



# DOCKS AND HARBORS OPERATIONS-PLANNING COMMITTEE AGENDA

September 21, 2022 at 5:00 PM

City Hall Conf. Room 224/Zoom Webinar

<https://juneau.zoom.us/j/83167235190> or (253) 215-8782 Webinar ID: 831 6723 5190 Passcode: 945564

**A. CALL TO ORDER**

**B. ROLL CALL:** James Becker, Lacey Derr, Don Etheridge, Paul Grant, David Larkin, Matthew Leither, Annette Smith, Debbie Hart and Mark Ridgway

**C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES**

**D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** (not to exceed five minutes per person, or twenty minutes total time)

**E. APPROVAL OF MINUTES**

1. August 17th, 2022

**F. UNFINISHED BUSINESS**

2. Land Management Plan – 85.02.063  
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

**MOTION: TBD**

3. Omnibus Regulations Changes with Fiscal Notes  
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

**MOTION: TO RECOMMEND THE BOARD DIRECT STAFF TO EXECUTE PUBLIC NOTICE FOR PROPOSED REGULATION CHANGES.**

**G. ITEMS FOR INFORMATION/DISCUSSION**

4. Juneau-Douglas North Crossing – PEL (Planning and Environmental Linkages)  
Presentation by Jennifer Holt, Public Involvement Specialist (Dowl)

Committee Discussion/Public Comment

5. UAS Property Conveyance  
Presentation by Port Director

Committee Discussion/Public Comment

6. NOAA Dock Conveyance – Coast Guard Authorization Act (CGAA)  
Presentation by Port Director

Committee Discussion/Public Comment

7. Harbor Rate Study  
Presentation by Port Director

Committee Discussion/Public Comment

8. Statter Phase IIIC (Bathrooms) - Update  
Presentation by Port Engineer

Committee Discussion/Public Input

9. Legislative Priority List  
Presentation by Port Director

Committee Discussion/Public Comment

**H. STAFF, COMMITTEE AND MEMBER REPORTS**

**I. PORT ENGINEER'S REPORT**

**J. HARBORMASTER'S REPORT**

**K. PORT DIRECTOR'S REPORT**

**L. ASSEMBLY LIAISON REPORT**

**M. BOARD ADMINISTRATIVE MATTERS**

Next Regular Board Meeting - September 29th, 2022

Next Operation-Planning Committee Meeting - October 19th, 2022

Next Special Board Meeting (to approve bid award) October 21th, 2022

**N. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: [city.clerk@juneau.org](mailto:city.clerk@juneau.org).

**CBJ DOCKS & HARBORS BOARD**  
**OPERATIONS/PLANNING COMMITTEE MEETING MINUTES**

**For Wednesday, August 17th, 2022**  
 CBJ Room 224 and Via Zoom Meeting

- I.** Ms. Derr called the August 17<sup>th</sup> meeting to order at 5:00pm in CBJ Room 224 and via Zoom.
- II. Roll Call** – The following members attended in CBJ Room 224 or via Zoom; James Becker, Lacey Derr, Don Etheridge (left meeting at 6:13pm), Paul Grant, Matthew Leither and Debbie Hart.

Absent: David Larkin, Annette Smith and Mark Ridgway.

Staff Present: Carl Uchytel – Port Director, Matthew Creswell – Harbormaster, Erich Schaal – Port Engineer, Benjamin Brown – City Attorney, Irene Gallion- Senior Planner, Beth McKibben – Planner II and Nichole Benedict – Administrative Assistant.

**III. Approval of Agenda**

**MOTION By MR. GRANT: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.**

**Motion passed with no objection.**

- IV. Public Participation on Non-Agenda Items** – None
- V. Approval of Wednesday, July 20<sup>th</sup>, 2022 Operations/Planning Meetings Minutes**  
 Hearing no objections, the July 20<sup>th</sup> meeting minutes were approved as presented.
- VI. Consent Agenda** - None
- VII. Unfinished Business**

**1. Goldbelt, Inc. Seadrome Development Plan**

Steve Sahlender shared a slide presentation on the Seadrome property and Goldbelt's wish to create a new small cruise ship terminal at the location. This aligns with the Small Cruise Ship Infrastructure Master Plan 2021. The first step is to get the land appraised and an analysis done. He shared a concept drawing of a new building and small cruise ship terminal. Goldbelt is requesting an equal property exchange to optimize CBJ and Goldbelt's lots. The existing Seadrome Dock would be transferred to CBJ ownership and be reconstructed further seaward to align with the future Seawalk location. Goldbelt plans to demolish the existing Seadrome Building and build an improved facility closer to the water on newly consolidated Goldbelt property. They believe this swap will create better parking and a more functional use of space. This plan will fall in-line with the

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second small cruise ship plan in front of the NOAA property. He mentioned the building aesthetic with Raven and Eagle totem poles and that the feel of the Native community is important to Goldbelt. The new building would be mixed use with office spaces, a cruise terminal and possibly a restaurant or other themed activity for tourist to enjoy. He believes this would create a world-class destination and improve traffic problems downtown.

Committee Questions

Mr. Grant asked if the property exchange is truly an equal swap.

Mr. Sahlender said there will probably be some adjustment depending on the value placed on the property. There will be uplands, slope and tideland pieces included with the swap. All will have different values, with uplands being the highest and tidelands being the lowest. This is the reason for the request tonight, to get the appraisal so we know the best way to accomplish the land swap.

Mr. Grant asked who would be giving up more land.

Mr. Sahlender said as of now the acreage is even, but the value ratio has not yet been determined. Goldbelt is requesting more tidelands which has lesser value.

Mr. Uchytel said we are trying to transfer property so there is no need to transfer money. This would hopefully make both of us happy with a land for land swap. We have already had a preliminary conversation with our appraiser, Horan and Company, and Goldbelt is offering us the dock because they would like to get out of the moorage business. The dock is considered personal property, not “real” property.

Mr. Grant asked if there would be TSA type security functions happening out of the building like with the larger cruise ships downtown.

Mr. Uchytel said the requirements for security only apply to foreign flagged vessels. We anticipate the majority of the small cruise ships would be American flagged and would not require the security protocols like the larger foreign cruise ships. Even the larger foreign flagged yachts do not have the same MTSA requirements.

Ms. Hart asked if we need to be thinking ahead about the second small cruise ship dock and how this appraisal and swap could affect the next stage.

Mr. Uchytel said he is working with Senator Sullivan and Senator Murkowski and believes the language in the Coast Guard Authorization Act is still there saying the Secretary of Commerce gives us the first right of refusal for the property to be conveyed to CBJ at a fair market value. This purchase would be separate from the Goldbelt request today.



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Mr. Zane Jones with MRV Architects said the diagram on page 38 of the packet is an ambitious and aspirational plan and would not preclude any future plans from going forward. He is hopeful this project will make things easier for Docks and Harbors to accomplish their long-term plans.

Mr. Grant asked about Heat Street and if a CBJ right-of-way would be included with this plan.

Mr. Sahlender said it was not included with this plan but a CBJ right-of-way is possible with this plan.

Mr. Uchtyl said the idea of Heat Street is to give a frontage road and alleviate some of the Egan Drive traffic from leaving the Seadrome parking lot.

Public Comment

Mr. Kirby Day – Juneau, Alaska

Mr. Day asked if this facility would be available for cruise ship lightering if the normal float was unavailable.

Mr. Sahlender said once the float was turned over to CBJ it would be up to them. They currently have contracts that would not allow for lightering.

Mr. Uchtyl said he does not believe lightering operations will be expanded in Juneau.

Mr. Day said in the past cruise ships at anchor would split their passengers up and send them to two separate locations to ease the congestion of the uplands.

Committee Discussion/Action

Mr. Becker asked about the yearly Coast Guard Buoy Tender Round-up and if the NCL Dock would hinder their movement?

Mr. Uchtyl said in renderings they show six U.S. Coast Guard Cutters on the opposite side. They will always accommodate the U.S. Coast Guard needs at that dock.

**MOTION By MR. GRANT: TO RECOMMEND THE FULL BOARD DIRECT STAFF TO INITIATE AN APPRAISAL AND ESTABLISH A PROCESS TO ADVANCE GOLDBELT'S EFFORTS TO DEVELOP THE SEADROME PROPERTY AND ASK UNANIMOUS CONSENT.**

**Motion passed with no objection.**

**2. Proposed Condominiums on Auke Bay Harbor Road**

Mr. Corey Wall with Jensen-Yorba-Wall Architects said they are in the very beginning of the planning process. The property owner wanted to ask the big questions before going too in depth with property design. On page 46 in the packet it shows the Statter Harbor

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parking lot and the 1.18 acre property they are proposing to build an 18 unit condominium. This property had a stretch of easement along the beach for access in the past. The 1939 easement agreement is provided in the packet and some right-of-way agreements that go along with the easement. Currently on this parcel is a small section of tidelands, a restaurant, rental house, U.S. Coast Guard office, commercial business space and 35 parking spaces.

Site Access Impacts

The owner would like to continue the established use pattern of accessing the site through the right-of-way easement and the Auke Bay Parking lot. Continuing this access will allow the condo development to be located lower on the parcel and will not create additional driveways on Glacier Highway.

Traffic Impacts

- The total amount of parking required by the 18 condo units (41 stalls) is about the same as the existing parking stalls currently on the parcel.
- All of the parking will now be associated with the residential condos. All short-term commercial and office parking will be eliminated.
- The residential parking loads and traffic will be fairly consistent throughout the year. The high traffic and parking traffic loads associated with summer visitation to the restaurant during times of peak harbor usage will be eliminated.
- All the parking will be accessed from internal drives, garages, or parking lots on the parcel. All the existing stalls along the Auke Bay parking lot which require vehicles to back up into the parking lot drive lanes will be eliminated.

Committee Questions

Mr. Grant asked for an explanation of the buildings within the yellow lines on page 43, and the squared out section on the upper-left side of the parcel.

Mr. Wall said the upper-left square is a separate tideland parcel that is also owned by the property developer. They are considering it all as one piece, as the condominium will be in front of that building. They are considering making it an amenity location for the unit owners.

Ms. Hart asked about the adjacent property and their access to the main road.

Mr. Wall said it is accessed from above and there is a large 30 foot concrete retaining wall there.

Ms. Hart said one of her concerns is access and if there was a possibility to have multiple access points through the adjacent property on the other side. She believes that would provide the best option for safety.

Mr. Grant asked if Capital City Fire and Rescue (CCFR) has done a review to make sure there is sufficient access for a development of this size.

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Mr. Wall said no, but there was some discussion about that during the pre-application period.

Mr. Uchytel asked Mr. Wall to address the variance of 1994 since it was included in the packet.

Mr. Wall said in 1994 the parcel was split and the owners asked for a variance. They wanted a variance through the Statter Harbor parking lot in lieu of the highway. At the time, staff was against the variance but it passed anyways. There was no reference to the right-of-way in this decision.

Mr. Becker asked if the easement would be large enough to accommodate two-way traffic. He would like a traffic study done to confirm access would be enough for CCFR vehicles.

Mr. Wall said there would be no change to the easement and their driveway would come off of the current horseshoe at the Statter Harbor parking lot. This will not change any traffic patterns. He believes traffic will be decreased with this project.

Mr. Uchytel spoke about the access road that goes by DeHart's and how it is an Alaska Department of Transportation (DOT) road that Docks & Harbors currently maintains.

Mr. Grant said it slopes up and wants to know what the elevation change is from the entrance to the upper road.

Mr. Wall said it is about 40 feet with a retaining wall at the top. It is a considerable grade up to the highway.

Ms. Hart said it is our job to note a lot of these questions and send our formal feedback to the Juneau Community Development Department (CDD).

Mr. Leither asked if the easement was just the little corner crossing our parking lot. He was under the impression it was from the highway access road all the way through the parking lot.

Mr. Wall said before the parcel was split the easement was along the trees by the yellow line on page 46.

Ms. Gallion said her understanding was the easement along the border of the parking lot does not create an obligation to provide access through our parking lot. Subsequent developments do not automatically gain access. It should be through the easement line on this picture. Docks and Harbors will need to deal with this easement issue no matter what happens to this lot. When they got the variance in 1994 they decided not to put any limitations for development on the property. One of the things CDD will struggle with is

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this access has worked for so long. What is different now that would prevent a formal agreement. DOT prefers fewer driveways and well developed access.

Ms. Derr asked about page 87 in the packet. If the average number of vehicle trips per unit/day was 5.81, the average for this development would be around 105. The minimum requirement for a traffic study is 250.

Ms. Gallion said CDD can still ask for the study to be a condition, but it is not required by code.

Mr. Grant asked about the footprint of the building in reference to the parcel view.

Mr. Wall shared page 50 in the packet showing the building location on the parcel. It leaves a large space at the back of the parcel for extra parking.

Mr. Leither said he does not understand the easement. Was the small easement meant for foot-traffic?

Mr. Uchytel said the Statter Harbor parking lot and Harbormaster's Office was built later on fill. The easement was previously a very narrow road on the beachfront with a single dock.

Mr. Schaal said tideland surveys and easements done in those early years did not put energy into the topography mapping we do today. It is very common to have easements that are only one foot wide, because it worked on paper and gave the necessary easements for access.

Mr. Uchytel said there is a lot of room for error on the parcel viewer, they are not official survey lines.

Mr. Brown indicated that former CDD Director Mr. Walsh said Harbor Drive was not an actual road and there was no public access to the property. He is going off of the minutes from a March 22, 1994 public meeting.

Mr. Grant asked about the original easement and if conditions had changed to a point it might no longer be valid.

Mr. Brown said he has not done research on that yet. The Planning Commission is required by code to notify the Board and provide comment on projects of this nature. The Board will not have formal veto authority but definitely has formal notification and comment authority.

Mr. Becker asked if we could move the current right-of-way to make it wider.

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Mr. Uchtyl said there is another property owner that owns that piece along the Statter Harbor parking lot so that land would not be available for use. The easement only allows the general public use of the area. He said to enlarge the parking lot and entrance there would need to be a land purchase.

Mr. Becker said if it is needed that might be an option.

Mr. Uchtyl said Docks and Harbors was approached years ago by a realtor that offered to sell us the lot for \$1M.

Public Comment – None

Committee Discussion/Action

Ms. Derr said she has concerns about the traffic implications. She realizes the memo written by Mr. Wall mentioned that it is a belief the traffic will be less due to the loss of the restaurant and their intention to sell units to older property owners without children. She said there is a housing crisis here in Juneau and you are not able to discriminate who buys a home. It could very easily be a couple with four or five children that buys one of the units. The restaurant and other seasonal traffic is noticeable, but only during a few months out of the year. This condominium would add significant, year-round traffic through our parking lot. The best time to launch boats is in the morning around 7:00am while everyone is heading to work. She is concerned about a row of 40+ cars coming out while boats and trailers are coming in, and if CCFR could access the property.

Mr. Grant said he shares the same concerns as Ms. Derr. He also thinks due to the size of the parcel an above road access, maybe even a switch-back should be attainable.

Mr. Becker said he has the same concerns and it might be worth it to buy that other parcel to add better access.

Mr. Grant would like to amend page 41 in the packet to include our strong push for a traffic study even though it is not required. He would also like to get more information from the Law Department on the easement issues.

Ms. Gallion said the staff's version of the report will be released the week before the Planning Commission meeting.

Mr. Grant asked if CDD is responsible for looking into the easement issues. He does not want to ask the Law Department to get involved if it is doubling efforts.

Ms. Gallion said they have looked at this easement many different ways. She will have her department's attorney along with Mr. Brown work together to come to a cohesive way of looking at the issue.

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Mr. Uchytel said number nine listed on page 41 shows the request for CDD to examine restrictions for the easement and right-of-way. He is hopeful that is sufficient for Mr. Grant.

Mr. Becker said we owe it to the community to due this absolutely right.

**MOTION By MS. HART: TO SUBMIT AGENCY COMMENTS TO CDD AS AMENDED ON PAGE 41 OF THE PACKET WITH THE ADDITIONS OF REACHING OUT TO CCFR AND WITH GREATER CONSIDERATION FOR A SECOND ACCESS POINT AND ASK FOR UNANIMOUS CONSENT.**

**Motion passed with no objection.**

**VIII. New Business - None**

**IX. Items for Information/Discussion**

**1. [Blueprint Downtown Area Plan](#)**

Ms. McKibben shared a PowerPoint presentation on the Blueprint Downtown Area Plan. The presentation is at the end of these committee minutes. She welcomes comments from the Board or individual comments by members. Mr. Day is on the Steering Committee and Mr. Uchytel attended many of the meetings. The boundaries of this Blueprint extends from the Rock Dump to Norway Point.

**Committee Discussion**

Mr. Uchytel asked if all of the plans go through CDD for approval?

Ms. McKibben said she believes it is required by Title 49.

Mr. Uchytel asked if there was a difference between a study and a plan?

Ms. McKibben said this plan is considered a comprehensive plan and was required to be adopted by ordinance.

Ms. Derr asked about the housing plans included in this comprehensive plan. They seem to all be on land and not tidelands.

Ms. McKibben said the plan was focused on expansion of housing and some talk has been had about live-a-boards and float houses.

Mr. Grant asked if there are any issues in this plan affecting Docks & Harbors that we should be aware of?

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Ms. McKibben said one comment coming up frequently was public access to the water. This plan endorses the work of other plans and directs public access away from downtown and keeps it closer to Mayor Overstreet Park.

Public Comment

Mr. Kirby Day – Juneau, Alaska

Mr. Day wanted to compliment Ms. McKibben and Alexandra Pierce as they were key to this project. The committee members took great effort to go through public comments and our own thoughts and ideas. This product is great and he is looking forward to comments from the Docks & Harbors Board and members of the public. He does not think this plan will end up on a shelf, he sees it being realized over the years.

Mr. Uchytel said the public comment period is open until August 25<sup>th</sup>, 2022. Board/Committee members are able and encouraged to comment as a member of the community.

2. Dock Electrification Study - Final Document & Next Steps

Mr. Schaal spoke about the memo on page 113 in the packet. Mr. Uchytel and Mr. Schaal met with the Assembly at the Committee of the Whole meeting last week. They updated the Assembly with the public comments. The final draft of the Dock Electrification Study has a matrix with all of the public comments and responses. There were very few changes from the earlier version of the study. He spoke about community power needs and the difference between purchasing agreements for interruptible and non-interruptible power users. We are currently moving forward with some of the guidance found in the report. The Assembly funded \$2.6M for continued design on the project and purchasing a transformer. We are currently working with Alaska Electric Light & Power (AEL&P) to get general cost estimates and timelines. They are expecting a timeline of three years on the transformer. There has been discussion about creating a revenue bond in early 2023. He would like to design the Alaska Steamship (AS) Dock first, it is the dock that would be able to connect the most ships.

Committee Discussion

Mr. Uchytel spoke about the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grants. We recently found out we were not successful in obtaining a RAISE Grant for dock electrification, the small cruise ship infrastructure or the Fisherman's Terminal.

Mr. Becker asked about the Franklin Dock's electrification and if that model is the one we will be using?

Mr. Schaal said some of it is very much the same. We will use the same idea and our transformer will be in the same substation as the one used at the Franklin Dock. He is hoping the connection process will be smoother and more controlled.

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Mr. Grant asked if there was anything we needed to know about the load demands with the ships and if we expected them to increase as new ships are built.

Mr. Schaal said the newer ships are actually using less power than the older ships. This could be due to LED lighting and more efficient refrigeration and HVAC systems.

Ms. Derr asked about the three year lead time needed for the transformer. She wanted to make sure we had sufficient storage facilities to hold the equipment before installation. She also wanted to know if anyone was denied power during our heatwave earlier in the summer. She said Mendenhall Valley residents were asked to conserve water earlier in the summer.

Mr. Schaal said the three-year timeline for the transformer is to get the transformer built and to us. We are hoping to be ready for installation as soon as it arrives. He spoke with AEL&P and they confirmed there was enough power this year to serve both the Franklin Dock and the AS Dock, if it were already online.

Mr. Grant would like a broad overview of the project for himself and other new Board members.

Mr. Uchytel said twenty-three out of twenty-five Princess and Holland American ships coming to Alaska are equipped with shore power connections. Carnival has about half of their ninety-three ship fleet capable of receiving shore power.

Mr. Schaal said power availability is dependent on the amount of snow and rainfall each year. It is unlikely they will have availability one day and not another. It is more likely to have a chunk of time in the spring where power is unavailable while they wait for the snow to melt and fill the reservoir.

Public Comment

Mr. Kirby Day – Juneau, Alaska

Mr. Day said Princess and Holland American only have two ships in Alaska without shore power capabilities. He expects those older ships to be removed from their fleet in the next couple of years. Carnival has about half of their fleet able to receive shore power. He also believes Disney Cruises has shore power capability. He said Holland American and Princess would like to connect every chance they can. Most of the Holland American ships connect on the starboard side which would be perfect for the AS Dock electrification. The Princess ships normally connect on the portside, and some ships connect on both sides. Three years is a long time down the road but we are looking forward to that option. The Zuiderdam and Koningsdam have been connecting on the Franklin Dock this season. There will be over 100 shore power calls this season at the Franklin Dock.

Mr. Becker asked if Skagway, Petersburg, Wrangell and Ketchikan are thinking about going to shore power.



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Mr. Day said he has heard discussions about shore power options for Skagway and Ketchikan. He is unsure about the other communities. They are also trying to get dock electrification in Whittier, Alaska where they own a dock. He is hoping Whittier will be electrified in the next year or two. He believes Juneau having more dock electrification is the right thing to be talking about. In 2019 AEL&P did shut off power to the Franklin Dock for the month of September. It was very dry the year before and they also had to disconnect power to the Greens Creek Mine because of reservoir levels. All together he thinks they have denied power about fifteen days in the last twenty years, other than the month of September in 2019.

**X. Staff & Member Reports**

Carl Uchytel, P.E. – Port Director

Mr. Uchytel and Mr. Etheridge have been working with the UAS Lands Committee. They were told UAS is hoping to lease the property to us instead of selling it. We gave an impassioned plea for them to reconsider the sale. They said they would talk it over and get back to us. The UAS Board of Regents meets later this month and Mr. Uchytel does not believe this property sale will be on their agenda to discuss.

Erich Schaal – Port Engineer

Mr. Schaal shared the news that he and his family are relocating to the Matanuska-Susitna Borough in Alaska. He accepted a position with the City of Wasilla as their new Public Works Director. His final day with Docks & Harbors will be on September 23, 2023. He conveyed his appreciation for being part of Docks & Harbors and being able to work with the Board.

Ms. Derr asked if Deputy Engineer Matthew Sill will be acting in his place when he leaves.

Mr. Schaal said the job will go out to all applicants and Mr. Sill has expressed that he is very interested in the position. He spoke about some of the projects Mr. Sill has been a part of and how capable he is.

Matthew Creswell - Harbormaster

Mr. Creswell reported -

- The Golden North Salmon Derby was the weekend before.
- There was an incident at the North Douglas Launch Ramp where a vehicle came out of gear while launching. The driver was injured and taken to Bartlett Hospital and the vehicle and trailer went into the water. The truck went down the slope into about 50 feet of water. Staff worked with Melino's Marine Services, Capital Towing and local divers to assist in the truck's recovery.
- There is a king crab opening this Friday through Monday. He expects this to be very busy, even more so than the derby.
- Repairs continue with the concrete at the Fisherman's Terminal.
- A crew went to Taku Harbor this week to repair the piano hinges.

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- Mr. Scott Hinton the Port Operations Supervisor has submitted his resignation. Mr. Hinton accepted a position with the Alaska Department of Environmental Conservation.

Lacey Derr – Board Member

Ms. Derr complimented staff on their hard work during the derby. Besides the sunken vehicle at the North Douglas Launch Ramp there was also a vessel in distress taking on water. Ms. Derr was nearby and the radio traffic between the U.S. Coast Guard and staff was busy. Staff was right on top of things and provided help getting the vessel back to the dock and ready for haul out.

Ms. Derr received an abundant amount of complaints over the weekend regarding whale watching tours and derby boats. She received many negative comments about the tour boats getting too close to fishing boats, throwing large wakes and not practicing good water safety. She inquired if this is standard for derby weekend or if there was an uptick in complaints this year.

Mr. Creswell said before Covid they had more experienced captains and they would normally come together and hold a meeting before the derby laying out ground rules and procedures. This year more than half of the captains are new and they decided to put out an email instead of holding a meeting. Mr. Creswell heard a lot of the same complaints and is hoping they go back to holding an actual meeting next year. He is hoping to find someone to spearhead that effort next year.

