

CBJ DOCKS AND HARBORS BOARD
REGULAR MEETING AGENDA
For Thursday, June 27th, 2013

- I. Call to Order** (5:30 p.m. at the CBJ Assembly Chambers.)
- II. Roll** (Greg Busch, John Bush, Tom Donek, Eric Kueffner, David Logan, Budd Simpson, Scott Spickler, Michael Williams, and Kevin Jardell).
- III. Approval of Agenda**

MOTION: TO APPROVE THE AGENDA AS PRESENTED.
- IV. Approval of May 23rd, 2013 Special Board Minutes and May 30th, 2013 Regular Board Meeting Minutes.**
- V. Public Participation on Non-Agenda Items** (not to exceed 5 minutes per person, or twenty minutes total time).
- VI. Items for Action.**

- 1. Norway Point Beach Access Use Agreement
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING.

- 2. Results of Statter Harbor Conditional Use Permit
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING

- 3. Tram Appraisal Methodology
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

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MOTION: TO BE DEVELOPED AT THE MEETING

VII. Items for Information/Discussion

1. Board Discussion on Committee Assignments.
Presentation by the acting Board Chair

VIII. Committee and Board Member Reports

1. Operations Committee Meeting – June 18th, 2013
2. CIP/Planning Committee Meeting – Cancelled
3. Finance Committee Meeting – June 25th, 2013
4. Member Reports

IX. PRAC Representative Report

X. Port Engineer's Report

Mr. Gillette's report is in the packet

XI. Harbormaster's Report

XII. Port Director's Report

XIII. Assembly Liaison Report

XIV. Committee Administrative Matters

- a. Operations Committee Meeting – July 16th, 2013
- b. CIP/Planning Committee Meeting – July 18th, 2013
- c. Finance Committee Meeting– July 23rd, 2013
- d. Board Meeting – July 25th, 2013

XV. Adjournment

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I. Call to Order.

Greg Busch called the meeting to order at 5:00 p.m. in the Assembly Chambers.

II. Roll.

The following members were in attendance: Greg Busch, Kevin Jardell (via phone), Eric Kueffner, David Logan, Budd Simpson, Michael Williams, John Bush, Scott Spickler, and Tom Donek.

Also in attendance were: Gary Gillette – Port Engineer, Carl Uchytel - Port Director, Amy Mead – Assistant City Attorney, Hal Hart - Community Development Director.

III. Approval of Agenda.

MOTION by MR.LOGAN: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

IV. Public Participation – None

V. Items for Action.

1. Discussion of the Planning Commissions Denial of Statter Harbor Conditional Use Permit presentation by the Port Director

Mr. Uchytel said there will be discussion about what the Planning Commission can and cannot reconsider. During the Planning Commission's meeting, on Tuesday, May 14th, numerous citizens spoke in opposition of the project because of: lack of green space, inadequate visual shielding, inadequate pedestrian access, property devaluation, and noise during construction. The Planning Commission had a body of five to deliberate and vote. The deliberation was voted down four to one. There was a motion to reconsider at the next Planning Commission meeting.

Mr. Gillette said this project has gone through four and a half years of review with the Army Corp of Engineers permit process and the Environmental Assessment process with federal and state agencies. The alternatives that we considered were rejected by the federal and state agencies because the plans did not meet the requirement to be water-dependent. The federal and state agencies said locations, other than Statter Harbor, could be used to meet the alternative plans considered. The current plan could be altered to meet some of the concerns by narrowing the drive lanes. This will allow for eight to ten feet of landscaping, which will help buffer the noise and provide more green space. The plans already include a sea-walk, benches and a picnic area. The current plans include an adequate amount of parking that is necessary to accommodate the current and future

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need for parking. Full cutoff LED lighting, focused downward, will provide sufficient visibility for use within the Harbor, and will limit the amount of light shed on the neighboring areas. The noise due to construction will be temporary, intermittent, and limited by city codes.

Mr. Hart said if the Planning Commission receives enough votes in favor of reconsidering the Statter Harbor Conditional Use Permit, then the Chair can hear new information that evening or at a future time. This would then provide an opportunity for the Planning Commission to hear any additional information based on their concerns.

Committee Questions

Mr. Logan asked Mr. Gillette if the plan is to alter the original proposal that went before the Planning Commission to tighten up the driving lanes and provide green space?

Mr. Gillette said staff is responding to the concern of limited green space and looking for room in the plans to provide more green space.

Mr. Spickler asked what steps can be made if the Planning Commission denies the reconsideration?

Ms. Mead said if the Planning Commission denies the reconsideration, that decision is appealable at that time. There will need to be a motion for reconsideration. If that is decided then the Statter Harbor Conditional Use Permit then becomes debatable. This will erase the previous vote to deny the Statter Harbor Conditional Use Permit. Anything that could have happened at the original vote can happen again. Including: tabling it, scheduling the vote for a different day, or allowing for new testimony.

Mr. Kueffner asked how many votes the Planning Commission requires to carry the motion?

Ms. Mead said that the Planning Commission needed to have five votes to carry the motion. If the Planning Commission does not receive five votes then the permit will not pass.

Mr. Simpson asked what recommendations did the staff make in the first proposal that the Planning Commission disliked?

Mr. Hart said the community is concerned about the lighting, and lighting is a neighborhood harmony concern. Also, public communities are multifunctional. The sea-walk adds value to the immediate property and the surrounding properties. Studies show that parks add value to a home, if that home is within walking distance of a park. Part of the Planning Commission's role is understanding neighborhood harmony. The Planning Commission is focused on the community's concerns with lighting, noise and greenery.

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The Planning Commission is looking for more growth and development in the Statter Harbor area and are focused on neighborhood harmony.

Mr. Williams asked if Docks & Harbors can ask the agencies for more green space in the plan?

Mr. Hart said the agencies might not permit changes in the plan.

Mr. Kueffner asked if the plan does not get reconsidered, would we be able to reintroduce the plan in the future?

Ms. Mead said there is nothing preventing reapplication of the plan, but the plan would need to be substantially different so that you don't get the same results.

Mr. Uchytel said that this space is not meant to be a park. At the most the space will be a tenth of an acre of green space. Also, the last Planning Commission vote was four to one. The next vote might have eight members voting and this increase in member votes could lead to a significant change.

Mr. Jardell asked if the same application and motion can be brought forward again?

Ms. Mead said no, a new application needs to be brought forward. The application needs to be different enough so that a new application is being considered to avoid receiving the same results. I am unaware of any instance of an application being resubmitted and receiving different results from the first submission.

Mr. Williams asked if there is a residential neighborhood organization at Auke Bay?

Mr. Hart said yes, Friends of Auke Bay.

Mr. Donek asked what would qualify as a substantially different plan?

Mr. Gillette said this plan meets the requirement for a minimum amount of fill that will support a water dependent facility. The parking is allowed because it is associated with the water dependent use of a launch ramp. There are other places in the community to build parks that will not require filling valuable habitat.

Mr. Donek asked if a substantially different plan is a possibility?

Mr. Gillette said no, a substantially different plan that will meet all of the requirements is not likely.

