closer look at the revenues involved with moorage at this facility.

Mr. White, who also has a slip in the Dehart's facility commented on the condition of Dehart's docks and urges the Board that if there is money in the budget to make some upgrades to the facility that we currently own.

At this time the committee members discussed the purchase of the facility and discussed the issue of all the other projects that we are currently working on and the general consensus is that the committee members feel at this time that they are very stretched with their budget.

Mr. Preston recommended passing this subject on to the full Board as there are only four of the CIP committee members present. As part of the preparation for the presentation to the full board they have asked staff to gather any existing information that might be available.

2. Norway Point to Harris Harbor Planning.

Mr. Gillette stated that this has been topic that has been discussed before and did a brief overview for the committee members. He went over the list of tasks that will be done for this project. (See attached)

MOTION by Mr. Donek: ASK UNANIMOUS CONSENT TO FORWARD THIS TO THE FULL BOARD WITH A RECOMMENDATION FOR FINAL APPROVAL. The motion passed with out objection.

VII. Items for Information/Discussion.

1. Cruise Terminal Rest Room Designs.

Mr. Gillette briefed the committee on this matter and went over what the outcome of the survey that was done was. Mr. Gillette said that there were some questions raised about the process that we used to do this. Since there were questions they have decided to take another look at this and what Mr. Gillette did is he went to the water department and looked into the water use during the summer months when the restrooms where open and went over the stats with the committee members.

After going over these findings and stats Mr. Gillette said that we believe that the toilets at the tram are sufficient for the need in that particular area. Having said this it doesn't mean we don't need anymore toilets in other areas. There is a gap between the tram and the parking garage where toilets could be installed. With that in mind Mr. Gillette has asked Jenson Yorba Lott to come up

CIP/Planning Committee Meeting Minutes

November 18, 2010

with some concepts that might be a prototype of a small toilet unit that we might build somewhere in the middle along what will be the new sea walk area.

Mr. Gillette passed out some preliminary designs for 3 different concepts and went over them with the committee members at this time. (See attached)

More discussion among the committee members and Mr. Gillette took place at this time.

Ms. Danner stated that at the operations committee meeting she made some comments about the operations diligence. She stated that the original restroom study was included in the packet for the October 21st meeting, but was not available before that. The statistics that Mr. Gillette presented this evening was also not available until now.

Ms. Danner expressed her concerns regarding the study that had been done this summer regarding the restroom availability.

Further discussion among the committee members took place at this time.

IX. Committee Administrative Matters.

The next meeting is scheduled for December 9, 2010 at 5:00 pm in the City Chambers.

X. Adjournment.

**MOTION by Mr. Donek: ASK UNANIMOUS CONSENT TO ADJOURN THE MEETING.
The motion passed without objection.**

The meeting was adjourned at 6:35 p.m.

ARCHIPELAGO PROPERTIES, LLC
ONE SEALASKA PLAZA, SUITE 300
JUNEAU, AK 99801

TELEPHONE: 907-586-1400

FAX: 907-586-3065

November 23, 2010

Heather Marlow
Lands and Resources Manager
City & Borough of Juneau
155 South Seward Street
Juneau, AK 99801-1397

Re: Archipelago Properties Acquisition Letter of Intent

Dear Ms. Marlow:

This letter responds to your correspondence of October 14, 2010, and will constitute a "Letter of Intent" to confirm the mutual intentions of the City and Borough of Juneau (CBJ) as buyer, and Archipelago Properties, LLC as seller (Seller) with respect to the purchase and sale of certain waterfront real property as further described below. This Letter of Intent sets forth the current understanding of the fundamentals of the proposed transaction but remains contingent upon completion of due diligence and execution of a definitive agreement between the parties.