**XI. Committee Administrative Matters**

1. Next Operations/Planning Committee Meeting – **Wednesday, September 21st, 2022**

**XII. Adjournment – The meeting adjourned at 7:35pm.**



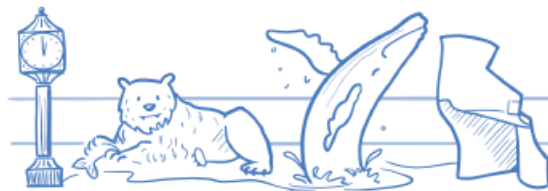
# BLUEPRINT DOWNTOWN

## DOWNTOWN JUNEAU'S AREA PLAN



# Overall goal of plan

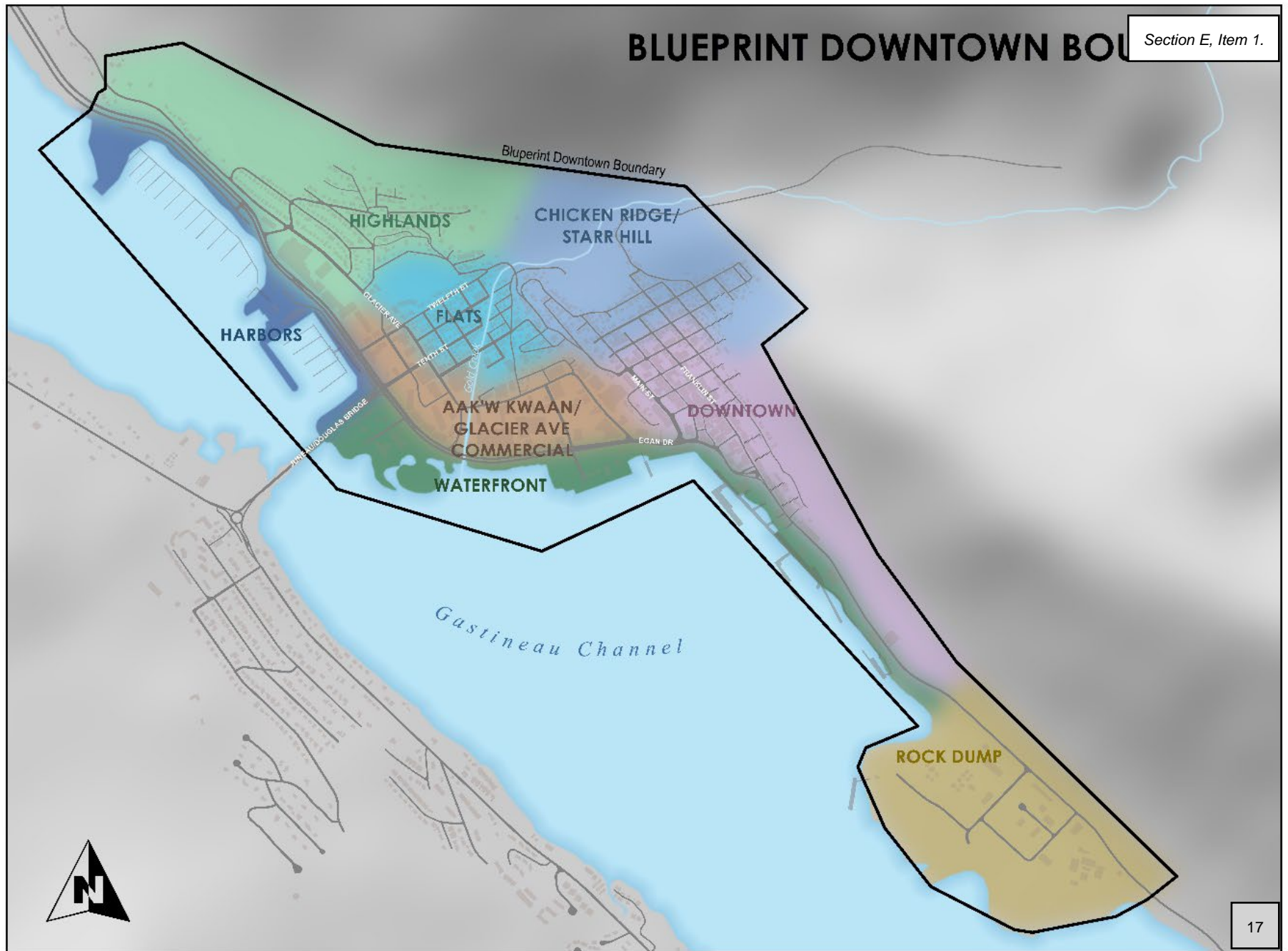
*The mission of Blueprint Downtown is to help the community of Juneau create a unifying “Big Picture” plan for the downtown area.*



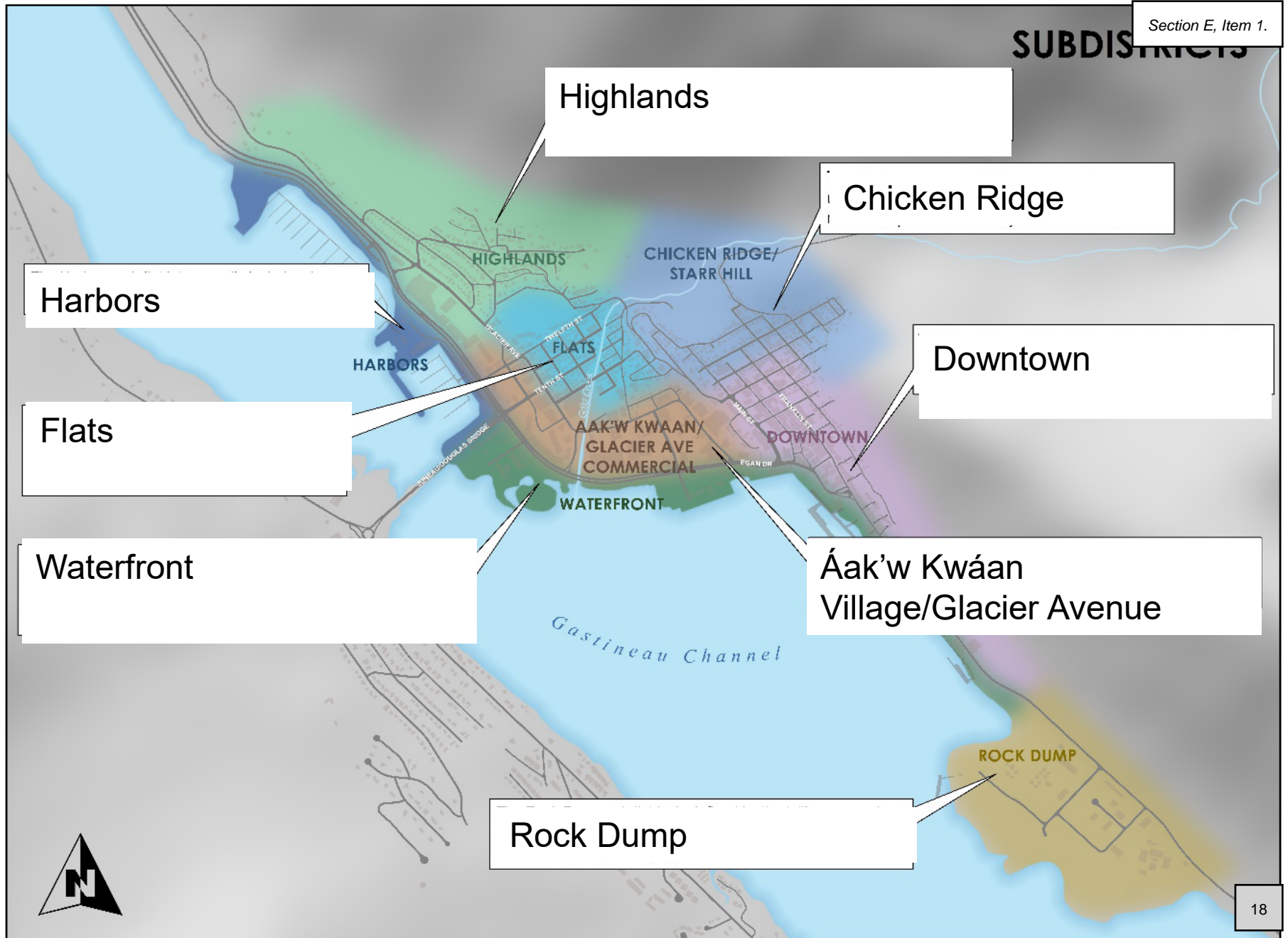


# BLUEPRINT DOWNTOWN BOULDER

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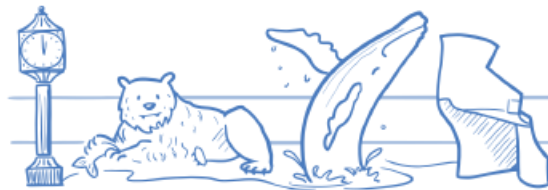
# SUBDISTRICTS



# Overall approach – This Area Plan



- 20 year Planning Horizon
- Public Visioning
- Review previous plans
- Find the overlaps and gaps
- Quilt together the old plans
- Fill the gaps with new ideas

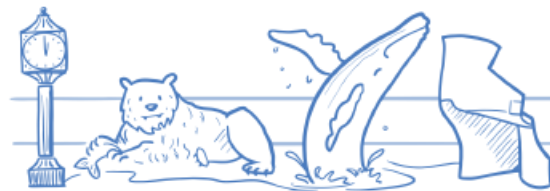




# Visioning Process



- ✓ Year Long Process
- ✓ Created Nine Focus Areas
- ✓ Final Report presented to Steering Committee & accepted by CBJ
- ✓ Most Innovative Award – AK Chapter of the American Planning Association (2020)






# Visioning Process

## PUBLIC SAFETY

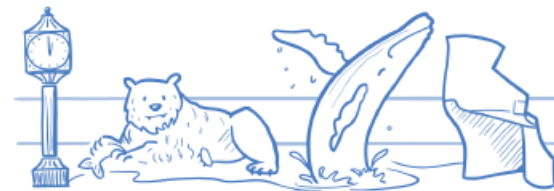
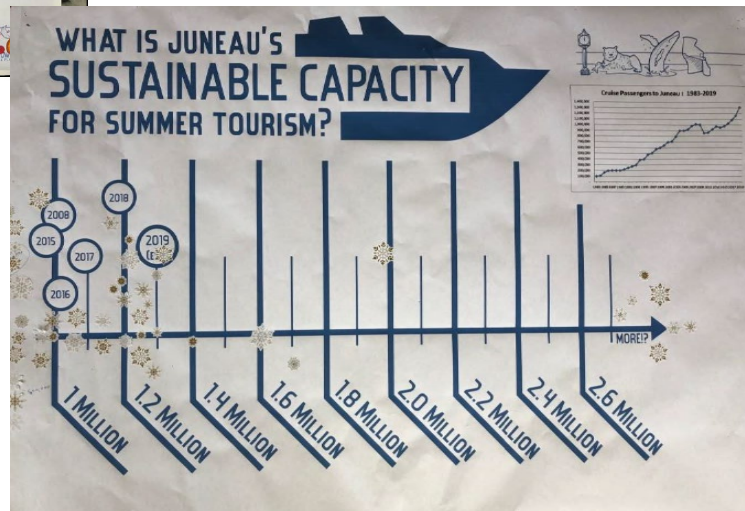
ACTIONS	STICKERS
A. Add more police presence downtown to help resolve safety concerns	
B. Make downtown more beautiful, with greater sense of pride to help lessen safety concerns	
C. Create more treatment centers and services for individuals with mental disorder/alcohol/drug problems	
D. Limit the number of liquor stores in the Downtown area	
E. Relocate the Glory Hall to a location further away from liquor stores and bars	
F. Provide improved and attractive sidewalk and street lighting	
G. Add video surveillance on Downtown streets	
H. Increase building maintenance, and the upgrade of dilapidated buildings and facilities	
I. Create neighborhood watch programs, with laws to help enforcement of identified problems	
J. Reclaim closed seasonal spaces to have attractive window decor and security systems in winter months	
K. Provide improved parking garage safety and supervision	
L. Regulate and limit cruise ship emissions for health & safety of residents	
M. Improve bicycle safety with separated bike lanes	
N. Improve traffic intersections for the safety of pedestrians	
O. Increase winter activities in Downtown, thereby increasing public street presence, and decreasing vagrancy	



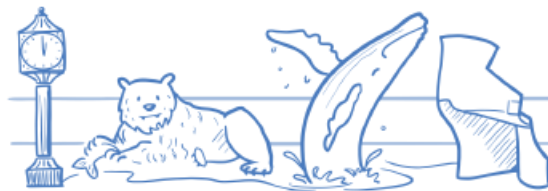
**Draw a mark on line to indicate YOUR balance point between More Parking or Less Parking in Downtown?**

**Create More Parking Downtown**  
(in parking garages, on street, onsite, in lots...)

**Use Actions to Reduce Parking Demand & Need Downtown**  
(Downtown Circulator/Shuttle, employee parking lot outside of town core, Valley and Douglas Park & Ride, Car-Share, bike lanes, employers give incentives to carpool & use transit...)



*The best estimate is that  
input was received from  
800 to 900 unique  
individuals*



## Vision Statement

*Downtown Juneau is a vibrant, welcoming, safe and accessible place to live, work, learn, play, create and explore. As the heart of Alaska's capital city and dynamic center of government, its unique heritage and history, access to natural beauty, arts and culture, urban amenities and waterfront setting provide opportunities for an exemplary quality of life and sustainable growth.*



## Goals

**A destination with a sense of place**

Downtown is a vibrant, appealing place that generates excitement and interest with seating, lighting, activities, clear and logical connections, where amenities, destinations, housing, retail, offices, parks and natural resources are linked. Walking and bicycling are prioritized.

**Safe and welcoming**

The safety of downtown is improved by incentivizing housing of all types, reducing crime through environmental design, programming that draws people downtown and providing housing and supportive services for vulnerable populations.

**More housing of all types**

Downtown is a great place to live with diverse housing options, services and amenities that will stimulate commerce and community, and create an 18/365 downtown.

**A downtown for everyone**

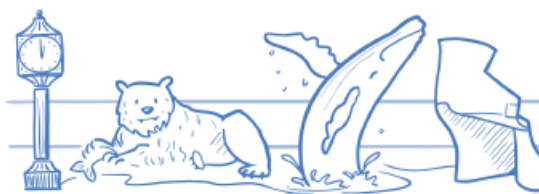
Juneau's diversity is celebrated by offering services, a range of mobility options, activities, goods and amenities that appeal to all ages, backgrounds and incomes.

**Diverse, well managed tourism**

Tourism is managed impacts in a way that addresses concerns of residents and industry. Focused efforts to bring independent and business travelers to Juneau will diversity the sector and expand the season.

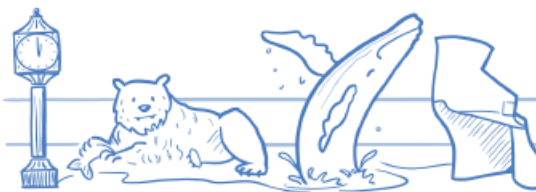
**Strong and stable economy**

Year-round economic vitality is stimulated by more residents, diverse businesses, increased activity and programming, improved access, greater safety, and enhanced aesthetics. Private and public sector investment is coordinated and leveraged to catalyze desired.



# Top Five Priorities for Action

- Housing
- Tourism Management
- Year-round vitality
- Downtown point person
- **Complete the Seawalk and Harborwalk.**



# Interest Areas for Docks & Harbors

## Chapter 3 – Economic Development

- Diversified economy
- Working waterfront

## Chapter 4 – Land Use, Neighborhoods & Housing

- Waterfront (subdistrict)
- Rock Dump (subdistrict)
- Harbors (subdistrict)

## Chapter 5 – Downtown Activities & Tourism

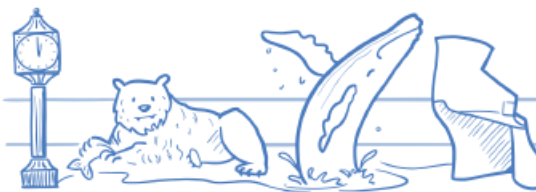
- Tourism
- Dock electrification
- Waterfront Infrastructure

## Chapter 6 – Parks, Open Space & Recreation

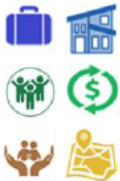


- Downtown harbors

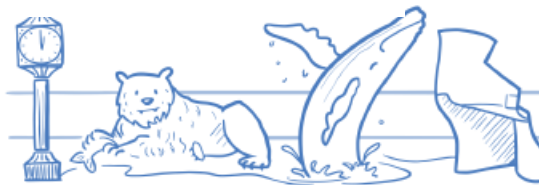
## Chapter 7- Transportation, Pedestrians & Streetscape

- Vehicle/Pedestrian Interaction



# Action Tables

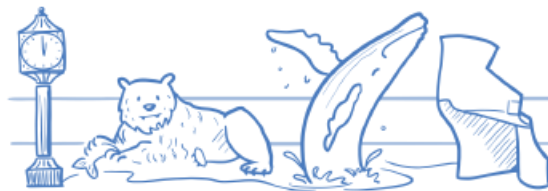
GOALS	ACTIONS	ANTICIPATED IMPLEMENTING PARTNER(S)	WHEN (ON- GOING, NEAR, MID, LONG)	CHAPTER(S)	RELEVANT PLAN(S)
	<p>Expand investment downtown:</p> <ul style="list-style-type: none"> <li>Develop stronger partnerships between government, non-profit and for profit developers;</li> <li>Examine road blocks to public/private partnerships and joint developments of housing, mixed use, parking structures, and/or land leases and take steps to eliminate them;</li> <li>Develop opportunities to use outside funding to support downtown investment.</li> </ul>	Housing Office, CDD, EPW, JEDC, DBA, JCC	On-going	3 & 4	HAP, JCP
	<p>Create a "Downtown Clean and Safe" program that focuses on the following services:</p> <ul style="list-style-type: none"> <li>Regular sidewalk cleaning;</li> <li>Additional trash pickup;</li> <li>Graffiti removal;</li> <li>Block watches;</li> <li>Coordinate and communicate with local police officers and safety ambassadors ;</li> <li>CPTED practices.</li> </ul>	JPD, JEDC, DBA, JCC	Near	3 & 5	





## 35 plans & studies reviewed and incorporated into Blueprint

2002	LONG RANGE TOURISM MANAGEMENT PLAN
2003	DOWNTOWN TOURISM TRANSPORTATION STUDY
2003	SUBPORT VICINITY REVITALIZATION STUDY
2004	LONG RANGE WATERFRONT DEVELOPMENT PLAN
2017	JUNEAU DOWNTOWN HARBORS UPLANDS MASTER PLAN -BRIDGE PARK TO NORWAY POINT
2018	MARINE PARK TO TAKU DOCK URBAN DESIGN PLAN
2019	TOURISM BEST MANAGEMENT PRACTICES
2020	VISITOR INDUSTRY TASK FORCE REPORT





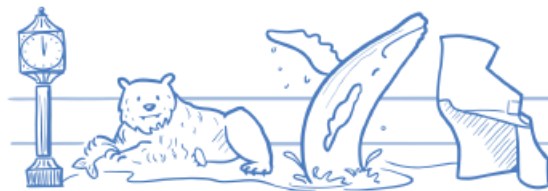
- ✓ Visioning
- ✓ Focus Groups
- ✓ Draft Plan

## Next steps

- Steering Committee review of public comments/ plan revision and recommendation to Planning Commission
- Planning Commission Public Hearing and recommendation to Assembly
- Assembly Public Hearing and Adoption

## Where we are now

Public Review of Steering Committee draft Plan



## Blueprint Downtown Juneau Webpage:

<https://beta.juneau.org/community-development/blueprint-downtown>

## Blueprint Downtown Email Address:

[blueprintdowntown@juneau.org](mailto:blueprintdowntown@juneau.org)

## Staff Contacts

- Beth McKibben, AICP, Planner, Project Manager

P: 907.586.0753 ext 4128 – E: [Beth.McKibben@juneau.org](mailto:Beth.McKibben@juneau.org)

Subscribe to email updates from the website.

Presented by: The Manager  
Presented:  
Drafted by: R. Palmer III

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2022-48 DRAFT**

**An Ordinance Related to City and Borough of Juneau Land Management  
Plan Duration, Restrictions, and Authority.**

WHEREAS, the Land Management Plan guides the City and Borough of Juneau’s use and ownership of its land, CBJC 53.09.150; and

WHEREAS, the current Land Management Plan was adopted in 2016 (Ord. 2016-18), and the prior Land Management Plan was adopted in 1999; and

WHEREAS, CBJC 53.09.160(b) empowers the Planning Commission to review and update the Land Management Plan as necessary but at least every ten years; and

WHEREAS, the past and current Land Management Plans provide valuable guidance for management of all City and Borough of Juneau property—including Department managed lands; and

WHEREAS, the two-year limitation in CBJC 53.09.200(c) is unnecessarily short given the multiple review procedures recently enacted in CBJC 53.09.260;

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

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**Section 2. Amendment of Section.** CBJ 53.09.200 is amended to read:

**53.09.200 General.**

- (a) *Methods of disposal.* City and Borough land may be conveyed by lottery, auction, over-the-counter sale, negotiated sale, sealed bid, land exchange, or other methods as the assembly may approve by ordinance.
- (b) *Inclusion in Land Management Plan.* Except for property acquired by tax foreclosure or reconveyance agreement, real property should not be conveyed prior to inclusion in a land management plan.
- (c) *Satisfaction of CBJ 53.09.260(a).* Real property recommended for negotiated sale in management plan adopted by the Assembly not more than ten ~~two~~ years prior to commencement of negotiations for a negotiated sale shall be deemed to have satisfied CBJ 53.09.260(a) Sales, leases, and exchanges by negotiation or competitive proposal.

...

**Section 3. Amendment of Section.** CBJ 85.02.060 is amended to read:

**85.02.060 General powers.**

- (a) Subject to state laws and City and Borough ordinances, the City and Borough Docks and Harbors Board shall generally exercise all powers necessary and incidental to operation of all port and harbor facilities in the public interest and in a sound business manner. In particular, and without limitation on the foregoing, the board shall:

...

(5) Administer and dispose of City and Borough tideland, submerged land, and other land as provided by the assembly ~~by resolution as subject to docks and harbors board administration~~, subject to the following limitations:

- (A) No sale, purchase, or trade of land shall be made without prior review by the assembly lands committee and approval by the assembly ~~by resolution~~.
- (B) Unless otherwise designated in advance by the assembly ~~by resolution~~, any lease of land shall be limited to marine-related uses, and those uses accessory to tenancy on the boat harbor or use of the port.
- (C) All land transactions by the board in accordance with this section shall be consistent with the land management plan ~~developed under CBJ 85.02.063~~.
  - (i) Land shall be leased as provided in title 53, provided that the provisions of section 53.20.020 relating to a declaration of availability and identification in the land management plan shall not apply.
  - (ii) For purposes of applying title 53 pursuant to this subsection (C), any action required by title 53 of the manager may be performed by the port director.

...

**Section 4. Amendment of Section.** CBJ 85.02.063 is amended to read:

**85.02.063 Land management plan.**

- (a) The docks and harbors board should be guided and informed by the City and Borough of Juneau land management plan when making recommendations regarding retention, use, disposal, and development of City and Borough land under the jurisdiction of the docks and

~~harbors board. After public hearing and deliberation, the docks and harbors board shall draft and forward to the planning commission and assembly a land management plan. The plan shall address the retention, use, disposal, and development of City and Borough land under the jurisdiction of the docks and harbors board. After public hearing and deliberation, the planning commission shall forward its recommendation to the assembly. Recommended changes to the land management plan shall be developed using the same procedure.~~

(b) The docks and harbors board shall be guided by the following principles when proposing changes to the land management plan: ~~Development of the land management plan, or a change to the plan, shall also be guided by the following principles:~~

- (1) Multiple use should be encouraged;
- (2) A sound local economy will be promoted;
- (3) Adequate lands for public development and public use, including recreational beaches with appropriate uplands, should be reserved;
- (4) Tidelands should be leased only for specific water-dependent and water-related uses and not sold;

(c) When making recommendations about the retention, use, disposal, and development of land under jurisdiction of the docks and harbors board, the board shall consider the following: ~~In developing the land management plan to implement the policies outlined in this section, the following issues, without limitation, shall be considered:~~

- (1) The supply of publicly owned lands to meet public needs;
- (2) The supply of privately owned lands to meet the private-sector needs of the community;

(3) The comprehensive plan, the long-term capital improvements program, and other plans adopted by the assembly;

(4) Restrictions created by written instruments, zoning, and state and federal regulations;

(5) Physical, economic, resource, population and social factors affecting the area under consideration;

(6) Comments of the general public, affected landowners, state and federal agencies and local advisory groups;

(7) Ownership patterns and waterfront development plans of private landowners and state and federal agencies;

(8) The development and growth patterns and potentials of different areas of the City and Borough and waterfront services that may be needed as a result of that development and growth;

(9) The requirements of public access to and along public and navigable bodies of water;

(10) The protection of other public values including recreational, scenic, wildlife, and other environmental qualities; and

(11) Other matters which are relevant to a sound and beneficial land use management plan policy.