Ms. Mead said that the Planning Commission's first step will be to consider if they will reopen voting on the Statter Harbor Conditional Use Permit. If they reopen the vote, then the previous vote will be nullified, and anything that could have happened previously can

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happen now. For example, the Planning Commission could decide to reopen discussions for the Statter Harbor Conditional Use Permit, move the discussion to a committee, table the discussion for another day, withdraw the permit, or renew the permit.

Mr. Jardell asked if a substantive change to the current plan is permissible?

Mr. Gillette said no, a substantive change is not permissible. Removal of parking spaces could lead to the permit being taken away because that would show a lack of necessity in the project.

Mr. Busch asked Mr. Gillette if the minor changes he suggested would be in conflict with the Corp of Engineers Permit or the Environmental Assessment completed?

Mr. Gillette said no, adding some small landscaping, and not remove parking spaces, is not in conflict with the Corp of Engineers Permit nor the environmental assessment.

Ms. Mead said that in order for a new permit application to be submitted it will need to have substantive and meaningful changes. The changes presented do not meet the definition of 'meaningful change'. The changes being discussed can be done with the current permit application if the Planning Commission allows the permit to move forward.

Mr. Kueffner asked if the Planning Commission is required to take public testimony.

Ms. Mead said no, the Planning Commission is not required to take public testimony. If this is appealed, there are limited issues that the Assembly can reverse. The record is limited as well. If there is new evidence that the Docks and Harbors would like to present, the Planning Commission cannot consider that new evidence without approval from the Planning Commission to let the new evidence into the record by reopening the question. The Assembly cannot reconsider the issue on the question whether they like it and want it to move forward. During an appeal, the Assembly is limited to the evidence the Planning Commission received thus far.

Public Comments

Bob Janes, Gastineau Guiding, Juneau, AK 99801

He said the Statter Harbor Conditional Use Permit is important to different user groups in the community. Some concessions might need to be made. Such as, eliminating four parking spaces for green space should be considered to achieve more greenery. What the sales aspect and the sea-walk would do for the Auke Bay community needs to be considered. Property values would increase. If we put some creativity into the sea-walk this would lead to the community welcoming this project. Today was a typical, busy day at Statter Harbor, this shows the need for more parking and organization.

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Mr. Kueffner said that he avoids using Statter Harbor because it is too crowded.

Committee Discussion

Mr. Logan said that he does not support making amendments to the lane sizes. Making the lanes smaller is not a good idea because there will be issues maneuvering in the current allotted lane space. I am in favor of the amendments suggested outside of changing the lanes spaces, for example, changing the sea-walk, and access to Glacier Highway.

Mr. Simpson said the staff should be given the discretion to address the concerns of the Planning Commission.

Mr. Uchytel said the Planning Commission has to make the decision to reconsider the Statter Harbor Conditional Use Permit. If the Planning Commission decides to reconsider, then we can have staff input their recommendations.

Mr. Jardell said three motions are in order:

1. The board endorses the maximum amount of changes, which the current permit will allow, to meet the concerns expressed.
2. Ask the Planning Commission to make a final decision to approve or deny the Statter Harbor Conditional Use Permit, as the Docks and Harbors do not find changes to the plans to be possible.
3. Approve an appeal if the Planning Commission denies the Statter Harbor Conditional Use Permit.

Mr. Simpson seconds Mr. Jardell's motions.

Mr. Jardell said there is a need to address the concerns of the neighborhood and our team works well addressing those concerns.

Mr Bush said if the Planning Commission reconsiders the Statter Harbor Conditional Use Permit then the Docks and Harbors Board can ask the Planning Commission to hear the Docks and Harbors amendments to the permit.

MOTION By MR. BUSH: THE BOARD ENDORSES THE MAXIMUM AMOUNT OF CHANGES, WHICH THE CURRENT PERMIT WILL ALLOW, TO MEET THE CONCERNS EXPRESSED.

Mr. Busch voted yes.

Mr. Jardell voted yes.

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Mr. Kueffner voted yes.

Mr. Logan voted no.

Mr. Simpson voted yes.

Mr. Williams voted yes.

Mr. Bush voted yes.

Mr. Spickler voted yes.

Mr. Donek voted yes.

The motion passed eight to one.

MOTION By MR. JARDELL: ASK THE PLANNING COMMISSION TO MAKE A FINAL DECISION TO APPROVE OR DENY THE STATTER HARBOR CONDITIONAL USE PERMIT, AS THE DOCKS AND HARBORS DO NOT FIND CHANGES TO THE PLANS TO BE POSSIBLE.

Mr. Bush seconds the motion.

The motion passed unanimously.

MOTION By MR. JARDELL: APROVE AN APPEAL IF THE PLANNING COMMISSION DENIES THE STATTER HARBOR CONDITIONAL USE PERMIT.

Mr. Logan seconds the motion.

The motion passed unanimously, eight to zero, as Mr. Jardell was unable to vote.

VI. Member or staff reports.

None.

VII. Adjournment.

The meeting was adjourned at 6:17 p.m.

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I. Call to Order.

Mr. Busch called the Regular Board Meeting to order at 5:30 p.m. in the Assembly Chambers

II. Roll Call.

The following members were present: John Bush, Tom Donek, Eric Kueffner, David Logan, Budd Simpson, Scott Spickler, Michael Williams and Greg Busch.

Absent: Kevin Jardell

Also present were the following: Carl Uchytel – Port Director, Gary Gillette – Port Engineer, Loren Jones- Assembly Liaison, Howard Lockwood – Manager of Juneau Port Development LLC, Randy Vigil- Army Corp of Engineers, and Michael Salyer – Alaska District, Army Corps of Engineers.

III. Approval of Agenda.

Mr. Uchytel said there is a separate revised agenda separate from the packet.

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

Motion was approved with no objection.

IV. Approval of Previous Meeting Minutes.

Hearing no objection, the April 25th Regular Board Meeting Minutes and the May 7th, Special Board Minutes were approved as presented.

V. Public Participation on Non-Agenda Items - None

VI. Items for Action

1. Approval of Taku Dock Modifications Bid Results

Mr. Gillette said bids were opened yesterday for this part of the Cruise Ship Berth enhancement project, and Trucano Construction had the low bid of \$940,517.03. If the Board recommends this, it will move forward to the Assembly for final approval to accept this bid. This is a little more than the Engineers estimate, but Docks & Harbors has enough in the budget for this project and would be able to award this.

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Board Questions-

Mr. Williams asked why there was an increase from the Engineers estimate?

Mr. Gillette said they could only get a 10 day quote for the HDPE sleeves, which are the plastic sleeves that go on the pilings, because the price is escalating so fast.

Mr. Kueffner asked where Taku Dock was?

Mr. Gillette said the Taku Dock is where Taku Fisheries is and modifications are needed to accommodate for the Cruise Ship Berth.

Public Comment – None

Board Discussion/Action

MOTION By MR. KUEFFNER: TO APPROVE THE BID RESULTS AND RECOMMEND TO SEND TO THE ASSEMBLY JUNE 3RD AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

3. 05 CBJAC 20 and 05 CBJAC 40 Regulation Changes.