1. **Description of Property.** Portions of lots 7A and 9A, block 83, Tidelands Addition to the City of Juneau consisting of approximately 17,591.5 square feet, generally as shown on the sketch plat 87-10, attached hereto as Exhibit A. The exact location and configuration of the acquired property shall be subject to final negotiation and will be set forth in the definitive agreement. The purchased properties will include the following:

- | | |
|--------------------------------|----------------------------------|
| • Five-foot sidewalk expansion | 1421.5 sf @ \$150/sf = \$213,225 |
| • Plaza areas | 4920.0 sf @ \$150/sf = \$738,000 |
| • 25' promenade expansion | 5625.0 sf @ \$150/sf = \$843,750 |
| • 25' existing access easement | 5625.0 sf @ \$ 45/sf = \$253,125 |

Approximate Total: 17,591.5 sf

Total \$2,048,100

2. **Purchase Price/Payment.** Upon execution of this letter by CBJ, CBJ will pay to buyer the sum of \$10,000.00 as earnest money, to be held in escrow until such time as the execution of the definitive agreement and payment thereunder is made.

- A. Earnest Money. The earnest money shall be refunded to CBJ if the contingencies stated herein are not completed to CBJ's reasonable satisfaction, or shall be credited to CBJ toward the full purchase price upon closing.
- B. Price. CBJ will pay total consideration of \$2,048,100 at closing. Seller shall deliver fee simple title, free of liens and encumbrances.

3. **Due Diligence.** As soon as practicable after execution of this Letter of Intent, CBJ, its agents, advisors and employees shall be permitted to make a full and complete due diligence review of the subject property. Seller shall cooperate fully with such review including providing access to the premises and making available all of its documents necessary for due diligence review.

4. **Other Conditions to Closing.** CBJ's obligation to close the purchase is Contingent on the following occurring on or before _____ 2011 (the closing date):

- A. Satisfactory completion of due diligence of the type and extent required in the transaction of this sort, including without limitation (i) a comprehensive inspection and review of the physical condition of the property; (ii) such environmental analysis as CBJ deems necessary; (iii) a review of the state of legal title to the property and CBJ's determination that following closing it will have satisfactory title; (iv) a review of all plans, drawings, specifications and surveys pertaining to the property.
- B. Negotiation and execution of a definitive agreement satisfactory to CBJ and to Seller that includes, without limitation, customary representations, warranties, procedures and indemnities, and that otherwise reflects the provisions of this Letter of Intent.
- C. Approvals and consents as required by law or by contract in order for either party to effect the transaction.
- D. CBJ Planning Commission approval as required and subject to performance of the required hazard analysis, said analysis and approval to be secured by Seller with the cooperation and assistance of CBJ.
- E. An appropriation of funds from the CBJ assembly for the acquisition, through the Ordinance process.
- F. Negotiation of mutually acceptable covenants regarding design restrictions relating to signage, openings, lighting and color schemes in future "Plaza" area; and relating to timing of CBJ development plans so as to coordinate reasonably with other future development of the site.

5. **Closing Date.** Closing shall occur within 90 days of the execution of this Letter of Intent; provided, however, that due to the time required to complete the contingencies list above, if substantial progress has been made by the parties toward completion of said contingencies then the time for closing shall be extended as necessary for the completion of such contingencies, which shall be pursued with diligence by the parties.

6. **Closing Costs.** The parties agree that the closing costs in this transaction shall be divided as follows: CBJ and Seller shall share equally in the cost of appraisal of the property by Alaska Appraisal Associates and in the costs of securing subdivision approval if required by CBJ Planning Commission; CBJ shall be responsible for all costs of inspection and any further review/recommendations regarding environmental assessments. Seller shall pay for an initial title report, but CBJ shall pay for title insurance if it requires same. All other closing costs will be split evenly between CBJ and Seller. Any real estate commission earned or claimed as a result of this transaction shall be borne by the Seller, which shall hold CBJ harmless therefrom. Each party shall be responsible for its own legal, accounting and other fees and expenses relating to the proposed transaction. Each party shall indemnify and hold harmless the other party from any claim for such expenses, except as expressly allocated herein.