~~(d) The plan shall contain the following elements:~~

~~(1) Proposed land acquisitions;~~

~~(2) A listing of those lands to be retained for public use;~~

~~(e) The plan shall be reviewed by the Docks and Harbors Board and the Planning Commission if a major unanticipated development affecting basic assumptions occurs, and in any case at least every five years.~~

~~(f) Any lease, disposal, or use of land shall conform to the Long Range Waterfront Plan, the land management plan adopted above, Juneau Coastal Management Plan, and all other adopted City and Borough land use plans.~~

~~(g) Upon receipt of a land management plan or a change recommended by the Docks and Harbors Board and Planning Commission, the assembly shall consider the plan, or change, and may adopt the plan or change only after it conducts a public hearing on the matter.~~

**Section 5. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Attest:

\_\_\_\_\_  
Beth A. Weldon, Mayor

\_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk



**From:** [Carl Uchtyl](#)  
**To:** [Harbor Board](#)  
**Cc:** [Nichole Benedict](#); [Teena Larson](#); [Matthew Creswell](#); [Benjamin Brown](#); [Dan Bleidorn](#)  
**Subject:** DOCKS & HARBORS - LAND MANAGEMENT PLAN 85.02.063  
**Date:** Friday, August 26, 2022 2:43:38 PM  
**Attachments:** [2022-XX DH Land Mgmt Plan v.4.pdf](#)  
[2022-48 Land Management Plan v1.docx](#)

---

Chair Etheridge –

I **recommend** the Board take another bite at the Land Management Plan (85.02.063). What I heard last at last night's meeting was 85.02.063 remains ambiguous to the policy of tide land disposal under the charge of Docks & Harbors. If the Board wants to make tweaks/substantive improvements to the Land Management Plan, now is the time to do so. Generally speaking, the Assembly will not provide top down direction as to how Docks & Harbors manages property. However, the Assembly will consider recommendations from the Board, should that be the will of this body.

The City Attorney is incorporating the Board recommended changes (attached pdf) into another more encompassing document (attached 2022-48) which will go through the 9/26 LHED meeting, so our Land Management Plan will not be on the same schedule as the other ordinances recommended last night. There is time to get 85.02.063 right.

Unless told otherwise, I will:

- For the 9/21 Operations-Planning Committee, I will add an unfinished item regarding 85.02.063.
- I will include any members proposed changes in the 9/21 Ops-Planning packet.
- Changes from the 9/21 Ops-Planning Committee will be forwarded to the 9/26 LHED Committee.
- Any recommended changes from the 9/21 Ops-Planning packet will placed on the 9/29 regular Board Consent Agenda.

Thank you,  
Carl



**Carl Uchtyl, P.E.**  
**Port Director**

155 S. Seward Street  
Juneau, Alaska 99801  
907-586-0294

907-586-0295 (fax)

**From:** [Paul Grant](#)  
**To:** [Carl Uchytel](#)  
**Cc:** [Don Etheridge](#)  
**Subject:** RE: DOCKS & HARBORS - LAND MANAGEMENT PLAN 85.02.063  
**Date:** Wednesday, September 7, 2022 12:10:40 PM

---

I agree with your point that we need to consider the extent to which we want to or should restrict future boards. I just want to make sure that we (as a board) are using a common frame of reference for the properties that we are talking about. It may actually be more broadly applicable in future issues that will arise that we haven't really thought about yet (for instance, the Goldbelt consolidation project).

Paul

---

**From:** Carl Uchytel <Carl.Uchytel@juneau.org>  
**Sent:** Friday, September 2, 2022 10:26 AM  
**To:** Paul Grant <Paul.Grant@juneau.org>  
**Cc:** Don Etheridge <Don.Etheridge@juneau.org>  
**Subject:** RE: DOCKS & HARBORS - LAND MANAGEMENT PLAN 85.02.063

Paul –

We actually manages several types of property:

- Submerged (i.e. between MLLW and seaward)
- Tidelands (i.e. between MHHW and MLLW)
- Uplands with marine access
- Uplands without marine access

So, broad language for inclusion into an ordinance...it may be more correct to say “any property over which D&H has jurisdiction”. My recommendation in the discussion would be cautionary, that the current Board may not want to bind future Board decisions with restrictive limitations.

Thanks for the thoughts,

Carl

**Carl J. Uchytel, P.E.**

Port Director

City & Borough of Juneau

(907)586-0294

[www.juneau.org/harbors](http://www.juneau.org/harbors)

---

**From:** Paul Grant <[Paul.Grant@juneau.org](mailto:Paul.Grant@juneau.org)>  
**Sent:** Saturday, August 27, 2022 5:30 PM  
**To:** Carl Uchytel <[Carl.Uchytel@juneau.org](mailto:Carl.Uchytel@juneau.org)>  
**Cc:** Don Etheridge <[Don.Etheridge@juneau.org](mailto:Don.Etheridge@juneau.org)>  
**Subject:** RE: DOCKS & HARBORS - LAND MANAGEMENT PLAN 85.02.063

Carl,

I don't think I can ask this question to the whole Board without kicking up an OMA ruckus, so I will just direct it to you and Chair Etheridge. The question is, when we are talking about disposal of property, is "Tidelands" the word we want? Or do we want to more broadly include "Any land over which D and H has jurisdiction"? If we are going to take a comprehensive look at this it seem like we should look at the broader definition.

If you could bookmark this point for discussion when we next take up this subject, I would appreciate it.

Thanks,

Paul

---

**From:** Carl Uchtyl <[Carl.Uchtyl@juneau.org](mailto:Carl.Uchtyl@juneau.org)>  
**Sent:** Friday, August 26, 2022 2:44 PM  
**To:** Harbor Board <[HarborBoard@juneau.org](mailto:HarborBoard@juneau.org)>  
**Cc:** Nichole Benedict <[Nichole.Benedict@juneau.org](mailto:Nichole.Benedict@juneau.org)>; Teena Larson <[Teena.Larson@juneau.org](mailto:Teena.Larson@juneau.org)>; Matthew Creswell <[Matthew.Creswell@juneau.org](mailto:Matthew.Creswell@juneau.org)>; Benjamin Brown <[Benjamin.Brown@juneau.org](mailto:Benjamin.Brown@juneau.org)>; Dan Bleidorn <[Dan.Bleidorn@juneau.org](mailto:Dan.Bleidorn@juneau.org)>  
**Subject:** DOCKS & HARBORS - LAND MANAGEMENT PLAN 85.02.063

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regular Board Consent Agenda.

Thank you,  
Carl



***Carl Uchytel, P.E.***

***Port Director***

155 S. Seward Street

Juneau, Alaska 99801

907-586-0294

907-586-0295 (fax)

A REGULATION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

ADOPTION OF REGULATION AMENDMENTS

Title 05 Chapter 07 – Inactive Vessel Management

Title 05 Chapter 15 – Fees and Charges

Title 05 Chapter 20 – Small Boat Harbor Fees and Charges

Title 05 Chapter 25 – Statter Harbor Management Regulations

PURSUANT TO AUTHORITY GRANTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, THE DOCKS AND HARBORS BOARD PROPOSES TO ADOPT THE FOLLOWING AMENDMENT TO REGULATIONS:

**Section 1. Authority.** These regulations are adopted pursuant to CBJ Ordinance 01.60, 85.02.060, and 85.02.100.

**Section 2. Adoption of Regulations.** The City and Borough of Juneau Administrative Code is amended at 05 CBJAC 07 Inactive Vessel Management, to read:

**05 CBJAC 07.010 Inactive vessel management.**

...

- (b) *Moorage areas designated for inactive vessels.* Certain moorage within Douglas, Harris, and Aurora Small Boat Harbors and at the National Guard Dock is designated as moorage eligible for use by inactive vessels. This Mmoorage includes the east side of the head float in Aurora Harbor,-~~the area along~~ the east side of the head float in Harris Harbor, ~~and the west side of the area along~~ the head float in Douglas Harbor, and the National Guard Dock. Maps showing the moorage designated for inactive vessels are available at any of the harbor offices.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new costs on persons subject to the regulation.

...

**Section 3. Amendment of Regulation.** The City and Borough of Juneau Administrative Code is amended at 05 CBJAC 15 Fees and Charges, to read:

...

**05 CBJAC 15.035 Reservation charge policy.**

...

(d) *Reservation confirmation and changes.* Payment is required for the first day of moorage for each visit at the time of reservation confirmation and is non-refundable. Cancelling a reservation will result in forfeiture of the reservation fee. Reservation dates can be adjusted until May 1 in the year of requested moorage at no additional charge if space is available. Starting May 1, reservation payments cannot be transferred to other dates; any change in dates will require forfeiture of the original reservation payment, and payment of an additional non-refundable reservation fee for the amended first day(s) of moorage. Failure to arrive within 24 hours after a reservation begins will result in cancellation of the remainder of the reservation and forfeiture of the reservation fee. Reservation payments are not transferrable between Downtown and Statter Harbor. All reservations made for a period of more than seven days will be paid in full at the time of reservation. The director may impose moorage terms and conditions that are reasonable and necessary to effectuate the purposes of CBJ Code of Ordinances Title 85 and CBJ Administrative Code Title 5.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new costs on persons subject to the regulation; however, patrons who reserve moorage for greater than seven day would forfeit reservation payment.

...

**Section 4. Amendment of Regulations.** The City and Borough of Juneau Administrative Code is amended at 05 CBJAC 20 Small Boat Harbor Fees and Charges, to read:

...

**05 CBJAC 20.050 Residence surcharge.**

...

(b) *Residence surcharge period and duty to report.* The residence surcharge will be assessed on a calendar month basis. The owner of the vessel is responsible for paying the residence surcharge. The owner of the vessel is responsible for immediately notifying the Harbormaster when their vessel is ~~being occupied and used by any person as a residence, dwelling, or abode, rented, or leased as a place of residence.~~ Any rental or leasing of a vessel by its owner must be for a period of no less than six months, subject to prior written approval by the Harbormaster. Rental for any period of less than six months and subleasing are not permitted. Once a vessel is in used as a residence, dwelling, or abode the Docks and Harbors Department will continue to assess the residence surcharge until the owner of the vessel gives written notice to the Harbormaster that the vessel is no longer used ~~for~~ as a residence, dwelling, or abode.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new costs on persons subject to the regulation.

...

**05 CBJAC 20.060 Recreational boat launch fees.**

- (a) *Launch ramp permit required.* A boat trailer owner or vehicle owner (when launching vessels without a trailer) will obtain any and all necessary launch ramp permits for using one or more of the Douglas Harbor Boat Launches, the Harris Harbor Boat Launch, the North Douglas Boat Launch, the Statter Harbor Boat Launch, the Amalga Harbor Boat Launch, and the Echo Cove Boat Launch to launch and recover recreational vessels. Use of the Kayak Launch Ramps at Amalga Harbor and Statter Harbor is free and does not require a launch ramp permit.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new costs on persons subject to the regulation.

...

**05 CBJAC 20.090 Statter ~~Boat~~ Harbor Bus Lower Parking Lot permit fee.**

- (a) *Definition.* The fee assessed to the owner of a vehicle for picking-up and discharging passengers for passenger-for-hire activities at the Statter Harbor Bus Lower Parking Lot.
- (b) *Requirements.* The owner of a vehicle using the Statter Harbor Bus Lower Parking Lot to pick-up and discharge passengers for passenger-for-hire activities must apply to and obtain a permit from the Harbormaster. Applications are available at any of the Docks and Harbor Department Offices. The Harbormaster is authorized to issue permits with reasonable conditions concerning insurance, operations, and payment of fees.
- (c) *Fees.* The Harbormaster shall assess permit fees to the owner of a vehicle using the Statter ~~Boat~~ Harbor Bus Lower Parking Lot to pick-up and discharge passengers for passengers-for-hire activities as follows:

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220 (b). This proposed change would not impose new costs on persons subject to the regulation.

...

**05 CBJAC 20.110 Crane use fees.**

...

- ~~(b)~~ *Crane use requirements.* A person must obtain approval from the Harbormaster before using a hydraulic crane. ~~Crane use fees must be paid in advance.~~ A person may reserve use of the crane. Charges shall be assessed through an electronic key card issued by Docks and Harbors. ~~Payment of the crane use fee is required to obtain a reservation. The Harbormaster will require a person~~

Regulations of Docks & Harbors

Amending 05 CBJAC 07; 05 CBJAC 15; 05 CBJAC 20; and 05 CBJAC 25



~~using the crane to post a bond or other guaranty before using a crane when the Harbormaster believes such security is necessary.~~

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change requires users to purchase a \$10 key FOB.

...

#### **05 CBJAC 20.130 Storage fees.**

- (a) A person may apply to the Harbormaster for use of long-term storage space in designated areas. Except as provided herein, the fee for use of this space is \$0.50 per square foot per calendar month, or portion thereof. ~~A person who maintains a reserved moorage assignment may store one personal item of up to 200 square feet for \$0.25 per square foot per calendar month, or portion thereof.~~ The Harbormaster is authorized to issue permits and develop written procedures to implement this section.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed regulation change would impact the current sixteen patrons who store cumulative 1394 sf by increasing their (16) payment from \$349/month to \$698/month. Docks & Harbors estimates that an additional \$4182 per year could be collected as the result of this regulation change.

...

#### **05 CBJAC 20.160 Parking lot fees.**

...

- (2) From May 1 through September 30 each year, the fee to park in designated pay spaces at Don D. Statter Harbor Facilities shall be \$1.00 per hour or portion thereof, or \$5.00 per 24 hours or portions thereof, ~~or \$100.00 per calendar month or portion thereof.~~ ~~The number of monthly parking permits shall be managed and issued by the Port Director or representative.~~ From October 1 through April 30, the off-season monthly fee shall be ~~\$50.00 per calendar month or portion thereof.~~ The applicable fee must be paid in advance.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new costs on persons subject to the regulation; however, by deleting the summer monthly permit, Docks & Harbor could increase revenue \$2000/month or \$10,000/year. In 2022, the Port Director's representative established 40 as the number of available parking permits allowed per month.

...

Regulations of Docks & Harbors

Amending 05 CBJAC 07; 05 CBJAC 15; 05 CBJAC 20; and 05 CBJAC 25

**05 CBJAC 20.190 ~~Auke Bay Loading Facility Drive Down Float Fee~~ Reserved.**

~~Auke Bay Loading Facility Drive Down Float shall be accessed at a fee of \$5.00 per vehicle/truck occurrence. Charges shall be assessed through an electronic key card issued by Docks and Harbors.~~

**Section 5. Adoption of Regulations.** The City and Borough of Juneau Administrative Code is amended at 05 CBJAC 25 Statter Harbor Management Regulations, to read:

...

**05 CBJAC 25.060 Summer management.**

Except for a loading zone, from May 1 through September 30 each year, a vessel may moor at the facility, including the breakwater, for up to ten consecutive calendar days, after which the vessel must clear the facility, under its own power, for at least six consecutive hours. Vessels which do not clear the facility for at least six consecutive hours after any ten-day period shall be assessed the daily fee in accordance with 05 CBJAC 20.070. A vessel owner may request an exception to this rule by submitting a request in writing to the Harbormaster, who may grant the request in writing upon a showing of exigent circumstances by the vessel owner. Unless directed otherwise by the Harbormaster in accordance with procedures established under this regulation, all moorage during this period shall be on a first-come, first-serve basis.

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new fees on persons subject to the regulation; however patrons, in violation of the requirement to move every 10-days, would be charged \$0.61/LF/day in lieu of the monthly discounted charge of \$0.26/LF/day. The purpose of this regulation change to encourage compliance.

...

**05 CBJAC 25.080 Winter management.**

(a) From October 1 through April 30 each year, the Harbormaster may assign moorage to vessels for all or part of this period. Moorage will be assigned as follows:

- (1) During the month of ~~August~~ September each year, a person wishing to obtain a moorage assignment may submit a request for moorage via email or apply on an application form provided by the Harbormaster. ~~The person shall submit a \$100.00 application fee, refundable if the person does not receive a moorage assignment and creditable towards docks and harbor department charges;~~
- (2) ~~During~~ Before the end of the month of September each year, the Harbormaster, with consideration to vessel size and space availability, shall assign moorage in the order in which applications were received ~~by lottery~~ until all of the designated spaces are ~~is~~ assigned or all of the applications are processed.
- (3) ~~After assigning moorage by lottery, the Harbormaster may assign moorage if space is available at the facility.~~

(b) No person, other ~~then~~ than the moorage assignee, shall moor in an assigned space without Regulations of Docks & Harbors

Amending 05 CBJAC 07; 05 CBJAC 15; 05 CBJAC 20; and 05 CBJAC 25

Harbormaster approval. Moorage assignments under this section will terminate if the assignee does not pay all applicable fees on a timely basis. Moorage assignees shall notify the Harbormaster of departure and arrival times as required by 05 CBJAC 40.020(d).

Fiscal Note per 01.60.220(a). This proposed change would not result in additional appropriations necessary for Docks & Harbors staff to execute this amended regulation.

Fiscal Note per 01.60.220(b). This proposed change would not impose new costs on persons subject to the regulation.

...

**Section 6. Notice of Proposed Adoption of a Regulation.** The notice requirements of CBJ 01.60.200 were followed by the agency. The notice period began on \_\_\_\_\_, 2022, which is not less than 21 days before the date of adoption of these regulations as set forth below.

**Adoption by Agency**

After considering all relevant matter presented to it, the agency hereby adopts these regulations as set forth above. The agency will next seek Assembly review and approval.

Date: \_\_\_\_\_

\_\_\_\_\_

Carl Uchytel, P.E.  
Port Director

**Legal Review**

These regulations have been reviewed and approved in accordance with the following standards set forth in CBJ 01.60.250:

- (1) Consistency with federal and state law and with the charter, code, and other municipal regulations;
- (2) Existence of code authority and the correctness of the required citation of code authority;
- and
- (3) Clarity, simplicity of expression, and absence of possibility of misapplication.

Date: \_\_\_\_\_

\_\_\_\_\_

Benjamin Brown  
Assistant Municipal Attorney

**Assembly Review**

These regulations were presented to the Assembly at its meeting of \_\_\_\_\_. They were adopted by the Assembly.

Date: \_\_\_\_\_

\_\_\_\_\_  
Elizabeth J. McEwen  
Municipal Clerk

Filing with Clerk

I certify, as the clerk of the City and Borough of Juneau, that the following statements are true:

- 1. These regulations were accepted for filing by the office of the clerk at\_\_:\_\_a.m./p.m. on the\_\_ day of\_\_,.
- 2. After signing, I will immediately deliver or cause to be delivered copies of this regulation to the attorney and the director of libraries.
- 3. A permanent file of the signed originals of these regulations will be maintained in this office for public inspection.
- 4. Effective date:\_\_\_\_\_.

Date: \_\_\_\_\_

\_\_\_\_\_  
Elizabeth J. McEwen  
Municipal Clerk

**From:** [Bill Lomax](#)  
**To:** [Harbor Board](#)  
**Subject:** Upcoming Potential Rule Changes  
**Date:** Saturday, September 10, 2022 12:57:47 PM

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

---

Greetings,

I missed the notice for a comment period that the harbor board posted on considering new rule changes and I had a few points on two of the potential changes for here in Statter. The notice wasn't specific on when these changes would be forwarded to the city council but the meeting for them was Aug 23.

First, the parking fees going from monthly to only daily/hourly. It seems reasonable to want to do away with monthly parking permits when the lot has so many vehicles stored in it. A dozen are left year round by leased space owners who pay nothing as well as several unmoved tour trucks that just about take up two spots a piece. I'd suggest that people should only use the lot if they're actively using the harbor and make vehicles move every 10 days. It would be far more fair as well if harbor residents had parking access instead of being charged \$150 a month for it. This in addition to paying the residence surcharge that affords us no rights or privileges not available to any normal harbor user. Residents of all other city harbors receive parking passes.

Second, I'd like to address the summer management change in going to day rates for vessels that don't clear the harbor every ten days. There is a similar problem as in the parking lot and this rule does makes sense to me to a point. Folks use our harbor to long term store their boats with no plan to use them regularly during the year. I'd only point out that there should be an exception for live aboard boat owners in good standing without complaints that have accounts paid up in full and especially if you're on the wait list for permanent moorage. It doesn't seem right to push live aboard's out of Statter along with boat owners lazily using the harbor as storage. There are plenty of protected storage lots around town they can use, but there isn't close to enough space in the other harbors combined during summer to absorb all the people who call Statter home. It seems very unfair to tell folks where they can live specifically when it's our city's largest by far. We pay fees, rent and taxes year round that support the city harbor system in our state's most expensive harbor. That should afford a little respect instead of force labeling all paid residents of Statter "transients" so that strict unreasonable rules apply like the 10 day move only in that harbor.

Thank you for your time in reading my response,

Bill Lomax  
The Islander



# Port of Juneau

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

**From:** Carl J. Uchytel  
Port Director

**To:** Docks & Harbor Board

**Date:** September 16th, 2022

**Re:** UAS PROPERTY – BOARD OPTIONS

1. At the August 25<sup>th</sup> regular Board meeting, enclosure (1) was presented, discussed and the Board provided direction to continue consultation with UA Land Management. This memo provides options for Board consideration.
2. Factual summary:
  - a. Since 1988, CBJ has leased 2.78 acres from UA; this area includes: uplands, tidal & submerged lands.
  - b. In consideration of \$500K in “advance rent” contained in the original lease, CBJ shall pay UA 30% of net revenue collected from sub-leasing and 40% of net revenues of other users (i.e. crane use). The revenue generated under this formula results in a payment from CBJ to UA of approximately \$12K/year.
  - c. The lease expired May 4<sup>th</sup>, 2021 but has been extended with two, one-year lease extensions during negotiations. The agreement will expire May 4<sup>th</sup>, 2023.
  - d. The lease provides for one 33-year option to extend the terms of the lease “not to exceed the fair market rental rate”.
  - e. A December 31<sup>st</sup>, 2020 appraisal completed for UA indicated the property value to be \$2.88M and the annual market rent to be \$230,400.
  - f. The negotiating position of UA is not to sell but to offer a lease option to CBJ at fair market value. The UA considers their fiduciary interests are best served by maintaining the property in an ownership role.
3. Potential Environmental Consideration and Liability:
  - a. Paragraph 22.6 of the March 30<sup>th</sup>, 1988 lease, states:  
*Restoration and Surrender of Premises. Within sixty (60) days after expiration of earlier termination of this Agreement, and at the Lessor’s sole option, Lessee, at its sole cost and expense, shall either demolish the improvements which Lessor has not required Lessee to remove, removing all debris and leaving the Premises in a rough-graded condition, or leave the improvements in place and surrender to Lessor the Premises and improvement in broom-clean condition, which Premises and improvements shall then become the sole property of Lessor. All property that Lessee is not required to surrender but that the Lessee abandons shall, upon sixty (60) days after expiration or earlier termination of this Agreement, at Lessor’s election, become the property of the Lessor, free and clear of all claims against it by Lessee or any third party and Lessee shall hold Lessor harmless from any claims regarding such property.*

- b. In the Port Director's review of the lease, there is no lease requirement for the lessee (Doc) to conduct environmental sampling, testing, remediation or clean-up upon termination of the contract.

4. Snapshot of Harbor Enterprise fiscal health:

- a. From the current Assembly adopted Budget Book, projections from March 2022:

## HARBORS

### COMPARATIVES

		FY22	
	FY21 Actuals	Amended Budget	Projected Actuals
<b>EXPENDITURES</b>			
Personnel Services	\$ 1,572,300	1,875,000	1,777,100
Commodities and Services	1,432,100	1,681,500	1,682,100
Debt Service	656,700	737,600	737,600
<b>Total Expenditures</b>	<b>3,661,100</b>	<b>4,294,100</b>	<b>4,196,800</b>
<b>FUNDING SOURCES</b>			
Charges for Services	2,791,900	3,000,000	2,825,000
Licenses, Permits, and Fees	-	130,000	350,000
Rentals and Leases	855,400	800,000	860,000
State Shared Revenue	391,400	300,000	407,000
Federal Revenue	-	24,700	-
Fines and Forfeitures	7,400	10,000	10,000
Investment and Interest Income	30,300	52,500	27,600
Support from:			
Capital Projects	300	-	-
<b>Total Funding Sources</b>	<b>4,076,700</b>	<b>4,317,200</b>	<b>4,479,600</b>
<b>FUND BALANCE</b>			
<b>Debt Reserve</b>			
Beginning Reserve Balance	791,900	791,900	791,900
Increase (Decrease) in Reserve	-	-	-
<b>End of Period Reserve</b>	<b>\$ 791,900</b>	<b>791,900</b>	<b>791,900</b>
<b>Available Fund Balance</b>			
Beginning of Period	226,900	642,500	642,500
Increase (Decrease) in Fund Balance	415,600	23,100	282,800
<b>End of Period Available</b>	<b>\$ 642,500</b>	<b>665,600</b>	<b>925,300</b>

- b. Although the FY22 audited "Actuals" will not be finalized until November, we are fairly confident that the increase in Fund Balance will be greater than \$282.8K which is depicted above. Please note that, in October, I intend to bring a request to move \$400K from Harbor Fund Balance to the Aurora Harbor Phase III project.