Mr. Uchytel said at the April 25th meeting there was a public hearing for input on the recommended changes to harmonize the regulations to not include DeHarts. At the hearing, the Board recommended to send this back to the Finance Committee for further review because public input was that some of our rates are inconsistent. Some are tied to the CPI adjustment and some are not. The public input was that Docks & Harbors should take a realistic view of all the rates and make the rate changes consistent. At the Finance meeting on Tuesday the Committee liked the idea to link all the rates to the CPI, but the recommendation was to just clean up the regulation with the removal of “DeHart’s” and move forward. This change was advertised to the public indicating Docks & Harbors would be taking public comment through May 8th and did not receive any comments. If the Board approves this, it will go to CBJ Law to write up the final draft and then go to the Assembly for final action.

Board Questions-

Mr. Busch said at the Operations Committee meeting, the Committee was looking at other changes to Section 40. Would it be better to wait for the final on the commercial changes or move forward with this and then go back through the process again?

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Mr. Uchytel said he recommended to approve the changes tonight, and then move on with other changes later rather than trying to bundle all the changes together.

Mr. Kueffner commented that Mr. Uchytel said the Finance Committee thought it was a good idea to apply CPI to all the rates, and it was recommended, but wanted to clarify that it is still in the discussion stage.

Mr. Williams asked how much time was spent on changes to regulations?

Mr. Uchytel said it is time consuming.

Public Comments – None

Board Discussion/Action

MOTION By MR.WILLIAMS: TO APPROVE THE CHANGES TO 05 CBJAC 20 AND 05 CBJAC 40 BY THE PORT DIRECTOR AND MOVE TO THE ASSEMBLY FOR FINAL APPROVAL AND ASK UNANIMOUS CONSENT.

Motion Passed with no objection.

4. Planning Commission Decision of Statter Harbor Conditional Use Permit.

Mr. Uchytel said with the Planning Commission's decision to reconsider, there is not anything more on this item at this time. There will be a meeting tomorrow with the opposition on this project with ideas, and to hear their concerns to work on a common ground.

Board Question - None

Public Comment – None

Board Discussion/Action

No Action

5. Contract Services – Modification to Admin & Inspection Services at Statter harbor.

Mr. Gillette said this is an amendment to PND's original existing contract for \$65,950 which is a time and materials estimate to complete their services on the Statter Harbor project. The project has had some changes and additional work. If this is approved tonight, it does not need to go to the Assembly.

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Board Questions

Mr. Spickler asked if staff is provided with a weekly time and materials calculation?

Mr. Gillette said it is monthly.

Mr. Kueffner said he thought this project was finished.

Mr. Gillette said Monday or Tuesday will be the final walk through and then they will demobilize within the next few days, and then it will take a couple of weeks to finalize.

Mr. Logan said he thought the project was completed on May 15th.

Mr. Gillette said additional tasks were added so their contract was extended to allow time to complete the extra work. After the work is completed they will still have to clean up.

Mr. Logan clarified that this is just agreeing to pay an amount for the extra work.

Mr. Gillette said yes, because the contractor agreed to do the extra work Docks & Harbors needed PND to inspect it.

Mr. Busch asked if the delay was caused by the contractor?

Mr. Gillette said staff felt they were justified for the extension because extra work was added to their contract.

Public Comment – None

Board Discussion/Action

Mr. Williams said there was extra work and this is a great product. They did the work plus extra work, and the staff and patrons will be happy with this.

MOTION By MR. WILLIAMS: TO APPROVE THE \$65,950 AND ASK UNANIMOUS CONSENT

Motion Passed without objection

6. Alaska Glacier Seafood's – Lease Amendment

Mr. Uchytel said Alaska Glacier Seafood lease amendment to provide access between the ABLF and their facility has expired. He said he sent a letter that the lease amendment expired and he was not interested in another amendment because of non-compliance. AGS wants to renew this access.

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Mr. Uchytel said he put this item on the Finance Committee agenda. The Finance Committee recommended to work with Alaska Glacier Seafood to provide access for this fishing season and for them to be more compliant. To avoid future conflicts, steps need to be taken to protect Docks & Harbors marine users at the Auke Bay Loading Facility. Mr. Uchytel said he is asking the Board's approval to move forward with Amendment 2 for Alaska Glacier Seafood.

Board Questions

Mr. Kueffner asked why the jersey barrier requirement was eliminated?

Mr. Uchytel said that is the one thing that was put in place after the letter was sent to Alaska Glacier Seafood pointing out the non-compliance issues.

Mr. Kueffner recommended to have something in Amendment 2 to maintain the jersey barrier.

Mr. Spickler asked if when the non-compliance issues were noticed, was Alaska Glacier Seafood contacted?

Mr. Uchytel said they were told periodically that there were issues.

Mr. Spickler said in the future he recommends having all non-compliance issues in writing.

Mr. Busch said there were documented issues in e-mails and the video showing non-compliance.

Mr. Uchytel said Auke Bay Loading facility is not a secure Coast Guard facility.

Mr. Logan asked if this was a short term lease and if the video camera would be watched periodically to make sure AGS is compliant?

Mr. Uchytel said the Finance Committee recommended to work with Alaska Glacier Seafood to provide access for this season and then do more research for intent of this lease.

Public Comment – None

Board Discussion/Action

Mr. Kueffner said he is okay with this because it is temporary. They acknowledged they were not being compliant. This will give them a chance to be compliant.

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Mr. Williams said he agrees with Mr. Kueffner and because this is a temporary lease he is willing to recommend this.

MOTION By MR. LOGAN: TO APPROVE MR. UCHYTIL'S PROPOSED LEASE AMENDMENT AND GIVE HIM THE LATITUDE TO WORK WITH ALASKA GLACIER SEAFOODS IN THE PARAMETERS PRESENTED AND ASK UNANIMOUS CONSENT.

Mr. Kueffner added friendly amendment to add "Alaska Glacier Seafood will maintain the jersey barriers".

Mr. Logan accepted Mr. Kueffner's friendly amendment.

Motion passed without objection.

VII. Items for Information/Discussion.

1. Mega Yacht Harbor and Snow Storage Facility Update

Mr. Lockwood, Manager of Juneau Port Development LLC. He said in the packet are letters and aerial photos taken a few weeks ago. He asked if there was any questions at this time over the information in the packet? The impact of the snow storage plan facility that is ongoing now on ATS 556A has impacted the plan design for the Mega Yacht Harbor facility. The question has been raised on how this snow storage project was started without any public participation.

One question he would like answered;

- Was the snow storage project properly designed, permitted and put to bid according to CBJ ordinances?

Mr. Lockwood said after he gets an answer to that question he will then know how much land is left to go forward with the Mega Yacht plan and marketing. This project is completely funded by private capital. The snow dump storage area has wiped out about 1/3 of the potential income for that property. That is a very critical item for the total marketing of the project on the international market.

The next question he would like answered;

- What CBJ Commissions and Boards will be reviewing this project in its next phase?

