

DOCKS AND HARBORS BOARD MEETING MINUTES

March 27, 2025, at 5:00 PM

Port Director's Conference Room/Zoom Webinar



A. CALL TO ORDER by Mr. Etheridge at 5:00pm

B. ROLL CALL: Tyler Emerson (5:03pm), Clayton Hamilton, Debbie Hart, Matthew Leither, Nick Orr, Shem Sooter and Don Etheridge.

Absent: James Becker and Annette Smith.

Also in attendance: Emily Wright- City Attorney, Matthew Creswell- Harbormaster, Matthew Sill- Port Engineer, Greg Smith- Assembly Liaison, Charles Horan- Appraisal Term Contractor, Elias Hastings- Goldbelt Operations Manager, Steven Sahlender- Executive Vice President.

C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES

Mr. Uchtyl request that item number two from the consent agenda be removed. Mr. Uchtyl said that the Alaska Marine Highway system was unable to change their operations schedule to bring the M/V COLUMBIA to Juneau. Mr. Uchtyl requested that item G- Unfinished Business be moved to after item I- Items for Information.

D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Robert Mosher, Harris Harbor Patron

Mr. Mosher said that he is a fisherman and primarily operates out of Harris Harbor. Mr. Mosher said that he is concerned about the public health risk of the quantity of dog poop that is present in the Harbors. Mr. Mosher said that last week he was at Statter Harbor for a halibut charter and that the problem of dog poop is not contained to the Downtown Harbors. Mr. Mosher said that he provides fish and consumable products for the community and is worried about the contamination that could be present with the quantity of dog poop on the floats. Mr. Moser said that this issue also includes the use of harbor carts to transport dog and human waste which presents a public health concern. Mr. Mosher suggested that a solution to the contamination issue may be to separate the commercial and fishing patrons from the recreational and live aboard patrons. Mr. Moser said that he would like to see additional efforts made to clean up the dog poop on the floats to mitigate the current health hazard.

William Nicholl, Douglas Harbor Patron

Mr. Nicholl said that he would like an update on the status of filing the potholes on the east end of the Douglas Harbor parking lot. Mr. Nicholl said that there has been pothole filling on the main parking lot and would like to know when he can anticipate the east side of the parking lot potholes be addressed.

Mr. Creswell said that when Secon was mobilized in Juneau they were able to fill the main and west side of the parking lot potholes. Mr. Creswell said that the plan is for them to complete the east side of the parking lot when they mobilize this spring.

E. APPROVAL OF MINUTES

1. February 27, 2025

Minutes approved unanimously.

F. CONSENT AGENDA

- A. Public Requests for Consent Agenda Changes- None.
- B. Board Members Requests for Consent Agenda Changes- None
- C. Items for Action

2. ~~Moorage Waiver Request M/V COLUMBIA~~

~~Presentation by Harbormaster~~

~~RECOMMENDATION: TO WAIVE DOCKAGE FEES FOR AN UPCOMING VISIT BY M/V COLUMBIA IN ACCORDANCE WITH 05 CBJAC 15.030.~~

- 3. Proposed Dock Fee Regulation Changes
Presentation by Harbormaster

RECOMMENDATION: TO APPROVE DOCK FEE REGULATION CHANGES AS PRESENTED.

MOTION BY MR. SOOTER TO APPROVE THE CONSENT AGENDA AS PRESENTED.

H. NEW BUSINESS

- 5. Aurora Harbor Phase IV - Bid Award

Presentation by Port Engineer: Mr. Sill said that bids were opened on Tuesday the 25th of March for Aurora Harbor Phase IV. Mr. Sill referenced page 68 of the agenda packet that contains Posting Notice of Bids Memorandum. Mr. Sill said there were two bids received for the project from Western Marine Construction and Trucano Construction. The apparent low bidder was Western Marine Construction with a base bid of \$7,485,100 with an additive \$104,600 for zinc anodes to be installed with the project for a bid total of \$7,589,700. Mr. Sill said that the bid total from Trucano Construction was \$8,781,380. Mr. Sill said that his engineer estimate was higher than the two bids at \$9,482,250. Mr. Sill said that this variance is primarily due to estimated cost of floats for the project. Mr. Sill said that the float cost for Aurora Harbor Phase III was \$300/SF. When preparing the estimate Mr. Sill said that he lowered the estimated cost of floats for the project based on the current float manufacturing environment. The Phase IV bids came in at around \$220/SF. Mr. Sill said that the next step for this project after receiving the Board's approval is to bring to the Assembly for award.

