



# DOCKS & HARBORS OPERATIONS & PLANNING COMMITTEE MEETING AGENDA

June 17, 2026 at 5:00 PM

Port Office Conference Room/Zoom Webinar

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<https://juneau.zoom.us/j/81646254635> or Dial: 1-833-548-0276 Meeting ID: 816 4625 4635

**A. CALL TO ORDER**

**B. ROLL CALL :** James Becker, Tyler Emerson, Clayton Hamilton, Robert Horchover, Matthew Leither, Mark Ridgway, Annette Smith, and Shem Sooter, and Nick Orr.

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

**1. MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED**

**D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

**E. APPROVAL OF MINUTES**

**1. Approval of Minutes: MAY 20, 2026**

**F. NEW BUSINESS**

**1. DIPAC Submerged Property Needs – Amalga Harbor**

**Presentation by Executive Director DIPAC:**

- a. Committee Questions
- b. Public Comment
- c. Discussion/Action

**MOTION: TO PURSUE ADNR SUBMERGED LANDS FOR FUTURE LEASE TO DIPAC**

**2. Uninsured Vessel Surcharge - FY2027 Change**

**Presentation by Harbormaster:**

- a. Committee Questions
- b. Public Comment
- c. Committee Discussion/Action

**MOTION: TO RECOMMEND THE BOARD REDUCE THE FY27 UNINSURED VESSEL SURCHARGE FROM \$1.50 TO \$1.00 PER LINEAR FOOT.**

**3. 2028 ADOT Harbor Facility Grant Application**

**Presentation by Port Director:**

- a. Committee Discussion
- b. Public Comment

**MOTION: TO RECOMMEND THE ASSEMBLY APPROVE TWO RESOLUTIONS OF SUPPORT FOR ADOT HARBOR FACILITY GRANT AT ECHO COVE AND STATTER PHASE 4.**

**G. ITEMS FOR INFORMATION/DISCUSSION**

**1. Little Rock Dump (aka Thane Storage Facility)**

**Presentation by Harbormaster:**

- a. Committee Discussion
- b. Public Comment

**2. UAS Lease Discussion**

**Presentation by Port Director:**

- a. Committee Discussion
- b. Public Comment

**3. Passenger For Hire - Fees & Trends**

**Presentation by Port Director:**

- a. Committee Discussion
- b. Public Comment

**4. Aurora Harbor Drive Down Float - Crane Capacity & Approach Dock Size Discussion**

**Presentation by Port Engineer:**

- a. Committee Discussion
- b. Public Comment

**5. Douglas Harbor Launch Ramp Improvements**

**Presentation by Port Engineer:**

- a. Committee Discussion
- b. Public Comment

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

**1. Visitor Industry Task Force Liaison**

**2. Assembly Liaison**

**3. Harbormaster Report**

**4. Port Engineer Report**

**5. Port Director Report**

**I. COMMITTEE ADMINISTRATIVE MATTERS**

**1. Next Operations/Planning Committee Meeting - Wednesday, July 22, 2026.**

**J. ADJOURNMENT**

ADA accommodations available upon request: contact the Clerk's Office (907)586-5278 or [city.clerk@juneau.gov](mailto:city.clerk@juneau.gov) at least 36 hours prior to a meeting, to request ADA arrangements.



# DOCKS & HARBORS OPERATIONS & PLANNING COMMITTEE MINUTES

May 20, 2026 at 5:00 PM

Port Office Conference Room/Zoom Webinar

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**A. CALL TO ORDER:**

Chair Orr called the meeting to order at 5:00 PM.

**B. ROLL CALL:**

**Present:** James Becker, Matthew Leither, Mark Ridgway, Shem Sooter and Nick Orr (Chair)

**Absent:** Tyler Emerson, Clayton Hamilton, Robert Horchover, Annette Smith

**Also in Attendance:** Port Director Carl Uchtyl, Harbormaster Matthew Creswell, and Port Engineer Matthew Sill.

**Presenters/Consultants:** Brandon Ivanowicz, PND Engineers; Brian Myers, Morris Engineering

**C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES:** None

**1. MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED:**

Mr. Ridgway moved to approve the agenda with unanimous consent.

**D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None

**E. APPROVAL OF MINUTES:**

**2. April 22, 2026 Minutes:**

Mr. Ridgway moved to approve minutes. The Chair requested unanimous consent.  
Minutes approved.

**F. UNFINISHED BUSINESS:** None

**G. NEW BUSINESS:**

**3. 2027 ADOT Harbor Facility Grant Application**

**Presentation by Port Director:**

Port Director Uchtyl presented information on the 2027 ADOT Harbor Facility Grant Application. He stated the Notice of Funding Opportunity had not yet been issued by DOT, but applications are typically due in early August. He reviewed eligible project types, including approach docks, floating breakwaters, and launch ramps, and noted that dredging, fixed breakwaters, boathouses, and buildings are generally ineligible.

Port Director Uchtyl stated Docks & Harbors has received approximately \$20 million from the program since its inception in 2006 and currently has approximately \$1.4 million in grant match funding for the Aurora Drive Down Float. He stated the grant program is

generally a 50/50 match program and asked the Committee for direction on which projects, if any, staff should prepare for application.

**a. Committee Questions:**

Committee members discussed whether Echo Cove would be an eligible project. Port Director Uchytel stated Echo Cove appeared to be a viable project and could potentially be coordinated with the Pittman-Robertson Hunter Access grant.

The Committee discussed possible Statter Harbor projects, including zinc anodes and replacement of the older horseshoe float. Port Director Uchytel stated the horseshoe replacement and zinc anodes could potentially be combined as one project, but noted that a larger project request may affect competitiveness depending on available funding.

Harbormaster Creswell discussed recent photographs showing significant deterioration in the Statter Harbor horseshoe piling. Staff noted that visible infrastructure deterioration could strengthen a grant application because grant scoring considers project need and condition.

The Committee also discussed the age and condition of Statter Harbor infrastructure, the useful life of anodes, potential project timing, and whether the horseshoe replacement would conflict with future breakwater work. Port Director Uchytel stated the horseshoe replacement likely could proceed without conflicting with the breakwater project.

**b. Public Comment:** None

**c. Committee Discussion/Action:**

The Committee discussed possible direction of staff. Members generally supported staff further evaluating a combined Statter Harbor horseshoe replacement and zinc anode project, while also continuing to consider an Echo Cove project.

Committee members discussed whether combining the horseshoe replacement and zinc anodes would create a stronger application by presenting a clearer infrastructure-preservation need. Members also recognized the potential risk of requesting a larger project amount.

Port Director Uchytel stated staff could continue developing the concept, work toward a 35% design, and bring the item back to the Committee. He also noted that an existing zinc anode grant application could be updated and resubmitted if the Board later preferred that direction.

**MOTION:** No motion was made.

**H. ITEMS FOR INFORMATION/DISCUSSION:**

**4. Aurora Drive Down Float - 65% Review Package:**

**Presentation by PND Engineers:**

For the record, Mr. Horchover joined the meeting online at the beginning of this item. Brandon Ivanowicz, Civil Engineer with PND Engineers, presented the 65% review package for the Aurora Drive Down Float project. He stated PND previously presented the 35% design in September 2025, held a public review meeting in October 2025, and began final design work in February 2026. The project received approximately \$12.5 million in PIDP and State Harbor Matching Grant funds in 2024.

Mr. Ivanowicz reviewed the major project components, including a 60-foot by 70-foot widened dock section, a 17-foot by 140-foot transfer bridge, and a 48-foot by 120-foot drive-down float. He also reviewed Additive Alternate A, which includes a 16-foot widened approach dock intended to improve access for larger truck and trailer combinations.

Mr. Ivanowicz stated key permitting items are progressing, with Section 106 review, Clean Water Act Section 401 certification, and Endangered Species Act Section 7 consultation complete. He stated MARAD is expected to issue the final Environmental Assessment and Finding of No Significant Impact within approximately two months. He also stated a U.S. Army Corps of Engineers navigation-channel comment had been addressed and that the project remains within harbor entrance channel standards.

Mr. Ivanowicz reviewed proposed float features, including two cranes, high-mast lighting, heat-traced water pedestals, safety equipment, fire suppression standpipes, and an 8-foot by 10-foot utility shed. Brian Myers with Morris Engineering reviewed the electrical plan, including 480-volt service, shore power pedestals, crane power, card-swipe access controls, and a revised lighting layout reduced from 13 poles to 9 poles.

Mr. Ivanowicz reviewed the project schedule and budget. He stated 90% design is anticipated by the end of July 2026, advertisement is planned around August 15, 2026, contract award is anticipated by October 1, 2026, and construction is scheduled from February 2027 through July 2027. The base bid estimate is approximately \$13.2 million, Additive Alternate A is approximately \$1.1 million, and the total estimated project cost is approximately \$14.4 million, with approximately \$15.3 million in available funding.

**a. Committee Discussion:**

Committee members asked questions regarding the design load, vehicle traction, lighting, market analysis, maintenance planning, contractor availability, and the 16-foot widened approach dock included as Additive Alternate A.

PND stated the ramp is designed for highway loading, including HL-93/HS-20 loading. Staff and PND discussed traction on the steel deck and noted the deck material is intended to provide substantial grip. Committee members also asked

whether light poles would interfere with vehicle maneuvering. PND stated the light poles would be mounted outside the handrail area, and Morris Engineering stated the lighting design can use shielding and directed light patterns to reduce glare for nearby users and liveboards.

Committee members asked whether MARAD requires a market analysis before the grant agreement is finalized. PND stated MARAD had accepted the project risk register and that no separate market analysis requirement was identified. Port Director Uchytel stated the MARAD small port/small project award is capped at approximately \$11.25 million, and any bid amount above the available grant funding would be the sponsor's responsibility.

Committee members also discussed future operations and maintenance needs for the cranes, electrical systems, and other added infrastructure. PND stated the contractor would provide O&M manuals with manufacturer maintenance requirements, and staff could use those documents to develop project-specific maintenance schedules.

The Committee discussed contractor availability and constructability. Port Director Uchytel stated Western Marine Construction may have limited availability due to other work, but Trucano, Turnagain Marine, Pacific Pile & Marine, and other contractors may be potential bidders. A committee member noted the project may be attractive to contractors because it is a sizable project, estimated in the \$12 million to \$15 million range, with favorable constructability.

Committee members discussed the widened approach dock and vehicle maneuvering. Several members indicated the additional width appeared beneficial because it would provide more room for typical users, reduce wear on bull rails and fencing, and improve comfort and safety for drivers and pedestrians. PND stated the design provides generous maneuvering space for common truck and trailer combinations.

Port Director Uchytel reminded the Committee that support for Additive items is not necessarily unanimous among all Board members and that the Board will need to have a clear discussion when it is time to award the project. No formal action was taken.

**b. Public Comment:** None

**5. USACE - Tentative Selection Plan (TSP) Breakwater Replacement:**

**Presentation by Port Director:**

Port Director Uchytel presented the U.S. Army Corps of Engineers Tentative Selected Plan for the Statter Harbor breakwater replacement. He explained that the General Navigation

Feature is the federal navigation component of the project and that the Army Corps has provided its Tentative Selected Plan, or TSP, for review.

Port Director Uchytel stated the Army Corps is working under its “3x3x3” study model, with a three-year study, \$3 million budget, and three levels of review. He stated the Corps is expected to provide a draft report in October 2026, including geotechnical information and a more developed estimate. He noted the Corps’ rough order of magnitude estimate is approximately \$94 million, consistent with prior discussion of the project as roughly a \$100 million project.

Port Director Uchytel stated the proposed breakwater would be moved approximately 600 to 700 feet offshore from the existing breakwater and would be approximately 1,800 feet long. He said the proposed location appears to provide substantial room for future expansion of the Statter Harbor facility.

Port Director Uchytel stated it may be desirable to connect the breakwater to the Auke Bay Marine Station, but he was not certain how much additional benefit that connection would provide. He also discussed the potential for future government-vessel moorage or seasonal moorage opportunities inside the breakwater, but noted the Army Corps is not currently willing to design moorage into the breakwater.

Port Director Uchytel stated the recent geotechnical work helped validate the early design approach. He said the project remains in an early stage and described the TSP as the Corps’ first formal proposal. He stated the study is expected to continue toward completion in September 2027, with the final report anticipated in 2027.

**a. Committee Questions:**

Committee members discussed whether the TSP addressed future Statter Harbor expansion needs and how it compared with possible North Douglas improvements. Port Director Uchytel stated the North Douglas work currently being discussed is related to launch ramp parking and geotechnical work, while the breakwater project is a federal project intended to support future moorage expansion at Statter Harbor. He noted the federal project would require a 20% local match.

Committee members discussed the prior concept of connecting the breakwater to the Auke Bay Marine Station. Port Director Uchytel stated the proposed breakwater has moved significantly farther offshore, making a direct walkway or connection less practical. He stated the Army Corps does not appear to have a mechanism for the local sponsor to pay additional funds for the Corps to add work outside the current scope, though the Corps is expected to include renderings of a potential expanded harbor in the October report.

The Committee discussed whether Docks & Harbors should use its term contract with PND Engineers to review the Corps’ proposed design. Port Director Uchytel stated staff

may consider hiring PND to review whether the breakwater would provide the intended protection, including for the Auke Bay Marine Station area, and to help evaluate whether low-cost modifications could increase future utility. Committee members expressed support for having an independent engineering review of the proposed orientation and possible future moorage options.

Committee members expressed concern that the proposed breakwater is not connected to the main floats and may not directly relieve inner harbor congestion unless future moorage is added. Members discussed whether the project should include fingers, moorage, or other features now rather than requiring a separate future project. Port Director Uchytel stated the project would still provide a replacement breakwater and create future opportunity, but that any request to expand the Corps' scope should be specific, reasonable, and mindful of the Corps' budget and process constraints.

Committee members also discussed anchoring, anchor-stay systems, impacts on vessels anchoring near the breakwater, and whether technologies such as elastic anchor systems could be considered. Port Director Uchytel stated staff has asked the Corps to review whether that type of technology could be appropriate for the site. Port Director Uchytel stated staff would check with the Army Corps on timing and whether the October draft report is the appropriate point for Docks & Harbors to identify any essential changes or concerns. The Committee agreed the item does not require an immediate answer and can continue to be reviewed as more information becomes available.

**b. Public Comment:** None

**6. Douglas Harbor Launch Ramp Improvements:**

**Presentation by Port Engineer:**

Port Engineer Sill presented an update on South Douglas Harbor launch ramp improvements based on prior Committee direction. He stated the concerns included worn fiberglass traction plate on the boarding float, lack of lighting for winter use, and the depth/drop-off at the end of the launch ramp.

Port Engineer Sill stated Docks & Harbors has replacement traction plate in inventory and plans to begin installing new traction plate on the Douglas boarding floats soon. He stated staff is looking at placing new traction plate over the worn existing plate because removing the existing plate entirely would be difficult due to the bull rails.

Port Engineer Sill also stated staff has ordered a solar-powered lighting assembly to test at the launch ramp. He said staff understands the limitations of solar lighting in Juneau during winter, but the test is a lower-cost option compared to running power to the floats, installing aerial power, or building a more substantial lighting system.

Regarding the end of the launch ramp, Port Engineer Sill stated the existing concrete planks were originally built to approximately minus 6 feet, but due to approximately 25 years of glacial rebound, the ramp is likely closer to minus 5 feet today. Staff plans to use an ROV to inspect the ramp end and determine the condition of the rock beyond the concrete planks before considering further improvements.

**a. Committee Discussion:**

Committee members discussed the ramp depth, the possibility of using D1 gravel or other lower-cost improvements if permitting allows, and whether one additional light pole or mast near the lower ramp area could provide enough lighting if the solar light test is not successful. The Committee generally supported testing the lower-cost solar lighting option first before considering more expensive electrical improvements.

**b. Public Comment:** None

**7. North Douglas Launch Ramp Expansion - Geotechnical Investigation:**

**Presentation by Port Engineer:**

Port Engineer Sill presented an update on the North Douglas Launch Ramp Expansion geotechnical investigation. He stated the project resulted from the opportunity to use a mobilized drilling contractor that was already in Juneau for Statter Harbor geotechnical work.

Port Engineer Sill explained that the original Statter Harbor geotechnical project was expected to cost a little over \$1.4 million, with a base bid of nearly \$600,000 and several additive items. After the Army Corps reduced its requested scope to two penetrometer tests, Docks & Harbors used the opportunity to redirect part of the mobilization effort to North Douglas.

Port Engineer Sill stated the Statter Harbor work was completed in approximately a day and a half, after which the contractor moved to North Douglas and drilled six boreholes at locations identified with assistance from PND Engineers. He stated the final cost for the Statter Harbor breakwater geotechnical work was a little over \$200,000, and the North Douglas launch ramp geotechnical work was approximately \$385,000 to \$386,000 for six boreholes. He stated the work provided useful subsurface information at a cost well below the original anticipated project amount.

Port Engineer Sill stated the samples collected at North Douglas can be evaluated later by PND or another firm. He said the preliminary observations suggest the site has difficult subsurface conditions, including soft and steep material, with bedrock and large boulders in some locations. He stated a formal geotechnical report has not yet been completed.

**a. Committee Discussion:**

Committee members discussed whether the geotechnical work supports the future launch ramp and parking lot expansion concept. Port Engineer Sill stated the geotechnical information would support future parking lot expansion and preliminary design evaluation.

Committee members discussed the mobilization cost and how costs were split between Statter Harbor and North Douglas. Staff explained the contractor's mobilization was part of a fixed competitive bid and included both the drilling equipment and barge/support tug costs. Port Director Uchtyl stated the original intent had been for the Army Corps work to carry more of the mobilization cost, but after the Corps changed direction, staff pivoted to preserve value for Docks & Harbors.

**b. Public Comment: None**

**8. Insurance Requirements - Uninsured Vessel Surcharge:**

**Presentation by Harbormaster:**

Harbormaster Creswell presented information on insurance requirements and the uninsured vessel surcharge. He first addressed the annual adjustment to the surcharge. He stated the current uninsured vessel surcharge is \$1.50 per foot, adjusted annually after January 1 for the following fiscal year, with a minimum of \$1 per foot and a maximum of \$3 per foot.

Harbormaster Creswell stated Docks & Harbors collected approximately \$114,107.94 in surcharge revenue during calendar year 2025 and spent approximately \$77,082.97 on vessel disposal. Based on the regulation, he stated the surcharge should decrease to \$1 per foot for the next fiscal year. He said staff intends to bring the rate adjustment forward as an action item at the next Board meeting so the required 30-day period is met before the July 1 effective date.

Harbormaster Creswell then reviewed broader insurance policy options. He stated Juneau currently allows vessels to remain in the harbor without insurance if they pay the uninsured vessel surcharge, while daily-rate vessels are not subject to the surcharge. He reviewed insurance approaches used by other Alaska harbors, including Homer, Seward, Whittier, Kodiak, Petersburg, Ketchikan, and Sitka. He noted that some harbors require insurance, some require the harbor to be listed as additionally insured, and others have more limited or discretionary requirements.

Harbormaster Creswell stated a consistent statewide approach would be helpful, but different harbors currently use different models.

**a. Committee Questions:**

The Committee discussed whether Docks & Harbors should continue the current surcharge model or move toward mandatory insurance for vessels in the harbors. Committee members discussed costs associated with sunken vessels, vessel fires, uninsured vessels, reimbursement uncertainty, and the concern that Docks & Harbors may effectively be carrying risk that should be covered by insurance.

Committee members also discussed whether any future insurance requirement should apply only to new vessels entering the harbors, whether existing vessels should be grandfathered, and how float houses or other potentially difficult-to-insure vessels should be handled. Port Director Uchytel noted that Docks & Harbors had received concerns from at least one Douglas float house owner regarding the fairness of the surcharge if certain structures cannot obtain insurance.

Harbormaster Creswell stated Juneau is unique compared with many other Alaska harbors because of its float houses and liveaboard community. Committee members asked staff to research how similar communities handle insurance requirements, including examples outside Alaska if useful.

The Committee discussed whether bonding could be considered as an alternative for vessels that cannot obtain insurance. Harbormaster Creswell asked whether the Committee wanted staff to research bonding in lieu of insurance, and members indicated support for that research.

Harbormaster Creswell stated approximately 12 vessels had sunk since late December, most of which had been raised and disposed of, with a few remaining to be disposed of. Port Director Uchytel stated a future step could include inviting insurance brokers to discuss what insurance options are realistically available for different types of vessels and float houses.

The Committee generally directed staff to continue researching options and return with a recommendation, including analysis of customer impacts, surcharge revenue, vessel disposal costs, reimbursement uncertainty, mandatory insurance models, possible bonding alternatives, and whether any phase-in or grandfathering approach should be considered. No formal action was taken.

**b. Public Comment:** None.

**9. Board Member Attributes:**

**Presentation by Port Director:**

Port Director Uchytel stated the City Clerk is seeking applications for three Board positions that are expiring. He stated the packet included draft attributes the Board may wish to share with the Assembly for consideration during the next round of applications and interviews.

Port Director Uchytel stated applications are due May 31 and that interview dates had not yet been scheduled. He noted that the expiring seats are those held by Tyler Emerson, Clayton Hamilton, and Shem Sooter.

**a. Committee Questions:**

Committee members stated the draft attributes looked acceptable. One member noted support for the reference to social media restraint. No formal changes were directed.

**b. Public Comment:** None

**I. STAFF, COMMITTEE, AND MEMBER REPORTS:**

**10. Assembly Liaison:** None

**11. Visitor Industry Task Force Liaison:**

Mr. Sooter reported that the Visitor Industry Task Force discussed long-term planning, including charges and future considerations beyond five years. He stated the cruise industry presentation is still pending. He also reported that the Visitor Industry Task Force timeline has been extended beyond July.

**12. Harbormaster:**

Harbormaster Creswell stated there was nothing major to add beyond the written report. He stated summer operations are getting underway, operations staff are wrapping up seasonal preparations, and the fishing fleet will be arriving soon.

**13. Port Engineer:**

Port Engineer Sill stated he had nothing additional to report beyond the projects already presented and would present again the following week.

**14. Port Director:**

Port Director Uchytel reminded Board members that they are required to complete the related-party disclosure form and stated he would provide a scanned cheat sheet. He asked members to complete and return the forms the following week.

Port Director Uchytel stated the vacant administrative assistant position had been filled and that Nate Block would begin June 1. He also noted an upcoming Tourism Industry Task Force presentation regarding Goldbelt and West Juneau, scheduled for the following day at 5:30 p.m. in Assembly Chambers.

Port Director Uchytel thanked Board members who attended recent ribbon cuttings and noted an Aurora Harbor ribbon cutting was scheduled for Friday.

**J. COMMITTEE ADMINISTRATIVE MATTERS:**

**15. Next Operations/Planning Committee Meeting - Wednesday, June 17th, 2026:**

Under committee administrative matters, Mr. Sooter suggested a future agenda item to review passenger-for-hire fees at Statter Harbor, particularly after completion of uplands improvements. He stated he would like to evaluate the current fee charged for passengers crossing the dock and indicated he believes the current amount may be too low. No formal action was taken.

**K. ADJOURNMENT:**

Mr. Ridgway moved to adjourn. Hearing no objection, the meeting adjourned.

ADA accommodations available upon request: contact the Clerk's Office (907)586-5278 or [city.clerk@juneau.gov](mailto:city.clerk@juneau.gov) at least 36 hours prior to a meeting, to request ADA arrangements.



**Douglas Island Pink and Chum, Inc.**

2697 Channel Drive ◦ Juneau, Alaska 99801

(907) 463-5114 ◦ [www.dipac.net](http://www.dipac.net)

City & Borough of Juneau - Land Lease Oversight Departments,

DIPAC currently has many leases and permits in the vicinity of Amalga Harbor for the sake of rearing and releasing salmon for the common property fishermen as well as for cost recovery to support all DIPAC's programs. DIPAC's hatchery permits do not expire for this planned program and has strict oversight from the Alaska Department of Fish and Game (attachment 1).

One of the current land leases encompasses two plots of land and will expire in 2031. This lease was originally signed with the State of Alaska, but it was transferred to CBJ and currently is managed through the CBJ – Parks and Rec. Department. DIPAC submits annual payments to CBJ. This lease is summarized in attachments 2-4. The original appraisal for this lease can be found in attachment 5.

In the same vicinity of this lease, DIPAC has lease agreements with the State of Alaska DNR for use outside the designated area (attachments 6 & 7).

As most tidelands are managed by CBJ Docks & Harbors department, DIPAC has met with Docks & Harbors to discuss a large land conveyance from the State of Alaska & assumption of all these CBJ & DNR leases. This would include a transfer of the two parcels currently managed by CBJ – Parks & Rec Department to Docks & Harbors, then an additional land conveyance from the State of Alaska DNR.

Attachment 8 describes the land area which would make the most sense to convey to encompass the entire area of use.

As the CBJ is seeking additional revenue during this difficult financial time, DIPAC would like to work with the CBJ to become an additional revenue source in this way.

Thank you for your consideration and interest in this matter.

A handwritten signature in black ink, appearing to read "Katie Harms".

Katie Harms

DIPAC – Executive Director

907-463-5114

# MEMORANDUM

State of Alaska  
Department of Fish and Game  
Division of Commercial Fisheries

TO: Forrest Bowers, Deputy Director  
Division of Commercial Fisheries

DATE: February 26, 2023

Tom Taube, Deputy Director  
Division of Sport Fish

PHONE NO.: 907-465-6423

THRU: Flip Pryor, Chief  
Aquaculture Section

SUBJECT: Macaulay Salmon Hatchery  
Permit Alteration

FROM: Lorraine Vercessi, Coordinator  
PNP Hatchery Program

FILE NO.: PNP Hatchery Permit #25

Attached is a Notice of Permit Alteration (NPA) for Macaulay Salmon Hatchery (MSH), operated by Douglas Island Pink and Chum, Inc. (DIPAC) for your review. This permit alteration distinctly defines the permitted release numbers of Chinook salmon for the Juneau Area.

The MSH would like the option to use one coded-wire tag code for all of the Juneau area Chinook salmon releases, which would include Gastineau Channel (Sheep Creek and at MSH), Fish Creek, Auke Bay, and Lena Cove. Using one tag code for multiple release sites is inconsistent with the coastwide data standards for coded-wire tag use and reporting per the Regional Mark Processing Center. To accommodate release reporting and hatchery annual reporting it is required to define these sites as one, the Juneau Area, in the hatchery permit.