Mr. Lockwood said it is very important for Juneau Port Development LLC to establish a very stable administration situation and a very clear position as to what's designed, accepted, and what will be presented to the market.

Mr. Lockwood went on to talk about the letters in the packet.

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Mr. Busch asked with the additional delays if there would be a problem with getting needed permitting by the end of the extension?

Mr. Lockwood talked about the complicated process to gain clear title to ATS 556A, but said he doesn't see any problem with getting the needed permitting by the time his extension expires.

2. Environmental Permitting Update

Mr. Uchytel introduced two employees of the Army Corp of Engineers, Randy Vigil and Michael Salyer. Mr. Vigil is local in Juneau now and Mr. Salyer works for the Alaska district in Anchorage. Mr. Salyer flew to Juneau just for this meeting. Mr. Uchytel said he also invited the EPA field manager, but he was unavailable to come tonight. He requested that Mr. Vigil and Mr. Salyer brief the Board on the dredging project at Douglas Harbor.

Mr. Salyer said Mr. Vigil and himself have different levels of participation on this project. Mr. Salyer comes at it through engineering services and through environmental resources, and he is not in the regulatory agency but the technical side. Mr. Vigil is the regulatory side of the project.

Mr. Vigil said he works in the regulatory division, and this is the permit decision side. At this time the project is in a State Resolution process with two federal agencies, the National Marine Fisheries Service and the Environmental Protection Agency. What that means is those two agencies during public comment period in 2009 sent letters that triggered the dispute resolution which allows them to express the environmental concerns they have with regard to aquatic resource and preserve their right to elevate decisions that the regulatory agency might make in the future regarding the permit. During the process, the agencies have reached a point of negotiating what it would take for the resolution to be dropped and sign off on a plan to allow the project to move forward. At this time the two agencies have agreed to a frame work that would allow the Corps to issue a permit. The EPA is working on a letter to outline the steps and details of a plan they envision the agency would sign off on with the dispute resolution. The finish to this is just details of the plan for the dredging operation on how the dredge material will be disposed that would allow it to be capped in a manner that would isolate the contaminated soils.

Mr. Salyer said what Mr. Vigil is talking about when a dispute resolution is discussed is that an analysis was done that showed that there is some level of mercury contamination in Douglas Harbor. There is a disagreement on the level of contamination.

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Mr. Uchtyl wanted to point out that the Alaska District has funded the additional studies being conducted for the last year.

Mr. Kueffner said he would like to know what exactly the dispute is?

Mr. Salyer said a Tier IV analysis was conducted and they engaged their Engineering Research and Development Center to do a Tier IV analysis on contaminants and provide a result. That was a huge effort and a lot of funding went into this analysis. The requirement with the engineering regulation is laws that set the framework about analysis which is specific to a particular region and has to be agreed to by all the agencies. When the analysis was conducted everyone at the time felt it was well documented and everyone agreed to that framework, but during this time, people retired and moved on and then a scientific dispute arose about what went into the analysis. There were different sampling methods conducted whenever they did a sample. The samples came up with some legacy contamination of methyl mercury. All the agencies agreed the Tier IV analysis produced a certain level of methyl mercury that did occur, however, the risk level from the Civil Works Engineering Research and Development Center felt that the risk was acceptable with minimal amount of risk. This has been a very delicate topic. Mr. Vigil has worked very hard to try to work this out with the different agencies, but they had a different view on the science that went into the analysis. So rather than to try to resolve the small science issues, they are working on the risk with the analysis. The outcome was that there was methyl mercury. Rather than go back and spend a lot more money, it would be more cost effective to just work with CBJ and try to come up with a cap. The result of this would be litigation at some point with the agencies. Going with the cap was the cheaper route to take because Mr. Salyer's point of view is that it wouldn't take a very large cap. The dispute is not on if there is contamination but the level of it, and the risk associated with it.

Mr. Busch said this has been a long standing issue. Is there a chance that EPA will come up with a cost effective method to finish this project?

Mr. Salyer said with the Civil Works program they feel like they are very close to getting a resolution on the Corps regulatory permit. There is not much science left to do to answer the questions that are in dispute with EPA. This is maybe a month away to come up with an answer to move forward. Civil Works is waiting on one more letter and then they will work with CBJ to resolve those issues. Mr. Salyer said he thinks this is really close to being resolved.

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Mr. Busch asked if EPA was working on a letter now?

Mr. Vigil said the letter would be ready possibly tomorrow for final edits and then send to his supervisor for review and signature.

Mr. Salyer said on his side of this process he has been working with EPA also but with a different perspective.

Mr. Kueffner asked if the letter was going to consist of a list of things needed to be done?

Mr. Salyer said bottom line is EPA still has some questions that need to be answered. There are primary items left to deal with.

- Define the size of the disposal area in the open water.
- Agree to arrange a possible quantity of disposal area to achieve a 6" cap.

Mr. Salyer said these issues are just about resolved to be able to move forward with the permit.

Mr. Logan asked if after the EPA agrees to everything, will this go before the agencies again to see if they agree or not?

Mr. Vigil said no.

Mr. Logan asked if EPA is actually the last barrier to overcome?

Mr. Vigil said what comes out of the EPA could be changes to the disposal plan and area. Then there would be a revised plan to allow his agency to make a decision.

Mr. Donek asked if after the EPA letter is received and it is turned into a plan, does it go back to EPA to make sure it meets their approval?

Mr. Vigil said the final plan would be shared with them and what recommendations were incorporated or not.

Mr. Salyer said regardless of what EPA comes back with, Mr. Vigil's division has the final say and can still issue the permit.

Mr. Vigil said the final plan would be offered to the disputing agencies and if the dispute is dropped the Corps could move forward with the permit. The Corps tries to resolve all disputes, but if an impasse is reached, the process requires to move to another level and it will be out of his hands, but this is not what is anticipated.

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3. Environmental Permitting Update- No report

VIII. Committee and Board Member Reports

1. Operations Committee Meeting – May 21st, 2013

Mr. Busch reported the Committee discussed the following for action;

1. Review of Statter Harbor Management regulation - The Committee was looking at incorporating section 25 into section 40. After the corrections from tonight it will go back to the Committee for further review and changes.
2. Harris Harbor lift station is not working - The Committee approved repairs for \$13,000.

Mr. Busch said the information item was to not use stalls for passenger for hire at Statter. If there is a need for this it will be reevaluated in the future.

Mr. Kueffner asked who does the lift pump belong to?

Mr. Busch said it is Docks and Harbors responsibility to maintain it.

2. CIP/Planning Committee Meeting – May 23rd, 2013

Mr. Williams said PND gave a presentation on the North Douglas master plan. He said Docks & Harbors has a lot going on right now with projects needing to be completed before moving onto the North Douglas project. The other item for discussion was the Mike Pusich Douglas Harbor sign that will be installed sometime this summer.

3. Finance Committee Meeting – May 28th, 2013

Mr. Kueffner said the AGS lease was discussed and the regulation revisions that were both discussed here tonight.