5. Options addressing the expiration of the lease:

- a. No Action Uplands (Lease Parcel C). This option would result in Docks & Harbors allowing the lease to expire on May 4<sup>th</sup>, 2023 and relinquishing all interests in the sub-leases to Harri Commercial Service, which produced \$29.3K/year in gross revenue over the last two fiscal years. After Docks & Harbors expenses, 30% of the net revenue is returned to UA (~\$7700). In this scenario, UA would be encouraged to negotiate directly with legacy sub-lessee or other maritime dependent operator.
- b. No Action Tidal and Submerged Property (Lease Parcel A & Parcel B). This option would divest CBJ lease interests on May 4<sup>th</sup>, 2023 in the waterfront adjoining Aurora Harbor and Harris Harbor, which includes the Juneau Fisheries Terminal, Juneau Maritime Hydraulics and Nordic Tug Charters. The crane dock is in this area and heavily used by commercial fisherman to change out fishing gear as well



as other fisheries related needs. Docks & Harbors maintains the three cranes which has generated approximately \$9K annually in gross revenue over the past two fiscal years, 40% of the net revenue is returned to UA. In FY21, over \$30K was expended by Docks & Harbors to rebuild one crane. We are anticipating a similar expenditure in FY23 to rebuild another crane. [A new crane would exceed \$100K.] Docks & Harbors has applied for numerous federal grants to expand the amenities including rebuilding/dredging alongside the crane dock and install a commercial drive-down float.

- c. Execute Renewal Option – Fair Market Value. This would commit Docks & Harbors up to \$230,400/year in lease rent to maintain the existing 2.78 acre leased site. The exact language in the existing lease to execute the onetime option is: “not to exceed the fair market value”. In a conversation with UA Land Management, it was suggested that UA would consider an opportunity to reduce the lease rent fair market value, if CBJ can demonstrate an “educational benefit” to UA. However, it is unlikely, even with creatively finding an “educational benefit”, that UA Land Management will significantly alter their negotiating position in their role as a fiduciary. Should the Board elect to pursue this option there will be additional negotiating details to consider such as: (1) will the rent be set for the duration of the lease, or will it be adjusted periodically or with CPI; (2) will there be required revenue sharing; and, (3) who will be responsible for the recapitalization of the equipment/infrastructure (travel lift, timber pier, cranes, floats, etc). Absent concessions from UA in the details of the negotiations, this option has the most fiscal risk to Docks & Harbors. In general, the equipment associated with the lease property is at the end of its useful life and will require significant financial infusion. It is worth noting, in the Docks & Harbors memo to the Assembly regarding the 1% Sale Tax requests, it was stated that \$5M would be used for: “... rebuilding this [Aurora] small boat harbor float system and to improve the uplands with replacement of harbor office building, lighting, parking lot paving and partial boatyard recapitalization.”
- d. Advance Rent. In enclosure (2), the Assembly provided Docks & Harbors with the financial commitment of \$2M for the partial purchase of the 2.77 acre UAS property. Similar to the advance rent paid to UA in 1988, should the Assembly agree to make these funds available, the annual lease payment would be significantly reduced. A plausible scenario could be that by committing \$2M in advance rent, and given the appraised value of \$2.88M, UA may be willing to accept prorated lease payment reduction on the order of 69% (\$2M/\$2.88M) of the appraised fair market value lease rent (\$71K). UA Land Management and the CBJ Manager’s Office has been contacted to explore the viability of this option.

#

Encl:

- (1) Port Director memo to Docks & Harbors Board dated August 23<sup>rd</sup>, 2022
- (2) CBJ Ordinance Serial No. 2021-08(b)(am)(P)
- (3) Existing lease dated March 30<sup>th</sup>, 1988



City and Borough of Juneau  
City & Borough Manager's Office  
155 South Seward Street  
Juneau, Alaska 99801  
Telephone: 586-5240 | Facsimile: 586-5385

TO: Carl Uchytel, Port Director

DATE: September 7, 2022

FROM: Rorie Watt, City Manager

RE: UAS Property

In response to your letter on August 31<sup>st</sup> with the same topic:

It is clear that the Harbor Enterprise cannot fiscally sustain a fair market value lease for this parcel.

After a lot of consideration, I recommend against the rent pay-down scheme for the following reasons:

- 1) It would eventually require the Assembly to fund ongoing Harbor operations, in contrivance of what it means to be an enterprise and,
- 2) Rather than solving the problem today and setting us up for long term sustainability, it creates a fiscal cliff and delays a hard decision for future generations

Given that Docks & Harbors wants and needs to invest in upgrades to the facility, buying down rent for a short period (even if tens of years) doesn't make sense, it would require the future creation of an annual subsidy from the general fund to protect newly built and renovated municipal assets.

If CBJ is going to invest in public facilities (that lose money), we should do so on our own land. If UA is unwilling to sell the land, we should direct our resources to another location. Locations that should be evaluated include Auke Bay; the downtown harbors are harsh environments in the winter, have less than ideal road access, no sunshine, and high winds – in short, not a great place to work on boats in the off season. If downtown is really the right location, slowly filling tidelands in either the Aurora Basin or north of the Yacht Club may be better long-term investments.

When the Assembly appropriated \$2M to help purchase the property, I think that their intent was to help Docks & Harbors secure the property to ensure the ability to provide a long-term location for the provision of maritime services. While I don't recommend a permanent pay down the rent approach, alternate approaches for use of those funds are likely supportable. Frankly, I think we should tell UA that if they are unwilling to sell the property that we are going to move on and invest our resources in property that we own.



# Port of Juneau

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

**From:** *Carl J. Uchytel*  
Carl Uchytel  
Port Director

**To:** Robert Barr  
Deputy City Manager

**Date:** August 31<sup>th</sup>, 2022

**Re:** UAS PROPERTY

1. Recent discussions with the University of Alaska (UA) Land Management to acquire the Juneau Fisheries Terminal property is provided in enclosure (1). In summary, the negotiating position of UA is not to sell the appraised property at fair market value but to offer a lease option to CBJ. The UA considers their fiduciary interests are best served by maintaining the property in an ownership role.
2. The Docks & Harbors Board has directed me to provide options for their consideration. Under that charge, I will evaluate entering into a 33-year lease at \$230,400 per year to sunset the current lease extension expiring on May 5<sup>th</sup>, 2023 as well as other options in between.
3. In enclosure (2), the Assembly provided Docks & Harbors with the financial commitment of \$2M for the partial purchase of the 2.8 acre UAS property. One option which I intend to explore is whether UA would agree to an “advanced rent payment” to reduce the annual lease payment. In this scenario, the property appraised value is \$2.88M, by committing \$2M for lease buy down, UA may be willing to accept prorated lease payment on the order of 69% (\$2M/\$2.88M) of the appraised lease rent.
4. For the purpose of developing options for the Docks & Harbors Board, I request guidance/process to determine whether the CBJ Assembly would consider allowing the committed \$2M to be leveraged to buying down future lease rent payment in lieu of purchasing the property outright.

#

Encl:

- (1) Port Director memo to Docks & Harbors Board dated August 23<sup>rd</sup>, 2022
- (2) CBJ Ordinance Serial No. 2021-08(b)(am)(P)

Copy: Rorie Watt  
Jeff Rogers  
Board Chair Don Etheridge



## Port of Juneau

---

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

**From:** *Carl J. Uchytel*  
Port Director

**To:** Docks & Harbor Board

**Date:** August 23<sup>rd</sup>, 2022

**Re:** UAS PROPERTY – LEASE/PURCHASE

---

1. Chair Etheridge and myself met virtually with the University of Alaska (UA) Land Management on August 3<sup>rd</sup> and 22<sup>nd</sup>. UA Chief Land Officer (Adrienne Stolpe) and Land Management Senior Property Manager (Tina Thomas) were present at both meeting. At the August 3<sup>rd</sup> meeting, Chair Etheridge and I were informed that UA was not interested in pursuing a purchase and sale agreement for the three parcels currently in use. UA would be willing to offer the property only under a lease at fair market value to CBJ. Chair Etheridge and I reiterated to UA Land Management that the potential revenue extracted at this facility (~\$40K) will not nearly cover the costs of leasing the property at fair market value (~\$230K). We referenced the letters submitted by the Mayor to President Pitney and the letter submitted by the Docks & Harbors Board encouraging UA to sell the property to CBJ at fair market value. UA Land Management indicated they would reengage with UA leadership ensuring the decision maker were fully briefed on the financial opportunities and financial risks. Chair Etheridge and I reiterated that the true worth of this property is to support commercial fisheries and commercial boatyard interests at the local level.
2. At the August 22<sup>nd</sup> meeting, UA Lands Management indicated they had consulted with UA leadership (President Pitney, Chancellor Carey & Vice-Chancellor Ciri). It is the UA position that the best interest of the University of Alaska is served by maintaining the property in an ownership role. UA Land Management suggested there may be an opportunity to reduce the lease rent fair market value, if CBJ can demonstrate an “educational benefit” to UA. The UA Land Management has fiduciary responsibilities to UA and it is unlikely the reduction of the lease rent would be substantial. Chair Etheridge & I brought up a concept of paying down the lease rent over the period of a lease through the \$2M committed from the Assembly as part of a proposed purchase and sales agreement. The idea was not rejected outright in the discussion; however, the Assembly may not wish expend funds for a purpose which was intended to be a purchase agreement.

3. Docks & Harbors staff requests direction from the Board, some options include:
- i) Docks & Harbors enters into a fair market lease agreement for the next 33 years @ \$230K/year;
  - ii) Docks & Harbors pursues an “educational benefit” in the leased area to lease at less than fair market value.
  - iii) Docks & Harbors pursues paying down the lease rent with proposing to the Assembly to allocate the \$2M upfront in the lease agreement;
  - iv) Docks & Harbors allows the lease to expire, returning the boatyard and waterfront parcels back to UA.

#

Encl: (1) Mayor Weldon letter to President Pitney dated March 7<sup>th</sup>, 2022  
(2) Docks & Harbors Board letter to UA Land Management dated June 27<sup>th</sup>, 2022  
(3) Map of UAS Property



**Office of the Mayor**  
155 S. Seward Street  
Juneau, Alaska 99801  
PHONE: (907) 586-5240  
FAX: (907) 586-5385  
[Beth.weldon@juneau.org](mailto:Beth.weldon@juneau.org)

March 7, 2022

President Pat Pitney  
University of Alaska  
via email: [ua.president@alaska.edu](mailto:ua.president@alaska.edu)

Dear President Pitney,

The City & Borough of Juneau – Docks & Harbors sincerely thanks the Board of Regents, the UA Lands Division and the University of Alaska Southeast for their thoughtful deliberation on disposing of property via fair market land sale. Docks & Harbors has enjoyed an extremely amicable relationship with UAS throughout the decades and desires to maintain that bond for many years to come. Both the City & Borough of Juneau and the Docks & Harbors Enterprise have demonstratively shown goodwill towards UAS both fiscally as well as willingness to provide maritime services at the Auke Bay Marine Station for marine dependent operations.

The downtown UA property which adjoins Aurora and Harris Harbors is particularly valuable as it links scarce uplands with road access to the Juneau waterfront. It would come as no surprise that Docks & Harbors would view this property as a long term strategic cornerstone in support of the two downtown public harbors. In the near term, Docks & Harbor board leadership views maintaining the existing 2.8 acre property which is currently under lease as critical in supporting a viable maritime industry in Juneau. There are no other suitable waterfront access solutions for commercial fisherman except for property provided for at the Juneau Fisheries Terminal. Additionally, the commercial boatyard exists only because leased property was dedicated for this activity. Together, the boatyard and the Juneau Fisheries Terminal operations do not generate sufficient revenue to cover appraised value lease expenditures. Nonetheless, the Docks & Harbors Board has communicated a willingness to support these activities through future subsidies. For Juneau to grow its maritime economic influence, it must invest in infrastructure and the Juneau Fisheries Terminal and boatyard are both essential to this goal.

Docks & Harbors is grateful that UAS extended the terms of the lease one year enabling CBJ to pursue funding opportunities. It was certainly not our intent to coerce a decision during the CBJ public process to secure funding, while adhering to the Alaska Open Meetings Act. CBJ is now positioned to enter into negotiations to preferably achieve a purchase and sales agreement. Docks & Harbors is committed to ensuring Juneau governmental partners will always be provided with waterfront access necessary for



each entity to be successful in their mission. UAS would have this same commitment for the property under consideration.

The City & Borough of Juneau and the Docks & Harbors Enterprise respectfully request that the University system enter in to negotiations for the ultimate transfer of 2.8 acres of property through sale at fair market value.

Respectfully,

A handwritten signature in black ink, appearing to read "Beth A. Weldon", with a long horizontal flourish extending to the right.

Beth A. Weldon  
Mayor



## Port of Juneau

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

**From:** City & Borough of Juneau - Docks & Harbors Board  
**To:** University of Alaska – Office of Land Management  
**Date:** June 27<sup>th</sup>, 2022  
**Re:** UAS TECH CENTER PARCELS – DISPOSAL PLAN

1. This memo supplements Mayor Weldon's March 7<sup>th</sup>, 2022 letter to President Pitney. City & Borough of Juneau - Docks & Harbors is most appreciative of the University of Alaska's willingness both to extend the existing lease and for the consideration to enter into a purchase & sales agreement.
2. The City & Borough of Juneau - Docks & Harbors department functions as an *enterprise*, operated similarly like a private business, receiving no local municipal sales or property tax for operations. The reality is that Docks & Harbors subsidizes critical activities in which the private sector doesn't participate along the Juneau working waterfront. The scarcity of available Juneau industrial property, which is easily accessible to marine modes of transportation, challenges water-dependent small and independent businesses to operate profitably. The resulting economics is that Docks & Harbors provides public investment for commercial fishing vessels, commercial freight haulers and fish processing plants to access municipally managed cranes, loading docks, ice machines and vessel haul-out facilities which is not sustainable solely with private capital.
3. The UAS Tech 2.8-acre waterfront property (adjoining the two downtown harbors and boatyard) is absolutely critical to providing services for marine commerce and economic viability for the Juneau waterfront. Docks & Harbors has been pursuing grant opportunities to recapitalize this aging infrastructure for nearly a decade and is willing to continue efforts. The CBJ Assembly agrees that this property is a cornerstone for the maritime community and has committed a onetime \$2M appropriation to Docks & Harbors for purchase only. The remainder of the purchase price will be at Docks & Harbors expense. The Harbor Enterprise fund balance is approximately \$1M total. From the Docks & Harbors perspective, purchase of the offered property, with funds leveraged from the Assembly, is far better for our organization and the patrons we serve than extending a lease arrangement.
4. Docks & Harbors respectfully requests your thoughtful consideration to enter into a purchase and sales agreement for the 2.8 acre site (Parcels A, B & C) at fair market value.

#

Copy: Mayor Weldon

On Vacation  
On Vacation (Jun 24, 2022 13:26 AKDT)

Jun 24, 2022

Annette Smith

Date

David Larkin

Jun 23, 2022

David Larkin

Date

Don Etheridge  
Don Etheridge (Jun 23, 2022 14:16 AKDT)

Jun 23, 2022

Don Etheridge

Date

Lacey E. Derr  
Lacey E. Derr (Jun 23, 2022 09:47 AKDT)

Jun 23, 2022

Lacey Derr

Date

Mark Ridgway  
Mark Ridgway (Jun 24, 2022 09:21 GMT+1)

Jun 24, 2022

Mark Ridgway

Date

Matt Leither  
Matt Leither (Jun 23, 2022 10:30 AKDT)

Jun 23, 2022

Matt Leither

Date

Paul H. Grant  
Paul H. Grant (Jun 24, 2022 09:20 AKDT)

Jun 25, 2022

Paul Grant

Date

Bob Westmann  
Bob Westmann (Jun 23, 2022 11:28 AKDT)

Jun 23, 2022

Bob Westmann

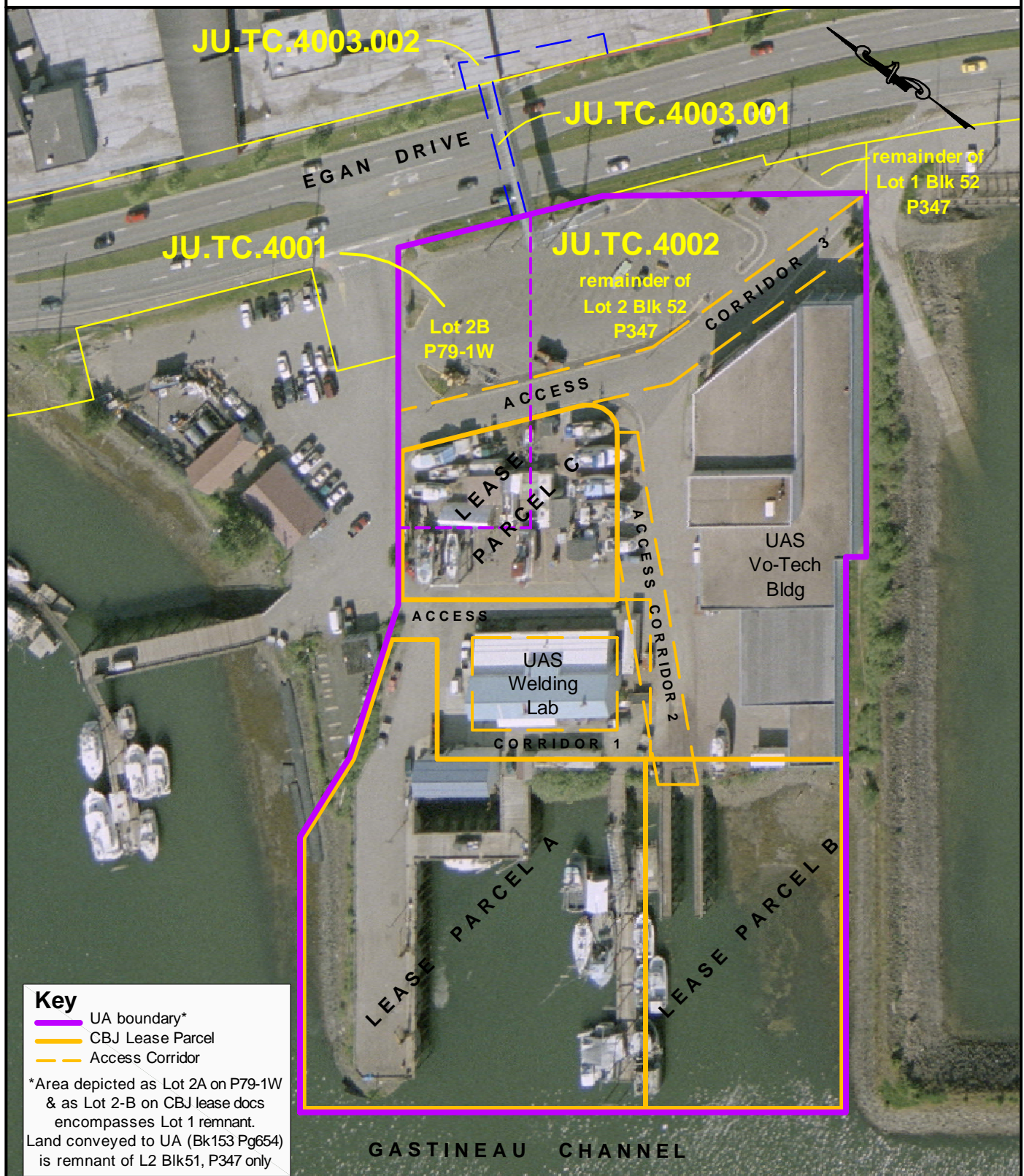
Date

James Becker 6/27/22  
James Becker

Date

# Juneau Tech Center

JU.TC.4001  
JU.TC.4002



UA LAND MANAGEMENT  
March 2009

0 100 ft  
Scale

Meridian C.R. Township 41S Range 67E  
Date of photo: 6-09-06 Source: Aero-Metric Anchorage  
(Photography is unrectified; Distortions exist.)

# Encl (2)

Presented by: The Manager  
Introduced: November 22, 2021  
Drafted by: Finance

## ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2021-08(b)(am)(P)

**An Ordinance Appropriating up to \$2,880,000 to the Manager for the Purchase of 2.8 Acres from the University of Alaska Southeast for the Juneau Fisheries Terminal; Funding Provided by General Funds.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Appropriation.** There is appropriated to the Manager the sum of \$2,000,000 for the purchase of 2.8 acres from the University of Alaska Southeast for the Juneau Fisheries Terminal.

### **Section 3. Source of Funds**

General Funds	\$2,000,000
---------------	-------------

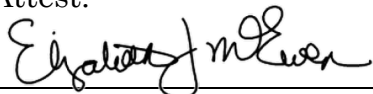
**Section 4. Effective Date.** This ordinance shall become effective upon adoption.

Adopted this 13th day of December, 2021.



Beth A. Weldon, Mayor

Attest:



Elizabeth J. McEwen, Municipal Clerk



**From:** [Paul Grant](#)  
**To:** [Carl Uchytel](#); [Don Etheridge](#)  
**Subject:** UAS Options  
**Date:** Friday, September 16, 2022 7:41:07 PM

---

Carl,

After reviewing your excellent memo on the UAS options, I'd like to get some thoughts committed to paper lest I forget them. Please include in the packet, if appropriate.

First, let me say that I agree with Rorie Watt's analysis of the rent-pay-down option in his September 7 memo to you. It creates a fiscal cliff and merely postpones an inevitable decision to a later date, without any hope that UAS will come to its senses in the meantime. For the reasons stated by Mr. Watt, (and hinted at in the memo by Mr. Barr) I would argue against taking that option.

As to the "educational benefit" rent reduction: Staff should investigate this, but I do not believe that it will result in sufficient savings to make it a workable proposition. I would like to see some concrete numbers but I think it only nibbles around the edges, I am not optimistic that it has any promise of sufficient savings to make a lease workable.

Fair market lease option: Much like my boat, this is a black hole in the ocean into which we will pour money, without even the benefit of getting to go sailing once in a while. 33 years X \$230K = \$7,689,000 (not counting inevitable annual increases) which we will pay, for absolutely no benefit in terms of accruing equity in property that is useful to us. Further, it commits us to pay out money that could likely be used for other worthwhile projects that are on our wish-list. Contrast against this the paltry sums (I haven't added them up, but they are insignificant) that we obtain in rent, and I conclude that this is too much of a subsidy to pay for the limited marine services that the property supports.

All of this leads to the unpalatable but inescapable conclusion that we should walk away. Let the lease expire. Let the businesses on the property negotiate their own deals with UAS. Let UAS think seriously about whether it really wants to be a landlord, or whether it might not be preferable to get serious about selling the property. I say "unpalatable" because I agree that marine services for the downtown harbors may suffer in the short run. However, the "no action" option leaves us with the most flexibility and financial room to move if UAS gets reasonable about selling. It avoids us having to explain to the assembly why we are spending much more than the \$2M they gave us to rent money-losing property, rather than buying it, as they expected. I see not renewing the lease as the best of a set of bad options.

Regards to All,



Paul

**From:** [Annette Smith](#)  
**To:** [Carl Uchytel](#)  
**Subject:** Re: UAS PROPERTY - DRAFT MEMO  
**Date:** Saturday, September 3, 2022 6:24:39 PM

---

Hi Carl....I've been chatting with some folks in the fishing community and we came up with a possible idea.....it's a bit out there.....but.....I think it might work.

I don't know what is happening with the Tanner's property since his son in law passed away. But....I suspect at some time it might be up for sale. Is it possible to use the money from the city that was to purchase the UAS property to purchase the old Tanners property? There is space for a boat yard and a shop is already there. There is no travel lift or cranes, but I am guessing the cost of that property would not eat up even half the money from the city.....and could be used to get started on those facilities.

Anyway....just a thought to chew on. I'll keep cogitating. Has anyone talked with the guy running the current facility? I wonder what his thoughts are.

---

From: Carl Uchytel  
 Sent: Friday, September 2, 2022 9:58:24 AM  
 To: Annette Smith  
 Subject: RE: UAS PROPERTY - DRAFT MEMO

Annette -

Thanks for your thoughts. The challenge will be to navigate the opinions of our users groups (commercial fishermen/boat yard clients) who may think D&H is turning its back on Juneau maritime users.

We have produced plans for the Norway Point vicinity for marine services use. It is contained in our 2017 planning document:

<https://juneau.org/harbors/project-archive/entry/45526>

Like everything we do...we only need money!