Division of Commercial Fisheries and Sport Fish staff have discussed this and agree that there has been many years of evaluation for these local Chinook salmon projects and that differentially tagging for all release sites does not contribute to management decisions.

The Aquaculture Section received a request from the Commissioner's office to draft a NPA to allow for the use of one tag code, The administrative NPA is included.

Attachments: MSH NPA



## **Alaska Department of Fish and Game**

### **Private Nonprofit Salmon Hatchery**

#### **Permit No. 25**

#### **Notice of Permit Alteration**

This notice, in conjunction with the existing private nonprofit salmon hatchery permit for Macaulay Salmon Hatchery (MSH), operated by Douglas Island Pink and Chum, Incorporated (DIPAC), distinctly defines the permitted release numbers of Chinook salmon for the Juneau Area.

The permitted capacity for all species at MSH is as follows:

- Chinook salmon – 1.25 million Andrew Creek stock Chinook salmon green eggs;
- coho salmon – 1.5 million Taku River/Fish Creek stock coho salmon green eggs;
- chum salmon – 135 million Macaulay Salmon Hatchery stock chum salmon green eggs, conditioned to allow up to 32 million Hidden Falls Hatchery stock green eggs as a backup; and
- rainbow trout – 50,000 Swanson River stock certified-triploid rainbow trout eyed eggs from William Jack Hernandez Sport Fish Hatchery.

Refer to Table 1 for all permitted stocks, associated release sites, and maximum numbers.

All additional eggs taken and incubated at MSH for other hatchery facilities as a condition of this permit are provided under the recipient hatchery's permitted capacity.

The permit holder will be required to remove unharvested hatchery-produced salmon remaining in special harvest areas should a significant number remain after fisheries have ceased.

All other terms and conditions of the permit remain as stated in the existing permit and BMP for MSH and subsequent alterations.

Table 1.—Macaulay Salmon Hatchery permitted species, stocks, associated release sites, and maximum numbers by life stage.

Species	Stock	Release Site	Maximum Number	Life Stage
Chinook	Andrew Creek		1.25 million	Green eggs
		Juneau Area <sup>1</sup>	1.1 million	Smolt
		▪ Gastineau Channel <sup>2</sup>	650,000	Smolt
		▪ Fish Creek	300,000	Smolt
		▪ Auke Bay	200,000	Smolt
		▪ Lena Cove	320,000	Smolt
		Twin Lakes	15,000	Catchables
Dredge Lakes	4,000	Catchables		
Coho	Fish Creek (Taku River)	Gastineau Channel <sup>2</sup>	1.5 million	Green eggs
Chum	MSH <sup>3</sup>		135 million	Green eggs
		Gastineau Channel	36 million	Fry
		Boat Harbor	24 million	Fry
		Limestone Inlet	15 million	Fry
		Amalga Harbor	54 million	Fry
		Hidden Falls Hatchery/ Kadashan River	32 million	Green eggs
		Boat Harbor	24 million	Fry
Limestone	15 million	Fry		
Rainbow trout	Fort Richardson Hatchery/Swanson River	Twin Lakes and/or Mendenhall Ponds	50,000	Triploid eyed eggs

Note: Maximum numbers are specific to release site; in combination may not exceed permitted green egg capacity.

<sup>1</sup> Juneau Area consists of Gastineau Channel, Fish Creek, Auke Bay, and Lena Cove release sites.

<sup>2</sup> Gastineau Channel includes releases near MSH and Thane Road/Sheep Creek area (statistical area 111-40).

<sup>3</sup> The ancestral stocks for MSH stock are a combination of Fish Creek (Juneau), Salmon Creek, Kowee Creek, Sawmill Creek, Montana Creek, Klehini River, and Hidden Falls Hatchery (Kadashan River, Seal Bay Cove, Clear River).

Approved:   X   Denied:           

Tom Taube  
Tom Taube  
Deputy Director  
Division of Sport Fish

7-13-2023  
Date

Forrest Bowers  
Forrest Bowers  
Deputy Director  
Division of Commercial Fisheries

7/13/23  
Date

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF MINING, LAND AND WATER

TONY KNOWLES, GOVERNOR

400 Willoughby Avenue, SUITE 400  
JUNEAU, ALASKA 99801  
PHONE: (907) 465-3400  
FAX: (907) 586-2954

January 9, 2002

Jon Carter  
Douglas Island Pink & Chum, Inc.  
2697 Channel drive  
Juneau, AK 99801

8/15/01  
30 yrs

Re: Tideland Lease ADL 106356 *Amalga*

Dear Mr. *Jon,* Carter:

The Recorder's Office has returned the original recorded document referenced above and I have enclosed it for your files. Please file it in a safe place.

Call me at 465-3513 if you have any questions about this case.

Sincerely,

*Doug Sanvik*  
Doug Sanvik  
Natural Resource Officer

RECEIVED  
JAN 10 2002  
DIPAC Corporation

~~RECEIVED  
JAN 9 2002  
DIPAC Corporation~~

Enclosure as Stated

*"Develop, Conserve and Enhance Natural Resources for Present and Future Alaskans"*

STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND & WATER, SOUTHEAST REGION  
400 Willoughby Ave., Suite 400  
Juneau, Alaska 99801

ADL No. 106356

**LEASE AGREEMENT**

Effective this *15th* day of *August, 2001*, this lease agreement is entered into by the State of Alaska, hereafter referred to as "lessor," and *Douglas Island Pink & Chum, Inc.*, hereafter referred to as "lessee," whether one or more, whose sole addresses for purposes of notification under this lease agreement are listed in section 28.

The lessor and the lessee agree that this lease, including all attachments and documents that are incorporated in this lease by reference, contains the entire agreement between the parties, and each of the covenants and conditions in this lease including any attachments will be binding upon the parties and upon their respective successors and assigns. The lessor and the lessee further agree that this lease is conditioned upon satisfactory performance by the lessor and the lessee of all covenants and conditions contained in this lease. The lessee is aware of the provisions of Title 38, Alaska Statutes, Title 11, Alaska Administrative Code, and other applicable laws, regulations, and ordinances, and fully understands the duties and obligations of the lessee under this lease, and the rights and remedies of the lessor.

This lease is subject to all applicable state, federal, and municipal statutes, regulations, and ordinances in effect on the effective date of this lease, and insofar as is constitutionally permissible, to all statutes, regulations, and ordinances placed in effect after the effective date of this lease. A reference to a statute, regulation, or ordinance in this lease includes any change in that statute, regulation, or ordinance, whether by amendment, repeal and replacement, or other means. This lease does not limit the power of the State of Alaska, its political subdivisions, or the United States of America to enact and enforce legislation or to adopt and enforce regulations or ordinances affecting, directly or indirectly, the activities of the lessee or its agents in connection with this lease or the value of the interest held under this lease. In case of conflicting provisions, statutes, regulations, and ordinances take precedence over this lease. This lease shall not be construed as a grant or recognition of authority for promulgation or adoption of municipal ordinances that are not otherwise authorized.

1. Grant. This *negotiated* lease is issued under the authority of *AS 38.05.810(b)*, for a term of *30* years beginning on the *15th* day of *August, 2001* and ending at 12 o'clock midnight on the *14th* day of *August, 2031*, unless sooner terminated, subject to: compensation as specified in section 2; the attached development plan approved by the state on *August 27, 1997 (See Attachment B)*; and attached stipulations (*See Attachment A*), if any, that are incorporated in and made a part of this lease, for the following, hereafter referred to as the "leasehold":

*Tracts A and B of ATS 1560 containing 2.1 acres more or less and located within Section 14, Township 39 South, Range 64 East, Copper River Meridian as recorded in the Juneau Recording District on January 26, 1999 as Plat # 99-6.*

Excepting and reserving any general reservations to the lessor that are required by law and that may be stated elsewhere in this lease, and the following, which the state reserves for itself and others: **Subject to all platted easements and reservations and further subject to the Special Stipulations noted on Attachment B that is attached to and made part of this lease.**

2. Compensation. (a) The lessee shall pay to the lessor compensation as follows, without the necessity of any billing by the lessor: *Equal annual payments, on or before August 15 of every year during said term at the rate of eight hundred ninety five dollars \$895.00*. The lessor may, upon 10 days' notice, review and copy any records of the lessee that are necessary to verify the lessee's compliance with this paragraph.

(b) In accordance with AS 38.05.105, the lease compensation is subject to adjustment by the lessor at the commencement of the sixth year of the term and every fifth year thereafter (the "adjustment date"). The compensation adjustment takes effect on the applicable adjustment date, regardless of whether the adjustment determination occurs before or after that date. All reasonable costs of the adjustment, including reappraisal if required by the lessor, will be borne by the lessee.

 , lessee

3. Denial of Warranty. The lessor makes no warranty, express or implied, nor assumes any liability whatsoever, regarding the social, economic, or environmental aspects of the leasehold, including, without limitation, the soil conditions, water drainage, access, natural or artificial hazards that may exist, or the profitability or fitness of the leasehold for any use. The lessee represents that the lessee has inspected the leasehold and determined that the leasehold is suitable for the use intended, or has voluntarily declined to do so, and accepts the leasehold "as is" and "where is."

4. Use of Leasehold. Prior to execution of this lease and to commencing use or development of the leasehold, the lessee shall submit a development plan for the leasehold to the lessor and obtain the lessor's approval of the plan. Any use or development of the leasehold must be consistent with the development plan approved by the lessor. Any proposed revisions to the development plan must be submitted to the lessor for approval before any change in use or development occurs. The lessee shall use and occupy the leasehold in compliance with the approved development plan and all applicable laws, regulations, ordinances, and orders that a public authority has put into effect or may put into effect, including those of a building or zoning authority and those relating to pollution and sanitation control. The lessee may not permit any unlawful occupation, business, or trade to be conducted on the leasehold. The lessee shall properly locate all activities and improvements on the leasehold, and may not commit waste of the parcel. The lessee shall maintain and repair the leasehold including improvements in a reasonably neat and clean condition, and shall take all necessary precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion, unreasonable deterioration, or destruction of the land or improvements. The lessee agrees not to place any aboveground or underground fuel or chemical tanks on the leasehold without the prior written approval of the lessor.

5. Encumbrance of Leasehold. The lessee may not encumber or cloud the lessor's title to the leasehold, or any portion of the leasehold, nor enter into any lease, easement, or other obligation of the lessor's title without the prior written approval of the lessor.

6. Assignment of Interest. The lessee may not assign or sublet any interest held under this lease, including a security interest, without the prior written approval of the lessor. The lessor may approve such assignment or subletting if the lessor finds it to be in the best interest of the state. No such assignment or subletting will be effective until approved by the lessor in writing, and the assignee agrees to be subject to and governed by the provisions of this lease, any subsequent amendments to this lease, any additional stipulations, or reappraisal as deemed appropriate by the lessor, and all applicable laws, regulations, and ordinances in the same manner as the original lessee. No assignment or subletting of the leasehold, or any portion thereof, by the lessee will annul the lessee's obligation to pay the compensation required for the full term of this lease. Except as provided in this lease, no subdivision of the leasehold interest may occur without the prior written approval of the lessor.

7. Conditional Lease. If all or part of the leasehold has been tentatively approved, or approved, but not yet patented, by the United States to the lessor, then this lease will be conditioned upon receipt by the lessor of such patent. If for any reason the lessor does not receive patent, any compensation paid to the lessor under this lease will not be refunded. Any prepaid compensation for land to which patent is denied the lessor will be refunded to the lessee of record in the amount of the pro-rata portion of the unexpired term. The lessor will have no further liability to the lessee for the termination of the lease.

8. Payment of Taxes and Assessments. The lessee shall pay prior to delinquency all taxes and assessments accruing against the leasehold.

9. Section Line Rights-of-Way. If the leasehold borders on or includes one or more section lines, the lessor hereby expressly reserves unto itself and its successors and assigns a right-of-way or rights-of-way pursuant to AS 19.10.010.

10. Navigable and Public Waters. (a) Pursuant to AS 38.05.127 and 11 AAC 53.330, the lessor reserves a public access easement to and along all public or navigable water bodies that border on or are included in this leasehold. No public access easement may be obstructed or otherwise rendered incapable of reasonable use for the purposes for which it was reserved. No public access easement may be vacated, abandoned, or extinguished without the prior written approval of the lessor.

(b) The Public Trust Doctrine guarantees public access to, and the public right to use, navigable and public waters

and the land beneath them for navigation, commerce, fishing, and other purposes. This lease is issued subject to the principles of the Public Trust Doctrine regarding navigable or public waters. The lessor reserves the right to grant other interests to the leasehold consistent with the Public Trust Doctrine.

11. Condemnation of Leasehold or Improvements. If the whole or any part of the leasehold is taken by any authorized body or person vested with the power of eminent domain, by negotiation, court action, or otherwise, the following provisions control:

(1) Taking of the entire leasehold. If all of the leasehold is taken by condemnation, this lease and all rights of the lessee will immediately terminate, and the compensation will be adjusted so that it is due only until the date the lessee is required to surrender possession of the leasehold. The lessor is entitled to all the condemnation proceeds, except that the lessee will be paid the portion of the proceeds attributable to the fair market value, as determined in the condemnation proceedings, of any buildings or improvements taken that were placed on the condemned leasehold by the lessee in accordance with the approved development plan.

(2) Taking of substantial part of the leasehold. If the taking is of a substantial part of the leasehold, the following rules apply:

(A) If the taking by condemnation reduces the ground area of the leasehold by at least 30 percent or materially affects the use being made by the lessee of the leasehold, the lessee has the right to elect to terminate the lease by written notice to the lessor not later than 180 days after the date of taking.

(B) If the lessee elects to terminate, the provisions in subsection (1) of this section govern the condemned portion of the leasehold and the covenants and conditions of the lease govern disposal of the remainder of any buildings or improvements made by the lessee in accordance with the approved development plan.

(C) If the lessee does not elect to terminate, the lease continues and the lessor is entitled to the full condemnation proceeds except the portion attributable to the fair market value, as determined in the condemnation proceedings, of any buildings or improvements taken that were placed on the condemned portion of the leasehold by the lessee in accordance with the approved development plan. Compensation at the existing rate will terminate on the date the lessee is required to surrender possession of the condemned portion of the leasehold. Except as it may be adjusted from time to time under the covenants and conditions of the lease and applicable statutes, compensation for the balance of the term will be adjusted by the lessor to reflect the taking.

(3) Taking of insubstantial part of the leasehold. If the taking by condemnation reduces the ground area of the leasehold by less than 30 percent and the lessor determines that the taking is of such an insubstantial portion that the lessee's use of the leasehold is not materially affected, the lessee may not elect to terminate the lease and the compensation provisions of subsection 2(C) of this section will govern.

12. Valid Existing Rights. This lease is subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land in existence on the date of execution of this lease.

13. Inspection. The lessor will have reasonable access to the leasehold for purposes of inspection.

14. Mineral Reservations. This lease is subject to the reservations required by AS 38.05.125 and the rights and obligations imposed by AS 38.05.130.

15. Concurrent Use. This lease is subject to reasonable concurrent uses as provided under Article VIII, Section 8 of the Constitution of the State of Alaska. The concurrent user who is found to be at fault for damage or injury arising from noncompliance with the terms governing the user's concurrent use is liable for damages and the user's interest is subject to forfeiture or termination by the lessor. In this context, the term "concurrent user" includes the lessee and any other person or entity who lawfully uses the land subject to this lease, but does not include the State of Alaska.

16. Surface Resources. Unless otherwise provided by this lease or other written authorization, the lessee may not sell or remove from the leasehold any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes. Material required for the development of the leasehold may be used only in

compliance with the approved development plan.

17. Appropriation or Disturbance of Waters. During the term of this lease, the lessee will have the right to apply for an appropriation of ground or surface water on the leasehold in accordance with AS 46.15 and 11 AAC 93.060.

18. Acquisition of Rights or Interests. Any right or interest acquired during the term of this lease and accruing to the benefit of the leasehold will remain appurtenant to the leasehold, and may not be severed or transferred from the leasehold without the prior written approval of the lessor. In the event of termination or forfeiture of this lease, any such right or interest will vest in the lessor.

19. Land Alterations Due to Natural or Artificial Causes. The interest described in this lease constitutes the entire leasehold. If, through natural or artificial causes, accretion or reliction of land occurs contiguous to the leasehold, the Lessee has no right to occupy or use the accreted land unless a separate lease is entered with the Lessor with respect to such lands. The rules of law usually applicable to accretion or reliction of land do not apply to this lease, nor to the interest described in this lease.

20. Waiver or Forbearance. The receipt of compensation by the lessor, with or without knowledge of any default on the part of the lessee, is not a waiver of any provision of this lease. No failure on the part of the lessor to enforce a covenant or condition of this lease, nor the waiver of any right under this lease by the lessor, unless in writing, will discharge or invalidate the application of such covenant or condition. No forbearance or written waiver affects the right of the lessor to enforce any covenant or condition in the event of any subsequent default. The receipt of compensation by the lessor after termination or any notice of termination will not reinstate, continue, or extend this lease, or destroy, or in any manner impair the validity of any notice of termination that may have been given prior to receipt of the compensation, unless specifically stated by the lessor in writing.

21. Default and Remedies. (a) Time is of the essence in this lease. If the lessee defaults on the performance of any of the covenants or conditions of this lease, and the default is not remedied within 60 days after written notice of such default has been received by the lessee and by the holder of a security interest in the leasehold approved by the lessor, or within any additional period the lessor allows for good cause, the lessee will be subject to legal or any other administrative action deemed appropriate by the lessor, including termination of this lease. The lessor may include in the notice of the default or give a separate written notice stating that if the default is not remedied, this lease shall terminate on a date certain, which shall be at least 60 days after receipt of the first notice. Upon the date specified in such notice, unless the default has been remedied, the lease shall expire automatically without further notice or action by the lessor and this lease and all rights of the lessee under the lease shall terminate. Upon termination of the lease the lessor shall have an immediate right to possession of the leasehold and any possession by the lessee shall be unlawful. It is specifically agreed that no judicial action shall be necessary to terminate this lease or to allow the lessor to retake possession in the event of default by the lessee. No improvements may be removed from the leasehold while the lease is in default except with the lessor's prior written approval. If this lease is terminated for default, all compensation paid by the lessee is forfeited to the lessor. The lessor is not liable for any expenditures made or undertaken by the lessee under this lease. Any costs or fees, including attorney's fees, reasonably incurred by the lessor for the enforcement of this lease, shall be added to the obligations due and payable by the lessee.

(b) The rights, if any, of third-party security interest holders or lienholders are controlled solely by AS 38.05.103 and 11 AAC 58.590. If the lessee fails to remedy the default within the time allowed in subsection (a) of this section, the holder of an approved security interest who has received notice under subsection (a) of this section may remedy the default. The holder shall act within 60 days from the date of receipt of notice under subsection (a) of this section, or within any additional period the lessor allows for good cause.

(c) The lessor may, at the lessor's option, following the lessee's default and failure to remedy, or after termination of this lease due to such default and failure to remedy, accelerate the unpaid compensation for the remainder of the term of this lease. The lessee's obligation to pay such accelerated rent to the lessor survives termination of this lease.

(d) If this lease is terminated, or all or any portion of the leasehold is abandoned by the lessee, the lessor may immediately enter, or re-enter and take possession of the leasehold, and without liability for any damage, remove all persons and property from the leasehold and may, if necessary, use summary proceedings or an action at law. The words "enter" and "re-enter" as used are not restricted to their technical legal meaning. Any entry, re-entry,

possession, repossession, or dispossession by the lessor, whether taken with or without judicial action, does not absolve, relieve, release, or discharge the lessee, either in whole or part, of any liability under the lease.

(e) The lessor, upon or at any time after giving written notice of any default, may enter or re-enter the leasehold to remedy any default by the lessee or exercise any right given under this lease, all without the intervention of any court being required. The curing of such default shall not be deemed for any purpose to be for the benefit of the lessee.

(f) At any time after termination of this lease, the lessor may re-let the leasehold, or any part thereof, in the name of the lessor for such term and on such conditions as the lessor may determine, and may collect and receive the compensation therefor. The lessor shall not be responsible or liable for failure to re-let the leasehold or for any failure to collect any compensation due upon such re-letting, nor shall the lessor be required to account for or pay to the lessee any excess compensation received as a result of such re-letting. The lessee shall be liable for any deficiency, and for all costs, expenses, and fees incurred by the lessor arising out of the default, including the lessor's efforts to re-let the leasehold.

(g) No right or remedy conferred upon or reserved to the lessor in this lease or by statute, or existing in law or equity, is intended to be exclusive of any other right or remedy, and each and every right shall be cumulative.

22. Disposition of Improvements and Chattels After Termination. AS 38.05.090 will govern disposition of any lessor-approved chattels or improvements left on the leasehold after termination. At the lessor's sole option, improvements not approved by the lessor shall be removed from the leasehold and the site restored to its original condition at the lessee's sole expense, or be forfeited to the lessor. The lessee shall be liable to the lessor for any costs, expenses, or damages arising out of the disposition of improvements not approved by the lessor, and may be required to pay rent on any improvements or chattels left on the parcel in accordance with 11 AAC 58.680.

23. Indemnity to Lessor. The lessee shall indemnify, defend, and hold the lessor harmless from and against all claims, demands, judgments, damages, liabilities, penalties, and costs, including attorney's fees, for loss or damage, including but not limited to property damage, personal injury, wrongful death, and wage, employment, or worker's compensation claims, arising out of or in connection with the use or occupancy of the leasehold by the lessee or by any other person holding under the lessee, or at the lessee's sufferance or invitation; and from any accident or fire on the leasehold; and from any nuisance made or suffered on the leasehold; and from any failure by the lessee to keep the leasehold in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and from any assignment, sublease, or conveyance, attempted or successful, by the lessee of all or any portion of the leasehold or interest therein contrary to the covenants and conditions of this lease. The lessee holds all goods, materials, furniture, fixtures, equipment, machinery, and other property whatsoever on the parcel at the sole risk of the lessee, and shall defend, indemnify and hold the lessor harmless from any claim of loss or damage by any cause whatsoever, including claims by third parties.

24. Insurance. If required by the lessor, the lessee shall obtain insurance in an amount determined by the lessor to be sufficient. The lessor shall be named as an additional insured party of any such insurance. The types and amount of insurance shall be specified in the attached stipulations made a part of this lease agreement and may be adjusted periodically. The lessee shall maintain that insurance as long as required by the lessor. Any insurance acquired by the lessee for the purpose of providing insurance coverage under this lease must be issued by an insurer authorized to do business in the State of Alaska under the provisions of AS 21.09.010 and AS 21.27.010 for the type of policy being written.

25. Bonding. If required by the lessor, the lessee shall furnish a bond, cash deposit, certificate of deposit, or other form of security acceptable to the lessor in an amount determined by the lessor to be sufficient to ensure faithful performance of the covenants and conditions of this lease, and to cover the cost of site cleanup and restoration and any associated costs after termination of the lease. The amount and conditions of the bond shall be specified in the attached stipulations made a part of this lease agreement. The lessee shall maintain the bond as long as the lessor deems necessary, and in the amount required by the lessor, which amount may be adjusted periodically.

26. Environmental Compliance. (a) The lessee shall, at the lessee's own expense, comply with all existing and hereafter enacted environmental responsibility laws ("Environmental Laws"). The lessee shall, at the lessee's own expense, make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority (the "Authority") under the Environmental Laws.

(b) Should the Authority require that a remedial action plan be prepared and that a remedial action be undertaken because of the presence of, or any disposal, release, spill, or discharge, or threatened disposal, release, spill, or discharge of or contamination by hazardous materials at the leasehold that occurs during the term of this lease or arises out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease, then the lessee shall, at the lessee's own expense, prepare and submit the required plans and financial assurances and carry out the approved plans. The lessee's obligations under this section shall arise if there is any event or occurrence at the leasehold during the term of this lease, or arising out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease, that requires compliance with the Environmental Laws.

(c) At no expense to the lessor, the lessee shall promptly provide all information requested by the lessor for preparation of affidavits or other documents required by the lessor to determine the applicability of the Environmental Laws to the leasehold, and shall sign the affidavits promptly when requested to do so by the lessor.

(d) The lessee shall indemnify, defend, and hold harmless the lessor from all fines, penalties, suits, judgements, procedures, claims, demands, liabilities, settlements, and actions of any kind arising out of or in any way connected with the presence of or any disposal, release, spill, or discharge or any threatened disposal, release, spill, or discharge of or contamination by hazardous materials at the leasehold that occurs during the term of the lease or arises out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease; and from all fines, penalties, suits, judgements, procedures, claims, demands, liabilities, settlements, and actions of any kind arising out of the lessee's failure to provide all information, make all submissions, and take all steps required by the Authority under the Environmental Laws or any other law concerning any spill, discharge, or contamination that occurs during the term of this lease or arises out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease.

(e) The lessee agrees that it will not discharge or dispose of or suffer the discharge or disposal of any petroleum products, gasoline, hazardous chemicals, or hazardous materials into the atmosphere, ground, wastewater disposal system, sewer system, or any body of water.

(f) In any court action or administrative proceeding, in addition to all other applicable presumptions, it shall be rebuttably presumed that any environmental contamination of the leasehold (i) has been released on the leasehold; (ii) has resulted from acts or omissions of the lessee or its agents; and (iii) has occurred during the term of this lease. The lessee has the burden of rebutting the presumptions by clear and convincing evidence.

(g) This section of this lease does not in any way alter the State of Alaska's powers and rights or the lessee's duties and liabilities under Title 46 (or its successor) of the Alaska Statutes or other state, federal, or municipal statutes, regulations, or ordinances. For example, notwithstanding the provisions of this lease, the State of Alaska shall not be precluded from claiming under AS 46.03.822 that the lessee is strictly liable, jointly and severally, for damages and costs incurred by the state for clean up of contamination on the leasehold. The obligations and provisions of this section 26 shall survive the termination of this lease.

(h) As used in this lease, the term "hazardous materials" means any hazardous or toxic substance, material, or waste that is or becomes regulated by any municipal governmental authority, the State of Alaska, or the United States government.

27. Surrender of Leasehold. Upon the expiration, termination, or cancellation of this lease, the lessee shall peacefully leave and deliver up all of the leasehold in good, sanitary, and marketable condition, order, and repair.