4. Member Reports – None

IX. PRAC Representative Report- Ms. Hood was absent.

X. Port Engineer's Report – No report

XI. Harbormaster's Report – Mr. Tajon was absent.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, May 30th, 2013

XII. Port Director's Report

Mr. Uchytel said Doug Unruh is the new Operations Maintenance Supervisor at Statter Harbor that replaced Mr. Craig.

Ashley Bruce was hired as an Administrative Assistant I that will be working at the Port/Field office.

Mr. Uchytel said he attended a gathering on the M/V Solstice at the AJ dock where he presented the Captain with a Docks & Harbors cutting board and on the way back he said there was a huge amount of traffic congestion to the point he was receiving complaints. Some of the Docks personnel were directing traffic, and that brought more complaints. There was a productive meeting to try to correct this issue so it doesn't happen again. Current practices will be revised a little to help the flow of traffic. JPD will give some training to the Docks personnel to help with temporary traffic control and will also provide additional traffic officers at the Columbia lot to help when the Solstice is in Juneau.

The MOA permanent easement with ADOT for the round – about is finished and signed. This agreement states that ADOT will reimburse Docks & Harbors up to \$100,000 for any additional site work and retaining wall to construct our project.

The Franklin dock lease was just reviewed and it was appraised by Horan & Co. The rent will go down \$34,000.

Mr. Uchytel said Mr. Gillette is working on gathering the art panel membership.

Mr. Gillette said the 1% for art panel consists of the following;

Mr. Logan is representing the Board,

Annie Calkins and Jeff Bush are the Arts and Humanities council representatives,

Kirby Day is the Managers representative,

Dan Fruits and Chloe Watson are the Assembly's selection.

Mr. Gillette said he is working on forming a meeting.

Mr. Uchytel said next Wednesday will be the interviews for Docks & Harbors three open seats for the Board.

Mr. Uchytel said he is open for suggestions on how to create a crowd for the Planning Commissions meeting for the reconsideration for the conditional use permit for the Statter Harbor launch ramp.

Mr. Logan suggested to put large signs at the head of the launch ramps.

Mr. Donek said to include Amalga Harbor.

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, May 30th, 2013

Mr. Logan suggested to put one at North Douglas ramp also.

XIII. Assembly Liaison Report

Mr. Jones said on Monday the Assembly is going to approve the Operational budget documents. Docks & Harbors Board has 11 applicants and interviews will be June 6th.

XIV. Committee Administrative Matters

- a. Operations Committee Meeting – Next meeting is June 18th, 2013 at the Aurora Harbor at 5:00 p.m.
- b. CIP/Planning Committee Meeting – Next meeting is June 20th, 2013 in CBJ Room 224 at 5:00 p.m.
- c. Finance Committee Meeting – Next meeting is June 25th, 2013 in CBJ Room 224 at 5:00 p.m.
- d. Board Meeting – Next meeting is June 27th, 2013 in the Assembly Chambers at 5:30 p.m.

XV. Adjournment

The regular Board Meeting adjourned at 7:20 p.m.

2013 Norway Point Beach Access Use Agreement

This use agreement sets forth guidance and requirements enabling Juneau residents the opportunity to launch and keep, on a seasonal basis, non-motorized, non-commercial sailing vessels with unique hull configuration on Docks & Harbor managed property.

The Docks & Harbors Mission Statement includes "promoting and accommodating marine recreation". It is also recognized that types of non-powered, catamaran sailing vessel are not conducive to operating out of harbor slips and the laborious nature of prepping these vessels can hinder this form of marine recreation without appropriate facilities.

Docks & Harbors agrees to allow users access to the beach adjacent to Norway Point for the purpose of launching and maintaining privately owned and catamaran-configured sailing vessels at a fee rate of one-half of the annual skiff rate charged at CBJ harbors. (The skiff rate for 2013-14 is \$580). Users would be permitted to launch and maintain their vessels from April to October. Use agreements would be issued on a first come, first serve basis and managed by the Harbormaster. Existing harbor moorage regulations are not affected by this use agreement and users will comply with applicable regulations and ordinance. Harbormaster will determine the number of users allowed under this agreement and will have final discretion to facilitate safe and efficient operations. Docks & Harbors does not guarantee this agreement will be continued for one year to the next.

User Application:

Name: _____

Phone: _____

Address: _____

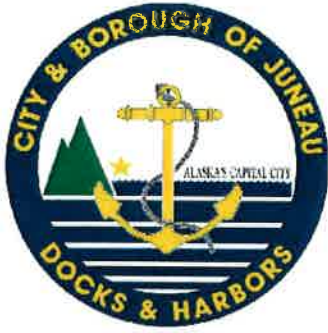
Vessel Name/Boat Registration # _____

For Aurora Harbor Staff Approval

OMS _____

ADMIN _____

HARBORMASTER _____



Port of Juneau

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

May 10th, 2013

Goldbelt
3075 Vintage Blvd
Suite 200
Juneau, AK 99801

Dear Mr. Duncan,

Pursuant to discussions at the Docks & Harbors Finance Committee meeting of March 26th 2013, the parties agreed that additional appraisals in determining the Mount Robert's Tram market rent would not yield results acceptable to both interests. In cases where the parties cannot agree to the rent adjustment, paragraph 5.d(4) of the lease allows a third appraiser to choose the appraisal which most closely reflects the fair market value.

(4) A certified appraiser selected and compensated by the Assessor of the City and Borough of Juneau shall conduct each initial appraisal. If Lessee concurs in the result of the appraisal by the CBJ Assessor, the appraisal shall establish the fair market value for calculating the Base Rent. If Lessee does not concur in the result of the appraisal by the CBJ Assessor, Lessee shall hire an independent certified appraiser, and present the results to Lessor. If Lessor concurs in the results of the independent appraisal, the appraisal shall establish the fair market value for calculating the Base Rent. If Lessor does not concur, Lessor and Lessee shall negotiate in good faith to reach a fair market value between the results of the initial and independent appraisals. If Lessor and Lessee cannot agree, Lessor and Lessee shall engage and share in the cost of a third independent certified appraiser (acceptable to both parties) to determine the fair market value of the Leased Premises. The third appraiser shall be instructed to select either the initial appraisal or the independent appraisal as the one which most closely reflects the fair market value of the Leased Premises. The fair market value selected by the third appraiser shall be final, and shall establish the fair market value for calculating the Base Rent. In this section, "certified" means a regular member of the Society of Real Estate Appraisers or the American Institute of Real Estate Appraisers (or the successor body of either group) who has been properly designated MAI, SREA or SRPA, or any future similar designation which denotes proficiency in the appraisal of commercial real property.

Docks & Harbors has reviewed the Alaska Department of Natural Resource list of approved appraiser with MAI designation. The following list of five appraisers would be acceptable to Docks & Harbors as the third appraiser to facilitate the terms of the lease agreement. These appraisers have not been contacted by Docks & Harbors and have no knowledge of the pending desired service.