Board Questions

Mr. Emerson asked who was contracted for the Aurora Harbor Phase III project.

Mr. Sill said Trucano Construction.

Mr. Hamilton asked if two bidders was a normal amount for a project and if Docks and Harbors solicited bids for the project.

Mr. Sill said that Aurora Harbor Phase III received two bids and that two bids was average for a project of this scope. Mr. Sill said that he had anticipated the potential of more than two bids, but that for some of the construction companies may not have bid due to the cost of mobilization and the scope of the project.

Mr. Hamilton asked how the project was advertised for bidding.

Mr. Sill said that the project was advertised through the CBJ Purchasing Department and that the bid was open for a period of 2 months. Mr. Sill also noted that mobilization is a large cost associated with this type of construction, so our low bids will generally be provided by the Contractors who are located close to the project site. In addition to advertising through Public Purchase, Mr. Sill noted that he personally reached out to marine contractors throughout southeast and southcentral Alaska to ensure they were aware of the project.

Public Comment- None.

Board Discussion/Action

Ms. Hart requested to abstain from voting due to family connection to Western Marine Construction.

MOTION MR. SOOTER TO APPROVE THE AURORA HARBOR PHASE IV BID AWARD TO WESTERN MARINE CONSTRUCTION INC. FOR \$7,589,700.00

Motion approved unanimously.

I. ITEMS FOR INFORMATION/DISCUSSION

6. Aurora Harbor Boat Shelter (G22/23) - Patron Offer to Construct

Presentation by Harbormaster: Mr. Creswell said that the Board gave the directive this fall to advertise to the community to replace the boat shelter that was destroyed in the January 2024 storm in kind. Mr. Creswell said that Docks and Harbors received one bid from Dr. Dan Holt of Juneau. Mr. Creswell said that Dr. Holt has questions about location to build and installation of the boat shelter. Mr. Creswell said that when Mr. Uchytel returns from Washington DC, a meeting will be held to discuss the planning and logistics of building and installing a new boat shelter. Mr. Creswell said that Dr. Holt has been in contact with Docks and Harbors, and Mr. Creswell wished Dr. Holt luck in construction of the new boat shelter.

Board Discussion/Public Comment- None.

G. UNFINISHED BUSINESS

4. Goldbelt Request to Secure Seadrome Property from the City & Borough of Juneau

Presentation by Port Director: Mr. Uchytel said that at the request of the Operations and Planning Committee, Goldbelt's request to purchase the Seadrome Property parcels was brought to the full Board. Mr. Uchytel said that the Board asked for clarification on the fair market value appraisal for the parcels which were appraised by the Docks and Harbors term contractor Horan & Company at \$630,903. Mr. Uchytel referenced the appraisal for the Seadrome property beginning on page 30 of the agenda packet and said that Mr. Charles Horan is available to answer any questions that the Board has related to the appraisal process and fair market value. Mr. Uchytel said that Horan & Co. has been the Docks and Harbors term contractor of tideland appraisals and that Mr. Horan has conducted appraisal for municipalities around Southeast Alaska, for private companies, and commercial real estate.

Mr. Horan asked the Board what questions they had about related to the appraisal process and said that he is willing to explain his process and the data used to assess fair market value.

Mr. Etheridge said to give an overview of the appraisal process.