28. Notices. (a) Any notice or demand by the lessee will be made by hand delivery to the Director, Division of Land, or by certified mail, postage prepaid, addressed as follows (or to a new address that the lessor designates in writing), with delivery occurring upon receipt by the lessor:

To the Lessor:

Division of Mining, Land & Water, Southeast Region  
400 Willoughby Ave., Suite 400  
Juneau, Alaska 99801

 lessee

(b) Any notice or demand by the lessor will be made by delivery as provided in 11 AAC 02.040(c). If delivery is by mail, the notice or demand will be addressed as follows (or to a new address that the lessee or its successor in interest designates in writing):

To the Lessee:

**Douglas Island Pink & Chum, Inc.**  
**2697 Channel Drive**  
**Juneau AK 99801**

The lessor will deliver a copy of any such notice or demand to each holder of a security interest in the leasehold whose assignment has been approved by the lessor under section 6 of this lease. Any security interest not approved as provided in section 6 is insufficient to require notice by the lessor under AS 38.05.103.

(c) Any notice or demand regarding the lease must be in writing and will be complete if delivered as set out above.

29. Penalty Charges. The lessee shall pay a fee for any late payment or returned check issued by the lessee as follows:

(1) Late Payment Penalty: The greater of either the fee specified in 11 AAC 05.010 or interest at the rate set by AS 45.45.010(a) will be assessed on a past-due account until payment is received by the lessor. Acceptance of a late payment or of a service charge for a late payment is subject to the lessor's rights under sections 20 and 21 of this lease.

(2) Returned Check Penalty: A returned check fee as provided in 11 AAC 05.010 will be assessed for any check on which the bank refuses payment. If the bank refuses payment, the default termination date remains the same. Late penalties under subsection (1) of this section shall continue to accumulate.

30. Modification. This lease may be modified or amended only by a document signed by both parties. Any purported amendment or modification has no legal effect until placed in writing and signed by both parties.

31. Choice of Law. This lease shall be construed under the laws of the State of Alaska. The lessee confers personal jurisdiction on the courts of the State of Alaska for any litigation under this lease.


32. Severability of Clauses of Lease Agreement. If any clause or provision of this lease is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then the lessor and the lessee agree that the remainder of this lease will not be affected, and in lieu of each clause or provision of this lease that is illegal, invalid, or unenforceable, there will be added as a part of this lease a clause or provision as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.

By signing this lease, the lessor and the lessee agree to be bound by its provisions.

LESSEE:

  
 \_\_\_\_\_  
 Douglas Island Pink & Chum, Inc.

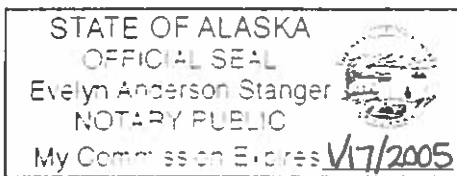
LESSOR:

  
 \_\_\_\_\_  
 Ron Schonenbach, SE Regional Manager  
 Division of Mining, Land & Water

STATE OF ALASKA )  
 ) ss.  
 \_\_\_\_\_ Judicial District )

THIS IS TO CERTIFY that on this 30<sup>th</sup> day of August, 2001, before me personally appeared Jon Carter, known to me to be the Executive Director of Douglas Island Pink & Chum, Inc. the corporation which executed the foregoing Lease, and he acknowledged to me that he executed the same for and on behalf of said corporation, and that he is fully authorized by said corporation so to do; he acknowledged to me that he signed and executed the same freely and voluntarily, for the uses and purposes therein stated.

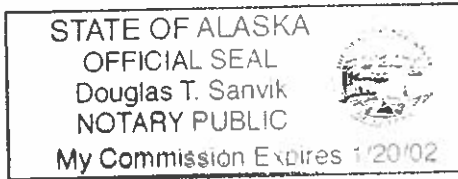
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.



Evelyn Anderson Stanger  
Notary Public in and for the State of Alaska  
My Commission expires: January 17, 2005

STATE OF ALASKA )  
1<sup>st</sup> ) ss.  
 \_\_\_\_\_ Judicial District )

THIS IS TO CERTIFY THAT ON THIS 10<sup>th</sup> day of October, 2001, before me personally appeared Ron Schonenbach, of the Division of Mining, Land & Water of the Department of Natural Resources of the State of Alaska, who executed the foregoing Lease and acknowledged voluntarily signing the same.



Douglas T. Sanvik  
Notary Public in and for the State of Alaska  
My commission expires: 1/20/02

Approved as to form February 9, 1994.

/s/ Elizabeth J. Barry, Assistant Attorney General

After recording in the Juneau Recording District, this document must be returned to the Department of Natural Resources, Division of Mining, Land & Water, Southeast Regional Office, 400 Willoughby Avenue, Suite 400, Juneau, Alaska 99801.

State Business

JAC

**ATTACHMENT 'A'  
TO  
LEASE AGREEMENT ADL 106356**

**SPECIAL STIPULATIONS**

1. **Lease Development.** The development of the Lease area shall be limited in form and scope to the area and improvements specified in the development and operations plan, included as Attachment 'B'. The lessee is responsible for accurately siting development and operations within this area. Use of the area for purposes other than those specified in this agreement is a violation of this lease. Any proposed revisions to the development and operations plan must be approved in writing by the Lessor before the change in use or development occurs. This lease must be utilized for the purpose described in the approved development plan. Failure to make substantial use of the land, consistent with the approved development plan, within five years, will, in the Director's discretion, constitute grounds for cancellation.
  
2. **Insurance.** Pursuant to lease condition #24, the Lessee shall:
  - a) Consult, as appropriate, with an insurance professional licensed to transact the business of insurance under Alaska Statute, Title 21, to determine what types and levels of insurance are adequate to protect the Lessee and Lessor (the State, its officers, agents and employees) relative to the liability exposures of the Lessee's commercial operations.
  
  - b) Secure or purchase at Lessee's own expense, and maintain in full force at all times during the term of the lease, adequate insurance policies and coverage levels recommended by an insurance professional, licensed to transact the business of insurance under Alaska Statute, Title 21, and acceptable to the Lessor. The Lessor will expect to see at a minimum, the following types of coverage:

**Commercial General Liability Insurance:** The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management, Alaska Department of Administration.

**Workers' Compensation Insurance:** The lessee shall provide and maintain, for all its employees, Workers' Compensation Insurance as required by AS 23.30.045. Where applicable, coverage must comply with any other statutory obligations, whether Federal (i.e. U.S.L.&H)., or, Jones Act) or other state laws in which employees are engaged in work on the leased premises. The insurance policy must contain a waiver of subrogation clause in favor of the State of Alaska.
  
  - c) Ensure that the State of Alaska, Department of Natural Resources is included as an additional insured on all liability policies held by the Lessee that provide coverage for liabilities connected to the operations of the Lessee on or in conjunction with the leased premises, referred to as **ADL 106356**.
  
  - d) Provide proof of insurance to the Lessor on a yearly basis. The certificate must provide for a 30-day prior notice to-the-State of Alaska in the event of cancellation, nonrenewal or material change of conditions. Failure to furnish satisfactory evidence of insurance, or lapse of the policy, are material breaches of the lease contract and shall be grounds, at the option of the Lessor, for termination of the lease agreement. Generally, the Lessor will rely upon the best professional judgment of the licensed

insurance agent and, at renewal, the agent's annual re-assessment of the insured's liability exposure for determination of adequate levels of coverage. The Lessor hereby reserves the right to require additional coverage if, in its discretion, it determines that it may be warranted. Any changes in the approved lease development and operations plan, or the existence of significant claims against the liability coverage, would warrant examination of the insurance by the state to determine adequacy.

e) In the event the Lessee becomes aware of a claim against any of its liability coverage, the Lessee shall notify, and provide documentation and full disclosure of the claim to the Lessor within 20 days.

3. **Maintenance.** The State assumes no responsibility for maintenance of improvements constructed on state land nor liability for injuries or damages attributable to that construction.
4. **Performance Guarantee.** Pursuant to Lease Condition #25, the Lessee shall provide a surety bond or other form of security acceptable to the State in the amount of **\$5,000.00** payable to the State of Alaska. Such performance guaranty shall remain in effect for the term of this Lease and shall secure performance of the lessee's obligations hereunder. The amount of the performance guaranty may be adjusted by the Lessor upon approval of amendments to this Lease, changes in the development plan, upon any change in the activities conducted or performance of operations conducted on the premises. If Lessee fails to perform the obligations under this lease within a reasonable time, the State may perform Lessee's obligations at Lessee's expense. Lessee agrees to pay within 20 days following demand, all costs and expenses reasonably incurred by the State of Alaska as a result of the failure of the lessee to comply with the terms of this lease. The provisions of this lease shall not prejudice the State's right to obtain a remedy under any law or regulation. If the Lessor determines that the Lessee has satisfied the terms and conditions of this lease the performance guarantee may be released. The performance guarantee may only be released in a writing signed by the Lessor or an authorized representative.
5. **Solid Waste** All solid waste and debris generated from the activities conducted under this Lease shall be removed to a facility approved by the ADEC prior to the expiration, completion, or termination of the Lease or activities. Temporary storage and accumulation of solid waste (prior to its removal) shall conform to the following:
  - Solid waste shall be stored in a manner that prevents a litter violation under AS 46.06.080;
  - Putrescible wastes (material that can decompose and cause obnoxious odors) shall be stored in a manner that prevents the attraction of or access to wildlife or disease vectors; and
  - The premises shall be maintained free of solid waste that might create a health or safety hazard.
6. **Wastewater Disposal.** Disposal of wastewater from any operation associated with this Lease to state lands or water is specifically prohibited, unless otherwise approved by the Alaska Department of Environmental Conservation.
7. **Fuel and Hazardous Substances.** To ensure future use of public lands as well as tide and submerged lands, fuel and hazardous substance use shall occur in a manner that avoids toxic discharge and run-off.

**Spill Prevention and Cleanup.** The Lessee is responsible for preventing spillage and contamination of contiguous land and water as well as cleaning up any oil or other pollutants that result from activities

associated with this Lease. Appropriate spill response equipment must be on hand to respond to spills from any transfer or handling of fuel or other hazardous substances.

**Container marking.** All independent fuel and hazardous substance containers shall be marked with the contents and the Lessee's name using paint or a permanent label.

8. **Notification.** The lessee shall immediately notify DNR and DEC by phone of any unauthorized discharge of oil to water, any discharge of hazardous substances (other than oil), and any discharge of oil greater than 55 gallons on land. All fires and explosions must also be reported.

The DNR 24 hour spill report number is (907) 451-2678; the Fax number is (907) 451-2751. The DEC spill report number is (800) 478-9300. DNR and DEC shall be supplied with all follow-up incident reports.

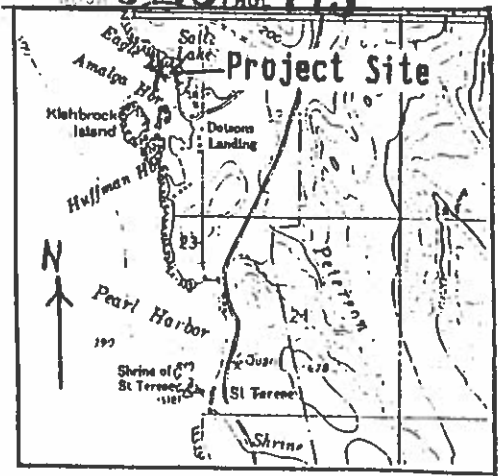
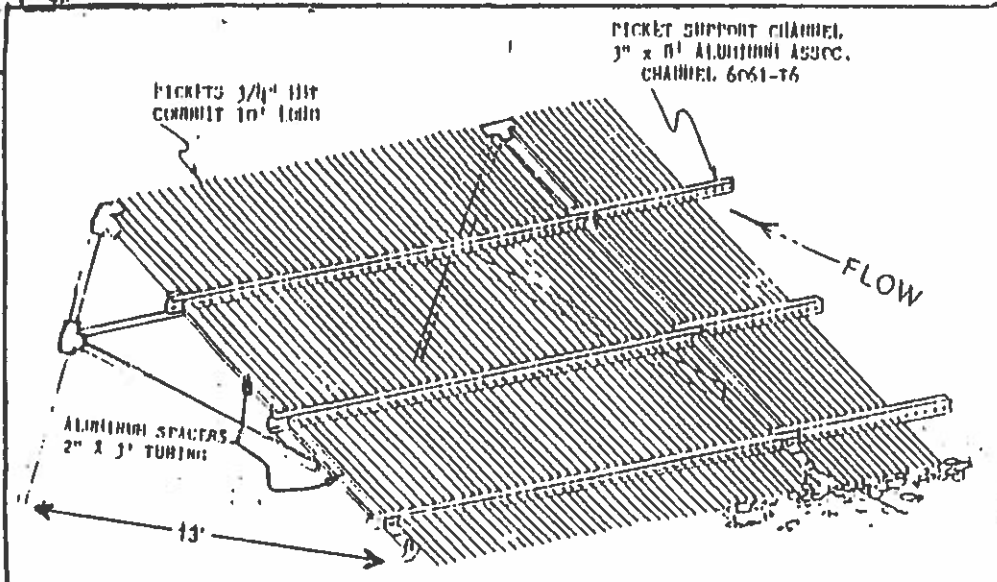
9. **Inspection.** Authorized representatives of the State of Alaska shall have reasonable access to the subject parcel for purposes of inspection. The Lessee may be charged fees under 11 AAC 05.010(a)(7)(M) for routine inspections of the subject parcel, inspections concerning non-compliance, and a final close-out inspection.

10. **Compliance with Governmental Requirements.** The lessee shall, at its expense, comply with all applicable laws, regulations, rules and orders, and the requirements and stipulations included in this Lease. Lessee shall ensure compliance by its employees, agents, contractors, subcontractors, licensees, or invitees.

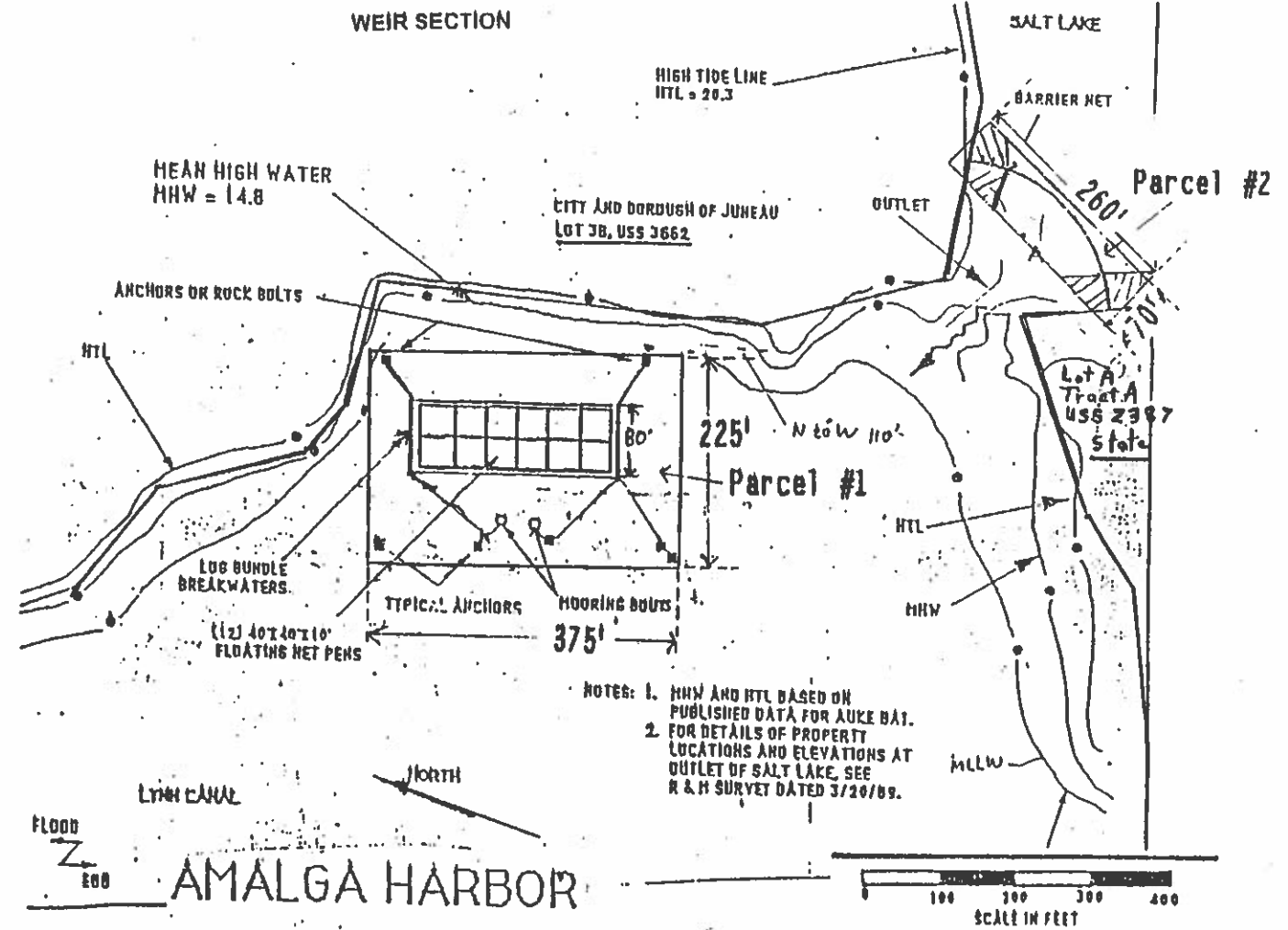
11. **Destruction of Markers.** All survey monuments, witness corners, reference monuments, mining claim posts, bearing trees, and unsurveyed lease corner posts shall be protected against damage, destruction, or obliteration. The lessee shall notify the Lessor of any damaged, destroyed, or obliterated markers and shall reestablish the markers at the lessee's expense in accordance with accepted survey practices of the Division of Mining, Land & Water.

12. **ACMP** Pursuant to Final Consistency Determination AK9801-09JJ dated February 20, 1998:

1. When Workers stay overnight on the float, a self-contained portable toilet must be on the float system, and it must function properly.
2. The portable toilet must be maintained, and the waste must be placed in an appropriate facility.



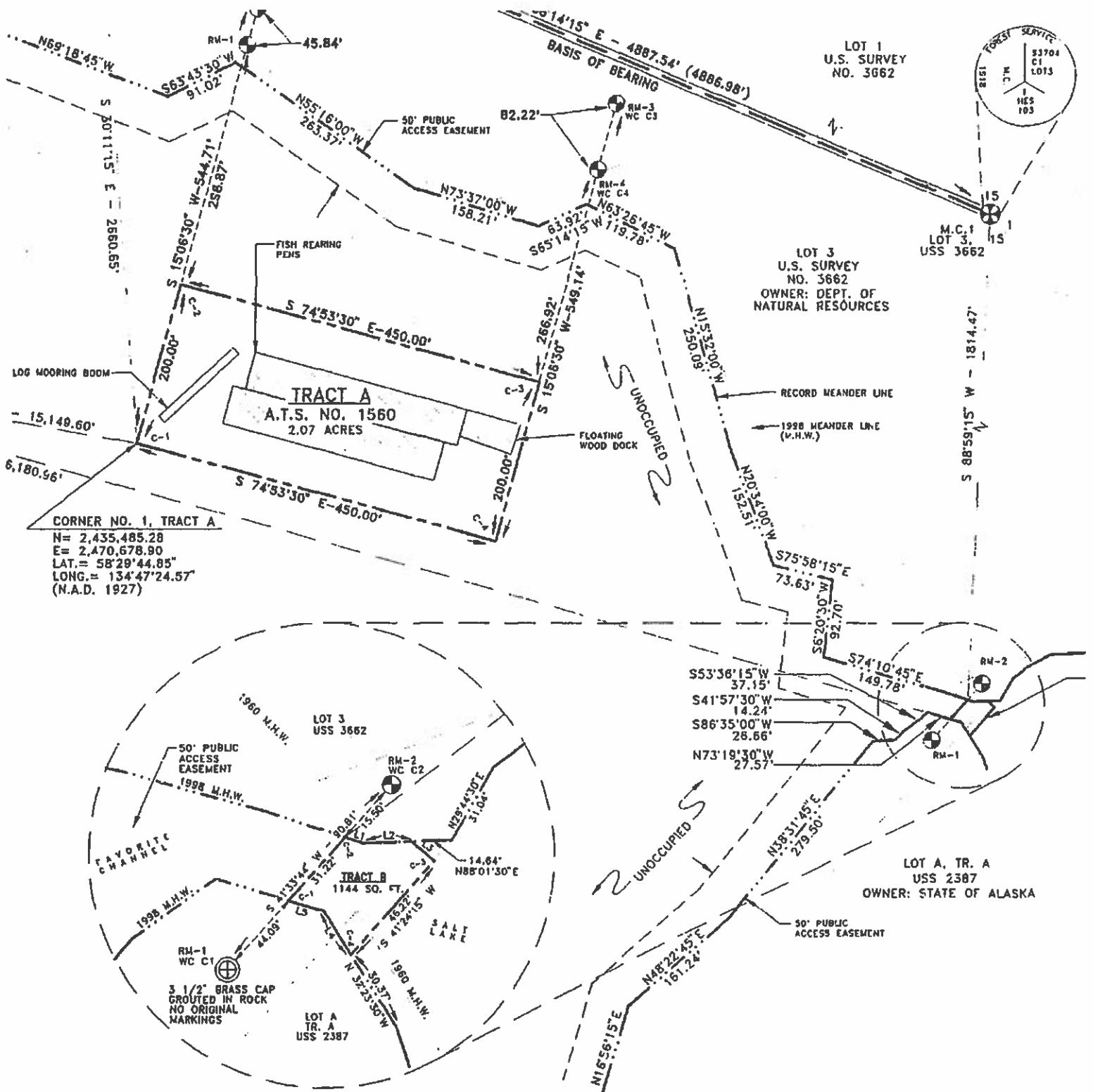
VICINITY MAP  
USGS Quad: Juneau, B-3



- NOTES: 1. HHW AND HTL BASED ON PUBLISHED DATA FOR AUKA BAY.  
2. FOR DETAILS OF PROPERTY LOCATIONS AND ELEVATIONS AT OUTLET OF SALT LAKE, SEE R & H SURVEY DATED 3/20/89.

ATTACHMENT B

Date: August 22, 1997	Applicant: DIPAC
STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF LAND & WATER MANAGEMENT	
TIDELAND LEASE DEVELOPMENT PLAN	
WITHIN Sec 14, T. 39 S., R. 64 E., CRM	
SHEET 1 of 2	ADL 106356 Page 31 of 102



CORNER NO. 1, TRACT A  
 N= 2,435,485.28  
 E= 2,470,678.90  
 LAT.= 58°29'44.85"  
 LONG.= 134°47'24.57"  
 (N.A.D. 1927)

DETAIL 009282  
 JUNEAU N/C  
 RECORDING DISTRICT

2001 OCT 10 A 9 11  
 REQUESTED BY AS/mlw

ATTACHMENT B  
 ADL 106356

Page 2 of 2

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF MINING, LAND AND WATER

400 Willoughby Avenue, SUITE 400

JUNEAU, ALASKA 99801

PHONE: (907) 465-3400

FAX: (907) 586-2954

October 24, 2001

Jon Carter  
Douglas Island Pink & Chum, Inc.  
2697 Channel Drive  
Juneau, AK 99801

RECEIVED

OCT 26 2001

AC Corporation

Re: Approval and Transfer of Tideland Lease No. ADL 106356 to the City and Borough of Juneau

Dear Mr. Carter:

Please note that the contact person for your lease had changed.

All correspondence and rental payments for this lease should be made to:

Attn: Kim Kiefer  
Parks and Recreation  
City and Borough of Juneau  
155 South Seward  
Juneau, AK 99801  
(907) 586-5226

If you have any questions about the lease transfer please call me at 465-3513.

Sincerely,



Doug Sarvik  
Natural Resource Officer

cc: Kim Kiefer, City and Borough of Juneau

*"Develop, Conserve and Enhance Natural Resources for Present and Future Alaskans"*

A. SUMMARY OF APPRAISAL NO. 3012-0

1. ADL NO: 106356 2. SIZE: 2.096 acres 3. APPLICANT: DOUGLAS ISLAND PINK & CHUM, Inc.  
 4. LOCATION: Amalga Harbor near Juneau, Alaska  
 5. LEGAL DESCRIPTION: Tracts "A" and "B", Alaska Tideland Survey No. 1560, Plat 99-6, Juneau Recording District, Alaska  
 6. INTEREST APPRAISED: Market Rent  
 7. APPRAISED BY: Julie C. Dinneen, MAI and Ira Winograd  
 8. DATE of REPORT: March 10, 1999 9. DATE of VALUE: Feb. 28, 1999 10. APPRAISED VALUE: \$830/yr

## B. SUMMARY OF REVIEW

1. DATE of REVIEW: July 20, 2000 2. REVIEWER'S CLIENT: DNR  Other \_\_\_\_\_  
 3. INTENDED USE of the REVIEW: Estimate current market rent for a lease

RECEIVED

JUL 26 2000

DIPAC Corporation

4. PURPOSE of REVIEW: Evaluate for Technical Compliance with DNR Instructions & USPAP

Evaluate for Technical Compliance with UASFLA  Develop Independent Estimate of Value

Other : \_\_\_\_\_

5. SCOPE OF REVIEW: I performed a field review  I did not perform a field review

Data and Information Considered in Addition to that Contained in the Report: None  See Sections C thru F

Special Assumptions & Limiting Conditions for this review: None  See Section G

Proofread DNR data entry: Yes  No  Related appraisals reviewed: 2991, 2989, 3014

6. RESULTS OF REVIEW: Approved  Not Approved  Approved Value: \$ N/A

C. COMPLETENESS OF APPRAISAL MATERIAL WITHIN SCOPE OF WORK APPLICABLE TO THE ASSIGNMENT/CONFORMANCE with APPRAISAL INSTRUCTIONS: NONCONFORMING

This appraisal is in substantial compliance with technical reporting requirements. However, it does not comply with USPAP Standards Rules 1-1(a), 1-1(b), 1-1(c), and 1-2 (h). The valuation of Tract "A" is based on a hypothetical 25-acre parcel with the highest and best use as a park. Tract "A" contains only 2.07 acres and is used for fish rearing. There is no need to appraise a hypothetical parcel [Standards Rule 1-2 (h)].

A highest and best use (HBU) premise of public park contradicts current policy promulgated by the Appraisal Institute (attached), as does use of sales purchased for preservation or non-economic uses. Tract "B" is appraised using comparable leases that have commercial HBU. There is no reason to value Tract "A" differently from Tract "B".