Sincerely,  
 Carl  
 Carl J. Uchytel, P.E.  
 Port Director  
 City & Borough of Juneau  
 (907)586-0294  
[www.juneau.org/harbors](http://www.juneau.org/harbors)

-----Original Message-----

From: Annette Smith <[Annette.Smith@juneau.org](mailto:Annette.Smith@juneau.org)>  
 Sent: Friday, September 2, 2022 7:46 AM  
 To: Carl Uchytel <[Carl.Uchytel@juneau.org](mailto:Carl.Uchytel@juneau.org)>  
 Subject: Re: UAS PROPERTY - DRAFT MEMO

Carl,

Excellent letter. My personal opinion is to simply let it go back to UAS. We do not need to be a middleman landlord, especially to something that I cannot see even coming close to paying for itself. I understand the need for the service in town, however in my mind, this is not penciling out, especially, if you add in the environmental cleanup risk. In addition, the idea of "paying down the lease" by using funds from the city to purchase the property is 1) not a good idea because it uses the money for something it was not intended for - 2) at the end of the lease, we

own nothing - 3) the university is the only one to benefit from the arraignment - 4) providing an “educational benefit  
“ to the university smacks of graft.....it is an unseemly choice of words....I don’t understand why they do not simply  
state a financial benefit.

Here’s a question for you.....as we go about rebuilding the north end of Aurora, can we build in the ability to  
provide the service that is currently being provided on the UAS property?

Thanks  
Annette

---

From: Carl Uchtyl  
Sent: Thursday, September 1, 2022 6:32:27 PM  
To: Harbor Board  
Cc: Matthew Creswell  
Subject: UAS PROPERTY - DRAFT MEMO

Board Members,

I started drafting options for the UA property which is included in the attached word document. I will be on leave  
starting Saturday through September 12th. I am soliciting input to the draft letter and welcome any suggestions or  
ideas to pursue. Please send your comments/ideas/questions directly to me and not reply all.

Thank you,  
Carl

[PORT OF JUNEAU LOGO for Signature]

Carl Uchtyl, P.E.  
Port Director  
155 S. Seward Street  
Juneau, Alaska 99801  
907-586-0294  
907-586-0295 (fax)

**From:** [Annette Smith](#)  
**To:** [Carl Uchytel](#); [Harbor Board](#)  
**Cc:** [Matthew Creswell](#); [Jeremy Norbryhn](#)  
**Subject:** Re: Docks & Harbors 9/21 - Ops-Planning Committee Meeting  
**Date:** Saturday, September 17, 2022 11:41:18 PM

---

Hi all

I am currently in Venice.....about 10 hours ahead of you. The chances of attending the meeting is pretty darned small.

As you know I am quite interested in the UAS property issue, and as I wrote in one of my messages to you, do not support any option except walking away. I would be interested in exploring the other option I wrote to you about.

So, my question is....is it possible to vote on this issue in absence? I will not be back in Juneau (or the states, for that matter) until October 21st.

Thanks! I am trying to stay involved even though I am far away!

Annette

---

**From:** Carl Uchytel  
**Sent:** Saturday, September 17, 2022 8:28:31 AM  
**To:** Harbor Board  
**Cc:** Matthew Creswell; Jeremy Norbryhn  
**Subject:** RE: Docks & Harbors 9/21 - Ops-Planning Committee Meeting

Board Members –

1. Please see attached email from Paul Grant regarding his position on the UAS Property Options. I have posted this email into an updated Ops-Planning Committee Agenda.
2. Please see attached flyer for Erich Schaal & Scott Hinton going away event Friday (9/23) from 5 to 8 pm at the Buoy Deck. The event is not funded using Docks & Harbors revenues.
3. If you are interested in the J-D North Crossing PEL ahead of the meeting, you can find information here: [Southcoast Region Project, Alaska DOT&PF \(jdnorthcrossing.com\)](https://jdnorthcrossing.com)

Thank you,

Carl

**Carl J. Uchytel, P.E.**

Port Director

City & Borough of Juneau

(907)586-0294

[www.juneau.org/harbors](http://www.juneau.org/harbors)

---

**From:** Carl Uchytel <Carl.Uchytel@juneau.org>  
**Sent:** Friday, September 16, 2022 3:36 PM  
**To:** Harbor Board <HarborBoard@juneau.org>  
**Subject:** Docks & Harbors 9/21 - Ops-Planning Committee Meeting

Board Members,

- Wednesday's 5 pm Operations-Planning Committee agenda has been posted [here](#), as well as below for all CBJ meetings.
- Please let Teena/Nichole know if you will be attending.
- The meeting will be in Room 224 as well via Zoom @ 5 pm on September 21th.

Thank you,  
Carl

**Carl J. Uchytel, P.E.**

Port Director  
City & Borough of Juneau  
(907)586-0294  
[www.juneau.org/harbors](http://www.juneau.org/harbors)

---

**From:** Carl Uchytel  
**Sent:** Thursday, August 25, 2022 8:58 PM  
**To:** Harbor Board <[HarborBoard@juneau.org](mailto:HarborBoard@juneau.org)>  
**Cc:** Harbormaster <[Harbormaster@juneau.org](mailto:Harbormaster@juneau.org)>  
**Subject:** Link to Municode Meetings

Board –

This will be the link for all future D&H meetings (and all other CBJ meetings): [Agendas/Minutes | City and Borough of Juneau Alaska Meetings \(municodemeetings.com\)](https://www.municodemeetings.com/Agendas/Minutes/City%20and%20Borough%20of%20Juneau%20Alaska%20Meetings)

Thx.

Carl



***Carl Uchytel, P.E.***

***Port Director***

155 S. Seward Street  
Juneau, Alaska 99801  
907-586-0294  
907-586-0295 (fax)

1                   **Subtitle B—Other Matters**

2   **SEC. 711. CONVEYANCE OF CERTAIN PROPERTY OF THE**  
3                   **NATIONAL OCEANIC AND ATMOSPHERIC AD-**  
4                   **MINISTRATION IN JUNEAU, ALASKA.**

5           (a) DEFINITIONS.—In this section:

6               (1) CITY.—The term “City” means the City  
7               and Borough of Juneau, Alaska.

8               (2) MASTER PLAN.—The term “Master Plan”  
9               means the Juneau Small Cruise Ship Infrastructure  
10              Master Plan released by the Docks and Harbors  
11              Board and Port of Juneau for the City and dated  
12              March 2021.

13              (3) PROPERTY.—The term “Property” means  
14              the parcel of real property consisting of approxi-  
15              mately 2.4 acres, including tidelands, owned by the  
16              United States and under administrative custody and  
17              control of the National Oceanic and Atmospheric  
18              Administration and located at 250 Egan Drive, Ju-  
19              neau, Alaska, including any improvements thereon  
20              that are not authorized or required by another provi-  
21              sion of law to be conveyed to a specific individual or  
22              entity.

23              (4) SECRETARY.—The term “Secretary” means  
24              the Secretary of Commerce, acting through the  
25              Under Secretary of Commerce for Oceans and At-

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1       mosphere and the Administrator of the National  
2       Oceanic and Atmospheric Administration.

3       (b) CONVEYANCE AUTHORIZED.—

4           (1) IN GENERAL.—The Secretary may convey,  
5       at fair market value, all right, title, and interest of  
6       the United States in and to the Property, subject to  
7       subsection (c) and the requirements of this section.

8           (2) TERMINATION OF AUTHORITY.—The au-  
9       thority provided by paragraph (1) shall terminate on  
10      the date that is 3 years after date of the enactment  
11      of this Act.

12      (c) RIGHT OF FIRST REFUSAL.—The City shall have  
13      the right of first refusal with respect to the purchase, at  
14      fair market value, of the Property.

15      (d) SURVEY.—The exact acreage and legal descrip-  
16      tion of the Property shall be determined by a survey satis-  
17      factory to the Secretary.

18      (e) CONDITION; QUITCLAIM DEED.—If the Property  
19      is conveyed under this section, the Property shall be con-  
20      veyed—

21           (1) in an “as is, where is” condition; and

22           (2) via a quitclaim deed.

23      (f) FAIR MARKET VALUE.—

24           (1) IN GENERAL.—The fair market value of the  
25      Property shall be—



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- 1 (A) determined by an appraisal that—  
2 (i) is conducted by an independent ap-  
3 praiser selected by the Secretary; and  
4 (ii) meets the requirements of para-  
5 graph (2); and  
6 (B) adjusted, at the Secretary's discretion,  
7 based on the factors described in paragraph (3).  
8 (2) APPRAISAL REQUIREMENTS.—An appraisal  
9 conducted under paragraph (1)(A) shall be con-  
10 ducted in accordance with nationally recognized ap-  
11 praisal standards, including—  
12 (A) the Uniform Appraisal Standards for  
13 Federal Land Acquisitions; and  
14 (B) the Uniform Standards of Professional  
15 Appraisal Practice.  
16 (3) FACTORS.—The factors described in this  
17 paragraph are—  
18 (A) matters of equity and fairness;  
19 (B) actions taken by the City regarding  
20 the Property, if the City exercises its right of  
21 first refusal under subsection (c), including—  
22 (i) comprehensive waterfront plan-  
23 ning, site development, and other redevel-  
24 opment activities supported by the City in

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1 proximity to the Property in furtherance of  
2 the Master Plan;

3 (ii) in-kind contributions made to fa-  
4 cilitate and support use of the Property by  
5 governmental agencies; and

6 (iii) any maintenance expenses, capital  
7 improvement, or emergency expenditures  
8 made necessary to ensure public safety and  
9 access to and from the Property; and

10 (C) such other factors as the Secretary  
11 considers appropriate.

12 (g) COSTS OF CONVEYANCE.—If the City exercises  
13 its right of first refusal under subsection (c), all reason-  
14 able and necessary costs, including real estate transaction  
15 and environmental documentation costs, associated with  
16 the conveyance of the Property to the City under this sec-  
17 tion may be shared equitably by the Secretary and the  
18 City, as determined by the Secretary, including with the  
19 City providing in-kind contributions for any or all of such  
20 costs.

21 (h) PROCEEDS.—Notwithstanding section 3302 of  
22 title 31, United States Code, or any other provision of law,  
23 any proceeds from a conveyance of the Property under this  
24 section shall—

1           (1) be deposited in an account or accounts of  
2           the National Oceanic and Atmospheric Administra-  
3           tion that exists as of the date of the enactment of  
4           this Act;

5           (2) used to cover costs associated with the con-  
6           veyance, related relocation efforts, and other facility  
7           and infrastructure projects in Alaska; and

8           (3) remain available until expended, without  
9           further appropriation.

10          (i) MEMORANDUM OF AGREEMENT.—If the City ex-  
11       ercises its right of first refusal under subsection (c), before  
12       finalizing a conveyance to the City under this section, the  
13       Secretary and the City shall enter into a memorandum  
14       of agreement to establish the terms under which the Sec-  
15       retary shall have future access to, and use of, the Property  
16       to accommodate the reasonable expectations of the Sec-  
17       retary for future operational and logistical needs in south-  
18       east Alaska.

19          (j) RESERVATION OR EASEMENT FOR ACCESS AND  
20       USE.—The conveyance authorized under this section shall  
21       be subject to a reservation providing, or an easement  
22       granting, the Secretary, at no cost to the United States,  
23       a right to access and use the Property that—

24               (1) is compatible with the Master Plan; and

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1           (2) authorizes future operational access and use  
2           by other Federal, State, and local government agen-  
3           cies that have customarily used the Property.

4           (k) LIABILITY.—

5           (1) AFTER CONVEYANCE.—An individual or en-  
6           tity to which a conveyance is made under this sec-  
7           tion shall hold the United States harmless from any  
8           liability with respect to activities carried out on or  
9           after the date and time of the conveyance of the  
10          Property.

11          (2) BEFORE CONVEYANCE.—The United States  
12          shall remain responsible for any liability the United  
13          States incurred with respect to activities the United  
14          States carried out on the Property before the date  
15          and time of the conveyance of the Property.

16          (l) ADDITIONAL TERMS AND CONDITIONS.—The Sec-  
17          retary may require such additional terms and conditions  
18          in connection with a conveyance under this section as the  
19          Secretary considers appropriate and reasonable to protect  
20          the interests of the United States.

21          (m) ENVIRONMENTAL COMPLIANCE.—Nothing in  
22          this section may be construed to affect or limit the applica-  
23          tion of or obligation to comply with any applicable environ-  
24          mental law, including—

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1 (1) the National Environmental Policy Act of  
2 1969 (42 U.S.C. 4321 et seq.); or

3 (2) section 120(h) of the Comprehensive Envi-  
4 ronmental Response, Compensation, and Liability  
5 Act of 1980 (42 U.S.C. 9620(h)).

6 (n) CONVEYANCE NOT A MAJOR FEDERAL AC-  
7 TION.—A conveyance under this section shall not be con-  
8 sidered a major Federal action for purposes of section  
9 102(2) of the National Environmental Policy Act of 1969  
10 (42 U.S.C. 4332(2)).

11 **TITLE VIII—TECHNICAL, CON-**  
12 **FORMING, AND CLARIFYING**  
13 **AMENDMENTS**

14 **SEC. 801. TECHNICAL CORRECTION.**

15 Section 319(b) of title 14, United States Code, is  
16 amended by striking “section 331 of the FAA Moderniza-  
17 tion and Reform Act of 2012 (49 U.S.C. 40101 note)”  
18 and inserting “section 44801 of title 49”.

19 **SEC. 802. REINSTATEMENT.**

20 (a) REINSTATEMENT.—The text of section 12(a) of  
21 the Act of June 21, 1940 (33 U.S.C. 522(a)), popularly  
22 known as the Truman-Hobbs Act, is—

23 (1) reinstated as it appeared on the day before  
24 the date of the enactment of section 8507(b) of the  
25 William M. (Mac) Thornberry National Defense Au-



# Port of Juneau – Docks & Harbors Rate Setting Project

City and Borough of Juneau

September 1, 2022

## Executive Summary

The City and Borough of Juneau Docks and Harbors (D&H)<sup>1</sup> contracted HDR Engineering Inc. (HDR) to conduct a study of the D&H enterprise's rate fee structure and on the impact of any potential rate changes to D&H stakeholders.

Key findings include:

- Stakeholders are not likely sensitive to modest changes in rates.
- Based on anecdotal information provided by stakeholders selected by D&H, overall Rates are a small fraction of users' overall costs
- The use of the consumer price index for rate indexing should be re-assessed. Wage rates, which represent about one half of D&H expenditures, have greatly outpaced CPI over the last decade. The current indexation may be inadequate to keep up with cost pressures for D&H.
- To ensure alignment with the established rate setting principles, D&H's rates should be increased to ensure D&H assets are maintained in a state of good repair. Existing reserve balances are inadequate to maintain these assets.
- The magnitude of the required rate increases is dependent on D&H's future capital program for expansion / new assets. The greater the capital requirements, the higher the rate increase.
- Docks and Harbors should maintain a replacement reserve analysis and forward-looking capital plan to determine the degree to which Funds balances and rates are sufficient to deal with ongoing maintenance and future capital investment requirements.
- Future increases would be tied to any needs identified by the ongoing replacement reserve analysis plus reflect any investments in new assets.
- Based on the replacement reserve analysis conducted through this study, current D&H funding is insufficient to maintain assets in a state of good repair.
- The funding gap could be narrowed or eliminated in at least two different ways:
  1. Additional funding from CBJ.
  2. Increasing rates – D&H rates would have to increase about 9 percent to eliminate the gap.
  3. Some combination of the above.
- Overall Rates are a small fraction of users' overall costs which suggests a 9 percent rate increase could be obtained without any deleterious user impacts.

<sup>1</sup> D&H will be used in this report



## 1

## Introduction & Purpose

The City and Borough of Juneau Docks and Harbors (D&H) is an Assembly administered Enterprise that serves recreational users, commercial fishers, commercial charter operators, live-aboard vessels, commercial boat yard use, and cruise ship passengers and crews. D&H oversees several harbors and the two downtown cruise berths.

The Docks enterprise oversees the cruise ship terminal docks. The primary stakeholders are the cruise lines that visit Juneau. The Harbors enterprise is responsible for several harbors used by commercial, recreational, and live-aboard vessel owners. These include Douglas Harbor, Harris Harbor, Aurora Harbor, and Statter Harbor. Users at these harbors include recreational vessels, commercial fishing vessels, and live-aboard vessel owners. Charter operators also use Statter Harbor, Auke Bay, and the downtown facilities. Harbor enterprise assets also includes launch ramps for vessels, parking, and other revenue generating assets.

D&H contracted HDR Engineering Inc. (HDR) to conduct a study of D&H Enterprise's rate fee structure. The current rates cover the full range of services, including permits (e.g., loading permits and tour sales permits), dockage, port maintenance, port development, moorage, passenger, and several other fees. D&H receives little support from other sources (e.g., state) so the revenue from these rates needs to cover current operating expenses as well as future capital expenditures. D&H faces a potential revenue shortfall as costs have increased in recent years and assets need to be maintained in a state of good repair in future years. Consequently, D&H will need to explore both mitigating expenditures and augmenting revenues.

As part of this effort, HDR considered both cost-based (i.e., based on costs of providing services) and market-based approaches. The latter includes both looking at market comparable metrics, as well as marked demand-based approaches (e.g., increasing rates in cases where demand outstrips supply). HDR performed the following services.

- Conducted a thorough review of applicable documents related to current tariffs, facilities, users, and D&H budget.
- Facilitated stakeholder outreach to tenants, key stakeholders, and other user groups. Meetings provided insights to sensitivity to rate changes and the potential effects of those changes on usage. Meetings also provided information for later tasks such as the tariff review and proposed harbor rate schedule.
- Review of D&H's current tariff structure with an emphasis on potential pricing anomalies and rates creating potential market distortions.
- Developed a rate methodology for proposed types of adjustments to rates to address revenue objectives to recoup costs (operating and future capital projects to maintain assets in a state of good repair and for any improvements). Per discussions with D&H, HDR was to focus on the largest revenue generating user categories, generally those revenue sources that accounted for about 80 percent of total revenues.
- The rate methodology is founded on a "replacement reserve" type of analysis to identify the level of annual cashflow needed to appropriately maintain D&H's assets to ensure they are maintained in a state of good repair and additional reserves are available for new capital assets.<sup>2</sup> The details of the analysis are documented in an MS Excel proforma financial model that is provided as a project deliverable. The model can be updated over time to ensure that sufficient reserves are available in the future.

<sup>2</sup> Based on cost information provided by D&H as opposed to an independent assessment of needs as would be the case in a rigorous replacement reserve analysis.

# 2

## D&H Revenues & Expenditures<sup>3</sup>

### Revenues

D&H has revenue streams for each of the Docks Enterprise and Harbor Enterprise. Revenues are not commingled between Docks and Harbors. Revenues for Docks in fiscal year (FY) 2021 was historically low due to COVID and its impact on the cruise line industry worldwide. Juneau is the Southeast Alaska cruise hub and the largest cruise destination for the state. 99% of all cruise visitors in the region visit Juneau compared to 90 percent for Ketchikan.<sup>4</sup> Historically, revenues have been nearly \$2 million per year, with a positive spike in FY2019. Dock revenue comes from moorage and vessel weight-based charges for cruise ships. Head tax related charges for cruise passengers do not accrue to D&H but rather are received by D&H from CBJ to fund projects and to cover dock related debt service. Cruise related charges for the passenger head tax are lower than that of Ketchikan, the next largest cruise destination.

Revenues for Harbors were nearly \$4.1 million in FY2021 and in the previous five years were between \$4.2 and \$4.6 million. Harbors revenues come from a more diverse set of sources and user groups. The largest sources of revenue by vessel user groups include recreation vessels, commercial fishing, luxury charters, launch ramp users, and the live-aboard community. At about \$1.7 million, recreational vessels are the largest source of revenue by far. Other important user groups include commercial leases, vendor booth permits, and parking.<sup>5</sup>

COVID-19 had a major impact on the distribution of D&H revenues by source. Examining pre-COVID revenues (2019 CY (calendar year)) provides a better picture for rate planning purposes. Revenues derived from recreational vessels and cruise ships accounted for 56.6 percent of total D&H revenues in 2019. Commercial leases are the next largest source at 16.1 percent. More than 80% of D&H revenues are concentrated from recreation vessels, cruise ships, commercial leases, commercial fishing, and vendor booth permits. A myriad of other revenues sources comprises the remaining revenue base.

For the vessel user groups, revenue from moorage fees at the four primary harbors (Statter Harbor, Douglas Harbor, Harris Harbor, and Aurora Harbor) are the largest source of revenues. D&H does not differentiate between user types but does set differential charges for daily, monthly, bi-annual, and annual. One can also pay for reserved space at Statter Harbor. In addition to moorage fees, there is also a residence surcharge for live-aboard users. Launch ramp users pay for either a daily or annual permit and D&H has different rates for recreational and commercial users.

An important issue to note is that there is common usage at many of the harbors thus D&H is not able to differentiate charges by type of user. It is also not certain based on our financial review if costs of providing services (especially at Douglas Harbor, Harris Harbor, and Aurora Harbor) are different at each of the relevant harbors. This would also apply to different ramps used by ramp users.

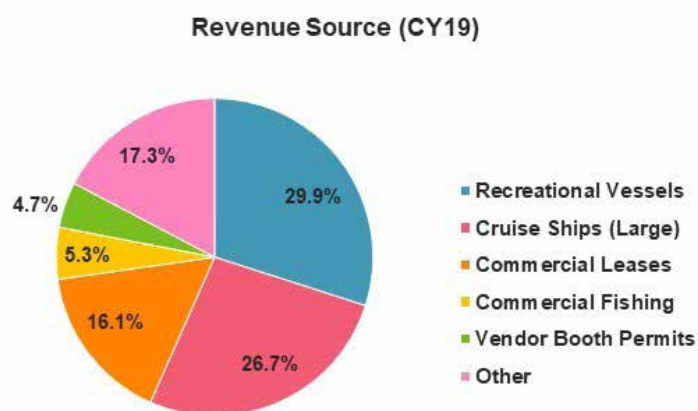


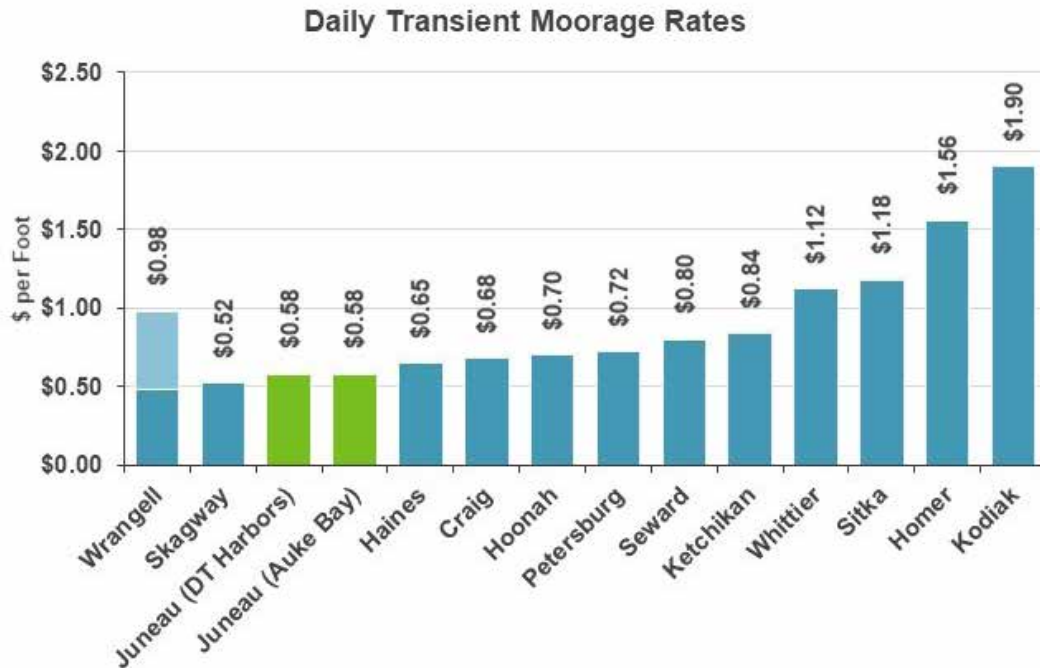
Figure 1. Distribution of CBJ Revenues, 2019 CY

<sup>3</sup> Revenue and expenditure data provided by D&H to HDR on December 15, 2021, email attachments "Docks Funds Balance Overview" and Harbor Fund Balance Overview'.