7. **Termination of Letter of Intent.** In the event the parties fail to enter into a definitive agreement with respect to the proposed transaction contemplated by this Letter of Intent on or before the closing date stated in Section 4, above; or if any of the contingencies listed in Section 4 above are not completed or waived, the understandings contained in this Letter of Intent shall terminate and be of no further force or effect unless extended by mutual, written agreement of the parties. The provisions of Sections 2.A. and 6. hereof, shall each survive any termination of this Letter of Intent.

8. **Governing Law.** This Letter of Intent shall be governed by and construed in accordance with the laws of the State of Alaska, subject to the relevant Codes and Ordinances of the City and Borough of Juneau, Alaska.

9. **Binding Effect.** Subject to the requirement that the parties hereto proceed in good faith, and with the exception of the provisions of Sections 2.A. and 6., hereof, each of which shall be deemed to be an agreement and binding upon the parties, it is understood that this Letter of Intent does not constitute a final and legally binding commitment unless and until the conditions and contingencies herein have been satisfactorily completed.

Please indicate acceptance and approval of the foregoing statement of our mutual intentions by execution on behalf of CBJ by an authorized officer thereof. This Letter of

Heather Marlow
November 23, 2010
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Intent and the offer contained herein shall be null and void if not accepted by delivery of an executed copy hereof to Seller no later than 5:00 p.m. on _____ 2010.

Sincerely,
ARCHIPELAGO PROPERTIES, LLC.

By: E. Budd Simpson
General Manager

Accepted and approved as of _____ 2010.

City and Borough of Juneau

By: _____

Its: _____

cc: John Stone, Port Director
Rod Swope, CBJ Manager
Archipelago Properties, LLC

Enclosure: Exhibit A

Project Update

Presentation to:

**CBJ Docks & Harbors Board
December 9, 2010**



PROJECT TIMELINE

- Task 1: Project Management (Jan-Jun 2007)
- Task 2: PIP, Phase I & Short Listing (Jan-Feb 2007)
 - Douglas, Channel Drive & Little Rock Dump eliminated
- Task 3: Site Selection (Mar 2007)
 - University Property
 - Norway Point
- Task 4: Site Layout (Apr 2007)
- Task 5: PIP, Phase II (Apr 2007)



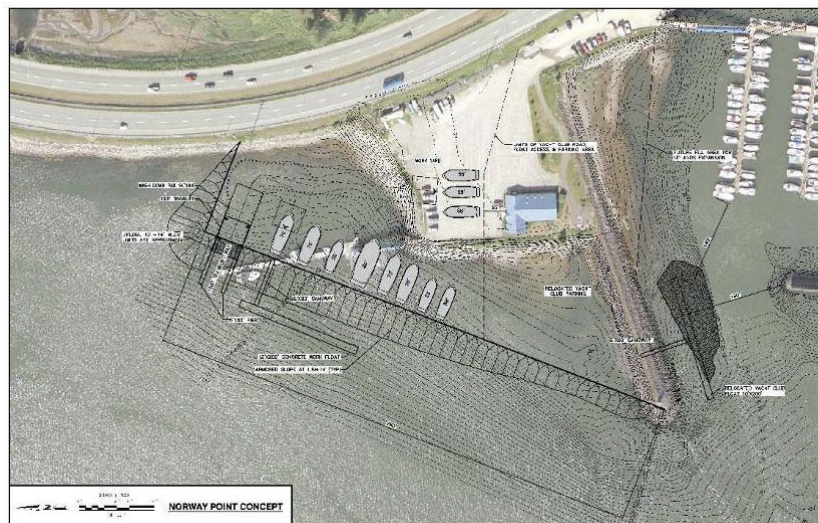
CBJ Downtown Marine Support Facilities

Project No. DH07-022



CBJ Downtown Marine Support Facilities

Project No. DH07-022



CBJ Downtown Marine Support Facilities

Project No. DH07-022

SITE SELECTION CRITERIA

- ✓ Marine Climate
- ✓ In-water Fill
- ✓ Dredging
- ✓ Available Services
- ✓ Road Access
- ✓ Proximity to Harbors
- ✓ Preliminary Environmental Screening
- ✓ Public Impacts
- ✓ Site Ownership
- ✓ Conflicts with Existing & Proposed Site Uses