This report fails to correctly employ recognized methods and techniques [Standards Rule 1-1(a)]. The inconsistent valuation methods are a substantial error of commission, and the resulting conclusion of value lacks credibility [Standards Rule 1-1(b) and 1-1(c)].

## D. ADEQUACY and RELEVANCE of APPRAISAL DATA and PROPRIETY OF ADJUSTMENTS: The data used to value Tract "A" are improper and irrelevant. See Section "C" above. The comparables used to value Tract "B" reflect offshore values. Tract "B" adjoins land.



E. APPROPRIATENESS OF APPRAISAL METHODS and TECHNIQUES: Inadequate. See Section "C" above.

F. ANALYSES, OPINIONS, and CONCLUSIONS ARE APPROPRIATE and REASONABLE: Inappropriate market data and valuation methods result in a misleading conclusion. See Section "C" above.

REVIEWER'S ASSUMPTIONS AND LIMITING CONDITIONS

1. This review is based on data and information contained in the appraisal report as well as any additional data from other sources that is identified in this review.
2. The reviewer assumes that the data and information in the appraisal are factual and accurate.
3. The reviewer reserves the right to consider any additional data or information that may subsequently become available, and to revise an opinion or conclusion, if such data and information warrant a revision.
4. All assumptions and limiting conditions contained in the appraisal report are part of this review unless otherwise stated.

REVIEW APPRAISER'S CERTIFICATION APPRAISAL NO. 3012-0

I certify that, to the best of my knowledge and belief:

- the facts and data reported by the reviewer and used in the review process are true and correct.
- the analyses, opinions, and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or use of, this review.
- my analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I did  did not  personally inspect the subject property of the report under review.
- provided significant professional assistance to the person signing this review report.

Reviewed by Judy A. Robinson Date 7-20-2000  
Judy A. Robinson, SRWA

Attachments B, C, and D

cc: Ron Schonenbach, SERO > 7-20-2000  
Terry Rader, SERO

## Public Interest Value

*Public interest value*<sup>6</sup> is a general term covering a family of value concepts that relate the highest and best use of property to noneconomic uses such as conservation or preservation. The term originated in the 1970s in federal legislation relating to federal lands (i.e., private-public exchanges of federal lands deemed to be in the public interest) and federal income taxes (i.e., tax deductions for certain types of donations or dedications of private land for public purposes). The issue of public interest value has also come up in determining the just compensation required in land acquisitions by federal agencies.

Public interest appraisals have generally been characterized by 1) the use of comparables from other public transactions, 2) the most likely purchaser being a public agency, and 3) the land being treated as the basis for the entire compensation to the exclusion of other considerations, e.g., location. Huge amounts of public funds are at stake over what has become a highly controversial issue. Proponents of the public interest value concept recommend a redefinition of highest and best use and market value (to recognize preservation or conservation as a highest and best use), extension of the market concept to include public agencies and conservation groups, and adoption of alternative valuation models. Opponents contend that since noneconomic uses are not responsive to market forces, such uses cannot give rise to market value, the basis of which can only be economic highest and best use. They argue that the application of public interest value concepts invariably results in value estimates that exceed those derived from economic highest and best use analyses. Opponents further point out that government is a different type of player, not constrained to follow market economic rules.

The Appraisal Institute position can be summarized as follows: 1) if the purpose of an appraisal assignment is to estimate market value, then the highest and best use of the property to be appraised must be an economic use; and 2) preservation and conservation are not recognized as an alternative to be considered in highest and best use analysis.

## Insurable Value

Insurable value is based on the replacement and/or reproduction cost of physical items that are subject to loss from hazards. *Insurable value is the portion of the value of an asset or asset group that is acknowledged or recognized under the provisions of an applicable loss insurance policy.* This value is often controlled by state law and varies from state to state.

## Assessed Value

*Assessed value applies in ad valorem taxation and refers to the value of a property according to the tax rolls.* Assessed value may not conform to market value, but it is usually calculated in relation to a market value base.

6. This discussion is based on an article by Woodward S. Hanson, "Public Interest Value and Non-Economic Highest and Best Use: The Appraisal Institute's Position," in *Valuation Insights and Perspectives* (Spring 1996).

## Public Interest Value and Noneconomic Highest & Best Use: The Appraisal Institute's Position

by Woodward S. Hanson, MAI  
Chair, Appraisal Standards Council

The Appraisal Institute has been made aware by its members and other responsible parties outside the Appraisal Institute that controversy has arisen over the meanings of "market value," "highest and best use," and other foundational appraisal terms and concepts. At issue is the use, or attempted use, of noneconomic land ownership concepts as the basis for highest and best use estimates in market value appraisals. The Appraisal Institute and the appraisal profession at large have been brought into the conflict because those who apply the noneconomic highest and best use concepts do so certifying that their work comports to the Uniform Standards of Professional Appraisal Practice (USPAP) and the standards and ethics requirements of the Appraisal Institute.

For purposes of this article, public interest value (PIV) will be referred to as a generic concept covering the family of noneconomic highest and best use concept frequently encountered in conservation and preservation issues. In this context, those who espouse or apply PIV and noneconomic highest and best concepts cannot be correct in their USPAP and Appraisal Institute certifications if they are in fact incorrect in applying their concepts and definitions in market value situations. The issues are beyond simple debate: They are now deeply involved in litigation, governmental transactions, and the public's perception of appraising as a profession.

At issue are key concepts and definitions of the appraisal discipline, our courts, and the market at large (i.e., market value, highest and best use, and just compensation), and the public need for the Appraisal Institute to take a leadership position to provide direction and clarification to our members and the appraisal profession. This article will clearly identify the Appraisal Institute's current position on PIV and its variant family of concepts.

### Background

The PIV issue (and its family of concepts) concerns highest and best use whether a property with a "noneconomic highest and best use" (i.e., preservation, conservation, etc.) can be the subject of a "market value" analysis given the

current professional and legal definitions. PIV proponents suggest the following terms to describe the "special value": PIV, public use value, natural value, intrinsic value, natural resources value, existence value, aesthetic value, scenic value, option value, non-use value, and contingency value. Often these concepts are moved to the level of highest and best use (i.e., natural land highest and best use, conservation highest and best use, preservation highest and best use, etc.) with the resulting value called "market value."

The origin of the current controversy seems to be rooted in federal legislation adopted in the 1970s which allowed for the public-private exchange of federal lands if such exchange was found to be in the "public interest" (later amendments provided for unequal value exchanges). This concept was apparently recognized by the 1984 edition of *The Dictionary of Real Estate Appraisal* which amended the highest and best use definition to include the following sentence:

"Hence, in certain situations the highest and best use of land may be for parks, greenbelts, preservations, conservation, wildlife habitats, and the like."

This language was also substantially inspired by developments in federal income tax laws that permitted income tax deductions for certain types of private land donations or dedications for public purposes. Some argues that such land had *no market value* because it could not be marketed. Others argued that if adjacent land had a highest and best use for residential subdivision purposes (for example), the residential land *unit values* should also be applied to the donated or dedicated land. An attempt was made to reach a more reasonable basis by saying that in a subdivision context, a developer could promote the value of developed areas by creating open space, greenbelts, or the like. Thus, there was a value to such lands which could be measured by looking at the subdivision as a whole. Recognizing the economic viability of these nondevelopment highest and best use categories, and valuing the land accordingly. Importantly, the sum of the parts could not exceed the value of the whole; similarly, all components of land value should be recognized rather than overlooked. My research has not indicated any situation in which the 1984 definition was applied in other than an economic context.

The second edition of the dictionary, published in 1989, eliminated any reference to community development goals and "not for profit" uses for the highest and best use definition. This was also true for the third edition, published in 1993.

(Continued on page 8)

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Editor's Note: Public Interest Value (PIV) and its variant family of concepts relates to the use or attempted use of measures of value other than market value in appraising properties being acquired by public agencies for acquisitions, preservation, conservation, and other purposes. In many instances these concepts are used by professional appraisers or others to support income tax deductions, provide a basis for land exchanges involving governments, or other applications. This article presents the appraisal Institute's position regarding these issues

(Continued from page 7)

The evolution of the highest and best use definition in *The Appraisal Real Estate* is equally dynamic. The seventh edition indicated: "Most profitable likely use cannot always be interpreted strictly in terms of money"; the eighth edition states: "highest and best use takes into account the contribution of a specific use to the community and community development goals, as well as the benefits of that use to the individual property owners"; the ninth edition asserted: "The benefit that an amenity may contribute to the development of a community is not considered in the appraisers' analysis of highest and best use"; and finally, the tenth edition maintains: "The benefit a real estate development produces for a community or the amenity contribution provided by a planned project (i.e., the public space in a park-line area) are not to be considered on the appraiser's analysis of highest and best use."

The Appraisal Institute's Appraisal Standards Council Subcommittee (1993-95) concluded: "It is not appropriate to apply highest and best use to an interest in real estate which is to be held out of economic production into perpetuity, even though the amenity benefits to the community or the public at large are substantial."

This chronology leads to the development of the Appraisal Institute's current position on PIV.

**Common Threads of the PIV Appraisal**

In order to better understand the controversy, one must also consider the common threads which appear to run through the PIV appraisal fabric.

These are:

- A particular public (or noneconomic) interest is selected as the highest and best use.
- The principal, and often the only, comparables used are public transactions, usually without adjustments.
- A governmental agency is frequently the principal, or potentially the only, likely purchaser.
- Intent of the purchaser is prima facie evidence of highest and best use and the comparability of transactions used for comparisons.
- Government transactions associated with the land are treated as though the entire compensation were paid for land, even if other considerations exist.
- Location is rarely, if ever, a major consideration in making adjustments.
- Because highest and best use is "similar" among the transactions considered, their indications may be "averaged" to develop a unit of comparison.

PIV proponents state that traditional valuation methods are generally not applicable to the valuation of natural lands. The attributed cause for the public is severely constrain or restriction stop an economic use. Furthermore, it is advocated that the unique property features make comparable properties hard to find and the traditional valuation tools have led to under-valuation of natural lands. Alternative valuation models being suggested and applied include: 1) travel cost method

based on stream of user fees; 2) contingent valuation: surveys to determine what people would be willing to pay to preserve a natural resource; 3) component benefits approach: valuing the amenity or resource components separately; and 4) option value based on gaining the option to preserve the resource in its present state or to develop it later.

In "re-engineering" the appraisal process, the PIV proponents suggest that the appraisal profession: 1) re-examine the definition of highest and best use and market value; 2) expand the notion of the market to include public agencies, conservation groups, not-for-profits, etc.; and 3) recognize conservation and/or preservation as an alternative to be considered in the highest and best use analysis.

Opponents to the PIV platform generally conclude that preservation use is not an economic activity shaped by market forces, so it can neither have a market value nor be determined to have a highest and best use. A paramount argument is the application of PIV concepts invariably results in value estimates that are demonstrably far beyond those that are derived from economic highest and best use analyses. Thus, they exceed the normal requirements of "just compensation" or public and private protections afforded by longstanding requirements that the marketplace be the standard where public-private interests are involved.

It is also suggested that government is a different type of player and need not follow the market's economic rules of optimizing investment returns. Public user as highest and best use is fearfully perceived as creating "circular logic" wherein the "intent of the acquirer" establishes particular land as "public interest (or equivalent) land." The PIV process is perceived as an "artificial academic construct." It is also argued that the public has a right to know what it's paying for and that the public can pay more than market value (i.e., economic worth) for a particular property if a duly constituted agency (Congress or a legislature) determines that such action is in the public interest. Finally, it is suggested that public agencies and conservation groups are not competitors, but have a common purpose.

**Chronology of the Appraisal Institute's Review**

Before providing the reader with a summation of the Appraisal Institute's position on PIV and the variant family of concepts, provided first is a review of this issue. The following chronology is presented:

- October 1993: The Executive Committee approves a motion requesting that the Appraisal Standards Council (ASC) study PIV.
- February 1994: An ASC subcommittee is appointed to study this issue.
- August 1994: The subcommittee prepares a written preliminary report which is distributed to the ASC. A motion is passed to accept the report and transmit it to the Executive Committee for such action as deemed appropriate. Those opposed to the motion argue that PIV concerns price, not value.
- April 1995: A subcommittee chair reports a written

(Continued from page 8)

forum titled "Appraising Land for Government Acquisitions/Preservation." He indicates that the issue is more broad-based than originally anticipated and that further study must address the issues of market value, highest and best use, conditions of sale, intangible value, and competency. A motion is passed to withdraw the draft report of the subcommittee and return it to the ASC. A second motion is passed requesting that the Appraisal Standard Board (ASB) of the Appraisal Foundation appoint a task force to study the PIV issue.

- December 1995: The Executive Committee requests that the ASC reconsider its recommendation to refer the PIV issue to the ASB for further action. The ASC Subcommittee chairs states that the Appraisal Institute's position is clear that appraisers cannot estimate market value for a noneconomic highest and best use. The following submitted as a position statement:

"The Appraisal Institute has studied the issue of appraising unique or environmentally sensitive properties and has concluded that these properties can be appraised under the existing standards of practice of the Appraisal Institute and within the provisions of its Code of Ethics provided that: 1) Highest and best use if the purpose of the appraisal is to estimate market value. 2) The value estimated is properly defined. 3) If the purpose of the appraisal is to estimate value for noneconomic highest and best use, the value estimate must be for something other than market value. 4) Comparable market data is verified to the level of detail necessary to understand and report: a) both buyer and seller motivation; b) the amount and type of compensation involved; and c) the physical, locational, economic, and environmental characteristics."

- February 1996: The Executive Committee reviews the above motion and unanimously passes the motion, amended as follows:

"That the following policy statement be adopted: The Appraisal Institute has studied the issue of appraising unique or environmentally sensitive properties and has concluded that these properties can be appraised under the existing Standards of Professional Appraisal Practice of the Appraisal Institute, which includes USPAP, and within the provision of its Code of Ethics, and that the highest and best use must be an economic use if the purpose of the appraisal is to estimate market value.

- April 1996: The position statement is presented to the Board of Directors. In response to comments received from members and/or concerned parties, the Executive Committee modifies its February motion to read as follows:

"That the following policy statement be adopted: The Appraisal Institute has studied the issue of appraising, preservation and/or conservation properties and has concluded that these properties can be appraised under the existing Standards of Professional Appraisal Practice of the Appraisal Institute, which includes USPAP, and within the provision of its Code of Ethics, and that the highest and best use must be an economic use if the purpose of the appraisal is to estimate market value."

#### The Appraisal Institute's Position on PIV

As a result of considerable discussion and debate, the Appraisal Institute's position on PIV and the related family of concepts is summarized as follows:

- If the purpose of an appraisal assignment is to estimate market value, then the highest and best use of the property to be appraised must be an economic use.
- Preservation and conservation are not recognized as economic alternatives to be considered in the highest and best use analysis.
- Transactions involving purchasers whose intent is to preserve/conservate privately owned natural lands should not be considered as reliable evidence in support of the market value estimate.

Until such time as the definitions of market value and highest and best use are changed, and until new systems are introduced to replace the current legal and market systems of our country, above policy will clearly govern the members of the Appraisal Institute. It should also serve as a guide to the profession, governments, other users of appraisal services, and the public at large.

Woodward S. Hanson, MAI, is president and senior analyst of Hanson Appraisal Company, Inc. in Fort Myers, FL. He graduated with honors from the University of Florida's College of Business Administration with a major in real estate and urban land studies and the College of Architecture with a major in architectural design. He is chair of the Appraisal Institute's Appraisal Standards Council, vice chair of the National Ethics and Counseling Committee, a member of the Admissions Appeals Board, past chair of the Review and Counseling Division, and past president of the West Coast Florida Chapter of the Appraisal Institute. He has recently been nominated as the 1998 vice president of the Appraisal Institute, which will be voted on by the board of Directors soon; approval will make him in line to become president in the year 2000.

Attachment D



KENDALL THURSTON, MAI  
DIRECTOR OF SCREENING  
Personal Office:  
P.O. Box 39  
Murphys, CA 95247  
(209) 728-2281

March 8, 1999

Charles P. Bucarfa, Sr., MAI  
Appraisals West  
7441 Center Parkway  
Sacramento, California 95823

Dear Chuck:

The "official position" of the Appraisal Institute on the interpretation of what constitutes Public Interest Value and how appraisals of that value type are to be handled are as stated in Woody Hanson's article. That position was adopted by our Board of Directors. ←

You have asked if an appraisal of the public interest value of a property is prepared without being entirely in compliance with Mr. Hanson's article would constitute a violation of the Standards of Professional Appraisal Practice of the Appraisal Institute, including USPAP. I can give you a firm "yes and no" on that. The key is, as always, not to be misleading. As Hugo Drumm, MAI so aptly stated, "Tell 'em what you did, and tell 'em what you didn't do." This could be especially helpful in the "scope" section of the report; for example, what were the time and geographical limits of the data search.

Beyond that, the only significant problem I have seen in public interest value estimates is when an appraiser has equated public interest value with market value. The terms are not synonymous. This is where a violation of standards would likely occur.

Sincerely,

Kendall Thurston, MAI  
Director of Screening



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Natural Resources

DIVISION OF MINING, LAND & WATER  
Southeast Regional Land Office

P. O. Box 111020  
Juneau, Alaska 99811-1020  
Main: 907.465.3400  
TTY: 711 or 800-770-8973  
Fax: 907.500.9011

April 27, 2026

Douglas Island Pink and Chum (DIPAC)  
2697 Channel Drive  
Juneau, AK 99801

Re: Land Use Permit LAS 27473

DIPAC,

The Division has executed and enclosed the Land Use Permit for LAS 27473. The permit is valid beginning July 1, 2026, through June 30, 2031, if you pay any required annual use fee and comply with all permit conditions. We have also enclosed a site placard to be **posted in a conspicuous location** at the permitted site. Contact us if a replacement placard is needed prior to permit expiration.

If you have any questions, you may contact me at (907) 465-3937 or by e-mail at [muriel.walatka@alaska.gov](mailto:muriel.walatka@alaska.gov).

Sincerely,

*Muriel Walatka*

Muriel Walatka  
Natural Resource Specialist

Enclosure(s):  
Signed Land Use Permit LAS 27473  
Placard





THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF MINING, LAND & WATER  
Southeast Regional Land Office

400 Willoughby Avenue/PO Box 111020  
Juneau, Alaska 99811-1020  
Main: (907) 465-3400  
TTY: 711 or 880.770.8973  
Fax: (907) 500-9011

**LAND USE PERMIT  
AS 38.05.850**

**PERMIT # LAS 27473**

DOUGLAS ISLAND PINK & CHUM INC herein known as the Grantee, is issued this permit from the Department of Natural Resources, herein known as the Grantor, authorizing the use of state land within:

**Legal Description:**

Section 14, Township 39 South, Range 64 East, Copper River Meridian

**This permit is issued for the purpose of authorizing the following:**

The Alaska Department of Natural Resources, Division of Mining, Land and Water is proposing to reissue a Land Use Permit for the use of state owned submerged lands for a net pen array.

This permit is for the term beginning **July 1, 2026** and ending **June 30, 2031** unless sooner terminated at the state's discretion, effective the date of signature by the Authorized State Representative. This permit does not convey an interest in state land and as such is revocable, with or without cause. The Grantor will give 30 days' notice before revoking a permit at will. A revocation for cause is effective immediately. No preference right for use or conveyance of the land is granted or implied by this authorization.

This permit is issued subject to the following:

- Payment of the annual use fee in the amount of \$3,000.00 due on or before the annual anniversary date and any additional fees identified in the stipulations below.
- Proof of insurance as described in stipulations below.

The non-receipt of a courtesy billing notice does not relieve the Grantee from the responsibility of paying fees on or before the due date.

All activities shall be conducted in accordance with the following stipulations:

1. **Authorized Officer:** The Authorized Officer (AO) for the State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), is the Regional Manager or designee.
2. **Change of Contact Information:** The Grantee shall maintain current contact information with the AO. Any change of contact information must be submitted in writing to the AO.

3. **Valid Existing Rights:** This authorization is subject to all valid existing rights and reservations in and to the authorized area. The State makes no representations or warranties, whatsoever, either expressed or implied, as to the existence, number, or nature of such valid existing rights.
4. **Preference Right:** No preference right for subsequent authorizations is granted or implied by this authorization.
5. **Inspections:** The AO shall have reasonable access to the authorized area for inspection, which may be conducted without prior notice. If the Grantee is found to be in noncompliance the authorized area may be subject to reinspection. The Grantee may be charged for actual expenses of any inspection.
6. **Public Access:** The construction, operation, use, and maintenance of the authorized area shall not interfere with public use of roads, trails, waters, landing areas, and public access easements. The ability to use or access state land or public waters may not be restricted in any manner. However, if a specific activity poses a safety concern, the AO may allow the restriction of public access for a specific period of time. The Grantee is required to contact the AO in advance for approval. No restriction is allowed unless specifically authorized in writing by the AO.
7. **Public Trust Doctrine:** This authorization is subject to the principles of the Public Trust Doctrine regarding navigable or public waters which guarantees public access to, and the public right to use, navigable and public waters and the land beneath them for navigation, commerce, fishing, and other purposes. The AO reserves the right to grant other interests consistent with the Public Trust Doctrine.
8. **Alaska Historic Preservation Act:** The Alaska Historic Preservation Act, AS 41.35.200, prohibits the appropriation, excavation, removal, injury, or destruction of any state owned historic, prehistoric, archaeological or paleontological site without written approval from the DNR Commissioner. Should any sites be discovered, the Grantee shall cease any activities that may cause damage and immediately contact the AO and the Office of History and Archaeology in the Division of Parks and Recreation.
9. **Compliance with Government Requirements:** The Grantee shall, at its expense, comply with all federal, state, and local laws, regulations, and ordinances directly or indirectly related to this authorization. The Grantee shall ensure compliance by its employees, agents, contractors, subcontractors, licensees, or invitees.
10. **Incurred Expenses:** The Grantor shall in no way be held liable for expenses incurred by the Grantee connected with the activities directly or indirectly related to this authorization.
11. **Waiver of Forbearance:** Any failure on the part of the AO to enforce the terms of this authorization, or the waiver of any right under this authorization by the Grantee, unless in writing, shall not discharge or invalidate the authorization of such terms. No forbearance or written waiver affects the right of the AO to enforce any terms in the event of any subsequent violations of terms of this authorization.
12. **Severability Clause:** If any clause or provision of this authorization is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then

the Grantor and the Grantee agree that the remainder of this authorization will not be affected, and in lieu of each clause or provision of this authorization that is illegal, invalid, or unenforceable, there will be added as a part of this authorization a clause or provision as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.

13. **Posting Placard:** The placard included with this permit shall be placed on-site in a conspicuous location visible from the most common access route or vantage point.
14. **Permit Extensions/Reissuance:** Any request for permit extension or reissuance should be submitted at least 90 days prior to the end of the authorized term. A written statement requesting a one-year extension confirming there will be no changes to the development/operations plan, including photographs clearly depicting the current condition of the site and any improvements, must be submitted to the AO with any required filing fee. A new Land Use Permit application and any required filing fee is required when requesting reissuance of up to five years or for modifications to the approved development/operations plan on file with DMLW.
15. **Assignment:** This permit may not be transferred or assigned.
16. **Reservation of Rights:**
  - a. The AO reserves the right to grant additional authorizations to third parties for compatible uses on or adjacent to the land under this authorization.
  - b. Authorized concurrent users of state land, their agents, employees, contractors, subcontractors, and licensees, shall not interfere with the operation or maintenance activities of each user.
  - c. The AO may require authorized concurrent users of state land to enter into an equitable operation or maintenance agreement.
17. **Violations:** A violation of this authorization is subject to any action available to the State for enforcement and remedies, including revocation of the permit, civil action for forcible entry and detainer, ejectment, trespass, damages, and associated costs, or arrest and prosecution for criminal trespass in the second degree. The State may seek damages available under a civil action, including restoration damages, compensatory damages, and treble damages under AS 09.45.730 or AS 09.45.735 for violations involving injuring or removing trees or shrubs, gathering geotechnical data, or taking mineral resources.
18. **Directives:** Directives may be issued for corrective actions that are required to correct a deviation from design criteria, project specifications, stipulations, State statutes or regulations. Work at the area subject to the Directive may continue while implementing the corrective action. Corrective action may include halting or avoiding specific conduct, implementing alternative measures, repairing any damage to state resources that may have resulted from the conduct, or other action as determined by DNR.
19. **Stop Work Orders:** Stop Work Orders may be issued if there is a deviation from design criteria, project specifications, stipulations, State statutes or regulations and that deviation is causing or is likely to cause significant damage to state resources. Under a Stop Work Order, work at the area subject to the Stop Work Order may not resume until the deviation is cured and corrective action is taken. Corrective action may include halting or avoiding

specific conduct, implementing alternative measures, repairing any damage to state resources that may have resulted from the conduct, or other action as determined by DNR.

**20. Accidents and Incidents:** The Grantee will notify the AO within 24 hours of any accidents, injuries, or operational problems associated with the authorization including, but not limited to, conflicts with other operators or the general public, client or guide triggered avalanche incidents, lost or overdue clients or employees due to avalanche, or fatalities. The AO phone number is (907) 269-8503. The Grantee will maintain complete records of all accidents and incidents which will be made available to the AO upon request.

**21. Notification of Discharge:** The Grantee shall immediately notify the Department of Environmental Conservation (DEC) and AO of any unauthorized discharge of oil to water, any discharge of hazardous substances (other than oil), and any discharge of oil greater than 55 gallons on land. All fires and explosions must also be reported immediately.

If a discharge, including a cumulative discharge, of oil is greater than 10 gallons but less than 55 gallons, or a discharge of oil greater than 55 gallons is made to an impermeable secondary containment area, the Grantee shall report the discharge within 48 hours. Any discharge of oil greater than one gallon up to 10 gallons, including a cumulative discharge, solely to land, must be reported in writing on a monthly basis.

Notification of discharge during normal business hours must be made to the nearest DEC Area Response Team: Anchorage (907)269-3063, fax (907) 269-7648; Fairbanks (907) 451-2121, fax (907) 451-2362; Juneau (907) 465-5340, fax (907) 465-5245. For discharges in state off shore waters call (907) 269-0667. The DEC oil spill report number outside normal business hours is (800) 478-9300.