<sup>4</sup> Economic Impact Report, Cruise Lines International Association – Alaska. <https://akcruise.org/economy/economic-impact-by-region/>

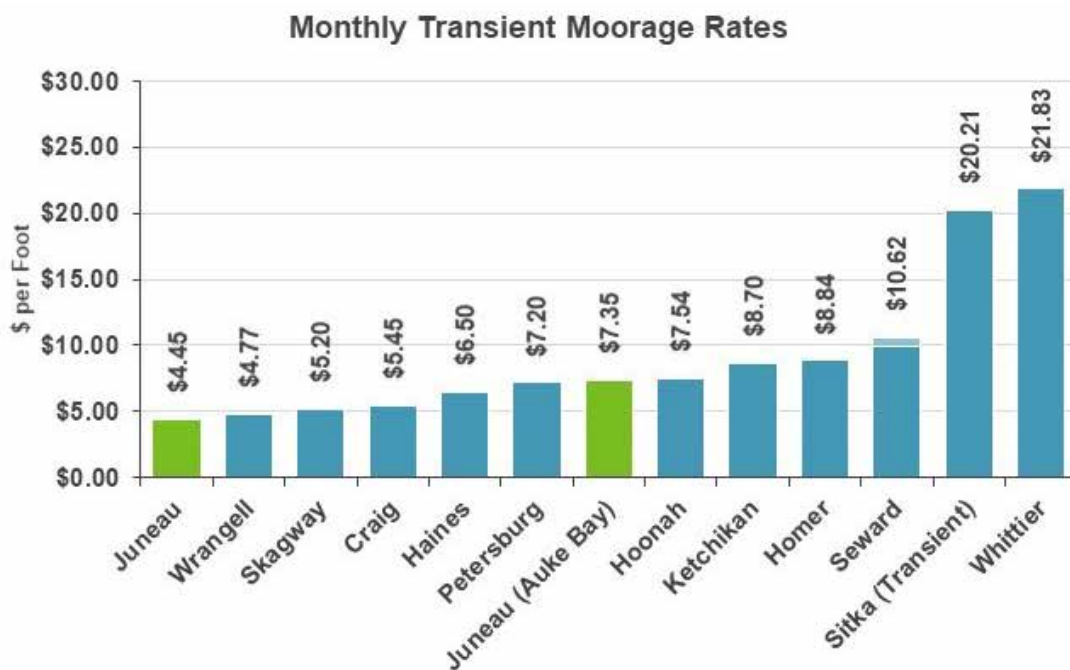
<sup>5</sup> An October 8, 2021, memo from the Port Director to the Dock and Harbors Finance Sub-Committee (Defining Docks & Harbors User Groups) lists revenues by user groups.

D&H moorage rates for daily and monthly are in general much lower than that from other Alaska port facilities (see [Figure 2](#) and [Figure 3](#)). D&H differentiates moorage rates by facility for monthly (and annual) for downtown harbors versus Auke Bay which is remote.



**Figure 2. 2020 Comparison of Daily Moorage Rates, dollars per foot, 2020**

Light blue area reflects the difference between the pre-paid rates at Wrangell (\$0.48/foot) and the invoiced rates at Wrangell (\$0.98/foot)

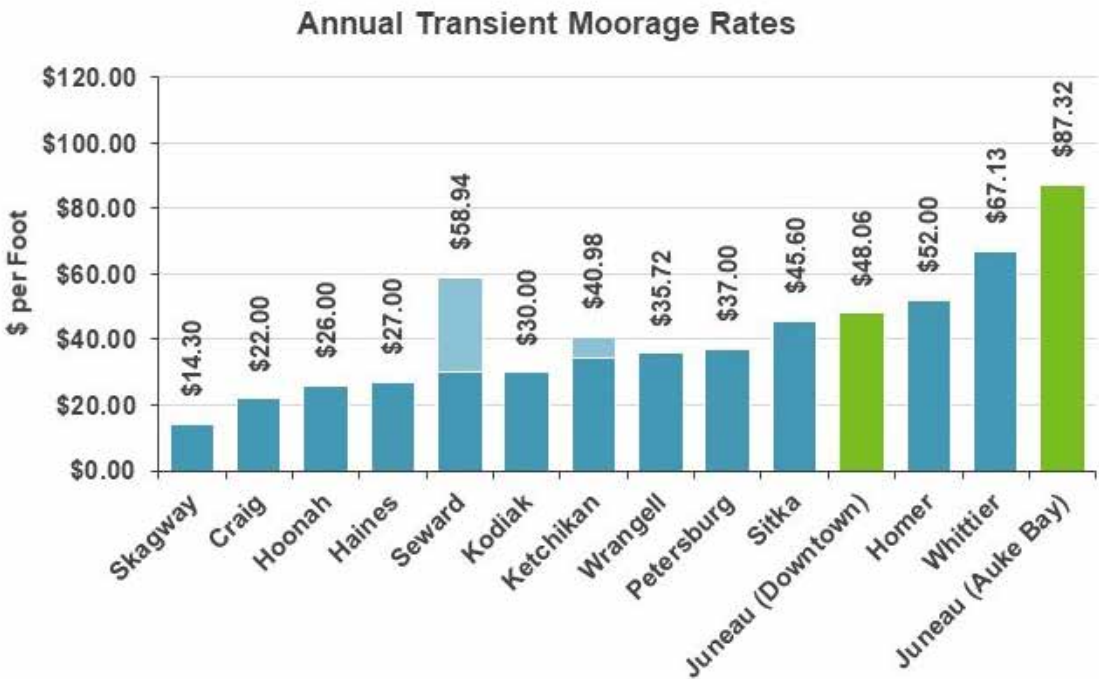


**Figure 3. Comparison of Monthly Moorage Rates, dollars per foot, 2020**

Light blue area reflects the difference between the reserved rates at Seward (\$9.97/foot) and the transient rates at Seward (\$10.92/foot)

When annual moorage rates are examined, D&H downtown rates are higher than most other facilities, exception of Homer, Whittier and D&H’s Auke Bay facility.

In general, about half of D&H moorage revenues for both downtown harbors and Statter Harbor are based on the monthly tariff. For downtown, less than 10 percent of revenues are based on the daily tariff whereas for Statter Harbor, about 27% of revenues are based on the daily tariff. <sup>6</sup>



**Figure 4. Comparison of Annual Moorage Rates, dollars per foot, 2020**  
Light blue area for Seward reflects the difference between the reserved rates at Seward (\$26.97/foot) and the transient rates at Seward (\$58.94/foot). Light blue area for Ketchikan reflects the difference between the Inside City rates at Ketchikan (\$34.48/foot) and the Outside City rates at Ketchikan (\$40.98/foot).

## Port Expenditures

Use of revenues from Docks and Harbors users is not commingled and goes to providing services and maintaining assets in a state of good repair for each area, respectively.

COVID had a significant negative impact on cruise ship passenger counts which form the basis of revenues for Docks. Pre-COVID, the budgeted expenses for Docks were \$1.95 million and actual expenses were \$1.71 million. In the previous five years actual expenses ranged from about \$1.19 million to about \$1.73 million. While in most years actual expenses were less than budgeted expenses, there was a shortfall in FY 2021. Combined with reduced revenue due to COVID, the Docks funds balance decreased substantially in FY 2021. The FY 2021 fund balance is about \$1.82 million. The Dock Fund balance in 2021 is less than half of 2018 levels due to COVID-19 and capital investments in 2019.

COVID did not have much of an impact on Harbor revenues as most of the user base is local. As noted above, revenues have been steadily increasing from about \$3.4 million in FY 2013 to nearly \$4.6 million in FY 2021. During this time, budgeted expenses have also gone up proportionally with actual expenses increasing somewhat less. Harbors fund balances have also declined materially since 2013, amounting to \$1.4M at the end of FY2021, of which \$791,900 is restricted for debt service. The drawdown in balances mainly relates to capital outlays of about \$7.4M over that time-period. As with Docks, Harbors needs to set aside these funds for future contingencies. Unlike Docks, Harbors serve a wider range of stakeholders. As such, there is a more diverse set of possible issues to deal with in the future.

<sup>6</sup> Based on 2019 fiscal year data.

D&H needs to set aside these funds for future contingencies. This includes years with poor financial results (2021) and years when D&H incurs additional costs to maintain assets in a state of good repair. As assets age, these expenses can increase exponentially. This is especially so for higher valued assets used for servicing cruise vessels. As such, it is especially important to maintain a robust funds balance to be able to service and replace assets at their scheduled time.

Almost half<sup>7</sup> of D&H expenditures (excluding capital) are related to personnel. While D&H rates are now indexed to inflation, we have seen that general wage inflation has far exceeded that of the Consumer Price Index. If these trends continue, the indexation of D&H rates will likely be insufficient to keep up with changes to labor rates. Other measures of inflation may be more suitable for indexing D&H rates.

Figure 5 and Figure 6 provide a summary of revenue, expenditure, and fund balances from 2013 to 2021.

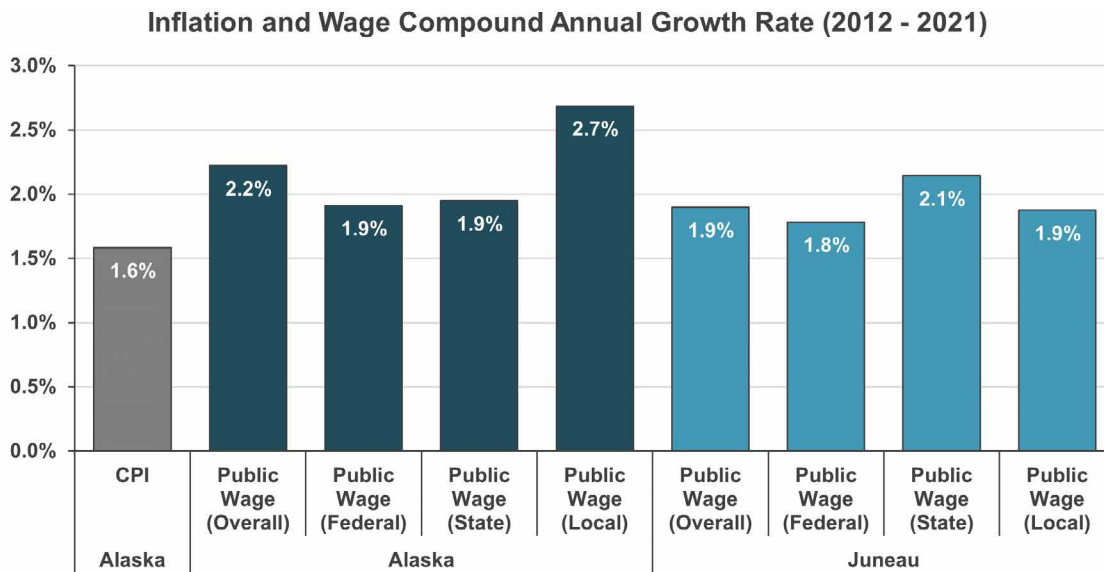


Figure 5. Wage versus CPI Inflation, 2012 - 2021

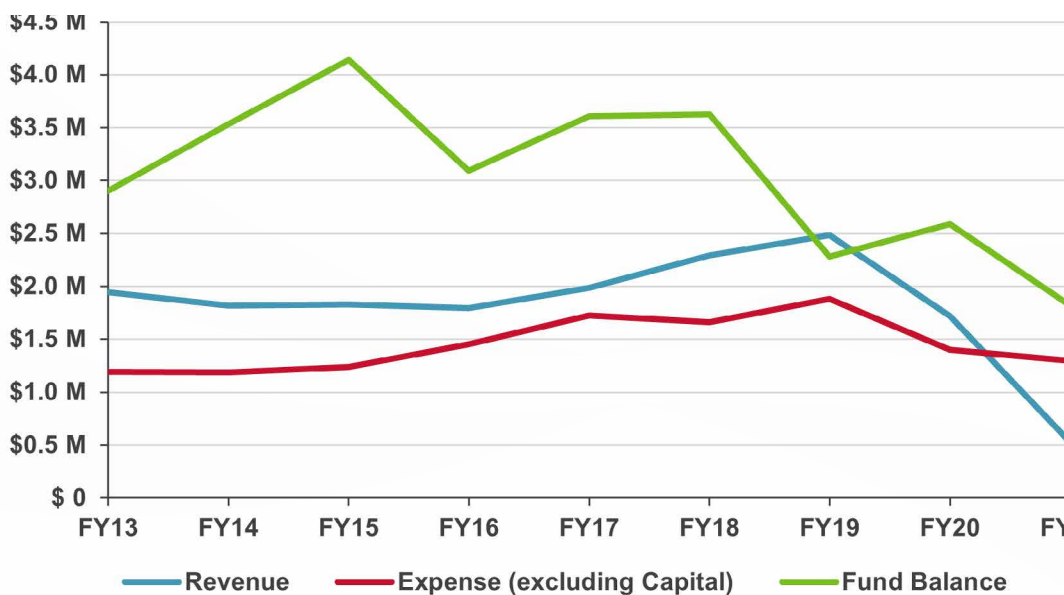
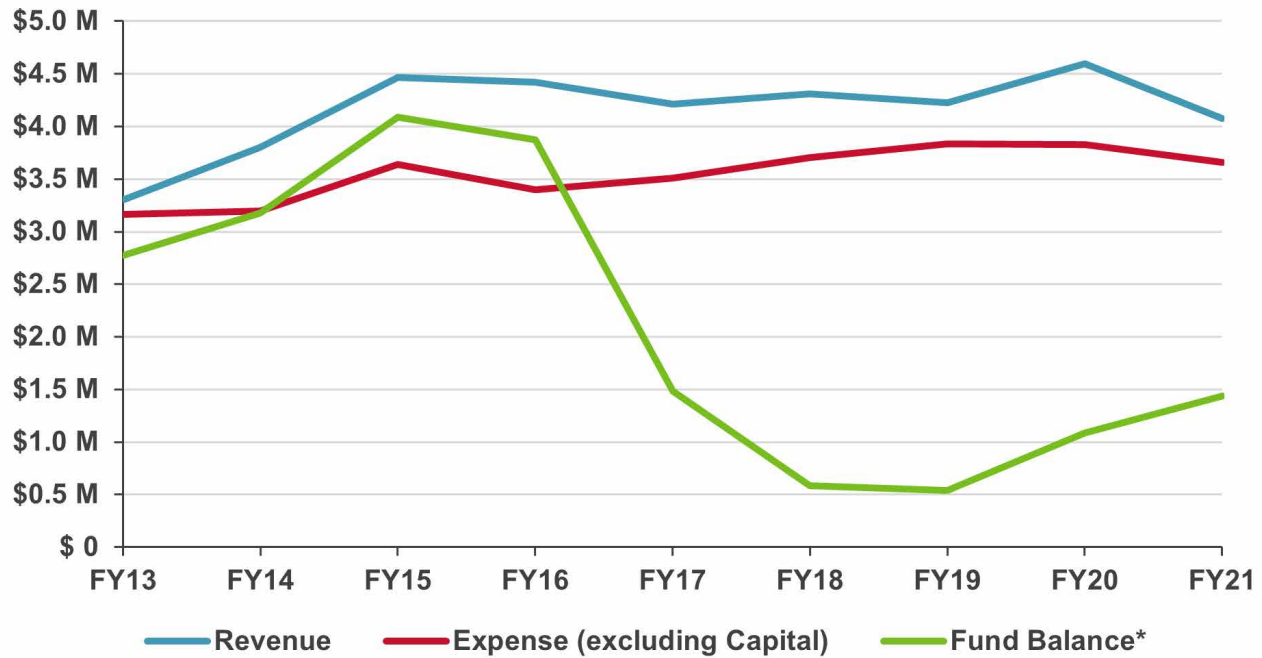


Figure 6. CBJ Docks Fund Balance, 2013 to 2021

<sup>7</sup> From FY2013 to FY 2021, personnel expenditures were 48% of non-capital expenditures. This data was provided by D&H for 2013-2021.



## Harbors Fund



*\*Portion of the balance is reserved for debt repayment*

Figure 7. CBJ Harbors Fund Balance, 2013 - 2021

Expenditures for both Docks and Harbors consist of fixed personnel and building costs and some generally fixed operations and maintenance costs. As noted above, maintaining assets in a state of good repair also requires variable costs that occur every few years and can result in spikes in expenditures.<sup>8</sup> Additionally, some of the variable costs will be for major rehabilitation and even entire replacement of assets that require a significant infusion of funds that require setting aside money in reserves. This would also apply to any proposed new assets.

As such, HDR recommends that D&H maintain a rigorous replacement reserve analysis to determine the amount of funds needed to deal with these state of good repair issues. This would allow D&H to establish rates to accumulate adequate reserves every year to have these funds (i.e., escrow funds annually to pay for major expenses when they occur). Part of this exercise would include assigning annual cost schedules for each of the facilities D&H maintains. Some of the costs are specific to maintaining the infrastructure and others are shared costs (e.g., general D&H personnel costs). Having a better idea of future expenditures is essential for establishing the revenues required to fund these expenditures. Once that is established, it also provides a better framework for establish rates to meet these revenue targets.

Through this rate setting project, HDR developed a financial model to estimate to establish a replacement reserve analysis that can be used to determine the level of rates required to maintain D&H's assets in a state of good repair and to provide for future capital needs. Using D&H asset and cost inputs<sup>9</sup>, HDR has estimated the rate increase necessary to fund D&H's financial needs.

<sup>8</sup> A November 19, 2021, memo from the Port Director to the Board and City Manager (FY2021 Review - Docks & Harbors Operations) highlights several recent projects (see item #5).

<sup>9</sup> The cost information was exogenous to this study and provided by D&H. HDR has not independently validated these inputs.

# 3

## Stakeholder Perspectives

Between April 5th and 9th, 2022, HDR conducted outreach with different D&H user groups. HDR conducted the outreach to ascertain sensitivity to any changes in rates and services and how any changes might affect their business model (commercial users) and harbor usage (non-commercial users). The responses are confidential and as such are not included in the report.<sup>10</sup>

Outreach User Group participants were:

- Cruise Lines
- Charter Operators
- Recreation Boaters
- Launch Ramp Users
- Live-Aboard Community
- Commercial Fishing

General points raised during the outreach included:

### Docks

- Alaska is a world class cruise line destination and the stop at Juneau is an integral part of the cruise (e.g., taking in a whale watching charter).
- Current cruise related taxes and fees (D&H, state, etc.) are a small part of total Cruise trip costs for passengers (cruise, airfare to Seattle, charters, and other expenses). Any modest changes to these taxes are not likely to alter a decision to take a cruise to Alaska.
  - » However, D&H needs to take into consideration any rate change at other ports.
- Cruise lines would value certainty in any potential rate increase and would prefer any increase to be set 12 to 18 months in advance to adequately incorporate into their business model and itineraries.

### Harbors

- For recreational boaters in general, the fees paid to D&H are only a small component of the total costs of boating. The major cost drivers include the costs of the boat, fuel, insurance, etc. Boating is a way of life for recreational boaters. The more price sensitive recreational boaters may opt for using launch ramps instead of paying moorage, but this also implies that they bear the costs of storing and transporting the boat (truck, and trailer chassis). In some cases, a recreational boater may both moor a vessel and use launch ramps depending on a variety of circumstances.
- There are not many substitutes to the services D&H offers recreational boaters and most are pleased with existing service levels. Given this and that D&H related costs are not a large component of total costs, recreational boaters would not likely change their behavior much if there were a modest fee increase.
- Nearly all charter boat customers are out-of-state visitors disembarking from cruise lines. The Juneau cruise is often an integral component of their trip. If you take a cruise to Alaska, you are likely going to take a charter in Juneau unless price points change drastically for them.
- Moorage is not one of the top cost drivers for charter operators. That being said, typical charter rates range from \$140-\$200 so there is relatively more price sensitivity to D&H rates than for cruise lines. This presents more of an issue if the rate in question were a head tax rather than a moorage rates; the latter being a small component

<sup>10</sup> Responses are not to be interpreted as results from a census of all users, but rather responses from groups of individuals selected by D&H.



of total costs for charter operators.

- D&H related costs are not a top cost driver for commercial fishing vessels. Primary cost drivers are vessel costs, crew, fuel, etc. However, they may be price takers (i.e., accept what processors offer) and their ability to pass along costs may depend as much on general prices for their products increasing. In the case of vertically integrated fisheries/processors this is less of an issue.
- The live-aboard community use their vessels as both house boats and for recreational boating. Boating is more than just a way of life (i.e., primary hobby) but also where they live. Since there is also a monthly residence surcharge (in addition to moorage), D&H fees make up a higher share of costs than for purely recreation vessels. However, as these vessels are also house boats, D&H fees not only need to be put in context of recreational vessels costs but also costs of housing. As such, one can consider D&H related fees as a percentage of recreational boating and housing costs. In many cases, these house boats are somewhat larger than a purely recreational vessel and entail greater operational costs than a purely recreational vessel due to their dual purpose. The live-aboard option represents a lower-cost housing option for the community which may be in the interest of the municipality. However, the community shares and competes for space with other users and as such are not any different from that standpoint to D&H with respect to setting fair and equitable rates for D&H services.
- The demand for parking at Statter Harbor is greater than supply.
- The demand for reserved spaces is greater than supply.
- Nearly all stakeholders would rather not have a cut in service levels, and many would be willing to pay a modest amount more to maintain or increase service levels.

# 4

## Perspectives on Changing Rates and Elasticity of Demand

When setting rates (and any prices in general), gauging the sensitivity of users to price changes is paramount. The economic term for this sensitivity is “price elasticity.” Changes that reduce output less (less elastic) are more economically efficient than those that lead to larger changes in the demand for services. Often this entails charging different prices for different users or differential pricing based on quantity or quality. This exercise becomes more challenging when pricing for shared facilities so differential pricing by group is not practical and often politically risky. D&H’s current rate structure does provide for discounts based on quantity, or to be precise duration (daily, monthly, semi-annual, and annual). Moving forward there are a few points to consider that are useful in providing rate recommendations.

- The more substitutes are available for a product or service, the more “elastic” or sensitive demand is to changes in prices. Conversely, when fewer substitutes are available prices are less elastic.
- When the cost of the service in question is only a small component of total user costs, changes in the costs of that service matter less to the overall usage of the overall service (e.g., costs of state license plates as a ratio of costs to operating a vehicle).
- A product or service is currently underpriced if demand for it is greater than the available supply.
- Products or services that provide more value should be priced higher than services that provide less value.
- Differential pricing (by group, quantity, or quality) that increases overall demand the most is more economically efficient. Conversely, rate increases that decrease output the least are more efficient than rate increases that decrease output more.
- Economically efficient differential pricing is based on charging lower elasticity groups relatively more. This is the essence of “Ramsey pricing” that is used in rate setting by utilities and other similar entities.
- Providing better (lower per unit) pricing when buying in bulk or for longer-term contracts makes economic sense if it increases demand more than uniform pricing.
  - » However, these discounts need to be put in context of the user. For example, if the longer-term contract also provides more value (over and above the price break) to the user (e.g., improved certainty of having a parking spot in your office building’s garage) then D&H needs to be cautious in providing too large a price break.
  - » Similarly, longer-term users may be less price elastic to changes in rates since the overall service (e.g., less uncertainty on finding a space, less hassle compared to getting daily permits, etc.) is of great value. As above, D&H needs to exercise caution in setting too large a price break. Further, given the likelihood of the group being less price elastic to changes in rates, one would expect to see less changes to demand than with changes to relatively more elastic daily users.
  - » A review of moorage rates shows that in many cases the implied daily rate of paying monthly (assuming you use the service daily) is only about a  $\frac{1}{4}$  of the daily rate. This appears to be a steep discount. For launch ramp users the implied daily rate is much lower.

# 5

## Rate Setting Principles

When reviewing potential rate setting actions, it is critical to review and understand not just the users of the service but also the principles or objectives that the rate setter has established. It is important to note that the D&H Enterprise funds are operated and financed in a manner similar to private business with the objective to provide goods and services to the general public on a continuing basis and be financed or recovered primarily through user charges.

D&H Docks and Harbors has a well-articulated set of principles/criteria and are documented in the **Docks & Harbors - Rate Setting Policy** that we summarize and paraphrase below. Any rate changes or restructuring must be aligned with these principles.

4. Rates must be fair and reasonable – a defined and consistent approach and striving to allocate an equitable share of the cost to every user.
5. Rates must be consistent - establishing this rate setting policy we will have a consistent approach to every rate and rate change.
6. Rates must be supported by data and an explanation of how the data justifies the rate.
7. Rates must be sufficient to support the operations of docks and harbors.
8. Rates must replace capital investments.
9. Rates must build reserves for contingencies and future growth.
10. Where currently significant disparity exists between the cost allocation to user groups these need to be adjusted in a fair and appropriate manner.

The rate setting policy is quite robust and broadly consistent with policies applied in other ports. The policy is set with a focus of the D&H Enterprise to operate as a business entity and not as a public entity with broader societal objectives; that purpose rests at the municipality itself. The D&H Enterprises must set rates to cover operational costs, maintain existing assets and to build reserves to fund future growth. In establishing new rates, care must be taken to ensure that the rates are fair, consistent, and equitable across user groups.