Mr. Horan said that the Seadrome Property has been appraised three times in the past two years. The first being in February of 2023 for Docks and Harbors for the possibility of a land exchange with Goldbelt. The appraisal valued per square foot for the uplands was \$65 for uplands and \$26 for tidelands. The property was appraised again in June 2023 for Docks and Harbors with the purpose of market value land lease rental adjustment which is written into the lease agreement to occur every five years. The value per square foot was appraised at \$65 for uplands and \$26 for tidelands. Most recently the property was appraised for the purpose of market value land sale for Docks and Harbors which appraised value was \$65 for uplands and \$26 for tidelands which is how the value for the land sale was determined to be \$630,903. Mr. Horan said that the data and comparables used reflect consistency in the value of the property. Mr. Horan referenced page 41 of the agenda packet which contains graphics showing the cruise ship passenger count from 2016-2024 and the percentage change in gross marina revenue from 2018-2024. Mr. Horan said that the data shows consistency in the post pandemic numbers which is an indicator of market consistency. Mr. Horan said that the purpose of a market value appraisal is to provide an estimate of the identified CBJ held property with the implied condition that the current long-term lease of the land held by Goldbelt from CBJ has no effect on the value. Mr. Horan said that market value is defined as the most probable price that the specified property interest should sell for in a competitive market, with the best use of the property. Mr. Horan said that the highest and best use of

the uplands is to support the marina, small ship terminal use, parking and loading areas. Mr. Horan referenced page 49 of the agenda packet, table 4.1 which contains a table of the summary of sales used to estimate the value of the subject uplands. Mr. Horan said the sale of 1000 Harbor Way, 76 Egan Drive, and 109 S Franklin Street were used to inform the quantitative assessment of the Seadrome property. Mr. Horan said that the property is zoned for Waterfront Commercial (WC) which is intended to provide both land and water space uses which are directly related to or dependent upon a marine environment. Mr. Horan said this zoning differs from the Sub Port site that is currently held by Huna Totem which is zoned MU2. Mr. Horan discussed the conditions that lead to the high value sale of the Sub Port property.

Board Questions

Mr. Orr asked if CBJ can negotiate sale price above fair market value?

Ms. Wright: CBJ is legally allowed to negotiate sale prices above fair market value, however, a review of past land sales shows that CBJ has never done so. All property sales have been made at Fair Market Value. Ms. Wright said that this is a topic that is currently being discussed by the Assembly with regards to the Huna Totem.

Mr. Hamilton asked if there were any prohibitions against selling the property for above fair market value?

Ms. Wright said that the property could be sold for above fair market value.

The Board held discussions related to comparable properties in the downtown and waterfront districts.

Mr. Orr asked if the appraisal considered that the Seadrome property would be in the main tourism corridor when the Huna Totem Dock is constructed.

Mr. Horan said that the appraisal only considered current conditions and did not factor in the plans for a new cruise ship dock at the Sub Port.

Public Comment

Heather Marlow, Juneau AK

Ms. Marlow said that she would like the Board to consider the land sale as an opportunity to require Goldbelt to install wider sidewalks adjacent to Egan Drive. She noted that requiring sidewalks to be wider than standard DOT sidewalk widths could reduce congestion and encourage adjacent landowners to also widen their sidewalks.

William Nicholl, Juneau AK

Mr. Nicholl said that his friend is the owner and operator of Chum Fun Charters, and the small parcel of land leased for the operation is valued at \$3,000,000. Mr. Nicholl said that it does not make sense to his why the Seadrome Property is worth so little in comparison.

Steven Sahlender, Goldbelt, Juneau AK

Mr. Sahlender asked the Board to consider the best use of the land parcels as the parcels exists today neither Docks and Harbors or Goldbelt could develop the individual parcels. The planned development would recapitalize the land and increase both sales and property tax revenue.

Committee Discussion/Action

MOTION BY MR. HAMILTON TO TABLE THE PURCHASE AND SALE AGREEMENT WITH GOLDBELT FOR THE SEADROME PROPERTY FOR ONE YEAR.

Mr. Sooter objected.

Those in favor: Mr. Hamilton.

Those opposed: Mr. Emerson, Ms. Hart, Mr. Leither, Mr. Orr, Mr. Sooter, Mr. Etheridge.