David M. Derry MAI Derry & Associates, Inc Box 2882 Kenai, AK 99611 derry@alaska.com Phone: (907) 260-8434	Eric G. Follett MAI Follett and Associates 903 W. Northern Lights Blvd Suite 206 Anchorage, AK 99503 appraiser.follett@alaska.net Phone: (907) 562-4279	Steven E. Carlson MAI Black-Smith, Bethard & Carlson, LLC 1199 East Dimond Street, Suite 200 Anchorage, AK 99503 bsr@ak.net Phone: (907) 274-4654
Alan G. Olson MAI Real Estate Appraiser 2701 Aspen Drive Anchorage, AK 99503 alolson@alaska.net Phone: (907) 243-6609	Steven J. MacSwain MAI MacSwain Associates 4401 Business Park Blvd., #22 Anchorage, AK 99503 s.macswain@macswain.com Phone: (907) 561-1965	

Docks & Harbors is requesting you choose one of the listed appraisers to move forward. I propose we meet with the appraiser you select on or about June 12th to provide the details necessary for the 3rd party determination of the market rent. When you provide me the selected name, I will draft a scope of work, for your review, pertaining to the services to be performed. I welcome any suggestions you have to this process.

Sincerely,



Carl Uchytel, PE
Port Director

Copy: Docks & Harbors Board
CBJ Law



Goldbelt

3075 Vintage Blvd., Suite 200, Juneau, Alaska 99801-7109 (907) 790-4990 Fax (907) 790-4999

June 3, 2013

Mr. Carl Uchtyl
Port Director
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, AK 99801

Re: Third Independent Appraiser Step

Mr. Uchtyl,

We are in receipt of your letter dated May 10th, 2013 which states that Docks and Harbors would like to move to the third independent appraiser step. Goldbelt was surprised to receive this notice as we thought this step would go to the full-board for deliberation. As you know, at the Docks and Harbor's Finance Committee on March 26th, 2013 a motion was passed recommending to the full board "for action to get a third appraiser". At the Thursday, March 28th board meeting, Chairman Jardell said the next step to move forward would be to put it before the full-board at the next meeting. Apparently, this never occurred as it was not on the April 25th board meeting agenda which leads us to believe that it is not a full-board decision, but an action of yours.

As noted in your letter, in cases where the parties cannot agree to the rent adjustment, paragraph 5(d)(4) of the lease allows a third appraiser to choose the appraisal which most closely reflects fair market value for calculating base rent. In this paragraph, it also states that the Lessor and Lessee shall negotiate in good faith to reach a fair market value between the results of the initial and independent appraisals before moving to the third independent appraiser step. Although Goldbelt has offered to negotiate and has proposed a rent which is higher than the current rent, we have yet to receive a proposal from Docks and Harbors which would indicate its willingness to negotiate. In Chairman Jardell's email to Goldbelt on February 1st, he stated that he could be convinced that an inferior comparable in Horan's appraisal could be a fair resolution; however, he was only speaking for himself and cannot speak to the other members of the subcommittee. In turn, Goldbelt believes that good faith negotiations have not yet occurred and that moving to the third independent appraiser step is premature.

If good faith negotiations were to occur and the parties were not able to reach a compromise between the appraisals, Goldbelt believes that the outstanding legal issue must be resolved before a third appraiser is selected and is forced to make a legal determination regarding the appropriate appraisal methodology, something most appraisers are not qualified to do. To date, Docks and

Harbors has not produced a written legal interpretation of the Tram lease but has relied on a verbal opinion by City and Borough of Juneau attorney, Amy Mead, which was given at a committee meeting sometime after its initial appraisal had been done. Goldbelt believes the scope of work for the third independent appraiser is outlined in the lease and is supported by its legal opinion by attorney, Bob Spitzfaden. It is evident that Docks and Harbors feels otherwise which makes it clear that both parties will have no success in selecting an appraiser which is mutually acceptable to both parties, a requirement as outlined in 5(d)(4) of the lease.

In addition, Goldbelt believes that royalty rent was permanently amended out of the lease and the percentage used in calculating the base rent was permanently dropped from 10% to 8% through its negotiations with Docks and Harbors in 2006. We understand that certain members of the finance committee don't agree and believe it is back on the table, but the full-board has not had an opportunity to weigh in on it. This further supports that moving to the third independent appraiser step is untimely and that both parties are far apart from resolving their issues.

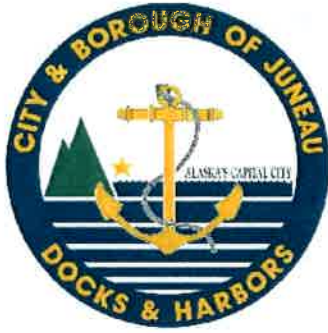
Mr. Uchytel, Goldbelt would like to start the process of negotiating in good faith to reach a rental compromise which is fair to both parties, assuming that you and the Docks and Harbors board are willing to do so. We are also open to pursuing the trade of our Seadrome commercial waterfront property for the parcel in question so as to avoid this rental adjustment process again in the very near future. We have suggested mediation in the past as a possible way to resolve our differences and are still open to doing so.

Sincerely,

A handwritten signature in black ink, appearing to read "Derek Duncan".

Derek Duncan
Vice President, Alaska Operations

cc: Docks and Harbors Board
Bob Loiselle, President & CEO, Goldbelt Inc.
Robert S. Spitzfaden, Attorney at Law



Port of Juneau

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

From: *Carl Uchytel*
Carl Uchytel, Port Director
To: Docks & Harbors Board
Copy: CBJ Law Department
Date: June 27, 2013
Re: MOUNT ROBERT'S TRAM – Tideland Lease Appraisal

At the June 25th Finance Committee meeting, discussions pursuant to the Mount Robert's Tramway lease resulted in a recommendation for the full Board to take action on the lease rent adjustment. The recommendation of the Finance Committee recognizes that after nearly two years, the two parties are at an impasse to fruitful negotiations. The approved action at the Finance Committee reads as:

MOTION BY MR. DONEK TO SEND TO THE FULL BOARD WITH
RECOMMENDATION TO USE THE ORIGINAL LEASE AND USE THE HORAN
APPRAISAL TO DETERMINE BOTH THE GOLDBELT LEASE RENT AND THE
ROYALTIES.

Although there are several issues in dispute between Docks & Harbors and Goldbelt, appraisal methodology is the most contentious. In summary, CBJ Law has interpreted the Docks & Harbors' process of hiring Horan & Company to conduct an appraisal to determine the "best and highest" use of unimproved property to be consistent with the terms of the lease. Goldbelt's appraisal methodology interprets an "extraordinary assumption" that diminishes the property value due to the conditional use limitations requiring it be used exclusively as an "aerial tramway". It is the position of Docks & Harbors that the instruction to the appraiser to use a legal "extraordinary assumption" is inappropriate under the terms of the lease. [Note: Subsequent to the Finance Meeting, the Assistant City Attorney has discovered additional documentation in City Law files which may be relevant to the "extraordinary assumption" which will be discussed at the June 27th Board Meeting.]

The Finance Committee also requested CBJ Law to provide legal interpretation for the following:

- Is the appraisal methodology presented by Goldbelt's appraiser consistent with the terms of the lease?
- Are the lease payment modifications negotiated in 2006, but which did not amend the lease, permanent changes to the terms of the lease?
- Do the Port Director and/or Docks & Harbors Board have the authority to amend leases which were authorized through Assembly action?