In assessing how the current rates align with the **Docks & Harbors - Rate Setting Policy**, we offer the following:

1. Rates must be fair and reasonable:
  - a. Passenger head tax rates for Docks apply to cruise passengers are lower than that charged at Ketchikan but higher than that charged at Skagway. Juneau is the featured Alaska cruise destination and has the largest number of cruise visitors per year than any other Alaska destination. The rates are in general a very small share of a passenger's total cost for that cruise.
  - b. Rates for Harbors are established without differentiation between individual user groups and can therefore be considered fair. The equity and value of having such large discounts provided for longer term users relative to daily users is an issue worth exploring further. Overall Harbor rates are a small portion of any one user's total usage cost.
2. Rates must be consistent.
  - a. D&H have now established rates to be inflation adjusted going forward to facilitate consistency. Existing rates are now indexed to consumer inflation. Other inflation indices may be better aligned with port related cost drivers and should be considered.

3. Rates must be supported by data and an explanation of how the data justifies the rate.
  - a. From a market-oriented viewpoint existing rates are well supported.
  - b. Rates are a small fraction of users' overall costs.
  - c. Facility utilization is high.
  - d. There are no real competitive alternatives.
  - e. Users have indicated that they are not sensitive to modest price changes which is consistent with the evidence in a-to-d above.
  - f. From a cost orientation viewpoint, there is not well documented evidence of the cost by service or a projection of the future costs for asset renewal and new infrastructure.
4. Rates must be sufficient to support the operations of docks and harbors.
  - a. Rates currently do cover annual operational expenses for Harbors and pre-COVID covered Docks operational expenses.
5. Rates must replace capital investments.
  - a. It is unclear from existing financial data and reports that existing rates are sufficient to build reserves to fund new assets and existing asset replacement. Existing fund balances for both Docks and Harbors are significantly lower than previous levels. The replacement reserve analysis that follows indicates that existing rates are not sufficient.
6. Rates must build reserves for contingencies and future growth.
  - a. It is unclear from existing financial data and reports that existing rates are sufficient to build reserves to fund new assets and existing asset replacement. Existing fund balances for both Docks and Harbors are significantly lower than previous levels. The replacement reserve analysis that follows indicates that existing rates are not sufficient.
7. Where currently significant disparity exists between the cost allocation to user groups these need to be adjusted in a fair and appropriate manner.
  - a. For Harbors, the rate approach does not distinguish between user groups. There is a large price differential between daily rates versus the implicit daily rate associated with the longer-term rates. This equity related to this disparity should be explored further.

The following observations/reservations are based on the above:

1. D&H should continue to view their rate setting philosophy with a business-oriented philosophy.
2. D&H could raise rates from existing levels without any deleterious impacts on users or any negative competitive consequences for Docks and Harbors.
3. D&H should assess the relative price differentials and implied "volume" discounts between daily and long-term moorage rates.
4. D&H should set future rates to augment fund balances so that funds are available to maintain existing infrastructure and support the acquisition of future assets.
5. The reserve analysis that follows indicates that current rates are inadequate to maintain assets in a state of good repair and support future growth.
6. D&H should consider other mechanisms for indexing rates as opposed to consumer inflation.

# 6

## Replacement Reserve Analysis (RRA)

A replacement reserve analysis is a long run capital planning process that will help D&H anticipate the financial requirements for the repair and replacement of port facilities and the acquisition of additional assets. The output of the replacement reserve analysis is an estimate of the annual reserve that should be set aside to maintain D&H’s facilities in a state of good repair.<sup>11</sup>

To conduct the RRA, the following inputs are required for each D&H facility:

- Average remaining life of the facility;
- The replacement cost of the facility; and,
- The potential external funding available for the asset replacement from non-D&H funding sources.

These inputs were collected for all D&H facilities and documented in the financial model provided as a project deliverable.<sup>12</sup> The total replacement value in 2022 dollars for all D&H facilities is estimated to be \$195.2 million.

The annual profile of the required replacement expenditures over the next 40 years is provided below. These estimates are net of potential external funding that could be used to fund the facility replacements at least partially. These external funding sources include but are not limited to federal discretionary grant funding, passenger fees and ADOT Harbor Grants.

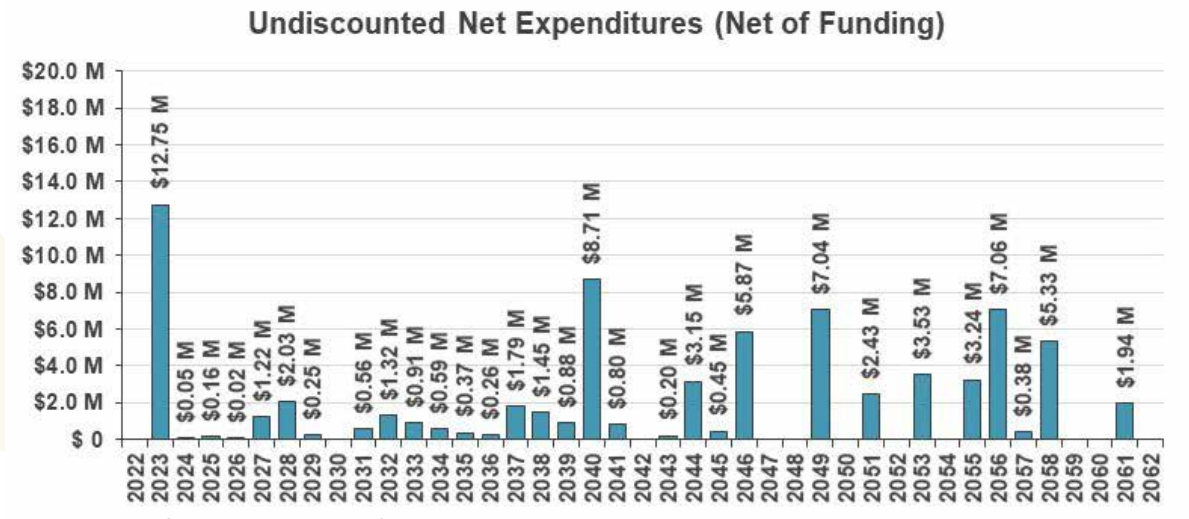


Figure 8. Annual reserve requirements by year, 2020

The RRA assumes that when an asset reaches the end of its “average remaining life”, it is fully replaced and therefore funding is required. As illustrated in Figure 8, there are some years in which there are no assets reach the end of their remaining life and no replacement expenditures required. In other years, some assets do reach the end of their remaining life and they are assumed to be replaced with large funding requirements such as in 2040 where \$8.7M is required.

The total reserve requirement by facility is provided below in 2022 dollars. Some of the replacements will receive funding from external sources and are therefore for D&H, the net expenditure estimates are the most relevant.

<sup>11</sup> HDR discussed the need to have such an analysis during monthly Board meetings. This exercise is a result of those suggestions and discussions with D&H during the development of the report.

<sup>12</sup> The data was provided by D&H staff. HDR did not independently verify these data.

	GROSS EXPENDITURES	FUNDING	NET EXPENDITURES
Statter	\$31.0 M	\$15.2 M	\$15.8 M
S Aurora	\$24.3 M	\$11.6 M	\$12.7 M
Douglas	\$13.9 M	\$6.6 M	\$7.3 M
Harris	\$13.4 M	\$6.4 M	\$7.0 M
ABLF	\$7.0 M	\$ 0	\$7.0 M
N Aurora	\$7.2 M	\$3.6 M	\$3.6 M
Wayside Park Float	\$3.1 M	\$ 0	\$3.1 M
ABLF Uplands	\$3.0 M	\$ 0	\$3.0 M
Statter Uplands	\$2.4 M	\$ 0	\$2.4 M
Taku Harbor	\$4.3 M	\$2.1 M	\$2.3 M
ABMS	\$1.6 M	\$ 0	\$1.6 M
Seawalk	\$31.3 M	\$29.8 M	\$1.5 M
Norway Point Float	\$1.4 M	\$ 0	\$1.4 M
National Guard Dock	\$1.3 M	\$ 0	\$1.3 M
Port of Juneau Uplands	\$19.2 M	\$18.3 M	\$0.9 M
Harris Harbor Uplands	\$0.7 M	\$ 0	\$0.7 M
Amalga	\$2.2 M	\$1.6 M	\$0.6 M
AS Pontoon	\$11.8 M	\$11.2 M	\$0.6 M
CT Pontoon	\$10.0 M	\$9.5 M	\$0.5 M
N Douglas Boat Launch	\$0.8 M	\$0.4 M	\$0.4 M
Echo Cove	\$0.5 M	\$0.3 M	\$0.3 M
Aurora Harbor Uplands	\$0.3 M	\$ 0	\$0.3 M
Douglas Harbour Uplands	\$0.2 M	\$ 0	\$0.2 M
IVF	\$2.6 M	\$2.5 M	\$0.1 M
PFO	\$1.6 M	\$1.5 M	\$0.1 M
<b>TOTAL</b>	<b>\$195.2 M</b>	<b>\$120.4 M</b>	<b>\$74.7 M</b>

The RRA converts the 40 years of annual replacement related expenditures to an equivalent annual amount. To do this, the 40 years of expenditures are discounted to a present value using a real discount rate of 3%.<sup>13</sup> Then, this present value is converted into an annual equivalent amount reflecting the 40-year planning horizon.

The annual amount required to maintain D&H facilities in a state of good repair going forward is \$1.9M. That is, to maintain D&H's existing facilities, D&H revenues must exceed expenditures by \$1.9 M per year to be able to establish reserves that can be used to maintain and replace assets once they reach the end of their asset life. This \$1.9 M estimate excludes any capital needs for new facilities or other assets.

If we examine the three years prior to COVID-19, D&H revenues exceeded non-capital expenditures by about \$1.2 M (in 2022\$) per year which is about \$0.7M less than that identified through the RRA. Existing fund balances can be used to contribute to the replacement of assets, but the total fund balance is only \$3.3M at the end of fiscal 2021 which is equivalent to only \$0.1 million per year over a 40-year horizon. D&H's funding gap, excluding any net capital investment in new infrastructure, is about \$0.6M a year. Any planned capital projects would have to also be funded which would add to this shortfall.

The RRA was conducted for the combined assets of D&H. Managing D&H assets and rates from a holistic perspective would provide D&H management greater flexibility in financial planning.

The details (e.g., data inputs, assumptions, and methods) of the RRA are provided as a separate deliverable – the D&H Financial Model coded in MS Excel.

<sup>13</sup> See OMB Circular A-4 p.33 [https://www.whitehouse.gov/wp-content/uploads/legacy\\_drupal\\_files/omb/circulars/A4/a-4.pdf](https://www.whitehouse.gov/wp-content/uploads/legacy_drupal_files/omb/circulars/A4/a-4.pdf)

# 7

## Rate Recommendations

Setting rates is a policy issue that must be determined by D&H. It must reflect D&H's rate setting principles, policy objectives and future capital program. If we re-examine, D&H's rating principles we note that it is core to principles that rates must be sufficient to support the operations of docks and harbors, rates must replace capital investments, and that rates must build reserves for contingencies and future growth.

We find that based on the RRA, D&H's existing funding is inadequate to achieve these objectives. To meet D&H's policy objectives, additional funding is required to provide sufficient reserves to fund asset replacement to fund any capital investment in new infrastructure. The additional funding could come from: direct new funding from D&H, through increasing D&H rates, or through any combination of the above.

To eliminate the funding gap solely through D&H rates, an average increase of about nine percent would be required. We do believe that a rate increase of that magnitude would not have any deleterious impacts on D&H users.

HDR makes the following recommendations:

1. D&H make a one-time increase for all rates to meet their capital replacement requirements as well as their future capital program. Based on the Replacement Reserve Analysis, the magnitude of the increase would have to be nine percent to for asset replacements. The actual rate increase should also reflect their capital plan for new infrastructure investments.
2. D&H provide an advance notice to users of the one-time increase of 12 months.
3. D&H maintain the indexation of rates and fees. However, using consumer inflation to adjust rates is not entirely reflective of D&H Docks and Harbors cost pressures (e.g., rising wage rates greater than the CPI) and alternative cost indices more reflective of the D&H operating environment should be explored.
4. D&H should consider removing the firewall between docks and harbors to provide greater flexibility in meeting financial obligations (i.e., balancing financial statements).
5. For the purposes of this study, HDR is proposing an across-the-board increase. In the future, D&H may wish to differentiate increases by source (facility) but that is outside the scope of this report.





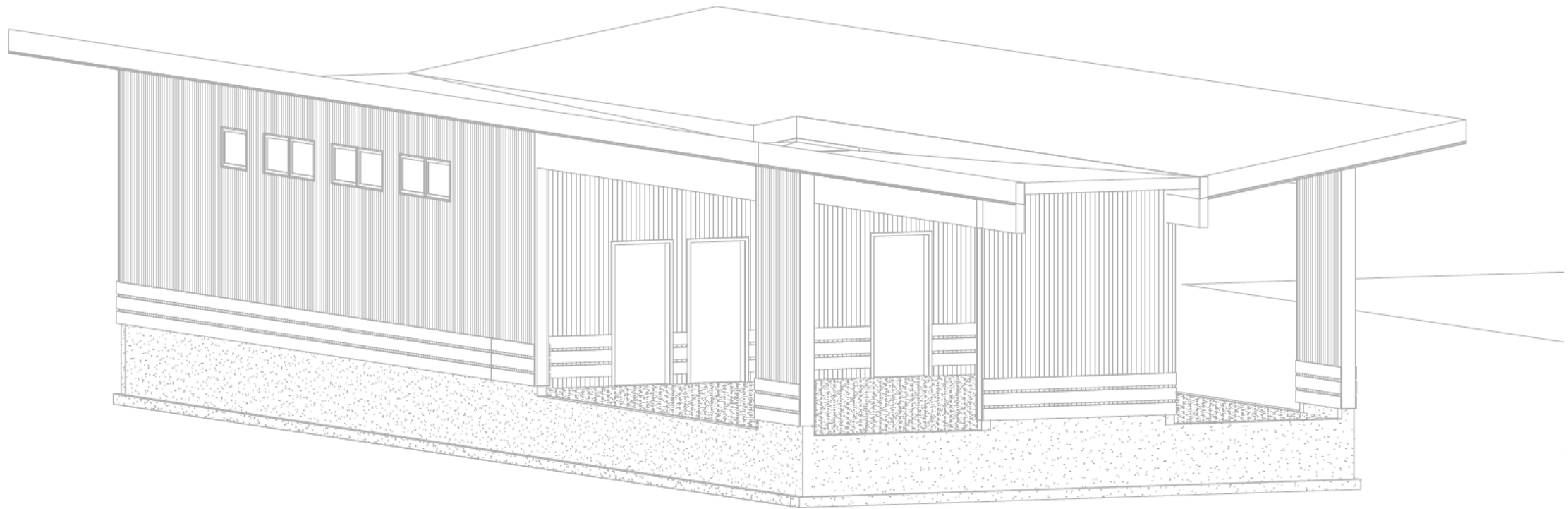
Port of Juneau Rate Setting Project  
City and Bureau of Juneau  
September 1, 2022





# Statter Harbor Phase IIIC - Restrooms

Section G, Item 8.



**Project Cost:** *Anticipated to be less than \$2 million.*

**Project Completion Date:** *May 31, 2023*

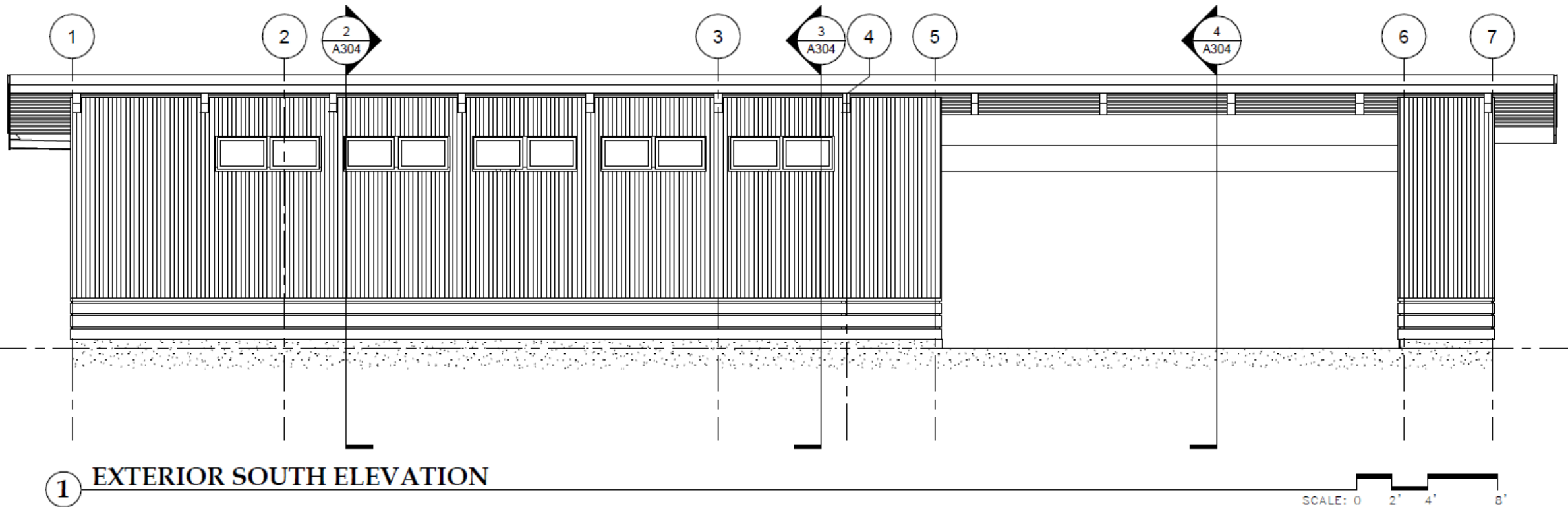
**Project Goal:** To provide much-needed ADA accessible restroom facilities to accommodate tour guests. The building will also include a sheltered waiting area for staging out of the elements. The family restroom portion of the building will be heated and will remain open year around to serve local residents.





# Statter Harbor Phase IIIC - Restrooms

Section G, Item 8.





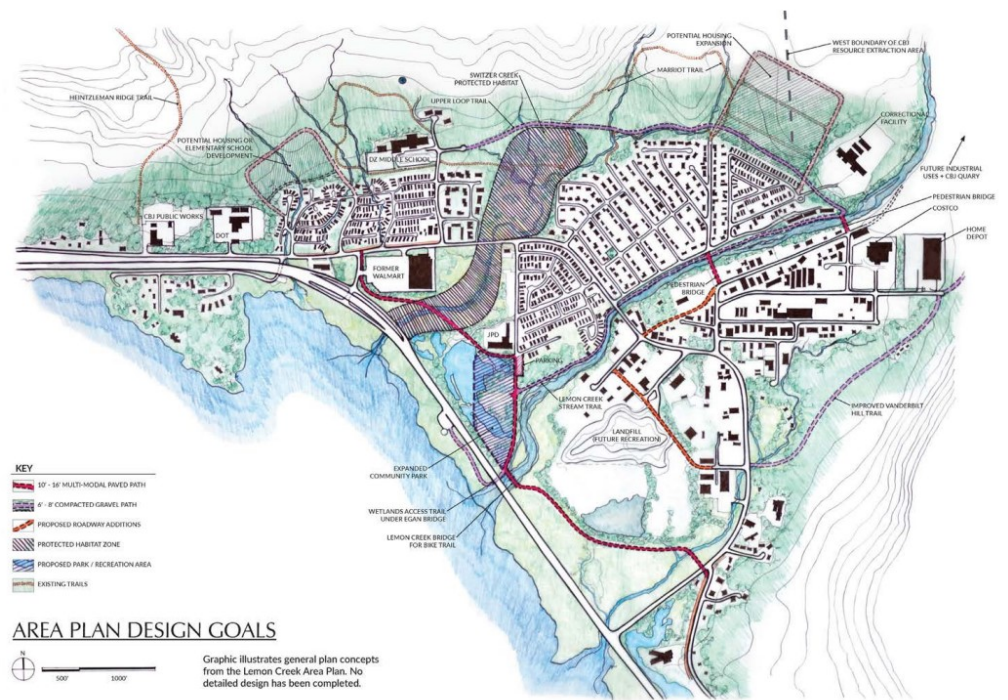
# City and Borough of Juneau - Docks & Harbors Department





CAPACITY  
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Credit: MRV Architects (2017) Area Plan Design Goals, February 4, 2017

# City & Borough of Juneau

Legislative Priorities FY2024

9.25.22 DRAFT

*(un-adopted)*



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Legislative Priority List

Individual Project Details: Pages 6-23

### APENDIX

Everything you wanted to know about the Legislative Priority List: Page 24

CBJ lists, plans and priorities graphic: Page 25

# DRAFT

Will be updated after adoption of list.

January 31, 2022

To The Honorable State and Federal Delegation:

This document presents the City and Borough of Juneau's Fiscal Year 2023 Legislative Priority List. The Legislative priority list provides information on long range capital projects identified as priorities for the community of Juneau. Descriptions of projects include cost and schedule information, a designation of who will be responsible for operating and maintaining the infrastructure, and what goals the project is advancing.

The projects included in the Legislative Priority List were compiled over many months with input from CBJ Boards and Commissions. The Legislative Priorities will be used to inform requests to State Legislature, Federal Delegation and granting agencies.

It is the intent of the City and Borough of Juneau to update the Legislative Priority list annually to ensure the long-range capital improvement planning stays current, as well as to determine annual legislative priorities and assist with budget development. Please don't hesitate to reach out with any questions

Sincerely,



Rorie Watt  
City Manager

**DRAFT**

Will be updated after adoption of list.



City and Borough of Juneau  
FY2024 LEGISLATIVE PRIORITIES DEVELOPMENT SCHEDULE

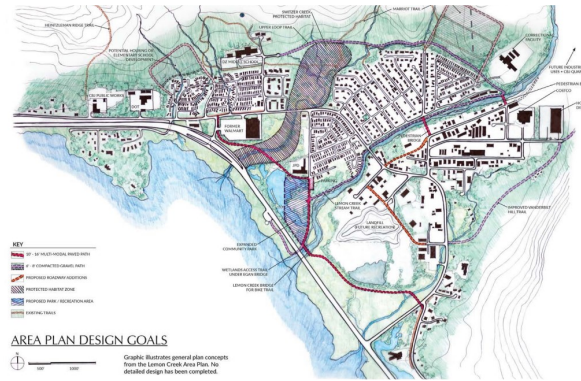
ACTION	TIME FRAME
PWFC approval of schedule & process	September 26, 2022
Issue solicitation for input from CBJ Advisory Boards and Commissions with clear instructions, including on how to propose new projects.	October, 2022
Input for new draft requested by	December 1, 2022
Presentations to Boards and Commissions	
	Planning Commission Introduction October 25, 2022; Planning Commission Final Approval November 8, 2022
	Systemic Racism Review Committee 1 <sup>st</sup> Review: November 22, 2022
Administrative review and compilation	December 1- 9, 2022
SRRC 2 <sup>nd</sup> Review (with board/commission input and new projects)	December 13, 2022
PWFC for review	December 19, 2022
Homework: Assembly ranks priorities	Due December 29, 2022
Finance Committee	January 4, 2022
Assembly Adoption (COW)	January 23, 2023
CAPSIS Deadline	February 1, 2023
Distribution of Priorities	February

# FY2023 Legislative Priority List

Rank	Project Name:	Purpose:	Amount:	Goal:	Page #
1	Lemon Creek Multimodal Path	Design, Permitting, Property	\$2M	Advance Long-term Goal of a New Non-Motorized Route	6
2	Second Channel Crossing	Economic Impact Analysis and/or PEL Study	\$7M	Economic Development	7
3	Pederson Hill Development	Development	\$3M	Increase housing and development opportunities	8
4	New City Hall	Partial Funding	\$5M	Reduce CBJ Operating Cost, Free up/create housing	9
5	Shore Power at Dock 16B	Final design and construction	\$25M	Reduce emissions, improve air quality and economic development.	10
6	Capital Civic Center	Partial Funding	\$5M/\$30M	Support Convention and Visitor Economy	11
7	West Douglas Extension	Future Development	\$3M	Long Term Development Support	12
8	Eaglecrest Expansion and Summer Operations Development	Phase one construction of new Gondola	\$6.5M	Economic development/tourism diversification.	13
9	Telephone Hill	Site work	\$2M	Prepare for Redevelopment	14
10	North State Office Building Parking	Partial Funding	\$5M	State/legislative Parking, Auke District infill Development	15
11	Mendenhall River Community School Renovation	Major Renovation	\$21M	Renovate to facilitate delivery of high quality education	16
12	Marie Drake Renovation	Major Renovation	\$31M	Renovate to facilitate delivery of high quality education	17
13	Aurora Harbor Phase III	Design, Permitting	\$250K	Replace critical infrastructure and support maritime economy	18
14	Auke Bay New Breakwater	Match Potential Federal Funding	\$5M	Increase Moorage and Renovate old Economic Development	19
15	North Douglas Boat Ramp Expansion	Planning, research, permitting	\$250K	Improve safety and expand boating access and transportation	20
16	Waterfront Juneau Douglas City Museum	Partial Funding	\$1M	Reduce CBJ Operating Cost, Expand Capital Campus	21
17	Trail Maintenance and Development	Improve trail network in CBJ	\$5M	Support health and wellness with local recreation for trails community connection.	22
18	Auke Bay Seawalk	Design, Permitting, Property	\$250K	Improve Non-Motorized Route	23

**DRAFT**

Will be updated after adoption of list



## LEMON CREEK MULTIMODAL PATH

**AMOUNT REQUESTED: \$2M**

**AMOUNT SECURED: \$250,000; \$1.5M in 1%**

**TOTAL PROJECT COST: \$12M**

### **PROJECT DESCRIPTION & UPDATE:**

The requested funding would construct a multimodal path in Lemon Creek that connects residents to schools, shopping, jobs and services. CBJ is pursuing a Reconnecting Communities grant for FY23 that will include robust public engagement, route selection and preliminary design. Sales tax funding going before the voters in October of 2022 will allow for further design of the project as well as potential match for construction grant opportunities. The potential route will extend from Glacier Highway at Vanderbilt Hill, across wetlands, then extend parallel to Egan to reach the Lemon Creek area.