Vote Fails

MOTION BY MR. ORR TO REQUEST THAT GOLDBELT SUBMITS AN OFFER ABOVE FAIR MARKET VALUE FOR THE CONSIDERATION OF THE BOARD FOR THE PURCHASE AND SALE OF THE SEADROME PROPERTY.

Motion passes unanimously.

J. STAFF, COMMITTEE AND MEMBER REPORTS- None.

K. PORT ENGINEER'S REPORT-

Mr. Sill reported:

- Aurora Harbor Phase IV: The bids were opened on March 25th as noted earlier in meeting. Award approval is working through the CBJ system, with Assembly approval expected on April 7th, and Notice to Proceed expected about a week after that. The Contractor has expressed an interest in expediting the project as much as possible with the goal of finishing the project in 2025.
- Statter Harbor Phase IIID: The bid documents for the project were submitted to Docks and Harbors on March 25th and have been passed along to Contracts to prepare for an anticipated bid advertising date of April 15th.
- Taku Harbor: The bid documents for the project were submitted to Docks and Harbors on March 10th and have been submitted to Contracts to be advertised after Statter Harbor Phase IIID is advertised.

L. HARBORMASTER'S REPORT:

Mr. Creswell reported:

- Hiring: Mr. Creswell said that the Docks and Harbors seasonal hiring is progressing well. Currently there is one open Harbor Officer position at Aurora Harbor, two seasonal administrative positions, and one full time Administrative Assistant position at Aurora Harbor. Mr. Creswell said that Ms. Angela Thrower was selected to be the new Harbor Operations Supervisor based out of Aurora Harbor. Mr. Creswell said that the transition from Ms. Throwers current Administrative Supervisor position to the Harbor Operations Supervisor will occur over the next month as recruitment for the Administrative Supervisor position is completed. Mr. Creswell said that currently Ms. Thrower is training with Mr. Cryts, the interim Harbor Operations Supervisor, on Fridays to facilitate a smooth transition.
- Pre-season Cleaning: Mr. Creswell said that staff has been focused on seasonal clean-up of the Harbor facilities and parking lots; with a consistent focus on cleaning the dog poop off the Harbor floats.
- Port Seasonals: Mr. Creswell reported that the benefitted seasonal staff at the Port returned on March 17th and have been busy preparing for the upcoming cruise ship season. Mr. Creswell said that the rest on the Part Time Limit Staff will be starting at the Port in May.

M. PORT DIRECTOR'S REPORT:

Mr. Uchytel reported:

- That he has been in Washington, DC for the week primarily for the American Society of Civil Engineers rollout of the national report card but has also been meeting with Maritime Administration, USCG, US Army Corps of Engineers, US Navy League and the US Navy Memorial. MARAD reported no funding issue with the execution of the PIDP grant for the drive down float project.
- The Taku Harbor cooperative agreement with ADFG has been signed by the Port Director and has been returned to the State for signature.
- The Statter Phase IIID project will be ready to advertise as soon as the CBJ Contracting division prepares the boiler plate language for the bid package.
- The Port Director will attend the Assembly Finance Committee meeting on April 5 to present the FY25/26 Docks & Harbors Budget.

- The Assembly meeting on April 7th will have several Docks & Harbors items, including bid award for Aurora Phase IV. The Assembly will also act on the Huna-Totem cruise ship dock lease.
- On April 9th, Docks & Harbors staff will hold its annual pre-season meetings for companies involved in commercial tourism.

N. ASSEMBLY LIAISON REPORT:

Mr. Smith reported:

- Huna Totem: Mr. Smith said that the Assembly will be taking action at the April 7th Assembly meeting regarding the Huna Totem Dock Lease.
- Docks and Harbors Action Items: Mr. Smith said that the Assembly will be taking action on the transfer of funds from the Wayside Park Dredging project CIP to the Taku Harbor CIP and the approving the bid award at the April 7th Assembly Meeting.

O. BOARD ADMINISTRATIVE MATTERS

Next Operations-Planning Committee meeting April 16, 2025

Next Board meeting April 24, 2025

P. ADJOURNMENT

MOTION BY MR. ORR TO ADJOUR THE MEETING.

Motion approved unanimously.

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.gov.