As a matter of historical review the following summation was provided by the Finance Committee Chair:

Rent Provisions in 1995 lease:

- a) Base Rent: 10% of (Appraised Value of unimproved land) or \$30,000, whichever is greater Plus Royalty Rate of \$60,000 or 1 % of gross revenues up to \$3 Million and 3% of gross revenues from \$3 million to \$5 million from sales on leased premises, whichever is greater.
- b) Adjusted every three years.
- c) "The basis of appraisal shall be the fair market value of the unimproved land of the Lased Premises including the Air Rights Easements, at its highest and best use. The appraisal shall not consider any buildings or structural improvements above or below ground, landscaping or paving. The appraisal shall consider the Leased Premises as unimproved land."

Rent History

- a) Lease signed in January 1995
- b) First three years, appraisal value deemed to be \$300,000, so Base Rent was \$30,000.
- c) First Royalty payment due in 1996
 - 1996 to 1998: \$30,000 plus \$60,000 = \$90,000
 - 1999 to 2001: \$30,000 plus \$60,000 = \$90,000
 - 2002 to 2004: \$30,000 plus \$60,000 = \$90,000
 - 2005 to 2006: \$30,000 plus \$60,000 = \$90,000

2006 to 2009: \$104,000 - No Royalty (April, 3 2006 letter acknowledged the 10% of AV provision in lease, but purported to set total rent at 8% of assessed value and waived Royalty Rent)
2009 to 2013: \$104,000 – No Royalty

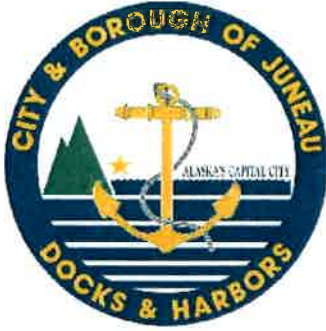
Rent Adjustment Process

- a) In 2011, Docks & Harbors engaged Horan for appraisal pursuant to lease adjustment clause.
- b) Horan found Fair Market Value (FMV) of leased premises to be \$3,330,000
- c) If Docks & Harbors accepts this appraisal value, then rent is: 10% of \$3,330,000 = \$330,000 plus Royalty Rent of at least \$60,000, for total of at least \$390,000. Royalty Rent could be slightly more, depending on actual gross revenues from the leased parcel.
- d) Goldbelt disagreed with Horan appraisal and under the terms of the lease are entitled to pursue a second appraisal.
- e) In July 2012, Reliant Advisory Services, LLC provided an appraisal based on “extraordinary assumption” that legal opinion of Goldbelt’s counsel is correct, and that appraiser must appraise the FMV of the leased premises and the “highest and best use” of the leased premises as limited by the terms of the lease itself, including the limitations of the conditional use permit and the restriction in the lease that the only permissible use of the leased premises is as an aerial tramway.
- f) Under that assumption, parcel is uneconomic and FMV is zero.
- g) If Docks & Harbors accepts this appraisal value, then rent is \$30,000,
- h) The lease also provides for Royalty Rent of at least \$60,000, but Goldbelt contends that the royalty portion of the rental was permanently deleted from the lease, based on a letter from the Port Director to Goldbelt in April of 2006.

Current Status of Negotiations

- a) The lease provides that if Docks & Harbors does not concur with the Goldbelt second appraisal, then the two parties shall negotiate in good faith to reach a FMV that is between the competing appraisals.
- b) If we cannot agree, then we share the cost of a third appraiser, who does not perform an independent appraisal. The terms of the lease requires the the third appraiser to choose one or the other appraisal.
- c) At the Finance Committee meeting in August 2012, the competing appraisals were discussed. The committee expressed interest in negotiating a FMV between the competing appraisals. In order to assist the Port Director in negotiating that value, a subcommittee was appointed to address this issue.
- d) The subcommittee met, and the Port Director met with Goldbelt personnel over the course of the rest of 2012 and early 2013. Goldbelt asked a couple of appraisers to

- review its original (Reliant) appraisal and those appraisers concluded that the Reliant approach was reasonable. Goldbelt also obtained an appraisal from Alaska Appraisal Associates that used a sales comparison approach to value. Goldbelt presented a summary of that report to Docks & Harbors, but did not provide the full appraisal. The summary indicated a “market value” of \$260,000 for the parcel.
- e) The parties were unable to reach agreement on an appropriate value for the parcel. In March of 2013, the Finance Committee asked the Port Director to begin the process of identifying a third appraiser pursuant to the terms of Section 5(d)(4) of the lease. The Port Director sent a letter to Goldbelt naming some suggested appraisers in a letter dated May 10, 2013.
 - f) Goldbelt reacted to this proposal with a letter dated June 3, 2013 in which it expressed surprise at the suggestion that a third appraiser be selected, and said that it believed good faith negotiations had not yet occurred. Accordingly, it claimed that appointment of a third appraiser was premature.
 - g) At the Finance Committee meeting on June 25, 2013, the status of the matter was discussed and Assistant City Attorney Amy Mead gave advice to the committee. The committee concluded that based on the events so far, the appointment of a third appraiser would require the third appraiser to make a legal assessment of the meaning of the lease. It also concluded that the extraordinary assumption in the Reliant appraisal rendered it noncompliant with the terms of the lease and did not establish a valuation that could be used for setting the rental rate. Rather than ask a third appraiser to make a legal determination, the committee decided to recommend to the full board that it consider the original appraisal as the appropriate measure of the lease amount. In other words, the finance committee recommended that the port director tell Goldbelt that the adjusted rent going forward should be \$390,000 per year (\$330,000 based on 10% of a \$3.3 million property valuation plus a minimum royalty of \$60,000).
 - h) Subsequent to the June 25, 2013 Finance Committee Meeting, Assistant City Attorney Amy Mead has discovered relevant documents associated with Ordinance 94-42 within the Law Department files. These drafts indicate the intent was not to limit the definition of “highest and best use” by the purpose for which the land was being used (in other words, as a tram) in establishing fair market value.



Port of Juneau

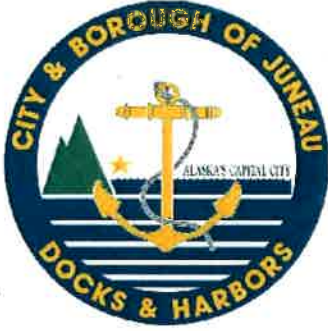
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: *Carl Uchytel*
Carl Uchytel, Port Director
To: Docks & Harbors Board
Date: June 27, 2013
Re: AUKE BAY LOADING FACILITY (ABLF) – COMMERCIAL LAUNCH
RAMP PERMITS

Recent public meetings regarding the Statter Harbor Launch Ramp conditional use permit commented both on the apparent lack of activity at ABLF and boat ramp congestion at the existing Statter facility. At the June 18th Operations Committee meeting, the Harbormaster received approval to modify existing FAQs which are posted and approved by the same committee on May 20, 2009. In reviewing the regulations and policy guidance established with the FAQs, an updated review of our rules is necessary to increase usage.