### **PUBLIC PROCESS:**

Project has been identified as a priority by the 2017 Lemon Creek Plan adopted into the Comprehensive Plan.

### **TIMELINE:**

CBJ is applying for a Reconnecting Communities Planning Grant in September of 2022. Public outreach and alternatives analysis will begin in 2023.

**WHO WILL MAINTAIN AND OPERATE? TBD**

**GOAL OF PROJECT: Advance Long term goal of a new non- motorized route.**



Photo Credit: Juneau Empire

## JUNEAU NORTH DOUGLAS CROSSING

**AMOUNT REQUESTED:** \$13M

**AMOUNT SECURED:** \$2M for PEL; \$250,000 CBJ; \$7M pending approval

**TOTAL PROJECT COST:** \$100M-\$200M (depending on alternative)

**PROJECT DESCRIPTION & UPDATE:** A second crossing from Juneau to Douglas Island has been a priority for the community since the early 80s. An alternate access to the heavily populated Douglas Island will increase safety; if the only bridge now were to fail residents would be stranded and emergency services would be limited. It will reduce transportation times and open up new land to development.

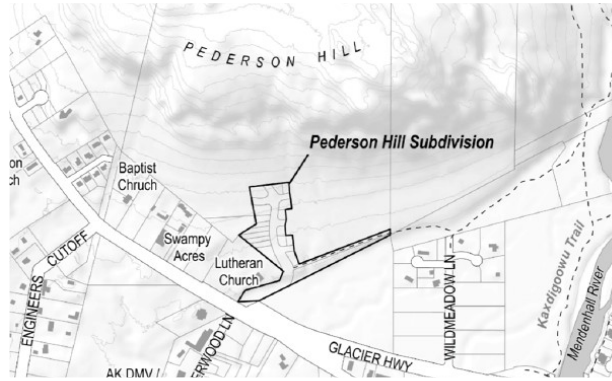
If approved, \$7M currently in the Senate Transportation will be used to build on the economic analysis and environmental work underway through the Planning and Environmental Linkages (PEL) Study to perform a robust cost benefit analysis, select a preferred alternative, and complete the environmental analysis to National Environmental Policy Act (NEPA) standards. Funding is being requested to bring the project to 100% design and bid ready for Federal Highway Funding under the Infrastructure Investment and Jobs Act.

**PUBLIC PROCESS:** Through the PEL process ADOT, under the stewardship of DOWL engineering, has engaged in multiple stakeholder and public meetings to identify both public sentiment on the project and potential alternatives. The most recent listening session was held in North Douglas September 26th to incorporate local neighborhood feedback.

**TIMELINE:** The PEL study is expected to be complete by spring of 2023. Building on the work of the PEL, NEPA should take 12-18 months. This will put the project in an excellent place to apply for a RAISE or INFRA grant in the 2024 funding cycle.

**WHO WILL MAINTAIN AND OPERATE?** State of Alaska.

**GOAL OF PROJECT:** Community safety and economic development.



## PEDERSON HILL HOUSING DEVELOPMENT

**AMOUNT REQUESTED: \$3M**

**AMOUNT SECURED: 2.3 Million**

**TOTAL PROJECT COST: \$10M**

### **PROJECT DESCRIPTION & UPDATE:**

The requested funding would provide for the construction of street lighting, water and waste water lines, streets and sidewalks for Phase 1B of Pederson Hill Subdivision development.

**PUBLIC PROCESS:** The 86 lot preliminary plat was approved by the Planning Commission in October of 2017. The first phase was completed in 2019. There will be an opportunity for public comment to the Planning Commission during the final plat approval process and an opportunity to comment to the Assembly during the land disposal process. Once a final plat is approved the disposal of municipal land will be authorized by the Assembly through the adoption of an ordinance which sets the terms and conditions of the sale.

### **TIMELINE:**

Begin design within 3 months of available funding. 35% review (and 3% expenditure) 4 months from start; 65% review (and 5% expenditure) 9 months from start; construction begins 14 months from start (25% expenditure) construction completed 28 months from start (100% expenditure).

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT:** Increase housing.



## NEW CITY HALL

**AMOUNT REQUESTED:**

**TOTAL PROJECT COST: \$42.3M**

**AMOUNT SECURED: \$6.3M**

**PROJECT DESCRIPTION & UPDATE:** This project will relocate City Hall to a new location on CBJ land in the Aak'w Village District at 450 Whittier. The new facility will consolidate city employees, eliminate the cost of rental office space for over two-thirds of CBJ downtown employees, and eliminate the use of the current aging, undersized city hall facility. The elimination of leased space will reduce CBJ operating expense by \$820,000 a year and free up rental space for conversion to much needed downtown housing. A space needs analysis in 2019 determined CBJ needs 46,000 square feet for modest offices and public meeting space.

**PUBLIC PROCESS:** A conceptual design and economic feasibility analysis was performed in 2018. A winter of 2021 online survey showed that 76% of almost 1400 respondents were supportive of a new city hall. The feedback from the survey has been used to design a public process with a selection of a preferred alternative in April 2022 and a public vote on a bond proposition for funding scheduled for October 2022.

**TIMELINE:** Site selection and conceptual design complete Summer of 2022; design 11/2022-11/2024; bid construction end of 2023; 18 month construction schedule puts project completion in fall of 2025.

**WHO WILL MAINTAIN AND OPERATE?** CBJ

**GOAL OF PROJECT:** Consolidate CBJ offices, reduce CBJ operating cost in the long term, free up workforce housing.

# DRAFT



## SHORE POWER AT DOCK 16B

**AMOUNT REQUESTED: \$22.5M**

**TOTAL PROJECT COST: \$25M**

**PROJECT DESCRIPTION:**

The project would provide the final design and construct the electrical infrastructure (substation, feeder cables, batteries, etc.) and shore power infrastructure (submarine cables, power connection floats, cable positioning devices) at the two CBJ-owned cruise ship docks. The electrical infrastructure could also service ground transportation as it transitions to electric vehicles.

The project benefits the community by improving air quality and reducing noise pollution from cruise ships that connect to shore power while hoteling in port, and by upgrading the electrical infrastructure at Juneau's waterfront. The elimination of ship GHG emissions furthers the community's climate action goals of switching from fossil fuels to renewable hydropower as well as enables the cruise lines to better meet their sustainability goals. The project benefits the tourism sector of the community.

**TIMELINE:**

CBJ is scheduled to appropriate \$2.5M in 2023 to this project. CBJ will be applying for a second round of the RAISE grant and the Port Infrastructure Development grant in 2022. If funding is secured, preconstruction will be completed by 12/2024. Construction phase to be completed by 12/2026.

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT:** Reduce emissions, improve air quality and economic development.





## CAPITAL CIVIC CENTER

**AMOUNT REQUESTED:** Federal Delegation—\$30M; State of Alaska—\$5M

**AMOUNT SECURED:** CBJ- \$2M design; \$7M upgrades to centennial hall; \$10M commitment from CLIAA for MPFs

**TOTAL PROJECT COST:** \$65M

**PROJECT DESCRIPTION:** This project will construct a new and renovated convention and performance center in Juneau Alaska. This project expands the current Centennial Hall and merges a new performing arts center with an expanded convention center to support convention and visitor economy.

**PUBLIC PROCESS:** Conceptual studies of convention center elements (Centennial Hall) were performed in June of 2019 with several public meetings and upgrades to the ballroom will be complete in 2023. The performing arts campus (new JACC) also received public input throughout the development of design for a stand alone facility. Merging the two facilities into a large, single, facility was presented to the Assembly by stakeholder organizations in 2020. The Assembly funded conceptual design to build on previous design work and in late 2021 appropriated \$2m to bring the project to 65% design. NorthWind, JYW, and Hacker Architects have teamed up to provide design services and have worked with stakeholders to consolidate space and find design efficiencies.

**TIMELINE:** Once funding is secured, 3-3.5 year design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE?** CBJ

**GOAL OF PROJECT:** Support convention, arts and visitor economy.





## WEST DOUGLAS EXTENSION

**AMOUNT REQUESTED: \$3M**

**TOTAL PROJECT COST: \$3M**

**PROJECT DESCRIPTION:**

This project will continue construction of the gravel surface pioneer road from near the current end of the Douglas Highway to Hilda Point. The road will promote development, increase opportunities for recreational access to public lands, and enable closer access to new growth development areas that are identified in the CBJ Comprehensive Plan. Road access will assist land owners in their on-the-ground investigations required for formulating future development plans.

**PUBLIC PROCESS:**

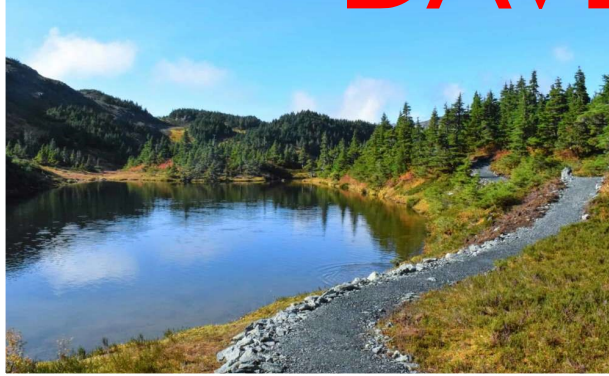
West Douglas Roadway corridor alignment has been approved by Assembly and Planning Commission. This project has been identified as priority 'New Growth Area' by CBJ Comprehensive Plan and West Douglas Conceptual Plan.

**TIMELINE:**

Once funding is secured, 18-24 month design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT:** Support long-term development.



## EAGLECREST EXPANSION AND SUMMER OPERATIONS DEVELOPMENT

**AMOUNT REQUESTED: \$????M**

**AMOUNT SECURED: \$6M CBJ; \$ financing...shipping???**

**TOTAL PROJECT COST: \$????M**

### PROJECT DESCRIPTION & UPDATE:

Eaglecrest has been working on plans to expand operations into the summer season since early 2019 to create new visitor experiences for cruise and independent travelers. This project funds phase 2, the installation of the Summit Lodge, a gravity powered Mountain Coaster, as well as gravity oriented mountain bike trails. Phase 1, the installation of the new Summit Gondola will begin ????? . This project is supported by the Juneau Economic Plan, the Southeast Conference Comprehensive Economic Development Strategy, Juneau Economic Development Council and Travel Juneau.

### PUBLIC PROCESS:

Extensive community engagement took place directly prior to the onset of the COVID 19 Pandemic in the summer of 2019 with over 20 public outreach meetings, work sessions and online public surveys. **Provide info here on the Gondola appropriation process.**

**TIMELINE: ?????**

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT:** Simulate regional economic development through diversification of the summer tourism economy and expansion of the winter visitor industry.



## TELEPHONE HILL RE-DEVELOPMENT

**AMOUNT REQUESTED: \$2M**

**AMOUNT SECURED: \$100**

**TOTAL PROJECT COST: unknown**

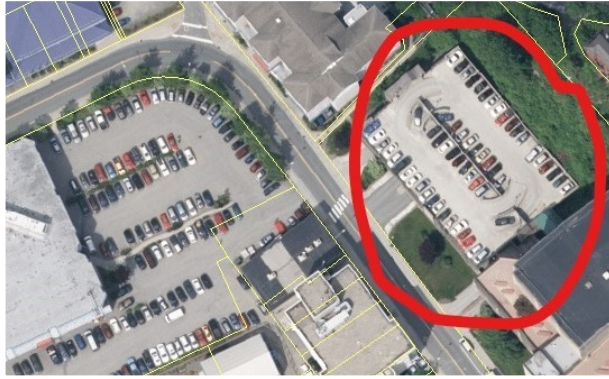
**PROJECT DESCRIPTION:** Surveying costs, hazardous materials study, removal of hazardous materials and environment cleanup, demolition of existing structures, a redevelopment study and site preparation and re-subdivision.

**PUBLIC PROCESS:** In 2020 the CBJ applied to acquire the Telephone Hill properties from the State of Alaska. In June 2022 The Legislature directed the Department of Natural Resources to convey the Telephone Hill to the CBJ at no cost (HB349). In August 2022 the CBJ Assembly adopted a resolution accepting Telephone Hill at No Cost from the State of Alaska. In September the Assembly Appropriating \$100,000 to the Manager for the Telephone Hill Redevelopment CIP.

**TIMELINE:** CBJ ownership 1/2023 with implementation of project beginning as soon as funds re available.

**WHO WILL MAINTAIN AND OPERATE?** CBJ

**GOAL OF PROJECT:** Redevelop over 3 acres of property in downtown Juneau for the best and highest use.



## NORTH STATE OFFICE BUILDING PARKING

**AMOUNT REQUESTED: \$30M**

**AMOUNT SECURED: \$5M in FY2023 State Capital Budget; \$5M request in 1%**

**TOTAL PROJECT COST: \$40M**

**PROJECT DESCRIPTION:**

This parking garage provides parking for the State just North of the State Office Building. The current garage is old and in need of major repairs. Building a garage with greater capacity would expand parking for state employees, the Legislature, and the Aak'w Village District freeing up current parking lots for development and infill. This project would be 7 stories, creating a total of 466 parking spaces, with a total net increase of 323 new parking spaces.

**PUBLIC PROCESS:** Designated as Legislative Priority in 2021 & 2022.

**TIMELINE:**

Once funding is secured, 18-24 month design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE?** TBD

**GOAL OF PROJECT:** State/legislative parking, Aak'w Village District infill development.



## MENDENHALL RIVER COMMUNITY SCHOOL RENOVATION

**AMOUNT REQUESTED: \$21M**

**TOTAL PROJECT COST: \$21M**

**PROJECT DESCRIPTION:**

Mendenhall River Community School is a 58,000 sq. ft. structure built in 1983. This construction would replace “end of life cycle” issues, including electrical, plumbing, exterior envelop and sidewalks. A crucial need is the dining space; currently the gym is used for dining which limits the ability to comply with recent physical activity legislation. Board specifications call for a separate dining space. This will benefit the families of Juneau.

**PUBLIC PROCESS:**

This project is currently listed in the Juneau School District’s 6-year Construction-in-Process that has been submitted to the State of Alaska, Department of Education and Early Development.

**TIMELINE:**

Once funding is secured, 3 year design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE? CBJ/JSD**

**GOAL OF PROJECT:** Efficiently renovate a facility to deliver high quality education to Juneau students.



## MARIE DRAKE RENOVATION

**AMOUNT REQUESTED: \$31M**

**TOTAL PROJECT COST: \$31M**

**PROJECT DESCRIPTION & UPDATE:**

Marie Drake School was originally construction in 1965. It was used as a middle school until 1994. Since then, the facility has housed multiple school district programs, serving an essential function during overcrowding at Juneau Douglas High School several years ago. The facility is wedged between 2 existing schools: Harborview Elementary and JD High School. The land area is limited because the building footprint takes up over half of the site. Adjacent playgrounds and open spaces provide limited opportunities for shared use.

**PUBLIC PROCESS:**

This project is currently listed in the Juneau School District's 6-year Construction-In-Process that has been submitted to the State of Alaska, Department of Education and Early Development.

**TIMELINE:**

Once funding is secured, 3 year design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE? CBJ/JSD**

**GOAL OF PROJECT:** Efficiently renovate and re-align Marie Drake to appropriately support the Yaakoosge Daakahidi High School and Montessori School, as well as other district programs and activities, for the long term.





## AURORA HARBOR PHASE 3

**AMOUNT REQUESTED: \$250,000**

**AMOUNT SECURED:**

**TOTAL PROJECT COST: \$8M**

**PROJECT DESCRIPTION & UPDATE:**

Request for funding to continue the reconstruction of the Aurora Harbor Facility. Past work has been divided into segments. This request would continue preliminary design and begin permitting tasks.

**PUBLIC PROCESS:**

The project has been through a long term planning process with community outreach. It is the 3rd phase of the larger reconstruction plans.

**TIMELINE:**

Once funding is secured, 18-24 month design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT:** Replace critical infrastructure and support maritime economy.



Photo Credit: Cathy Mahnke

## AUKE BAY NEW BREAKWATER

**AMOUNT REQUESTED: \$5M**

**AMOUNT SECURED:**

**TOTAL PROJECT COST: unknown**

**PROJECT DESCRIPTION & UPDATE:**

The requested funding would allow for the preliminary planning and design phases, including permit acquisition. This opens the opportunity for the construction of a new breakwater at the end of the Auke Bay Boat Harbor. The current facility has reached it's useful life and needs to be replaced. The new facility would allow for more moorage and provide economic stimulus to the community.

**PUBLIC PROCESS: Identified as a Legislative Priority for FY2022**

**TIMELINE:**

Once funding is secured, 3 year design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT: Increase Moorage and renovate old economic development.**





## NORTH DOUGLAS BOAT RAMP EXPANSION

**AMOUNT REQUESTED: \$250,000**

**TOTAL PROJECT COST: \$20M**

**PROJECT DESCRIPTION:**

Requested funding would accomplish the first steps to expanding the North Douglas Launch Ramp Facility. These include planning, research and permitting to initiate the project.

**PUBLIC PROCESS:** Docks and Harbors has solicited public input on the concept.

**TIMELINE:**

Once funding is secured, 18-24 month design and construction timeline.

**WHO WILL MAINTAIN AND OPERATE?** CBJ

**GOAL OF PROJECT:** Improve safety and expand boating access & transportation.



## WATERFRONT JUNEAU DOUGLAS CITY MUSEUM

**AMOUNT REQUESTED: \$1M**

**AMOUNT SECURED: \$2M in 1%**

**TOTAL PROJECT COST: \$12M**

**PROJECT TYPE: Planning & Design**

**PROJECT DESCRIPTION:**

This project will construct a new museum on the waterfront to house art and other local collections. The museum will leverage its waterfront location to become a destination for visitors and locals.

**PUBLIC PROCESS: Identified as Legislative Priority in FY2023**

**TIMELINE: Once funding is secured, 2-3 year design and construction timeline.**

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT: Expand Capital Campus.**



## TRAIL MAINTENANCE AND DEVELOPMENT

**AMOUNT REQUESTED: \$5M**

**TOTAL PROJECT COST: \$20M**

**PROJECT DESCRIPTION:**

This project will support the development and maintenance of trails within the city and Borough of Juneau. An update of the 1992 Trails Plan will be presented to the Assembly for adoption in Summer 2022, which will address community vision, goals and strategies for trail development and maintenance. The public feedback has focused on trails connecting neighborhoods, schools, recreation areas, work places and communities that are accessible, safe, and multi-modal. Trails that interconnect and loop, accessing scenic areas, cabins and shelters, and provide access to hunting, fishing and wildlife viewing.

**PUBLIC PROCESS:**

Multiple public meetings were held in 2019. Public participated in a survey. 89% of respondents report using trails in the past 12 months. The Juneau Comprehensive Plan and Alternative Transportation Plan identify trail development and connecting neighborhoods and communities as very important.

**TIMELINE:**

Funding would supplement the existing Trail Improvement CIP. Construction could begin at the end of the season in 2023 and continue into 2024 and 2025.

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT:** Support health and wellness with low to no carbon footprint community connections.



## AUKE BAY BAYWALK

**AMOUNT REQUESTED: \$250,000**

**TOTAL PROJECT COST: \$5M**

**PROJECT DESCRIPTION:**

The requested funding would accomplish the initial steps to build a Baywalk in Auke Bay. These include planning, research and property identification and examining the potential of providing a non-motorized link from the Auke Bay Ferry Terminal to the Auke Bay Harbor or the center of the Auke Bay Planning Area.

**PUBLIC PROCESS:**

These items were identified during the creation of the 2015 Auke Bay Area Plan adopted into the Comprehensive Plan.

**TIMELINE:**

Begin consultant study within 6 month's of available funding - 30% review (and expenditure) of alternatives within 9 months of selection, public outreach process and 65% review (and expenditure), within 15 months of selection, 95% review (and expenditure) within 20 months of selection, final report - 24 months from consultant selection

**WHO WILL MAINTAIN AND OPERATE? CBJ**

**GOAL OF PROJECT: Improve Non-Motorized Route**

# APPENDIX

## EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT THE CBJ LEGISLATIVE CAPITAL PRIORITIES LIST

by Katie Koester, Engineering and Public Works Director

### Q: What are the Legislative Capital Priorities?

**A:** The CBJ Legislative Capital Priorities (LCP) is a document that lays out community priorities for capital projects, including a project description, rationale for why it's needed (benefits to the community), description of progress to date (money raised, plans drawn up, etc.), and estimated total cost. For CBJ projects, additional information is provided on the timeline for completion. Facilities that have alternative funding streams are not included on this list: for example, the Airport, Bartlett or projects that can be funded through Passenger Fees. See graphic on the following page for a diagram of how the different plans and lists relate to each other.

**NOTE:** Inclusion on the Legislative Capital Priorities is not a funding request. From CBJ's standpoint, it is a mechanism to prioritize projects and raise awareness of a needed project to increase chances of funding from various sources. Nominating a project for inclusion in the LCP should not be thought of as a request for municipal funding.

### Q: Are the "legislative priorities" the same as the Capital Improvement Plan?

**A:** No, they are a prioritized list of projects that are pulled from various CBJ plans, including the Comprehensive Plan, Area Plans, and the Six-year Capital Improvement Plan. The Legislative Priorities are "short list" of projects on which CBJ will focus particular attention during the upcoming legislative session and with the federal delegation. (The goal is to get at least partial funding for a project included in the state capital budget or federal earmark.)

CBJ's "short list" of Legislative Priorities should have a limited number of projects on it. An attempt is made to phase projects so that funding requests range in size depending on available funds and objective. For the State Legislature, project descriptions are inputted into an online system lawmakers use to prioritize funding requests (CAPSIS). These are due in February.

Federal priorities are also solicited by the delegation through an online platform. The Assembly will designate projects that have a nexus with federal funding opportunities for submission to the delegation through the Legislative Priority process.

### Q: What is a capital project?

**A:** A capital project is a major, non-recurring budget item that results in a fixed asset (like a building, road, parcel of land, or major piece of equipment) with a useful life of 20-50 years. Designing and building a new library is a capital project. Planning and implementing an after-school reading program is not a capital project. Most of the projects in the LCP are CBJ projects, but some are community projects spearheaded by a non-profit organization or state or federal agency (e.g., Alaska DOT). To be included on the LCP projects must have an estimated total project cost of at least \$1,000,000.

### Q: Is the Legislative Capital Priorities list just "wish list," and if so, what's the point of writing up a "wish list"?

**A:** The Legislative Priorities list does include projects that are aspirational, and as such may have items that are so large or expensive, that it is hard to imagine completion in the near future. However, articulating these priorities helps guide the Assembly and the community through small steps that lead up to the larger goal and advocate towards a common goal. It will take time and discipline to keep the list an accurate and living document.

There are several reasons to include longer term projects on the Legislative Priority List, even when it seems like little progress is being made in accomplishing projects: 1) It helps focus attention on community needs. 2) It helps groups raise money for projects if the sponsor can say that the project has been identified as a community priority in the CIP. 3) Typically the more priority a municipality places on a project, the greater the chances it for a legislative appropriation.

# CBJ lists, plans and priorities

How do the many CBJ lists of projects, plans and priorities relate to each other? This diagram shows how each document informs the one below it. The dollar signs represents the general volume of funds needed, but only the green rings are lists that come with the commitment of actual dollars.