CBJ Downtown Marine Support Facilities

Project No. DH07-022

Value Engineering Paired Comparison

Project: Downtown Marine Support Facilities (05029.000)
 Study Item: Alternative Site Selection
 Date: 27-Mar-07

Importance Factors
 3 = High Preference
 2 = Medium Preference
 1 = Low Preference

										Criteria	Score	Percent	
A	B	C	D	E	F	G	H	I	J	Marine Climate	A	7	10%
B	2	2	2	1	1	1	2	2	1				
	B	1	2	1	2	1	1	2	1	In-water Fill	B	13	19%
	C					1							
		C	1	1	1	1	1	2	1	Dredging	C	10	15%
		D											
			D	1	1	2	1	1	1	Available Services	D	2	3%
			E		2	1	1	1	1				
				E		1				Road Access to Site	E	8	12%
				F		2							
					F		2	1	1	Proximity to Harbors	F	2	3%
					G		2	2	2				
						G		2	2	Environmental Screening	G	14	21%
						H							
							H	1	1	Other Impacts	H	4	6%
							I		1				
								I	1	Site Ownership/Lease Status	I	4	6%
								J					
A	B	C	D	E	F	G	H	I	J	Potential Site Conflicts	J	3	4%
Total:											67	100%	



CBJ Downtown Marine Support Facilities

Project No. DH07-022

Alternative Ranking Matrix Weighting of Alternatives

Project: Downtown Marine Support Facilities (05029.000)
Study Item: Alternative Site Selection
Date: 27-Mar-07

Scoring
7-10 Significant advantages and/or opportunities
4-6 Potential issues and/or unknown impacts
0-3 Significant disadvantages and/or constraints

Alternative	Criteria Weight											Score	Rank
		A 10%	B 19%	C 15%	D 3%	E 12%	F 3%	G 21%	H 6%	I 6%	J 4%		
1	University Property	6	4	10	6	6	6	8	6	6	6	6.0	2
2	Norway Point	8	8	7	6	8	8	8	8	8	7	7.4	1



CBJ Downtown Marine Support Facilities

Project No. DH07-022

Downtown Marine Support Facilities
Preliminary Estimate: Construction Cost
Reference: Conceptual Layouts, Rev. 3 (4/20/07)

Item	Units	Unit Price	University Property		Norway Point	
			Quantity	Total	Quantity	Total
Mobilization & Demobilization			Allow	\$300,000	Allow	\$220,000
Demolition & Removals			Allow	\$210,000	Allow	\$30,000
Relocate 10' x 200' Float			-	-	Allow	\$70,000
150T (+4) Marine Travel Lift	EA	\$680,000	1	\$680,000	1	\$680,000
20T Hydraulic Trailer	EA	\$140,000	1	\$140,000	-	-
Anchored SSP Bulkhead	LF	\$4,300	940	\$4,042,000	110	\$473,000
6' x 80' Travel Lift Pier	EA	\$230,000	1	\$230,000	2	\$460,000
Backfill (General, Type A & Compacted D1)	CY	\$30	136,300	\$4,149,000	117,700	\$3,531,000
Riprap Slope Protection	CY	\$40	-	-	3,500	\$140,000
Dredging & Disposal	CY	\$25	2,600	\$65,000	1,500	\$37,500
12' x 200' Concrete Work Float (50A, fire water)	SF	\$160	2,400	\$384,000	2,400	\$384,000
6' x 80' Gangway	EA	\$60,000	1	\$60,000	2	\$120,000
Site Access Improvements			Allow	\$40,000	Allow	\$40,000
Electrical Service Extension			Allow	\$125,000	Allow	\$250,000
Water Service Extension			Allow	\$50,000	Allow	\$100,000
Stormwater Treatment (incl. Wash-down Area)			Allow	\$250,000	Allow	\$250,000
Security Lighting			Allow	\$100,000	Allow	\$225,000
Signage			Allow	\$20,000	Allow	\$20,000
Security Fencing & Gates			Allow	\$40,000	Allow	\$120,000
Landscape Buffer			Allow	\$40,000	Allow	\$40,000
Subtotal				\$10,865,000		\$7,171,000
Design Contingency		Allow	20%	\$2,173,000	20%	\$1,434,000
Construction Contingency		Allow	10%	\$217,000	10%	\$143,000
Environmental Mitigation		Allow	-	-	10%	\$717,000
Professional Fees (Design, Permitting)		Allow	10%	\$1,087,000	10%	\$717,000
CBJ Administration		Allow	3%	\$326,000	3%	\$215,000