To expedite the process, the Board is empowered to authorize “Fee Specials” under 05 CBJAC 20.010(q), which states: “The Docks & Harbors Board may after public hearing establish promotional rates of a temporary nature in order to encourage use of facilities...” I am recommending the following be authorized, effective immediately through the remainder of **2013** for all **Commercial** Launch Ramp Permit holders:

- Any vessel (commercial or recreational) can be hauled out at the ABLF Landing Craft Ramp. There will be no freight fee associated with hauling out vessels.
- Access to the facility is available 24 hours a day with an issued key access.
- Vessels engaged in freight hauling have priority use of the Landing Craft Ramp at all times. However, the Statter Harbor Office maintains a reservation system for the ramp and can be contacted to verify availability.
- For tracking purposes, all Commercial Launch Ramp users will send an email to harbormaster@ci.juneau.ak.us each time the ABLF is used.
- Vessels hauled out may use the ABLF for same-day vessel maintenance at no charge. The conditional use permit issued through CBJ does not allow for shipyard work (painting, blasting, welding, etc) but fluid changes and minor hull work (zincs, transducers, etc.) are acceptable.



Port of Juneau

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(907) 586-0292 Phone • (907) 586-0295 Fax

From: *Carl Uchytel*
Carl Uchytel, Port Director
To: TBMP Membership
Tour Operators
Date: June 27, 2013
Re: MOUNT ROBERT'S TRAM - ENTRANCE

It has been brought to my attention that some tour dock representatives and tours are congregating and staging near the entrance to the Mount Robert's Tramway. This congestion may have the effect of dissuading some customers from entering and patronizing the tram.

As we move into the busiest portion of the visitor season, our streets and sidewalks will be feeling the downtown population surge on a daily basis. So that we may all serve our guests to the best of our abilities, please remain aware of the various businesses working side by side on the dock. We ask that you keep this in mind as you gather your guests by staging your tour to the south of the station, away from the entry.

We will also investigate marking the sidewalk in front of the entrance to the tram. Docks employees will also be instructed to encourage dock representatives and tours away from the entry.

Your consideration to this matter is very much appreciated.

#

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

Project	Status	Schedule	Contractor	Notes
Auke Bay Loading Facility - Phase I				
Auk Nu Cove Conservation Easement	In Progress		SEAL Trust	Working with SEAL Trust
Washdown Pad and Water Filtering Equipment	In Progress	Summer 2013	Staff	Preparing RFQ
Auke Bay Loading Facility - Phase II				
Reporting	On-Going		Staff	Performance Reports for 3 years
Old Douglas Harbor Reconstruction				
Permitting	In Progress	Summer 2013	ACOE	Working with Corps Anchorage
Dredging and Cap Design	In Progress		ACOE	
Review of 2007 95% Drawings	In Progress		Staff	
Final Engineering and Design	Hold		PND	Awaiting Corps Permit
Bid Hold	Hold			Awaiting Corps Permit
Construction	Hold	Fall 2014		Awaiting Corps Permit
Statter Harbor Launch Ramp				
Conveyance - DNR Property at Glacier Hwy	In Progress		R&M	Awaiting survey approval by DNR
Conveyance - DNR Tideland	In Progress		Staff	Application Submitted - Awaiting response
Conditional Use Permit	In Progress		Staff	Reconsideration June 25, 2013
Mitigation Discussion with SealTrust	In Progress		Staff	
Mitigation Deadline		Sept 17, 2013	Staff	
Final Engineering and Design	Hold		PND	Awaiting permit approval
Bid Hold	Hold			Awaiting permit approval
Construction	Hold		TBD	
Statter Harbor Moorage Improvements				
Construction	Complete	June 15, 2013	PPM	Close-Out of Contract
CT Staging Area Improvements - Phase I				
Construction	Complete		Trucano	Close-Out of Contract
CT Staging Area Improvements - Phase II				
Final Engineering and Design	In Progress	Spring 2013	PND	Awaiting 100% documents
Bid Hold	Hold	Summer 2013		
Construction	Hold	Oct 2013	TBB	Complete Spring 2014
Taku Dock Modifications				
Construction	In Progress	November 1, 2013	Trucano	Complete April 2014
Port of Juneau Cruise Berths				

PORT ENGINEER'S PROJECT STATUS REPORT

Gary Gillette, Port Engineer

Final Engineering and Design	In Progress		PND	Awaiting final documents
1% for Art	In Progress		Staff	
Bid Hold				Awaiting final documents
RFP for CA/Inspection Services	Hold			Preparing RFP
Port-Customs-Visitors Buildings				
Phase I - Port-Customs Bldg	Complete		NPE	Awaiting two replacement light fixtures
As-Built Drawings			JYL	
Cathodic Protection				
Final Engineering and Design	In Progress	Spring 2013	Timnea	Awaiting 95% design drawings/cost estimate
Bid Hold				Awaiting drawings
Construction	Hold	Fall 2013		Awaiting bid
Aurora Harbor Re-Build				
Final Engineering and Design	In Progress		PND	
35% Design Submittal			PND	Review in progress
65% Design Submittal			PND	
95% Design Submittal			PND	
Bid Ready Documents			PND	
Bid			PND	
Replace Sundial	Hold			Potential 1% for Art project
Bridge Area - SeaWalk Planning	Hold			Coordination with Engineering
Marine Park - SeaWalk Planning	Hold			Coordination with Engineering
Juneau Maritime Center	Design			Awaiting TIGER Grant decision
Shore Rep Booth for Cruise Docks	Planning			Awaiting Design and Cost Estimate
ADA Parking Spaces at Aurora Harbor	Complete			Awaiting approval from DOJ
Statter Harbor Passenger For Hire Float	Hold			Awaiting Funding
Juneau Fisheries Dock Replacement				
Construction	In Progress	Summer 2013	Trucano	Awaiting materials
Corrosion Inspection - 2013	In Progress		Norton	
North Douglas Boat Launch Planning	In Progress		Moser	Investigating Lighting



June 12, 2013

Kevin Jardell, Chairman
CBJ Docks and Harbors Board
155 S. Seward Street
Juneau, Alaska 99501

Re: Extension of AGS Lease Amendment

Dear Mr. Jardell,

I am writing to thank the Board for extending our lease amendment through October 15th of this year. As noted in our testimony to the Board's Finance Committee and in our letter to Port Director Carl Uchtyl, the access that the amendment provides is very important for our ability to move product from the plant during the busy summer salmon season. We have acted to correct deficiencies on our part regarding management of the access. AGS appreciates the Board's awareness that some of the specific rules contained in the present amendment may not serve a lot of purpose and might be subject to change, and we look forward to working with Carl to develop an improved amendment for your future consideration.

A handwritten signature in black ink, appearing to read "Jim Erickson", is written over the typed name.

Sincerely,
Jim Erickson
Alaska Glacier Seafoods

cc Carl Uchtyl, Port Director
Mayor Sanford