Notification of discharge must be made to the appropriate DNR Office, preferably by e-mail: Anchorage email [dnr.scro.spill@alaska.gov](mailto:dnr.scro.spill@alaska.gov), (907) 269-8503; Fairbanks email [dnr.nro.spill@alaska.gov](mailto:dnr.nro.spill@alaska.gov), (907) 451-2739; Juneau email [dnr.sero.spill@alaska.gov](mailto:dnr.sero.spill@alaska.gov), (907) 465-3400. The Grantee shall supply the AO with all incident reports submitted to DEC.

**22. Returned Check Penalty:** A returned check penalty of \$50.00 will be charged for any check on which the bank refuses payment. Late payment penalties shall continue to accrue.

**23. Late Payment Penalty Charges:** The Grantee shall pay a fee for any late payment. The amount is the greater of either \$50.00 or interest accrued daily at the rate of 10.5% per annum and will be assessed on each past-due payment until paid in full.

**24. Use Fees:** The Grantee shall pay to DMLW an annual use fee of \$3,000.00. The use fee is due on or before the annual anniversary of the effective date of this permit without the necessity of any billing by DMLW. The annual use fee is subject to adjustments in any relevant fee schedule.

**25. Request for Information:** The AO, at any time, may require the Grantee to provide any information directly or indirectly related to this authorization, in a manner prescribed by the AO.

**26. Completion Report:** A completion report shall be submitted prior to relinquishment, or within 30 days after expiration or termination of the authorization. Failure to submit a

satisfactory report subjects the site to a field inspection requirement for which the Grantee may be assessed an inspection fee, as outlined herein. The report shall contain the following information:

- a. a statement of restoration activities and methods of debris disposal;
- b. a statement that the Grantee has removed all improvements and personal property from the authorized area;

**27. Site Disturbance:** Site disturbance shall be kept to a minimum to protect local habitats. All activities at the site shall be conducted in a manner that will minimize the disturbance of soil and vegetation and changes in the character of natural drainage systems.

- a. Attention must be paid to prevent pollution and siltation of streams, lakes, ponds, wetlands, and disturbances to fish and wildlife habitat.

**28. Site Restoration:** On or before permit expiration (if a reissuance application has not been submitted) or termination of this authorization by the Grantee, the Grantee shall remove all improvements, personal property, and other chattels, and return the permitted area to a clean and safe condition. In the event the Grantee fails to comply with this requirement, the Grantee shall be held liable for any and all costs incurred by the State to return the permitted area to a clean and safe condition.

**29. Indemnification:** The Grantee assumes all responsibility, risk and liability for its activities and those of its employees, agents, contractors, subcontractors, licensees, or invitees, directly or indirectly related to this permit, including environmental and hazardous substance risk and liability, whether accruing during or after the term of this permit. The Grantee shall defend, indemnify, and hold harmless the State, its agents and employees, from and against any and all suits, claims, actions, losses, costs, penalties, and damages of whatever kind or nature, including all attorney's fees and litigation costs, arising out of, in connection with, or incident to any act or omission by the Grantee, its employees, agents, contractors, subcontractors, licensees, or invitees, unless the proximate cause of the injury or damage is the sole negligence or willful misconduct of the State or a person acting on the State's behalf. Within 15 days, the Grantee shall accept any such cause, action or proceeding upon tender by the State. This indemnification shall survive the termination of the permit.

**30. Insurance:** Pursuant to 11 AAC 96.065 the Grantee shall secure or purchase at its own expense, and maintain in force at all times during the term of this permit, liability coverage and limits consistent with what is professionally recommended as adequate to protect the Grantee (the insured) and Grantor (the State, its officers, agents and employees) from the liability exposures of ALL the insured's operations on state land. Certificates of Insurance must be furnished to the AO prior to the issuance of this permit and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. The Grantee must provide for a 60-day prior notice to the State before they cancel, not renew or make material changes to conditions to the policy. Failure to furnish satisfactory evidence of insurance, or lapse of the policy, are material breaches of this permit and shall be grounds, at the option of the State, for termination of the permit. All insurance policies shall comply with, and be issued by, insurers licensed to transact the business of insurance under Alaska Statute, Title 21. The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management, Department of Administration. The State must be named as an additional named insured on the policy with

respect to the operations of the Grantee on or in conjunction with the permitted premises, referred to as LAS 27473.

- 31. Performance Guaranty:** Pursuant to 11 AAC 96.060, the Grantee shall provide a surety bond or other form of security acceptable to the DMLW in the amount of \$7,600.00 payable to the State of Alaska. Such performance guaranty shall remain in effect for the term of this authorization and shall secure performance of the Grantee's obligations hereunder. The amount of the performance guaranty may be adjusted by the AO in the event of approved amendments to this authorization, changes in the development plan, or any change in the activities or operations conducted on the premises. The guaranty may be utilized by the State to cover actual costs incurred by the State to pay for any necessary corrective actions in the event the Grantee does not comply with the site utilization, restoration requirements and other stipulations contained in this permit agreement. If the Grantee fails to perform the obligations under this permit within a reasonable timeframe, the State may perform the Grantee's obligations at the Grantee's expense. The Grantee agrees to pay within 20 days following demand, all costs and expenses incurred by the State as a result of the failure of the Grantee to comply with the terms and conditions of this permit. Failure to do so may result in the termination of an authorization and/or forfeiture of the performance guaranty. The provisions of this permit shall not prejudice the State's right to obtain a remedy under any law or regulation. If the AO determines that the Grantee has satisfied the terms and conditions of this authorization, the performance guaranty will be subject to release. The performance guaranty may only be released in writing by the AO.
- 32. Fuel and Hazardous Substances:** No fuel or hazardous substances may be stored on state land.
- 33. Waste Disposal:** On-site refuse disposal is prohibited, unless specifically authorized. All waste generated during operation, maintenance, and termination activities under this authorization shall be removed and disposed of at an off-site DEC approved disposal facility. Waste, in this paragraph, means all discarded matter, including but not limited to human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and discarded equipment.
- 34. Navigation and Public Access:** Anchoring methods, shoreties, buoys and running lines shall not preclude reasonable public access nor interfere with the ability to safely navigate within and adjacent to the permitted area.
- 35. Destruction of Markers:** The Grantee shall protect all survey monuments, witness corners, reference monuments, mining claim posts, bearing trees, and unsurveyed corner posts against damage, destruction, or obliteration. The Grantee shall notify the AO of any damaged, destroyed, or obliterated markers and shall reestablish the markers at the Grantee's expense in accordance with accepted survey practices of the DMLW.
- 36. Site Maintenance:** The authorized area shall be maintained in a neat, clean, and safe condition, free of any solid waste, debris, or litter, except as specifically authorized herein. Nothing may be stored that would be an attractive nuisance to wildlife or create a potentially hazardous situation.

- 37. Maintenance of Improvements:** The Grantor is not responsible for maintenance of authorized improvements or liable for injuries or damages related to those improvements. No action or inaction of the Grantor is to be construed as assumption of responsibility.
- 38. Amendment or Modification:** The Grantee may request an amendment or modification of this authorization; the Grantee's request must be in writing. Any amendment or modification must be approved by the AO in advance and may require additional fees and changes to the terms of this authorization.
- 39. Development Plan:** Development shall be limited to the authorized area and improvements specified in the approved development plan or subsequent modifications approved by the AO. The Grantee is responsible for accurately siting development and operations within the authorized area. Any proposed revisions to the development plan must be approved in writing by the AO before the change in use or development occurs.
- 40. Proper Location:** This authorization is for activities on state lands or interests managed by DMLW. It does not authorize any activities on private, federal, native, and municipal lands, or lands which are owned or solely managed by other offices and agencies of the State. The Grantee is responsible for proper location within the authorized area.
- 41. Floatation and Stability Standard:** The overall buoyancy and stability of the floating structure shall be designed and maintained to accommodate local wind conditions and water turbulence, moving and launching, wave action, tides, loads imposed by vessels and walkways moored to the structure, live and dead loads and the possibility of water flooding associated with firefighting. The floatation device shall be durable and protected from deterioration by water, mechanical damage due to floating debris, electrolytic action, water-borne solvents, organic infestation and/or physical abuse. DMLW may, in its discretion, require the Grantee to contract with a qualified third party to conduct a marine survey or similar engineering report to evaluate known or suspected conditions that may compromise the floating facilities' floatation and/or stability. The Grantee shall be responsible for all costs associated with any such evaluations that may be required.
- 42. Fire Prevention, Protection and Liability:** The Grantee shall take all reasonable precautions to prevent and suppress forest, structure, brush and grass fires, and shall assume full liability for any damage to state land and structures resulting from the negligent use of fire. The State is not liable for damage to the Grantee's personal property and is not responsible for forest fire protection of the Grantee's activity. To report a wildfire, call 911 or 1-800-237-3633.
- 43. Anchor Lines and Shoreties:**
- a. All lines must be secured and properly tensioned to avoid entanglement with marine mammals. The Grantee shall contact the NOAA Fisheries' 24/7 hotline at (877) 925-7773 if an injured, entangled, or dead marine mammal is seen in the authorized area.
  - b. Use of shoreties connected to adjacent uplands is prohibited unless written permission is first obtained from the upland owner. Unauthorized use of the uplands where an authorization is required shall constitute just cause for termination of this permit.
  - c. Shoreties that extend above water must be well-marked with reflective material.


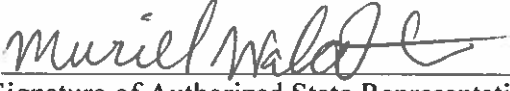
- d. Shoreties spanning potential boat routes are to be submerged by weights or anchors so as not to impede or impair access and must be marked with buoys where the lines may present a potential navigation hazard.

**44. Grounding:** The floating structure shall not ground at any tidal stage.

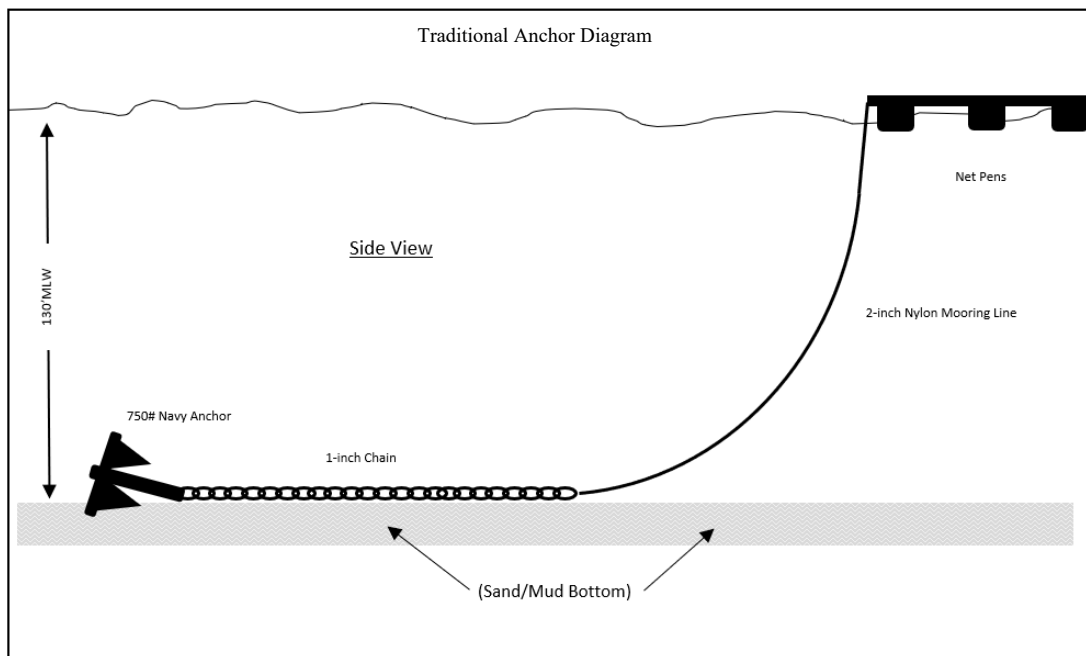
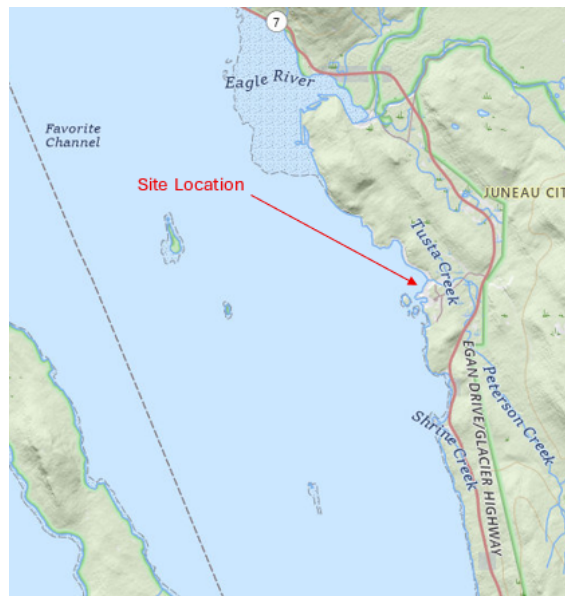
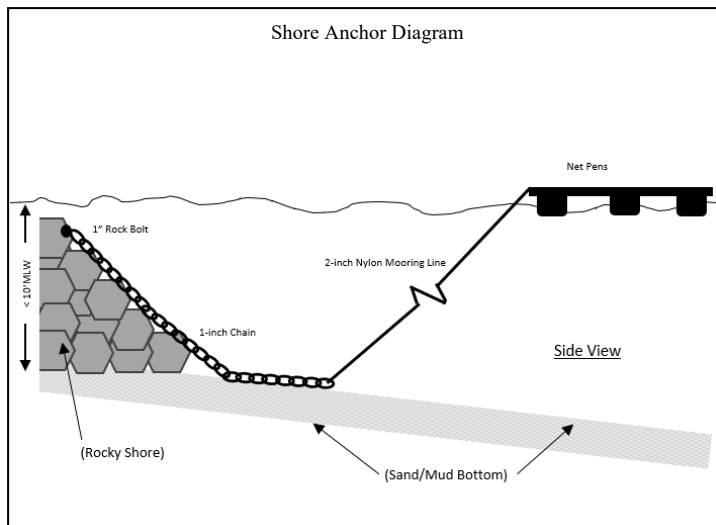
**45. Boat Labels:** Boats shall be labeled with the owner's name, business name, and State registration numbers. If the boat is used in a commercial fishing activity, it also needs a vessel license number from the Commercial Fisheries Entry Commission.

The Authorized Officer reserves the right to modify these stipulations or use additional stipulations as deemed necessary. The Grantee will be advised before any such modifications or additions are finalized. DNR has the authority to implement and enforce these conditions under AS 38.05.850. Any correspondence on this authorization may be directed to the Department of Natural Resources, Division of Mining, Land and Water, Southeast Regional Land Office, 400 Willoughby Avenue/PO Box 111020, Juneau, AK 99811-1020, (907) 465-3400.

I have read and understand all of the foregoing and attached stipulations. By signing this authorization, I agree to conduct the authorized activity in accordance with the terms and conditions of this authorization.

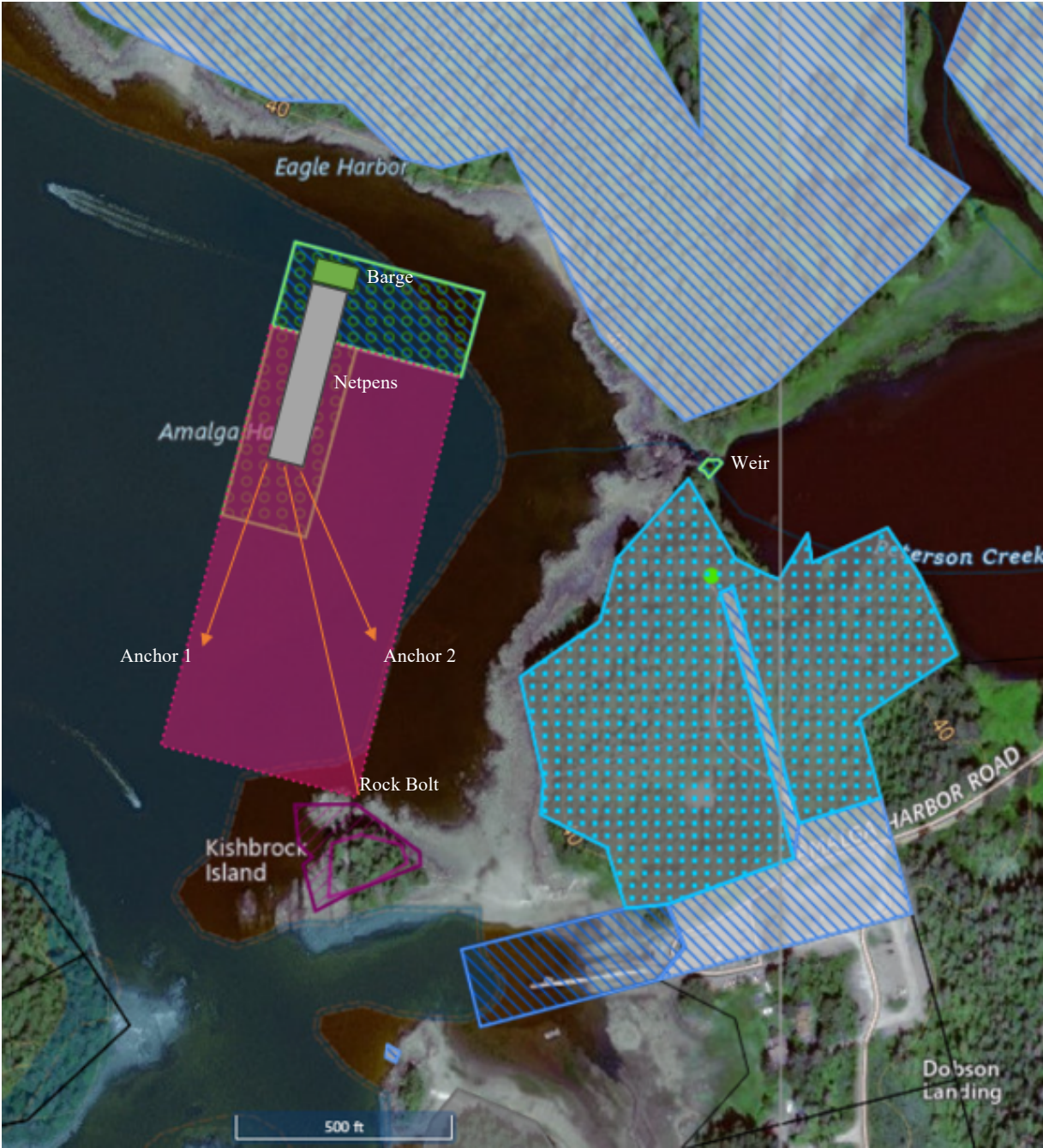
	Operations Manager	4/17/2026
Signature of Grantee or Authorized Representative	Title	Date
2697 Chanddome	Juneau	AK
Grantee's Address	City	State
		99801
		Zip
Jon Pearce	907-463-5114	
Contact Person	Home Phone	Work Phone
	Natural Resource Spec.	4/27/2026
Signature of Authorized State Representative	Title	Date

**SITE DEVELOPMENT DIAGRAM**



Date Prepared: March 1, 2026	Applicant's Name: Douglas Island Pink & Chum, Inc. (DIPAC)
<b>ALASKA DEPARTMENT OF NATURAL RESOURCES</b>	
<b>DIV. OF MINING, LAND, WATER</b>	
<b>LAND USE PERMIT</b>	
<b>SITE DEVELOPMENT DIAGRAM</b>	
Sec.(s) 14	T. 39S S., R. 64E E., CR M
SHEET 1 OF 2	LAS # 27473

LOCATION MAP



Date Prepared: March 1, 2026	Applicant's Name: Douglas Island Pink & Chum, Inc. (DIPAC)
<b>ALASKA DEPARTMENT OF NATURAL RESOURCES DIV. OF MINING, LAND, WATER LAND USE PERMIT</b>	
<b>SITE DEVELOPMENT DIAGRAM</b>	
Sec.(s) 14	T. 39S S., R. 64E E., CR M
SHEET 2 OF 2	LAS # 27473

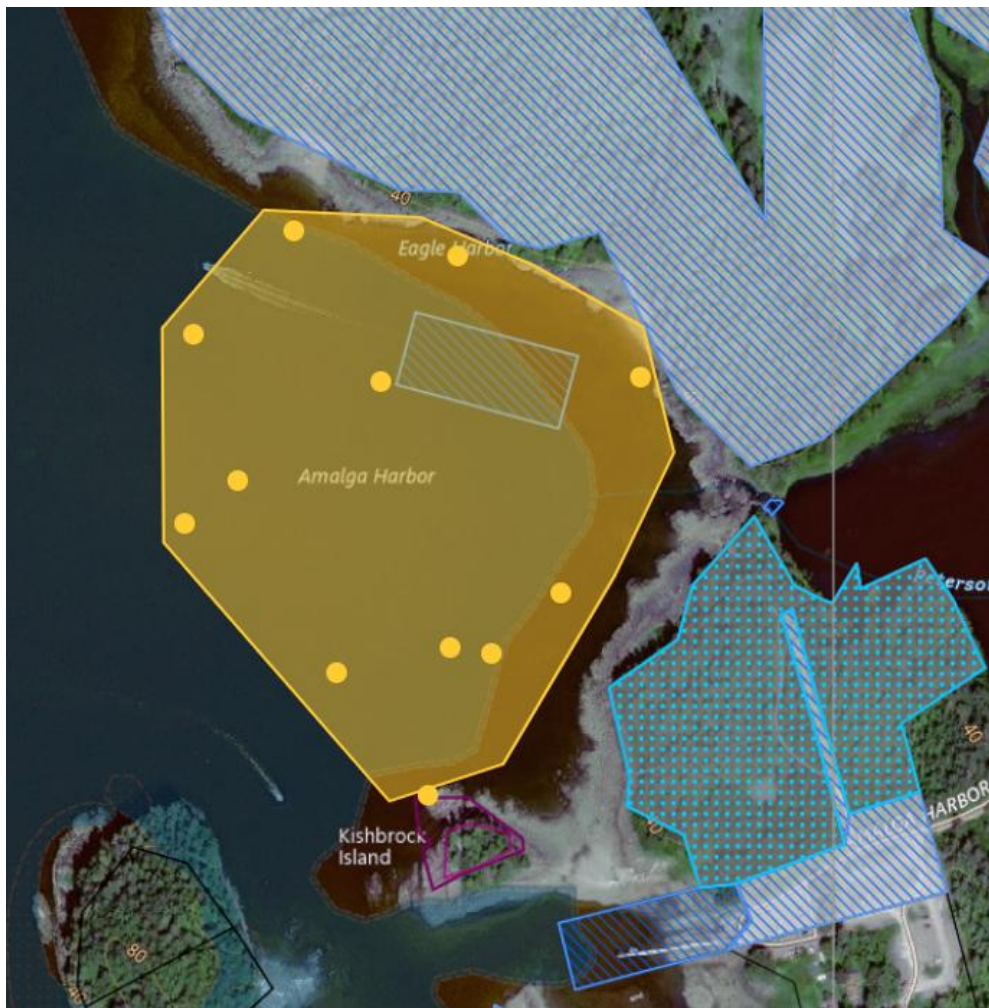
## Amalga Tidelands

Original Lease Mooring and Weir. ATS 1560 ADL 106356 Conveyed to CBJ in 2001 (ADL 106678 2.1ac). We pay \$895 annually to CBJ. 30-year lease. Expires 2031.

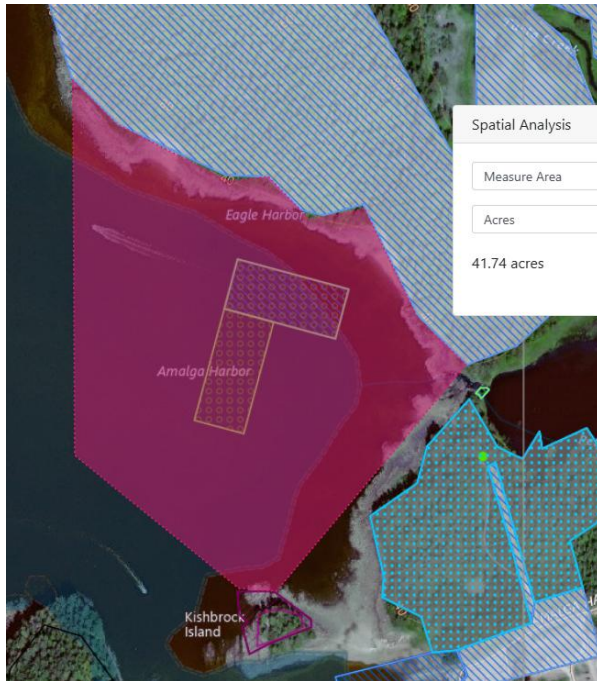
Swing Lease LAS 27473 (3.0ac) Still with SOA DMLW. Applied for in 2009. Rock anchor and chain in 2012 #15. We paid \$840 annually to SOA. 5 Year lease. In 2026 we expanded the swing lease to better reflect actual footprint (10ac) and change to keeping anchors deployed all year. We pay \$3,000 annually to SOA. 5 Year lease. Will expire 2031.

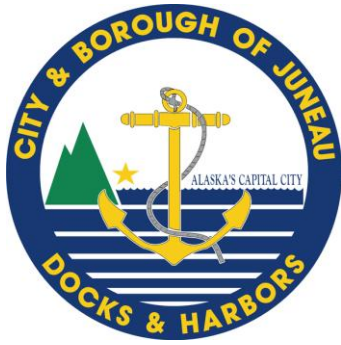
Tideland CBJ valued \$425/ac

Current min footprint 33 acres (\$14,025)



To follow existing CBJ boundaries and include all anchoring systems 42 ac (\$17,850). To include weir site 43 ac total (\$18,275).





# Port of Juneau

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

**From:** Harbormaster  
**To:** Docks & Harbors Board  
**Via:** Port Director  
Docks & Harbors Operations-Planning Committee  
**Date:** June 9<sup>th</sup>, 2026  
**Re:** UNINSURED VESSEL SURCHARGE – 05 CBJAC 35.060, 05 CBJAC 40.010

1. Effective January 2025, Docks & Harbors established a new uninsured vessel surcharge (UVS) applicable to patrons with preferential moorage (05 CBJAC 40.010) and transient moorage (05 CBJAC 35.060). The UVS language is identical in both regulations and requires the Board to approve any new changes to the rate.