Preliminary Estimate: Construction Cost (2007 dollars)

\$14,670,000

\$10,400,000

+40%



SITE SELECTION - CONCLUSION

Study has identified two viable sites with preference for development at Norway Point, based on:

- Value Engineering Analysis
- Site Development Pros & Cons
- Workable Conceptual Layout
- Lower Development Cost
- Focus Group assessment



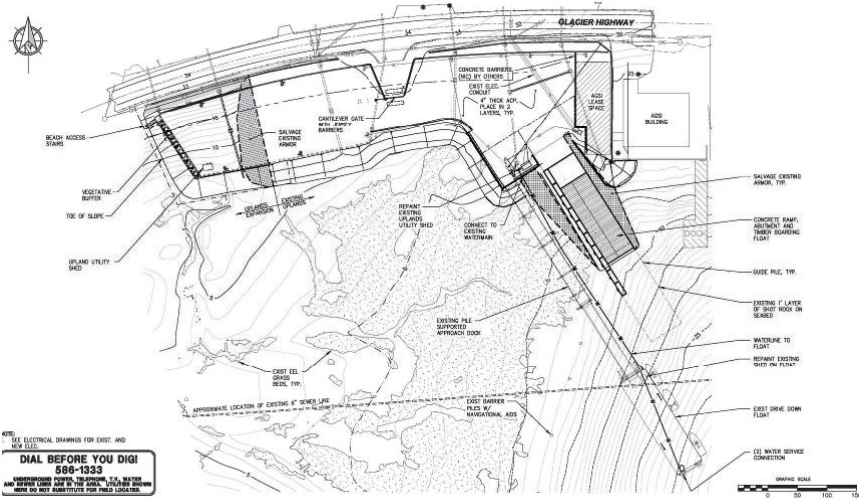
PROJECT TIMELINE (cont.)

- Project placed on hold (May 2007)
 - TNH contract extended to accommodate project re-start
- URS acquires TNH (Aug 2008)
- CBJ Harbors interest in re-starting project (Nov 2010)
- Expand scope to consider development at Auke Bay Loading Facility



CBJ Downtown Marine Support Facilities

Project No. DH07-022



CBJ Downtown Marine Support Facilities

Project No. DH07-022



Sealift™ Hydraulic Trailer (75T)



Marine Travelift™ Boat Hoist (150T)



MOVING FORWARD ...

- Is “apples-to-apples” comparison needed?
 - University Property & Norway Point sites considered 150T marine travelift & 2.7 Acres uplands
 - Auke Bay Loading Facility has smaller uplands & considering 75T hydraulic trailer only
- Is additional concept development desired at University Property and/or Norway Point (e.g., hydraulic trailer)?
- Value engineering comparison of alternative sites? Which?
- What does Public Process (PIP, Phase 3) look like, moving forward?



Project Update

Presentation to:

**CBJ Docks & Harbors Board
December 9, 2010**