### ***05 CBJAC 35.060 - Fees.***

*Persons using transient moorage must pay fees in accordance with CBJ Administrative Code Title 05, Chapter 20 and as set forth below.*

#### *(a) Uninsured vessel surcharge.*

*(1) Prior to obtaining a moorage assignment, CBJAC [40.035](#), 050, 055, or 065, the owner of a vessel must:*

*(i) Provide the Harbormaster with proof of current marine insurance showing, at a minimum, the owner's name, information identifying the vessel, and the dates of insurance coverage; or*

*(ii) Pay a non-refundable moorage surcharge of \$1.50 per foot per month.*

*A. As of January 1, of each year, should the actual vessel disposal costs vary more than 20 percent from the annual amount collected, Docks and Harbors will adjust the rate to no less than \$1.00 per foot per month and no more than \$3.00 per foot per month to make up for the difference. The new rate must be approved by the board no less than 30 days prior to implementation.*

*(iii) Vessels paying the daily moorage rate are exempt from paying this surcharge.*

*(2) The funds collected from the moorage surcharge under this regulation will be used to pay for the unrecoverable costs attributable to vessel salvage and disposal activities in the small boat harbors.*

*(3) This regulation does not relieve an owner from the responsibility to pay fees as set out in CBJ Ordinance [Title 85](#) or regulations adopted thereunder and does not constitute marine insurance.*

**2.** The current UVS is \$1.50 per linear foot. In CY2025, the Harbors Enterprise collected \$114,107.94 in UVS from vessels without insurance. In CY2025, our expenses to dispose of vessels was \$77,082.37. This was discussed in January with the Board indicating a desire to reduce the UVS to the minimum amount of \$1.00 per linear foot. **I recommend the Board, by motion, approve the new FY27 UVS to be \$1.00 per linear foot.**

#

Presented by:  
Introduced: 06/23/2026  
Drafted by: Port Director

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

**Serial No. 40XX**

**A Resolution Expressing Assembly Support for an Application for Funding from the Alaska Department of Transportation and Public Facilities Through its Harbor Facility Grant Program in the Amount of \$2,000,000 for Phase IV of the Statter Harbor Improvements Project.**

WHEREAS, the State of Alaska, Department of Transportation and Public Facilities (ADOT&PF) administers the Harbor Facility Grant Program; and

WHEREAS, the City and Borough of Juneau owns and maintains Don D. Statter Harbor Facility and Statter Harbor is eligible for a Harbor Facility Grant; and

WHEREAS, the City and Borough of Juneau has the required 50 percent in local matching funds for construction of Statter Harbor Improvements Phase IV per the Harbor Facility Grant Program; and

WHEREAS, the City and Borough of Juneau is capable of completing the Statter Harbor Improvements Phase IV within 18 months after award of a Harbor Facility Grant; and

WHEREAS, the Statter Harbor Improvements Phase IV is critical to the City and Borough of Juneau.

Now, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1.** The Assembly of the City and Borough of Juneau strongly supports Phase IV of the Statter Harbor Improvements Project and requests that the Alaska Department of Transportation and Public Facilities provide matching Harbor Facility Grant funding for the project.

**Section 2. Effective Date.** This resolution shall be effective immediately after its adoption.

Adopted this 27th day of July, 2026.

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Beth Weldon, Mayor

Attest:

Breckan Hendricks, City Clerk

Presented by:  
Introduced: 06/23/2026  
Drafted by: Port Director

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

**Serial No. 40XX**

**A Resolution Expressing Assembly Support for an Application for Funding from the Alaska Department of Transportation and Public Facilities Through its Harbor Facility Grant Program in the Amount of \$500,000 for Echo Cove Launch Ramp – Float Installation Project.**

WHEREAS, the State of Alaska, Department of Transportation and Public Facilities (ADOT&PF) administers the Harbor Facility Grant Program; and

WHEREAS, the City and Borough of Juneau owns and maintains Echo Cove Launch Ramp is eligible for a Harbor Facility Grant; and

WHEREAS, the City and Borough of Juneau has the required 50 percent in local matching funds for construction Echo Cove Launch Ramp – Float Installation Project per the Harbor Facility Grant Program; and

WHEREAS, the City and Borough of Juneau is capable of completing the Echo Cove Launch Ramp – Float Installation Project within 18 months after award of a Harbor Facility Grant; and

WHEREAS, the Echo Cove Launch Ramp is critical to the City and Borough of Juneau.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1.** The Assembly of the City and Borough of Juneau strongly supports the Echo Cove Launch Ramp – Float Installation Project and requests that the Alaska Department of Transportation and Public Facilities provide matching Harbor Facility Grant funding for the project.

**Section 2. Effective Date.** This resolution shall be effective immediately after its adoption.

Adopted this 27th day of July, 2026.

---

Beth Weldon, Mayor

Attest:

Breckan Hendricks, City Clerk

# Thane Storage Facility (TSF)

## Draft Storage Permit Agreement

Permittee Name: \_\_\_\_\_ Account #: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Emergency Contact: \_\_\_\_\_

Effective Date: \_\_\_\_\_ 20\_\_\_\_

Approved Responsible Representatives, if any: \_\_\_\_\_

### 1. Storage Assignment

CBJ Docks & Harbors grants the above-named permittee permission to use assigned storage space at the Thane Storage Facility (TSF), subject to the terms of this Agreement, Docks & Harbors regulations, posted facility rules, and written procedures issued by the Harbormaster.

TSF has been established primarily to support Juneau's commercial fishing industry and working waterfront. Commercial fishing users shall receive priority consideration for storage assignments. Storage space may be assigned to other users when capacity remains available.

Storage Type	Assigned Area/Unit	Draft Rate	Monthly Charge
Open Yard Storage	Area No. _____ / _____ sq ft	\$0.63/sq ft/month placeholder	\$ _____
Container Storage Unit	Container No. _____	\$200-\$300/month placeholder	\$ _____

The permittee must rent the entire assigned open yard area or the entire assigned container. Docks & Harbors is not responsible for tracking, tagging, or inventorying individual items stored within the assigned area or container.

### 2. Payment Terms

- Storage fees are due and payable on the 1st day of each calendar month.
- Storage fees are subject to applicable CBJ sales tax.
- Recurring monthly billing or recurring payment arrangements may be required as a condition of this Agreement.
- Fees, charges, and procedures may be adjusted as authorized by Docks & Harbors regulations and Board action.

### 3. Late Payment, Nonpayment, and Account Status

- Storage fees will be considered late if not received by Docks & Harbors before close of business on the 5th day of the month, and late fees may be assessed.
- Nonpayment may result in suspension of TSF access, termination of this Agreement, removal of property, referral to collections, and assessment of staff labor, equipment, contracted service, disposal, administrative, and other costs as allowed by law.

- Docks & Harbors may require a delinquent account to be brought current before access is restored or before any new Docks & Harbors permit, assignment, or storage use is approved.

## 4. Self-Service Facility

TSF is a remote, self-service facility. Permittee is solely responsible for transporting, loading, unloading, moving, stacking, covering, tying down, and securing all stored property. Docks & Harbors does not provide routine staff assistance or equipment at TSF.

Although routine staff assistance at TSF is not planned, Docks & Harbors recognizes that limited assistance may occasionally be requested. Any such assistance must be approved in advance, is subject to staff and equipment availability, and will normally be available only during regular downtown harbor staff hours, currently 8:00 AM to 4:30 PM. Approved assistance may be billed under applicable Docks & Harbors labor, equipment, supply, contracted service, or material rates.

Customers moving gear to or from vessels may request use of the Aurora Harbor crane dock gear staging allowance, subject to Docks & Harbors approval and normal site rules, for up to 72 hours of free staging before or after vessel transfer. This staging allowance does not create a right to staff assistance and does not extend the permittee's TSF storage assignment.

## 5. Access Control and Access Credentials

- Access to TSF may initially be provided through physical keys. Docks & Harbors may later implement electronic key fobs or other approved access credentials.
- Keys, key fobs, and other approved access credentials remain the property of CBJ Docks & Harbors and must be returned upon request, termination, or expiration of this Agreement.
- Permittee may not copy, loan, transfer, share, or distribute TSF keys, key fobs, or other approved access credentials without written approval from Docks & Harbors.
- Lost, stolen, damaged, or unreturned keys, key fobs, or other approved access credentials may result in replacement charges, lock replacement or re-keying charges, deactivation charges, suspension of access, or termination of this Agreement.
- Permittee is responsible for all access and activity by its employees, agents, contractors, representatives, guests, or invitees.

## 6. Use Restrictions

- No vessel storage.
- No vehicle storage.
- No residential use, sleeping, camping, or habitation.
- No hazardous, explosive, flammable, leaking, or environmentally sensitive materials except as expressly approved in writing by Docks & Harbors.
- No fuel storage, waste oil, leaking batteries, open liquids, garbage, refuse, food waste, or materials likely to spill, leak, attract wildlife, or create a fire or environmental hazard.
- No unauthorized commercial operations, sales activity, fabrication, repair work, salvage stripping, or other activity beyond approved storage.
- No dumping, disposal, abandonment, or storage outside the assigned area or container.

## 7. Condition of Assigned Area or Container

- Permittee must keep the assigned area or container clean, orderly, and safe.
- Open yard storage must remain entirely within the assigned storage footprint.
- Container storage must remain entirely inside the assigned container. Items may not be stored on top of, attached to, leaning against, suspended from, beside, behind, or in front of the container unless separately authorized in writing by Docks & Harbors.
- Permittee may not alter, damage, modify, mark, paint, drill, wire, attach fixtures to, or otherwise change a Docks & Harbors container or facility improvement without prior written approval.
- Permittee must immediately notify Docks & Harbors of damage, security concerns, spills, leaks, unsafe conditions, or suspected unauthorized access.

## 8. Security Disclaimer and Assumption of Risk

TSF is a fenced and controlled-access facility, but it is not continuously monitored and Docks & Harbors does not guarantee security. Permittee stores property at Permittee's own risk. Docks & Harbors is not responsible for theft, vandalism, fire, weather damage, water damage, freezing, corrosion, wildlife damage, loss, or damage to stored property, regardless of cause, except where liability cannot be waived under applicable law.

## 9. Inspection and Right of Entry

Docks & Harbors may enter TSF, inspect assigned storage areas, inspect containers, and require correction of unsafe, unauthorized, unpaid, or noncompliant storage. If Docks & Harbors staff reasonably believe that hazardous materials, prohibited materials, unsafe storage practices, fire hazards, environmental hazards, security concerns, or other conditions exist that may threaten public safety, neighboring storage assignments, facility infrastructure, or the environment, Docks & Harbors may enter the assigned storage area or container without prior notice for the purpose of inspection, mitigation, hazard abatement, emergency response, or protection of public property. Nothing in this section creates an obligation for Docks & Harbors to routinely inspect stored property or containers.

## 10. Abandoned Property, Removal, and Disposal

Property may be treated as abandoned if the permittee fails to pay required fees, fails to maintain a current account, fails to respond to Docks & Harbors notices, leaves property after termination or expiration of this Agreement, stores prohibited items, or otherwise abandons property at TSF.

Unpaid, unclaimed, prohibited, or abandoned property may be removed, impounded, disposed of, sold, or otherwise handled in accordance with applicable CBJ code, Docks & Harbors regulations, this Agreement, and written procedures issued by the Harbormaster. The permittee remains responsible for unpaid storage fees, staff labor, equipment time, contracted services, supplies, materials, disposal costs, administrative costs, and other costs allowed by law. Vessel or vehicle property discovered in violation of this Agreement may also be subject to applicable vessel or vehicle impound procedures.

## 11. Termination

- Docks & Harbors may terminate this Agreement for nonpayment, unsafe storage, prohibited use, unauthorized access, misuse of keys, key fobs, or other approved access credentials, abandonment, interference with facility operations, or any violation of this Agreement or applicable regulations.
- Upon termination, permittee must remove all property and return all keys, key fobs, or other approved access credentials by the deadline provided by Docks & Harbors.

- Failure to remove property by the required deadline may result in removal and disposal at permittee’s expense.

## 12. Regulatory References

This Agreement is intended to operate with, and not replace, applicable Docks & Harbors regulations and CBJ code provisions, including 05 CBJAC 20.130 (storage fees), 05 CBJAC 20.140 (staff labor fees), and applicable CBJ Title 85 provisions. If this Agreement conflicts with applicable law, the applicable law controls.

## 13. Indemnification and Release

Permittee agrees to defend, hold harmless, and indemnify Docks & Harbors, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit for personal injury, death, property damage or loss or for any incident occurring in or about the building or premises, arising out of or related to Permittee’s performance or use under this Agreement caused or alleged to be caused by acts or omissions of Permittee, its agents, contractors, employees, or invitees or any third party, without limitation as to the amount of fees, and without limitation as to any damages, cost or expense resulting from settlement, judgment, or verdict, and includes the award of any attorney’s fees even if in excess of Alaska Civil Rule 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against Docks & Harbors relating to this Agreement. The obligations of Permittee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. Docks & Harbors shall notify Permittee in a timely manner of the need for indemnification, but such notice is not a condition precedent to Permittee’s obligations and is waived where Permittee has actual notice. Permittee releases Docks & Harbors from any and all liability for loss or damage to any goods, materials, or chattels stored pursuant to this Agreement, without regard to the causation of any such loss or damage.

Permittee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Harbor Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Key/Fob No(s). Issued: \_\_\_\_\_ Deposit/Fee, if any: \_\_\_\_\_

# Thane Storage Facility (TSF)

## *Draft Operations Plan and Fee Framework*

### Purpose

This draft establishes an operating framework for the Thane Storage Facility (TSF), a remote, fenced, lighted, and controlled-access storage facility managed by CBJ Docks & Harbors. The primary purpose of TSF is to support Juneau's commercial fishing industry and working waterfront by providing secure storage opportunities for fishing gear, equipment, supplies, and related materials. The facility is intended to provide a predictable storage option for harbor users while keeping the facility low-touch for staff and administratively simple to manage.

#### Working assumptions

This document is written as an internal planning and Board discussion draft. Rates, assignment practices, and permit language should be reviewed after construction, before first use, and again after the first operating season.

### Facility Overview

TSF will function as a self-service storage facility. Docks & Harbors does not anticipate staffing the site on a routine basis, and customers will be responsible for moving, loading, unloading, and securing their own property. The facility will be improved for storage use, secured by fencing and a locked gate, and operated under written Docks & Harbors procedures.

### Commercial Fishing Priority

TSF was developed primarily to support Juneau's commercial fishing industry and working waterfront.

Commercial fishing users shall receive priority consideration for storage assignments.

Following accommodation of commercial fishing demand, Docks & Harbors may assign available storage space to other users when capacity exists and such assignments are determined to be compatible with facility operations and the best interests of the harbor system.

### Storage Types and Draft Rates

Storage Type	Draft Rate	Assignment Method	Notes
Open Yard Storage	\$0.63/sq ft/month placeholder	Assigned by designated storage area, generally about 150-300 sq ft per area.	Customer rents the entire assigned area. Docks & Harbors assigns and bills by designated storage area, not by individual stored item.

Storage Type	Draft Rate	Assignment Method	Notes
Container Storage Unit	\$200-\$300/month placeholder per 20-foot container	Entire container assigned to one customer.	No partial container rentals and no subleasing. Placeholder rate range supports later Board discussion; prior working figure was \$295/month.

## Open Yard Storage Management

- Assign open yard storage by pre-marked areas rather than individual items.
- Require each customer to rent the full area assigned to them, even if they do not use the entire footprint.
- Require stored property to remain within the assigned area and not block drive lanes, gates, containers, utilities, lighting, or other customer spaces.
- Do not use the legacy tag/check-in/check-out model unless staff later decide it is necessary for a specific class of property.
- Keep the assignment system simple enough that billing can be tied to Area A, Area B, Container 1, etc., rather than a running inventory of gear.

## Container Storage Management

- Rent each 20-foot container as a complete unit only.
- Require the customer to keep all property inside the assigned container.
- Prohibit storage on top of, beside, behind, or in front of containers unless the customer also has a separate assigned open yard storage area.
- Do not allow container modification, lock changes, shelving attachment, electrical work, or structural changes without prior written approval.
- Require customers to keep container doors closed and secured when not actively loading or unloading.

## Access Control

- Access may initially be provided through physical keys. Docks & Harbors may later implement electronic key fobs or other approved access credentials.
- Keys, key fobs, or other approved access credentials will be issued only to approved permittees or approved responsible representatives listed on the permit.
- Keys, key fobs, or other approved access credentials may not be copied, transferred, loaned, or shared.
- Lost, damaged, or unreturned keys, key fobs, or other approved access credentials may result in replacement charges, re-keying charges, suspension of access, or termination of the permit.
- Docks & Harbors may change locks, deactivate key fobs, or suspend access when necessary for security, nonpayment, permit violations, or operational needs.

## Customer Responsibilities

- Load, unload, move, stack, palletize, cover, tie down, and secure all stored property without routine assistance from Docks & Harbors staff.

- Provide any forklifts, pallet jacks, vehicles, straps, covers, labor, or other equipment needed for their own storage activity.
- Maintain the assigned area or container in a clean and orderly condition.
- Remove garbage, packing material, broken gear, and other debris from the facility.
- Use the facility in a manner that does not create a nuisance, safety hazard, environmental hazard, or unreasonable interference with other users.

## Staff Assistance and Gear Staging

TSF is not intended to rely on routine staff assistance. Staff support at TSF should be limited, scheduled, and subject to availability. Any approved assistance at TSF should normally occur only during regular downtown harbor staff hours, currently 8:00 AM to 4:30 PM.

- Routine loading and unloading at TSF should remain the customer's responsibility.
- If Docks & Harbors agrees to provide staff time or equipment, charges may be assessed under the applicable staff labor and equipment rates.
- Docks & Harbors should preserve the option to deny assistance when staff, equipment, safety conditions, or other operational demands do not allow it.
- Customers moving gear to or from vessels may continue to use the Aurora Harbor crane dock gear staging allowance, subject to Docks & Harbors approval and normal site rules, for up to 72 hours of free staging before or after vessel transfer.

## Prohibited Uses

- No vessel storage.
- No vehicle storage.
- No residential use, sleeping, camping, or habitation.
- No hazardous, explosive, flammable, leaking, or environmentally sensitive materials except as expressly approved in writing by Docks & Harbors.
- No fuel storage, waste oil, batteries in poor condition, open containers of liquids, or materials that may spill, leak, attract wildlife, or create a fire hazard.
- No unauthorized commercial operations, fabrication, repair work, sales activity, or business staging beyond storage activity approved by the Harbormaster.
- No dumping, disposal, salvage stripping, or abandonment of property.

## Abandoned Property, Nonpayment, and Enforcement

The permit should distinguish between three issues: nonpayment, permit violation, and abandonment. Docks & Harbors should retain the ability to terminate access and require removal of property, but the process for disposal of non-vessel personal property should be confirmed with CBJ Law before final adoption.

- For nonpayment, suspend future access only after appropriate notice and account review.
- For unsafe or prohibited storage, require immediate correction or removal when conditions create a safety, security, or environmental risk.
- For unpaid, unclaimed, or abandoned stored property, issue written notice, terminate the permit where appropriate, and remove/dispose of property under applicable CBJ code, Docks & Harbors regulations, and written procedures.

- For vessels or vehicles discovered in violation of TSF rules, coordinate with the applicable impound authority and process before removal or disposal.
- Track staff time, equipment time, disposal costs, contracted services, and administrative costs to the customer account when allowed.

## Regulatory Touchpoints and Recommended Follow-Up

Reference	Why it matters	Recommended use in TSF documents
05 CBJAC 20.130 - Storage fees	Authorizes applications for long-term storage in designated areas and allows the Harbormaster to issue permits and develop written procedures.	Primary authority for TSF open yard storage and written operating procedures. A regulation change may be needed for a distinct TSF rate and container flat rate.
05 CBJAC 20.140 - Staff labor fees	Provides staff labor, boat charge, and contracted service cost recovery framework.	Use when staff assistance, equipment time, contracted cleanup, supplies, or disposal support is approved or required.
CBJ 85.25.120, 85.25.130, 85.25.140, 85.25.180	Docks & Harbors vessel nuisance, abandoned boat, obstruction, and impound/disposition provisions appear most applicable to boats and vessels.	Use only where applicable. Do not rely on vessel-specific impound language as the sole authority for ordinary stored gear unless CBJ Law confirms it applies.
CBJ nuisance, litter, and property procedures	General nuisance, dumping, and abandoned property processes may be relevant for non-vessel property.	Ask CBJ Law to confirm the best removal/disposal process for abandoned nets, pots, gear, pallets, equipment, and other non-vessel property.

## Suggested Regulation Concept for Board Discussion

If the Board wants a dedicated TSF fee structure, the cleanest path may be to amend 05 CBJAC 20.130 to expressly recognize secured storage areas and enclosed container units. Draft concept language:

### Draft concept only

(e) Secured storage facilities. The Harbormaster may designate secured storage facilities with controlled access, improved storage areas, lighting, fencing, or similar improvements. Fees for secured storage facilities may be established separately from standard long-term storage rates.

(f) Enclosed storage units. The Harbormaster may assign shipping containers, conex boxes, or similar enclosed storage units at a flat monthly rate. Enclosed storage units shall be rented as complete units and shall not be subdivided or subleased without written authorization from the Harbormaster.

## Implementation Checklist

- Confirm final site layout, area numbering, and container numbering before customer assignments begin.
- Adopt or approve final rates before opening TSF to customers.

- Finalize TSF permit agreement with CBJ Law review.
- Establish key, key fob, or access credential issuance, return, lost-credential charges, and lock or system replacement procedures.
- Create a simple map showing each open yard storage area and each container number.
- Create billing codes for TSF open yard areas and TSF container units.
- Prepare standard customer instructions for loading, unloading, prohibited uses, and gear staging options.
- Schedule a first-season review after 6-12 months of use.

# Thane Storage Facility (TSF)

*Why Are We Doing This? - Board Discussion Paper*

## Purpose

This paper provides background for the proposed Thane Storage Facility (TSF) and explains why CBJ Docks & Harbors is developing a secured, self-service storage facility focused primarily on supporting Juneau's commercial fishing industry and working waterfront.

## Background

Docks & Harbors has long received requests for additional secure storage opportunities from harbor users, particularly members of the commercial fishing fleet. Gear, equipment, totes, nets, and related materials often require secure storage near waterfront operations, but existing storage areas are limited and are not designed to meet all current demand.

The Board has also expressed interest in creating practical support facilities for the commercial fishing industry. TSF provides an opportunity to use Docks & Harbors property in a way that supports working waterfront activity while creating a manageable and scalable storage program.

### Planning note

This is a Board discussion draft. Final rates, assignment practices, permit language, and regulatory amendments should be reviewed before opening the facility for customer use and again after the first operating season.

## Current Storage Challenges

- Existing storage programs often require staff to measure, tag, track, and bill individual items.
- Item-by-item tracking consumes staff time and becomes increasingly difficult as storage demand grows.
- The current model is not ideal for bulk commercial fishing gear, larger equipment, or customers needing a predictable assigned footprint.
- Docks & Harbors has limited enclosed storage options for customers who need additional weather protection and security.
- Downtown harbor staff should not be pulled away from normal harbor operations for routine loading, unloading, or material handling at a remote storage site.

## Proposed TSF Model

TSF is intended to operate as a remote, fenced, lighted, controlled-access, self-service storage facility. The facility would include designated open yard storage areas and a limited number of 20-foot container storage units.

The key operational change is that Docks & Harbors would assign and bill complete storage spaces rather than individual stored items. Open yard storage would generally be assigned in areas of approximately 150 to 300 square feet. Container storage would be rented by full container only, with no partial container rentals or subleasing.

## Commercial Fishing Priority

TSF is being developed primarily to support Juneau's commercial fishing industry and working waterfront. Commercial fishing users would receive priority consideration for storage assignments. If space remains available after commercial fishing demand has been accommodated, Docks & Harbors may assign storage space to other users when compatible with facility operations and the best interests of the harbor system.

## Operational Benefits

- Reduces staff time spent measuring, tagging, tracking, and reconciling individual stored items.
- Simplifies billing by tying charges to assigned spaces or assigned containers.
- Keeps the facility low-touch by making customers responsible for loading, unloading, moving, stacking, covering, and securing their own property.
- Allows Docks & Harbors to preserve staff capacity for regular harbor operations rather than routine remote storage support.
- Creates a cleaner and more accountable storage system, with clear assigned areas and fewer disputes over individual items.

## Financial and Administrative Benefits

- Creates a predictable monthly revenue stream from assigned storage areas and container units.
- Provides a foundation for future Board discussion on secured storage rates and enclosed container storage rates.
- Supports potential amendments to 05 CBJAC 20.130 to recognize secured storage facilities and enclosed storage units.
- Allows for first-season review and adjustment after actual demand, usage patterns, and operating costs are better understood.

## Future Opportunities

TSF can be expanded or refined over time as demand becomes clearer. Future improvements could include additional containers, additional open storage areas, electronic key fob access, security cameras, online reservation or waitlist tools, and updated procedures based on the first operating season.

## Board Discussion Items

- Whether the proposed commercial fishing priority language reflects the Board's intent.
- Whether the placeholder rates are appropriate for initial discussion or should be adjusted before formal regulatory action.
- Whether 05 CBJAC 20.130 should be amended to expressly address secured storage facilities and enclosed storage units.
- Whether any additional operating restrictions should be included before opening TSF to customers.
- Whether staff should return after the first operating season with usage data, revenue data, and recommended adjustments.

**UNIVERSITY OF ALASKA**

AMENDMENT NO. 4 BETWEEN  
THE UNIVERSITY OF ALASKA AND THE CITY AND BOROUGH OF JUNEAU  
FOR LEASE AGREEMENT  
FISHERIES AND MARINE RELATED DEVELOPMENT OF UAS MARINE TECH CENTER  
JUNEAU, ALASKA

THIS LEASE AGREEMENT AMENDMENT NO.4 (“Amendment No.4”), by and between THE CITY AND BOROUGH OF JUNEAU (“LESSEE”), a municipal corporation whose address is 155 South Seward Street, Juneau, Alaska 99801 and the UNIVERSITY OF ALASKA (“LESSOR”), a corporation created under the Constitution and laws of the State of Alaska, whose address is 1815 Bragaw Street, Suite 101, Anchorage, Alaska 99508 3438, is made effective as of May 6, 2023.

**RECITALS**

WHEREAS, the Lessor and Lessee entered into that certain Lease dated May 6, 1988, for a term of thirty-three years.

WHEREAS, the 1988 Lease allowed Lessee a one-time option to extend the Term of the Lease for an additional thirty-three years, which Lessee did not exercise.

WHEREAS, the parties previously agreed to Amendments No. 1 in 2021 and No. 2 in 2022, each extending the lease term for a year, and No. 3, extending the lease term for a month, now set to expire June 5, 2023.

WHEREAS, the parties are now desirous of leasing the same property for a four-year term.

NOW THEREFORE, The City and Borough of Juneau and the University of Alaska agree as follows:

Sections 1.3 and 1.4 are deleted.

Section 2 is replaced in its entirety with:

**TERM.**

A. This Lease shall be for **FOUR (4)** years (the “Term”) commencing on **June 6, 2023** and expiring **June 5, 2027** without notice or other action by either party, unless earlier terminated or extended as provided in this Lease.

Section 3 is deleted.

Section 4 is replaced in its entirety with:

**RENT.**

A. Base Rent. Lessee agrees to pay to the University the sum of EIGHT THOUSAND THREE HUNDRED THIRTY-THREE AND 33/100 DOLLARS (\$8,333.33) monthly as rent, payable upon execution of this Lease with the first payment due May 5, 2023 and on the fifth of each month thereafter, without deduction and without notice or demand. Payment shall be submitted to the University at the address listed on page 1 of this Lease or at such other place as the University may designate.

- B. Interest on Unpaid Rent, Late Charges. A late payment fee of five percent (5%) of the amount due shall accrue for any payments due under this Lease not made within ten (10) days of the due date. In addition to the late payment fee, unless otherwise specifically provided herein, any sum payable to Lessor hereunder which is not paid when due shall bear interest at the highest rate allowable under AS 45.45.010 (b) on all amounts past due from the date the same becomes due until paid.
- C. Educational Benefit. In consideration for the Base Rent being discounted from the fair market rental value of the property, Lessee will provide, throughout the Lease term, the following in-kind benefits:
1. Lessee shall provide Eaglecrest discounted ski opportunities for UAS students maintaining a minimum 9-hour course credit load:
    - One free day lift ski ticket per season;
    - 35% discount on the advertised learn-to-ski Eaglecrest package to includes: day lift ticket, 1.5 hour lesson and rental equipment;
    - 30% discount on advertised adult ticket pricing on all consecutive season ski lift tickets;
    - 20% discount on advertised adult seasons pass pricing including an additional 10% discount on Eaglecrest food;
    - 50% discounts on gear rental at Eaglecrest; and,
    - Eaglecrest agrees to enter into internships for UAS students pursuing outdoor recreation degrees.
  2. Lessee shall provide CBJ bus passes to UAS students at no cost.
  3. Lessee shall provide access at no cost to Treadwell Rink, CBJ Pools and Dimond Park Fieldhouse for UAS students.
  4. Lessee shall provide kayak storage and launch services at Statter Harbor at no cost for UAS students.
  5. Lessee shall provide or arrange no fewer than three (3) paid maritime internships to UAS students each semester, including but not limited to harbor operations, harbor marketing, or harbor administration.
  6. Lessee engaged relationships with the UAS/CG/ CSPI program.
  7. Lessee shall provide snow removal at no cost to UAS at the 5.34-acre UAS Tech Center facility, both those portions leased hereunder to Lessee and those portions remaining under UAS occupancy, including but not limited to the UAS Welding Lab and UAS Vo-Tech Building.

Section 5 is deleted.

Section 11 is replaced in its entirety with:

## **INSURANCE.**

### **A. General Requirements.**

- i. Lessee and its contractor and subcontractor(s) of any tier are required to carry the types and limits of insurance shown in this insurance clause, Section 12, and to provide the Lessor with a Certificate of Insurance (“certificate”). The Lessee and its contractor and subcontractor(s) shall not commence work under this contract until satisfactory evidence has been provided to the Lessor

University of Alaska & City and Borough of Juneau  
Amendment 4, Lease Agreement  
Fisheries and Marine Related Development  
Page 2 of 6

that the Contractor can cover the requirements set forth in this provision with regard to the Contractor and all subcontractors when engaged in any work performed under this contract. All certificates shall be coordinated by the Lessee and provided to the Lessor prior to signing of the contract by the Lessee. Certificates shall be executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below. All certificates shall provide for thirty (30) days' written notice to the Lessor prior to cancellation, non-renewal, or other material change of any insurance referred to therein as evidenced by return receipt of United States certified mail.

- ii. Additionally, and at its option, Lessor may request certified copies of required policies and endorsements. Such copies shall be provided within (10) ten days of the Lessor's request.
- iii. All insurance required hereunder shall be maintained in full force and effect with insurers with Best's rating of AV or better and be licensed and admitted in Alaska. All policies required shall be written as primary policies and not contributing to nor in excess of any coverage the Lessor may choose to maintain. Failure to maintain the required insurance may result in termination of this Private Suite Space Use Agreement at the Lessor's option.
- iv. All policies shall name the Lessor as Additional Insured. On the certificate, the Lessor shall be stated as: "University of Alaska." Certificates shall be mailed to:

University of Alaska  
Facilities and Land Management  
1815 Bragaw Street, Suite 101  
Anchorage, Alaska 99508

- v. Failure of Lessor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Lessor to identify a deficiency from evidence that is provided shall not be construed as a waiver of the obligation of Lessee and its contractor and subcontractor(s) of any tier to maintain such insurance.
- vi. No Representation of Coverage Adequacy. By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessee and its contractor and subcontractor(s) of any tier, and such coverage and limits shall not be deemed as a limitation on the liability of the Lessee and its contractor and subcontractor(s) of any tier under the indemnities granted to the Lessor in this Lease.
- vii. Lessee is responsible for coordinating the reporting of claims and for the following: (a) notifying the Lessor in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperating completely with the Lessor in the defense of such injury or claim; and (c) taking no steps (such as admission of liability) which will prejudice the defense or otherwise prevent the Lessor from protecting its interests.
- viii. Failure to comply with this provision may preclude other contracts and agreements between the Lessee and the Lessor. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. Certificates of Insurance must be furnished to the Lessee prior to beginning work and must provide for a 30-day prior notice to the Lessor of cancellation, non-renewal, or material change. Failure to furnish satisfactory evidence of insurance or lapse of the

University of Alaska & City and Borough of Juneau  
Amendment 4, Lease Agreement  
Fisheries and Marine Related Development  
Page 3 of 6

policy is a material breach and grounds for termination of the Lessee and its contractor and subcontractor's services.

- ix. In the event Lessee as a municipality self-insures for any of these insurance requirements, Lessee will provide Lessor with a letter to document its self-insurance program. Unless Lessor within 30 days of that letter that some aspect of the self-insurance program is inadequate, the self-insurance program will be deemed to meet the requirements of this section 13.

B. **Required Insurance Coverage.** Without limiting Lessee's indemnification, it is agreed that Lessee and its contractor and subcontractor(s) shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement policies of insurance covering the following types and limits:

- i. **Commercial General Liability Insurance.** Lessee and its contractor and subcontractor(s) of any tier shall maintain Commercial General Liability ("CGL") written on an occurrence basis and with a limit of not less than TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) each occurrence and TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00). CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, broad form property damage, independent contractors, products-completed operations, personal injury and advertising injury, explosion, collapse, underground hazards, and liability assumed under a contract including the tort liability of another assumed in a business contract. If necessary to provide the required limits, the Commercial General Liability policy's limits may be layered with a Commercial Umbrella or Excess Liability policy.
- ii. **Commercial Auto Insurance.** Lessee and its contractor and subcontractor(s) of any tier shall maintain a Commercial Auto policy with a Combined Single Limit of not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00); Underinsured and Uninsured Motorists limit of not less than \$1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than \$10,000. Coverage shall include Non-Owned and Hired Car coverage.
- iii. **Workers' Compensation.** Lessee and its contractor and subcontractor(s) of any tier shall provide and maintain, for all of its employees engaged in work under this contract, Workers' Compensation Insurance in accordance with the laws of the State of Alaska. The Lessee and its contractor shall be responsible for Workers' Compensation Insurance for any subcontractor(s) who directly or indirectly provides services under this contract. This coverage must include statutory coverage for states in which employees are engaging in work and employer's liability protection not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) each accident, ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) each person and ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) policy limit. Where applicable, coverage for all federal acts (i.e., U.S.L. & H and Jones Act) must also be included.
- iv. **Personal Property.** If applicable, Lessee and its contractor and subcontractor(s) of any tier shall purchase insurance to cover personal property of Lessee and its contractor and subcontractor(s) of any tier. In no event shall Lessor be liable for any damage to or loss of personal property sustained by Lessee and its contractor and subcontractor(s) of any tier, even if such loss is caused by the negligence of Lessor, its Board of Regents, officers, employees, agents and representatives.

- v. **Professional Liability.** If available generally to members of the professions of Lessee and its contractor and subcontractor(s) of any tier, Lessee and its contractor and subcontractor(s) of any tier shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Professional Liability shall include all errors, omissions, or negligent or wrongful acts of the Lessee, contractor, subcontractor, or anyone directly or indirectly employed by them, made in the performance of this contract which results in financial loss to the Lessor. Limits of liability shall be not less than one million AND NO/100 dollars (\$1,000,000.00). Coverage shall be maintained for the duration of this contract plus three (3) years following the date of final payment.
- vi. **Pollution Liability Insurance.** If applicable, Lessee and its contractor and subcontractor(s) of any tier, shall maintain Pollution Liability Insurance covering pollution legal liability arising from sudden and accidental and gradual pollution, and applicable to bodily injury, property damage, including natural resource damage, loss of use of damaged property or of property that has not been physically injured or destroyed; cleanup costs, removal, storage, disposal and or use of the pollutant; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. Coverage shall be maintained in an amount of at least Two Million AND NO/100 Dollars (\$2,000,000.00) per loss. Coverage shall apply to sudden and gradual pollution conditions resulting in the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases natural gas, waste materials, or other irritants, contaminants or pollutants. If coverage is written on a claims-made basis, the Lessee and its contractor and subcontractor(s) warrants that any prior acts or retroactive date applicable to coverage under the policy precedes the effective date of this contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning from the time that work under this contract is completed. This policy shall name the Lessor as Additional Insured and waiver of subrogation language shall be included.
- vii. **Aircraft.** If aircraft are used in the operations to be performed hereunder, aviation liability insurance with limits of TWENTY-FIVE million (\$25M) per occurrence combined single limit for bodily injury and property damage liability. This coverage shall include all owned, hired and non-owned aircraft. If Lessee and its contractor and subcontractor(s) operates an airstrip, airfield or other airport facilities in the operations be performed hereunder, the coverage shall include airport liability. This policy shall name the Lessor as Additional Insured and waiver of subrogation language shall be included.
- viii. **Watercraft.** If watercraft are used in the operations to be performed hereunder, watercraft liability insurance with limits of TWENTY-FIVE million (\$25M) per occurrence, combined single limit for bodily injury and property damage liability. This coverage shall include owned and non-owned watercraft. This policy shall name the Lessor as Additional Insured and waiver of subrogation language shall be included.
- ix. **Well Control.** If new or existing wells are coordinated or used in the operations to be performed hereunder, coverage for the cost of bringing a well under control in the event of blowout, including resultant pollution, seepage or contamination and resultant clean-up, cost to restore or re-drill a well due to blowout, crater or fire, and the cost of extinguishing an oil and gas well fire, shall be included. Limit shall be TWO HUNDRED million (\$200M). This policy shall name the Lessor

as Additional Insured and waiver of subrogation language shall be included.

x. **Excess Liability.** If necessary to provide the required limits, required policy limits may be layered with a Commercial Umbrella or Excess Liability policy or policies.

Section 25 is replaced in its entirety with:Holdover. If Lessee shall, with the written consent of Lessor, hold over after the expiration of the term of this Lease, such tenancy shall be for an indefinite period of time on a month-to- month tenancy, provided that this tenancy may be terminated by either party with ninety (90) days' prior notice. During such tenancy, Lessee agrees to pay Lessor monthly rent at the rate of One Hundred Twenty-Five Percent (125%) of 1/12<sup>th</sup> of the annual rent in effect immediately prior to the holding over, unless a different rate shall be agreed upon in writing. Lessee shall be bound by all the other terms, covenants, and conditions of this Lease, so far as applicable.

Sections 6-10, 12-24, and 26-32 are retained and in continuing effect, except as they may become inapplicable by reason of the specific changes made herein. In the event of any irreconcilable inconsistencies between the retained sections and the amended sections hereunder, the amended sections will be deemed controlling.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 4 below.

LESSEE:



\_\_\_\_\_  
Rorie Watt  
City Manager  
CITY AND BOROUGH OF JUNEAU

06/01/2023  
\_\_\_\_\_  
Date

LESSOR:  
~~DocuSigned by:~~

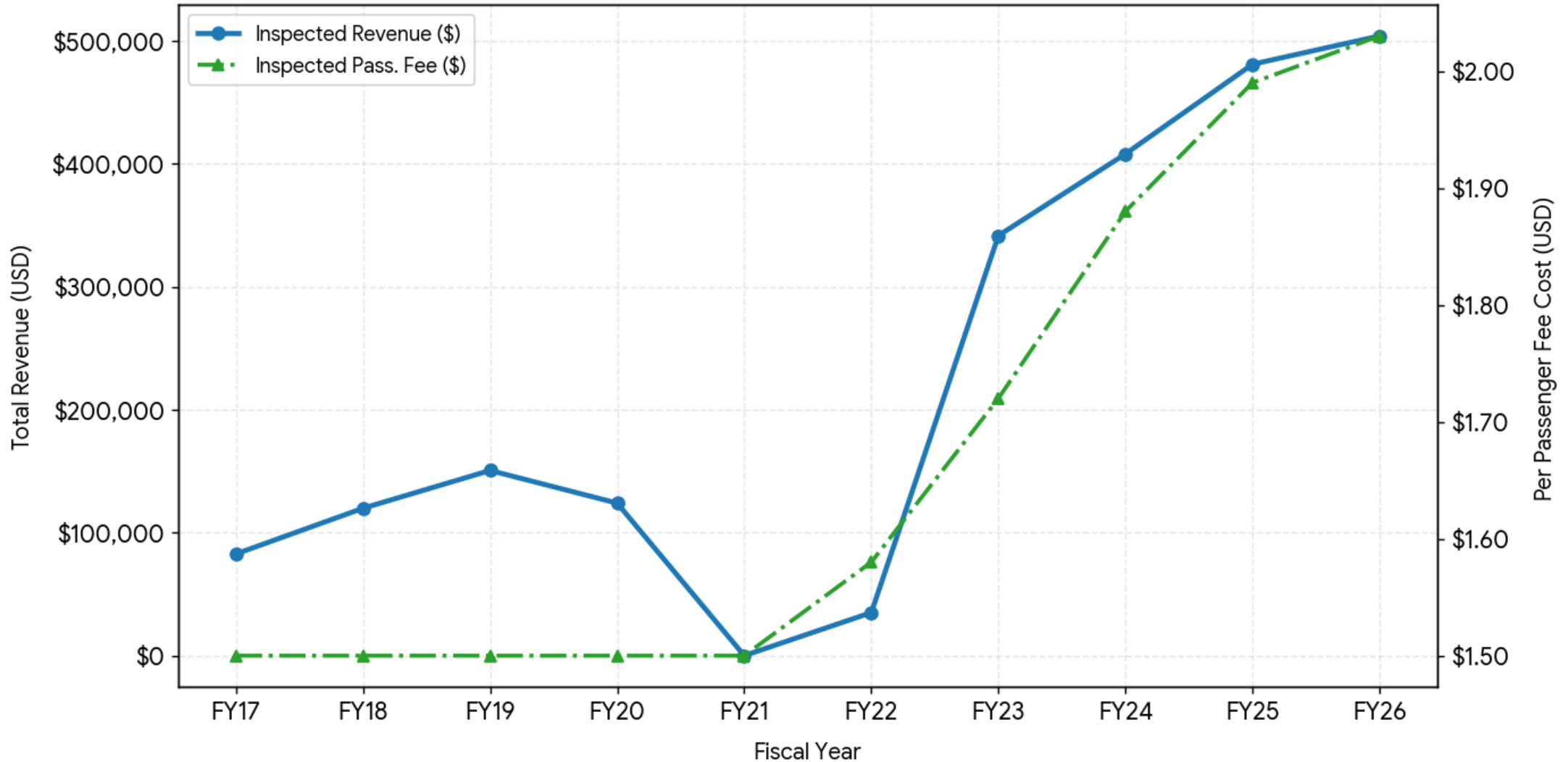


\_\_\_\_\_  
Adrienne K. Stolpe  
Director of Land Management  
UNIVERSITY OF ALASKA

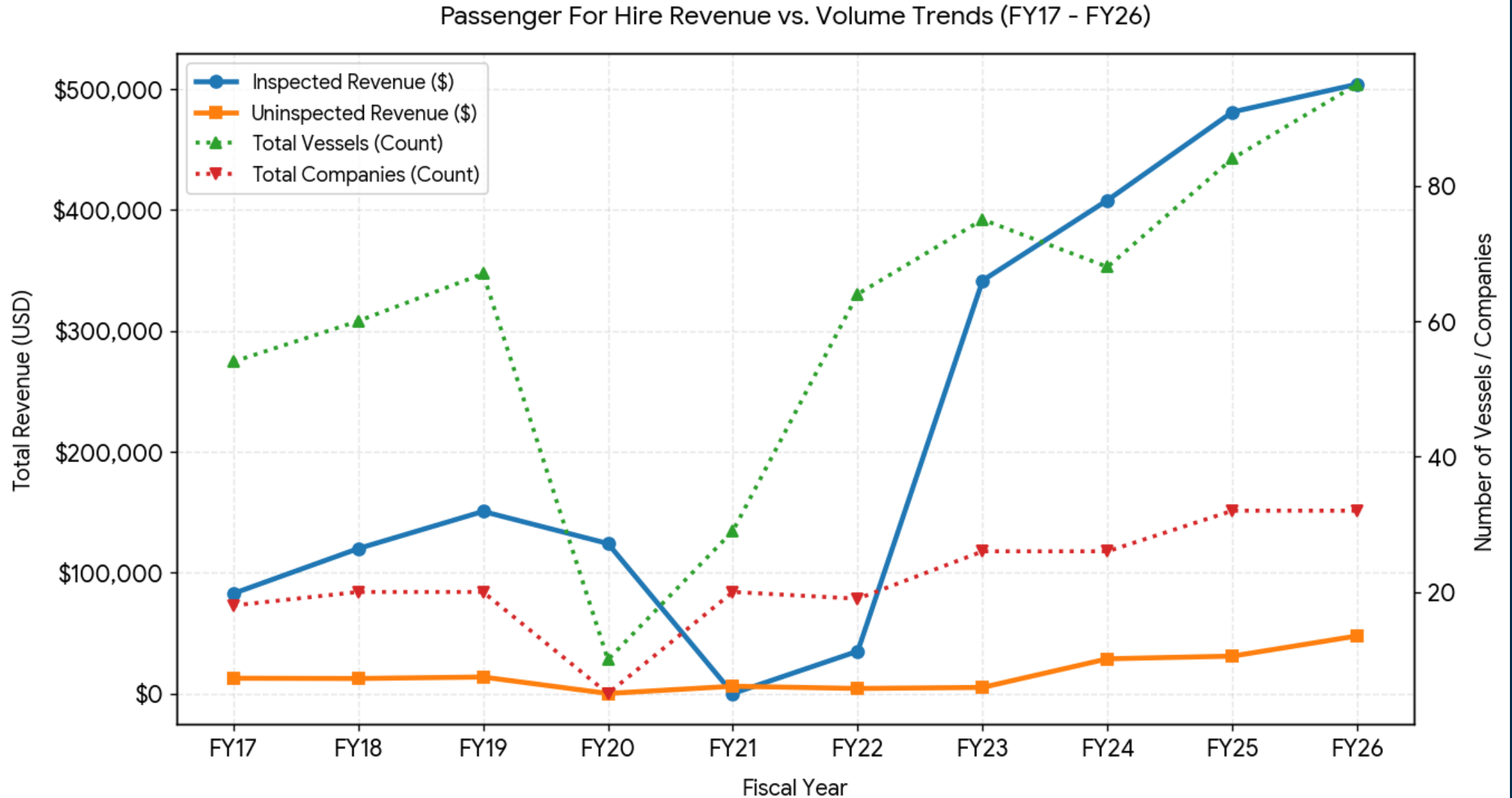
June 5, 2023  
\_\_\_\_\_  
Date

# Passenger for Hire Revenue – Inspected Vessels

Inspected Passenger For Hire Revenue vs. Per-Passenger Fee Costs (FY17 - FY26)



# Passenger for Hire Revenue - # Vessels - # Companies



65% DESIGN REVIEW MEETING  
MAY 20, 2026  
5:00PM  
JUNEAU DOCKS & HARBORS BOARD

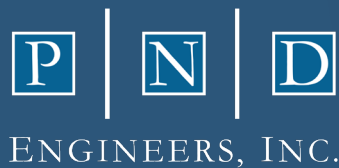


# AURORA HARBOR DRIVE DOWN FLOAT

# Introductions



**CARL UCHYTIL, PE, PORT DIRECTOR**  
**MATTHEW SILL, PE, PORT ENGINEER**  
**MATT CRESSWELL, HARBORMASTER**  
**SHEM SOOTER, DOCKS & HARBORS BOARD**



**JOHN DEMUTH, PE, SE, PRINCIPAL IN CHARGE**  
**BRANDON IVANOWICZ, PROJECT MANAGER**



**MARK MORRIS, PE, PRINCIPAL ELECTRICAL ENGINEER**  
**BRIAN MEYERS, PE, ELECTRICAL ENGINEER**  
**JODI WATTS, LIGHTING DESIGN**

# PROJECT STATUS TO DATE

- November 2024: CBJ awarded MARAD PIDP Grant, \$11,154,002, with 20% required non-federal match.
- August 2024: CBJ awarded State Harbor Matching Grant, \$1,394,250.
- September 25, 2025: PND submitted 35% design documents and reviewed with Docks & Harbors Board.
- October 15, 2025: Public review meeting in Juneau.
- February 2, 2026 PND contract for final design approved, including Add. Alt. A
- May 11, 2026 PND submitted 65% Design Review Submittal

# MARAD PIDP & Environmental Process Status Update

- Section 106 National Historic Preservation Act (NHPA) review process complete
- Clean Water Act Section 401 certification complete
- Endangered Species Act Section 7 Consultation complete
- US Army Corps. public notice has expired and comments have been addressed
- DRAFT Environmental Assessment prepared and reviewed by MARAD
- CBJ & MARAD preparing Draft Grant Agreement

# MARAD PIDP & Environmental Process Status Moving Forward

- Receive Final Environmental Assessment and FONSI from MARAD
- Receive US Army Corps. Individual Permit
- Receive Final Grant Agreement
- Proceed to 90% Design, Bid Ready and Advertise



AURORA HARBOR MOORAGE FLOATS

APPROACH DOCK AND GANGWAY

REMOVE AND DISPOSE EXISTING STEEL GANGWAY AND TIMBER MOORAGE FLOAT

RUBBLE MOUND BREAK WATER

HARBOR MASTER OFFICE

UAS

HARRIS HARBOR MOORAGE FLOATS

# EXISTING CONDITIONS

GROUND CONTOUR,



# NEW SITE PLAN

EXISTING GROUND CONTOUR, TYP.

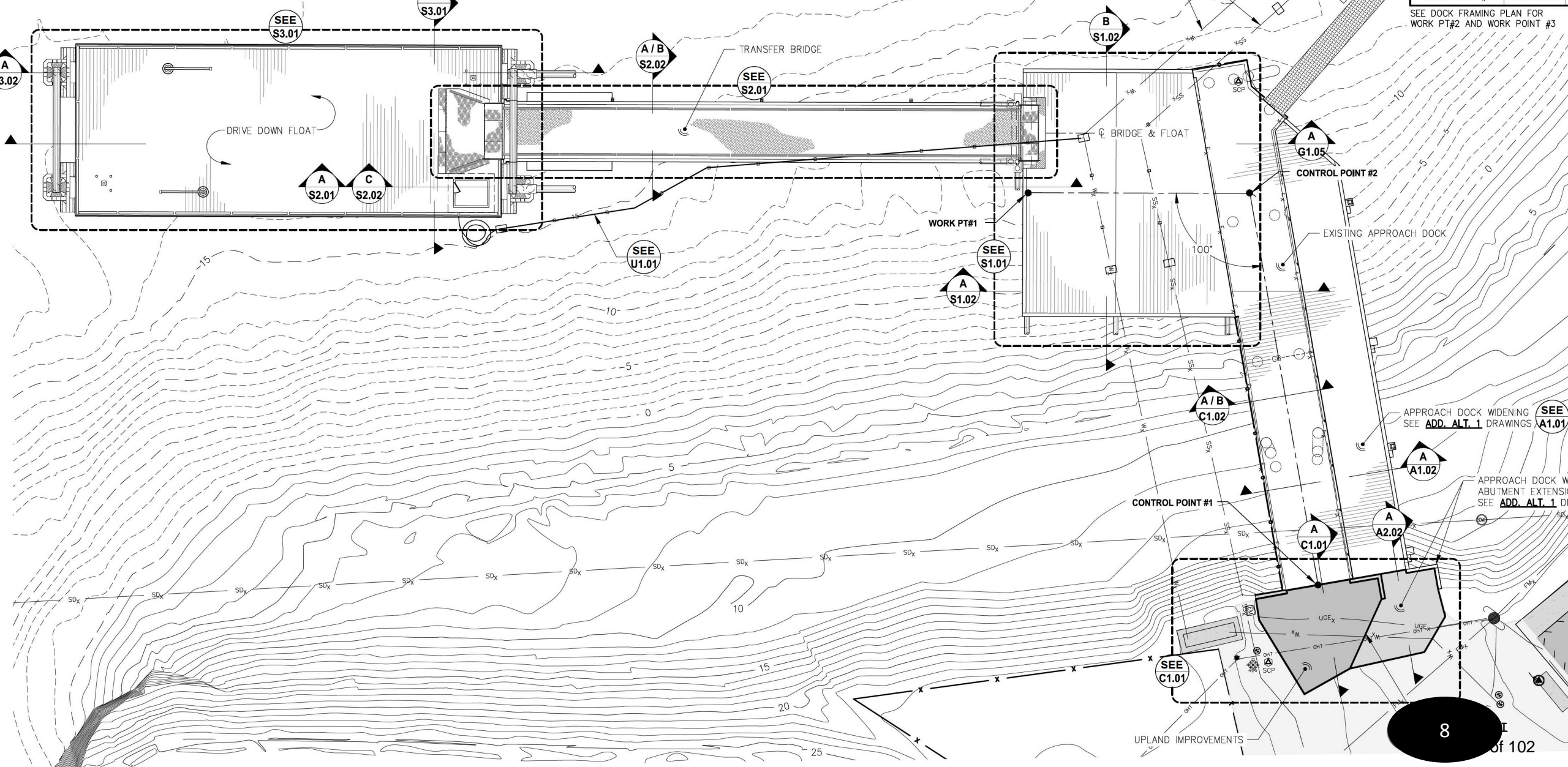


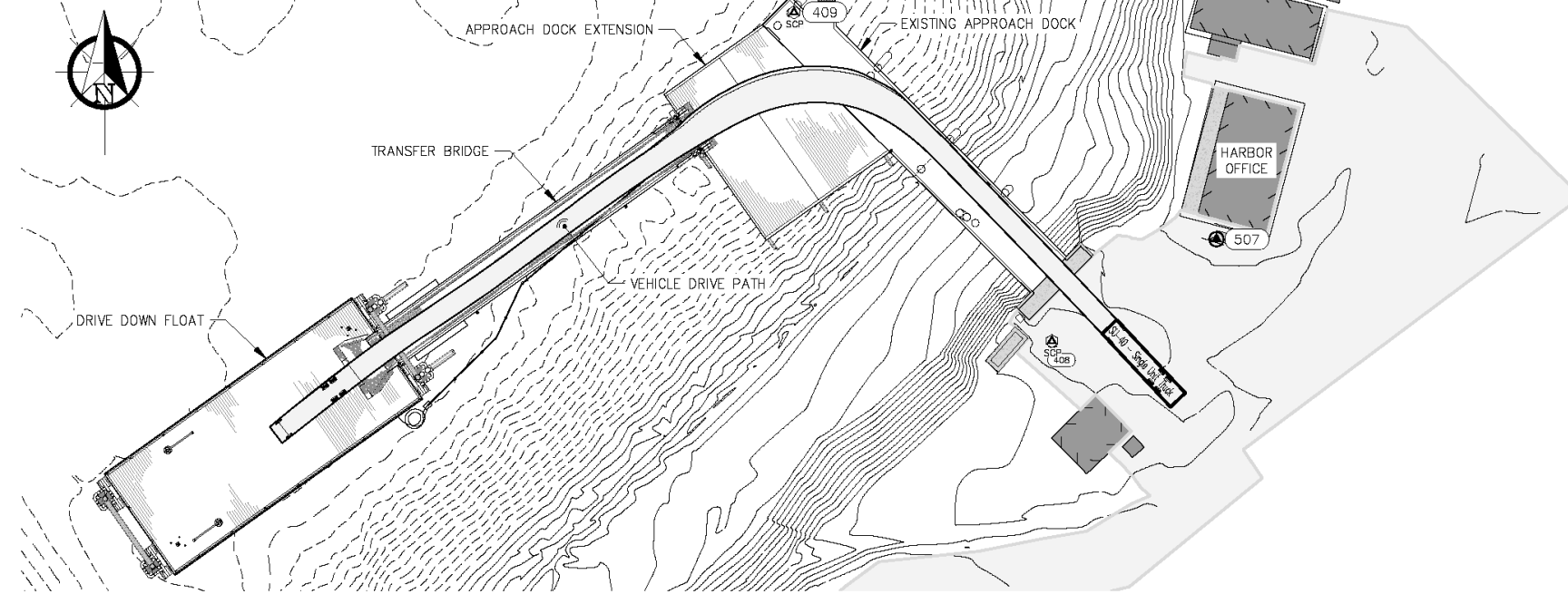
# OVERALL SITE PLAN - APPROACH DOCK, TRANSFER BRIDGE, DDF

CONTRACTOR SHALL FIELD LOCATE AND MARK EXISTING SUBMARINE WATER AND SEWER UTILITY LINES PRIOR TO PILE INSTALLATION. EXISTING UTILITIES SHALL BE RELOCATED AS REQUIRED TO INSTALL PILES. (INCIDENTAL)

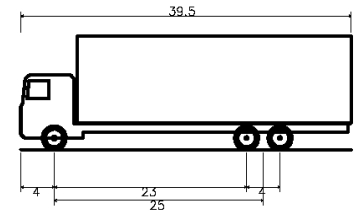
PROJECT CONTROL POINTS	
DESCRIPTION	NORTHING
CONTROL POINT #1	2364048.02
CONTROL POINT #2	2364127.11
WORK POINT #1	2364090.91

SEE DOCK FRAMING PLAN FOR WORK PT#2 AND WORK POINT #3

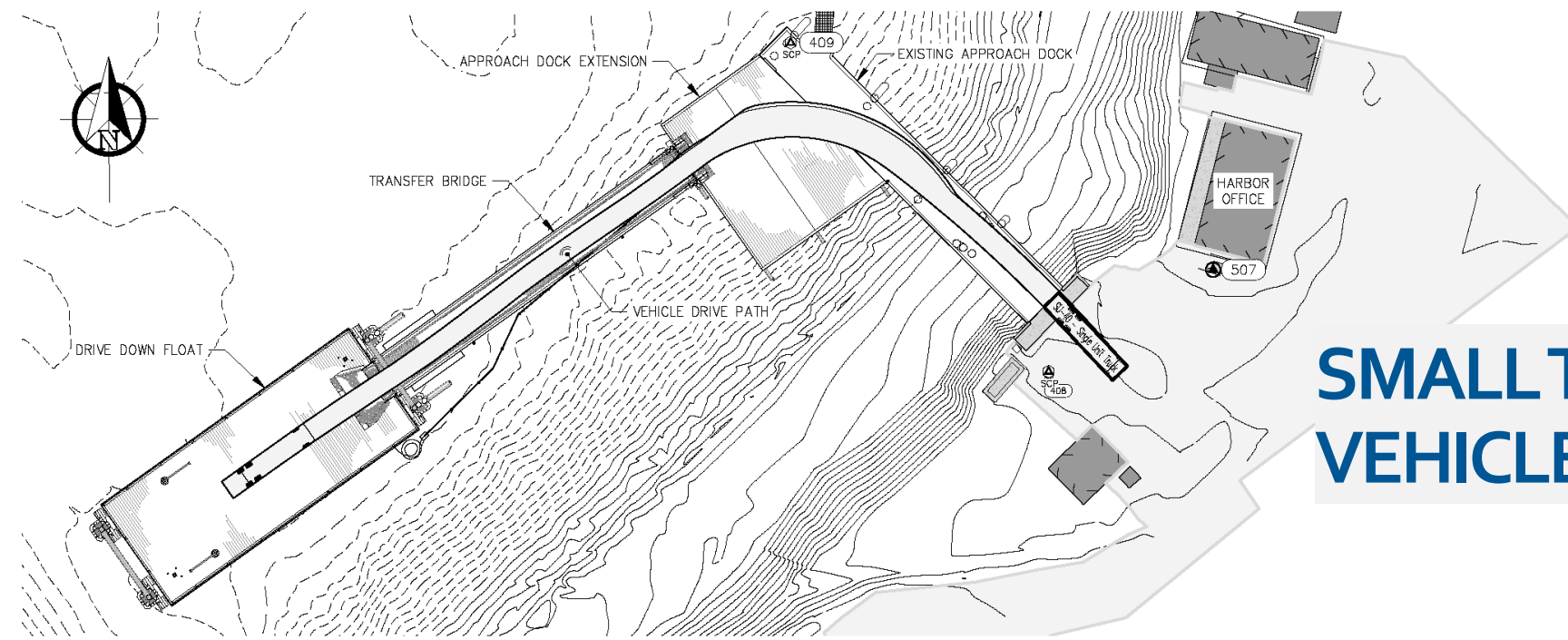




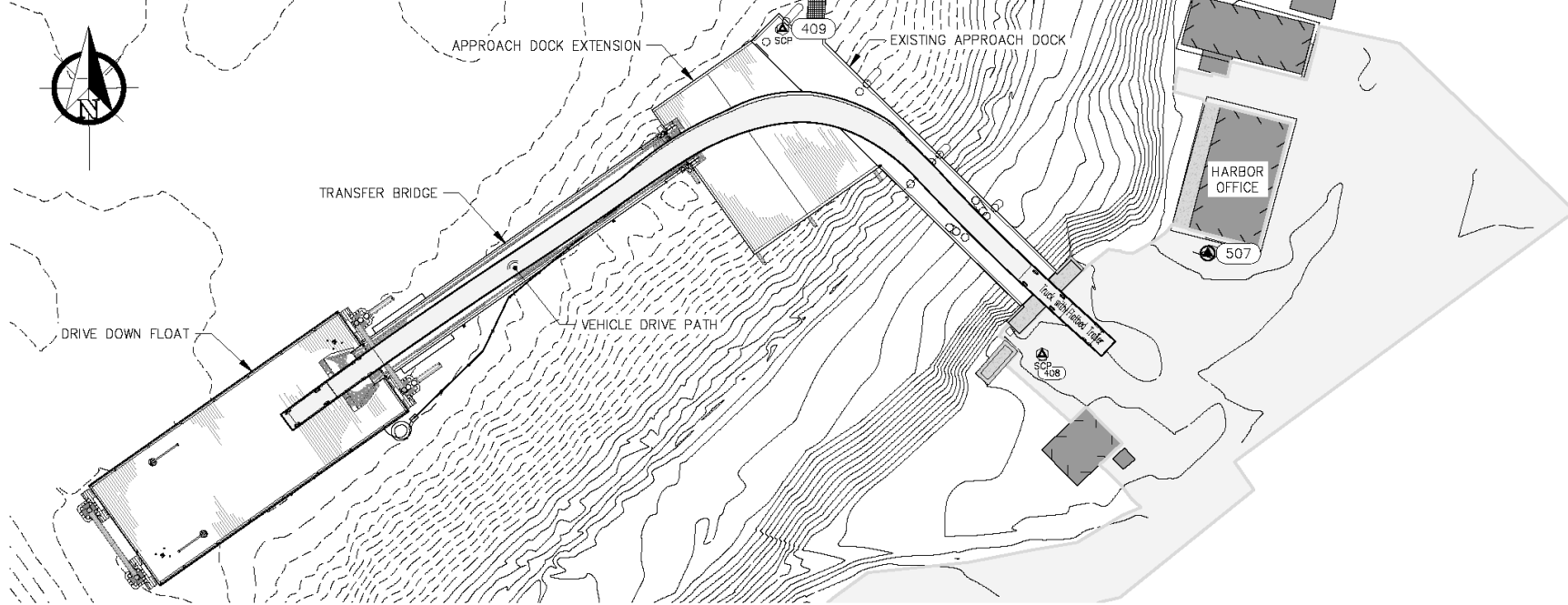
**VEHICLE TRACKING SIMULATION  
FORWARD DRIVE DOWN - SMALL TRUCK**



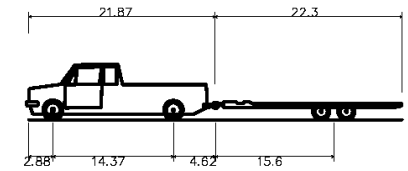
<b>SU-40 - Small Truck</b>	
Overall Length	39.500ft
Overall Width	8.000ft
Overall Body Height	13.500ft
Min Body Ground Clearance	1.367ft
Track Width	8.000ft
Lock-to-lock time	5.00s
Curb to Curb Turning Radius	51.200ft
<b>60K Boom Truck</b>	
Overall Length	38.000ft
Overall Width	8.000ft
Track Width	7.200ft
Lock-to-lock time	6.00s
Steering Angle	31.80ft



# SMALL TRUCK & BOOM TRUCK VEHICLE TRACKING

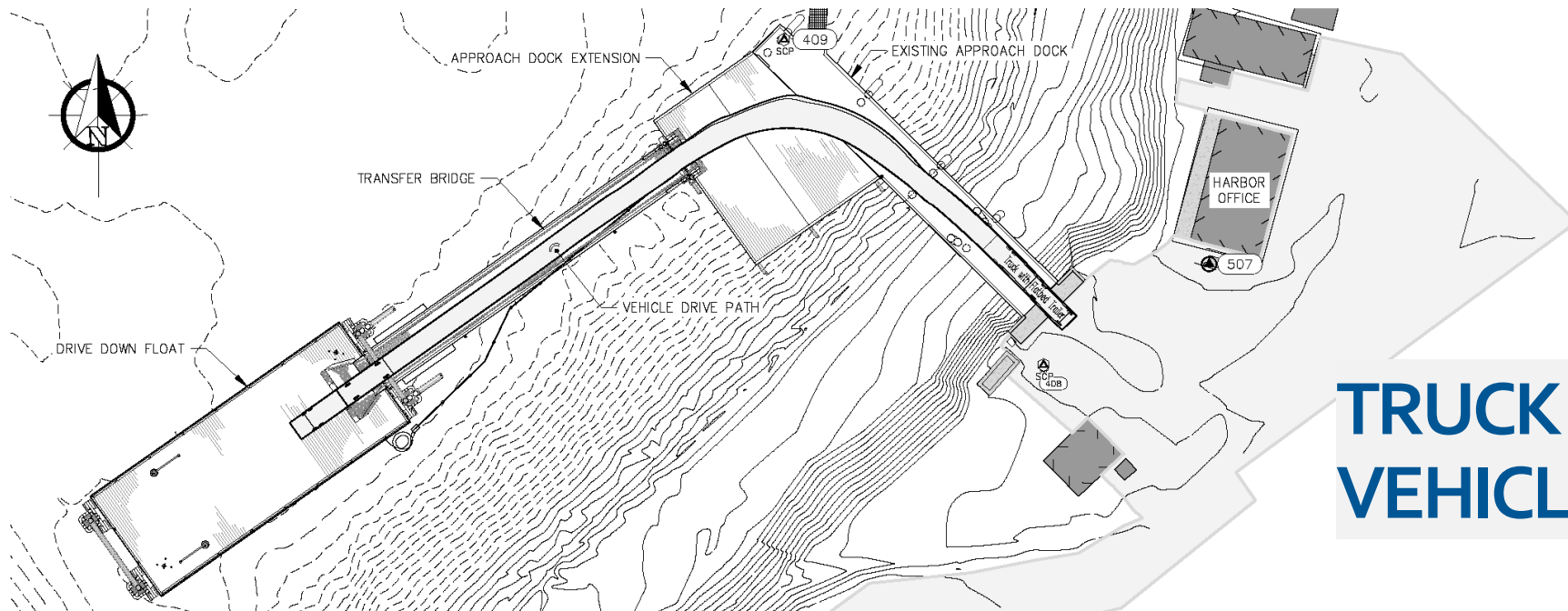


**VEHICLE TRACKING SIMULATION  
FORWARD DRIVE DOWN - TRUCK w/ FLATBED TRAILER**



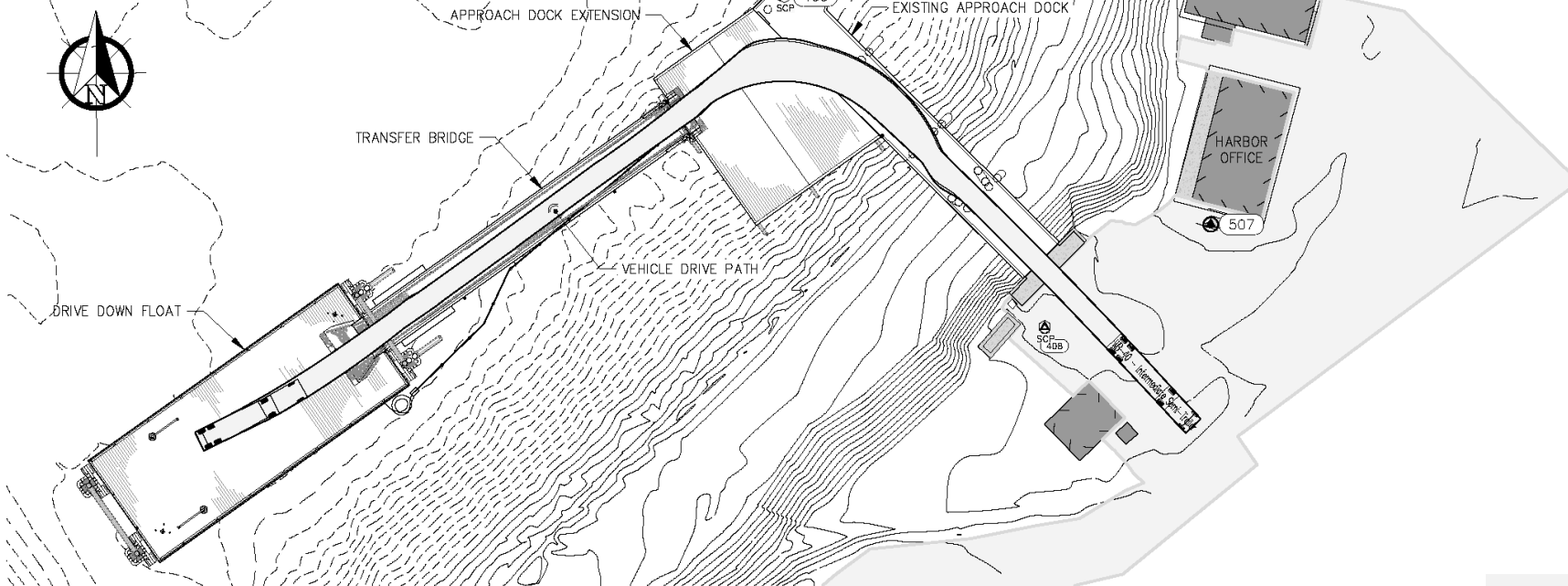
**TRUCK w/ FLATBED TRAILER**  
 Overall Length 44.17ft  
 Overall Width 8.00ft  
 Overall Body Height 10.00ft  
 Min Body Ground Clearance 0.917ft  
 Max Track Width 8.50ft  
 Lock-to-lock time 6.00s  
 Max Steering Angle (Virtual) 34.20°

44.491ft  
 8.000ft  
 10.008ft  
 0.917ft  
 8.500ft  
 6.00s  
 34.20°

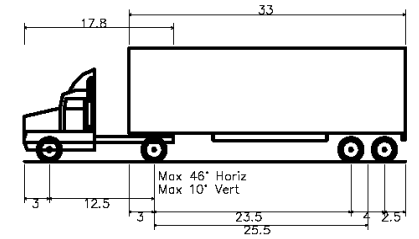


**VEHICLE TRACKING SIMULATION  
REVERSE DRIVE DOWN - TRUCK w/ FLATBED TRAILER**

# TRUCK w/ FLATBED TRAILER VEHICLE TRACKING

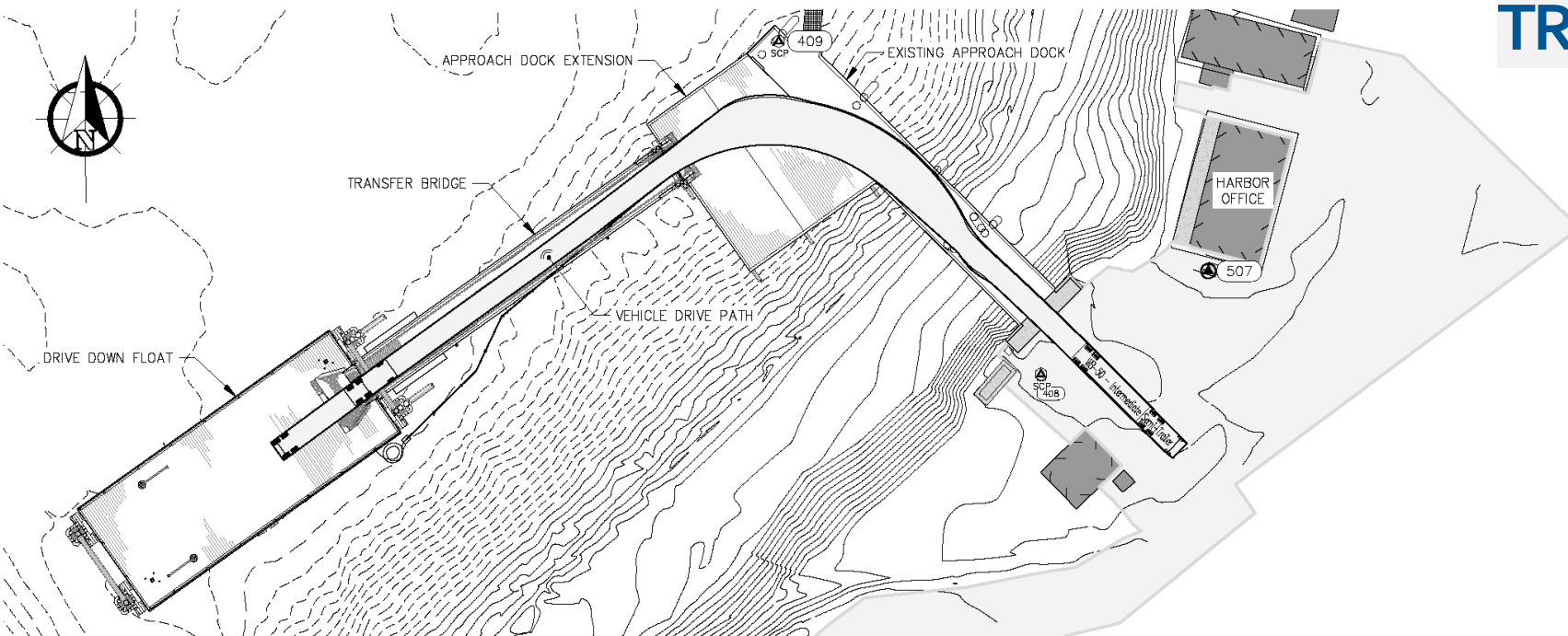


**VEHICLE TRACKING SIMULATION  
REVERSE DRIVE DOWN - INTERMEDIATE TRUCK**

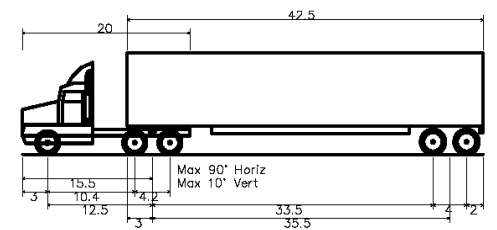


<b>WB-40 - Intermediate Truck</b>	
Overall Length	45.499ft
Overall Width	8.000ft
Overall Body Height	13.500ft
Min Body Ground Clearance	1.334ft
Track Width	8.000ft
Lock-to-lock time	4.00s
Curb to Curb Turning Radius	39.900ft

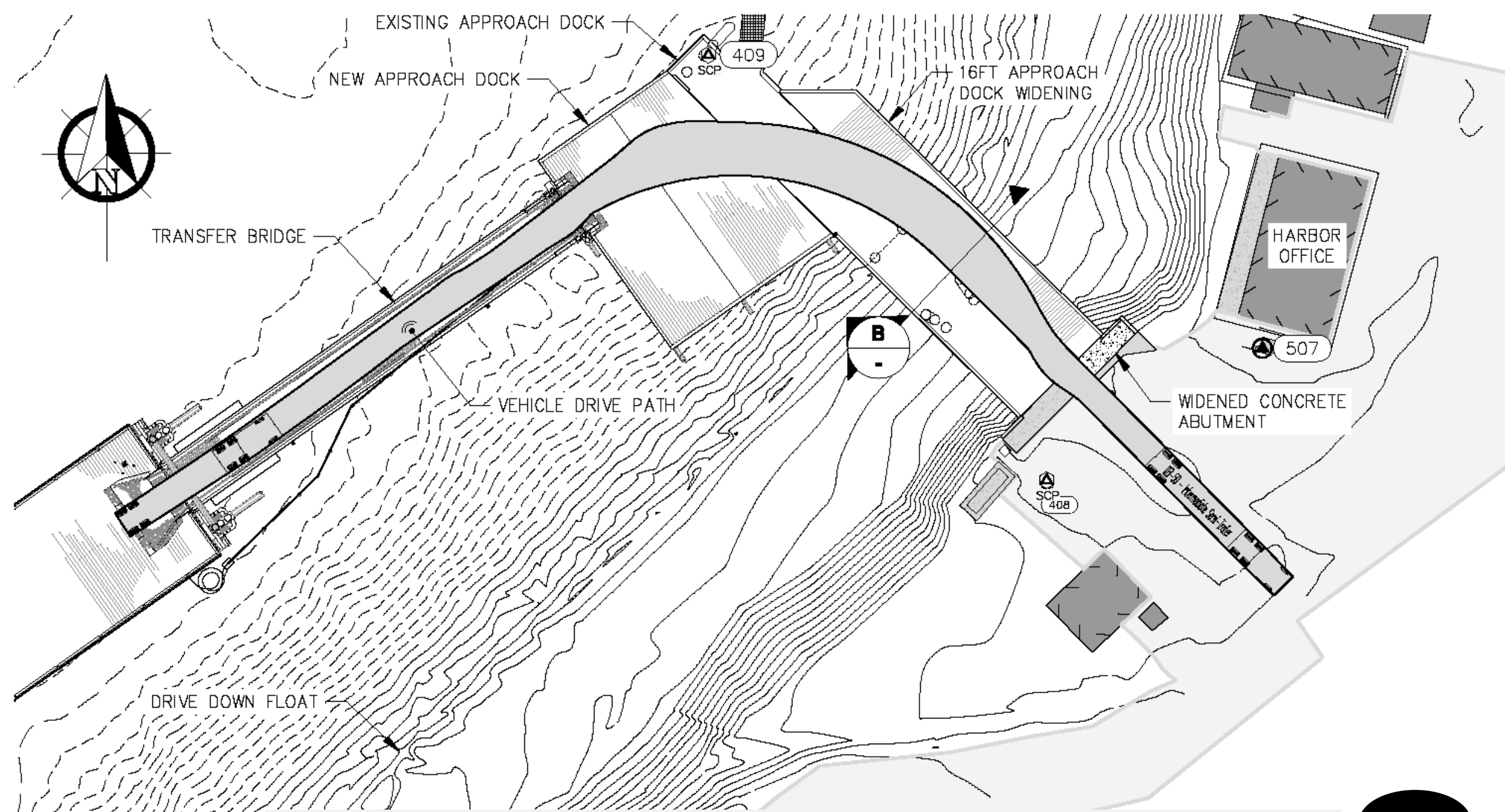
## INTERMEDIATE & LARGE TRUCK w/TRAILER VEHICLE



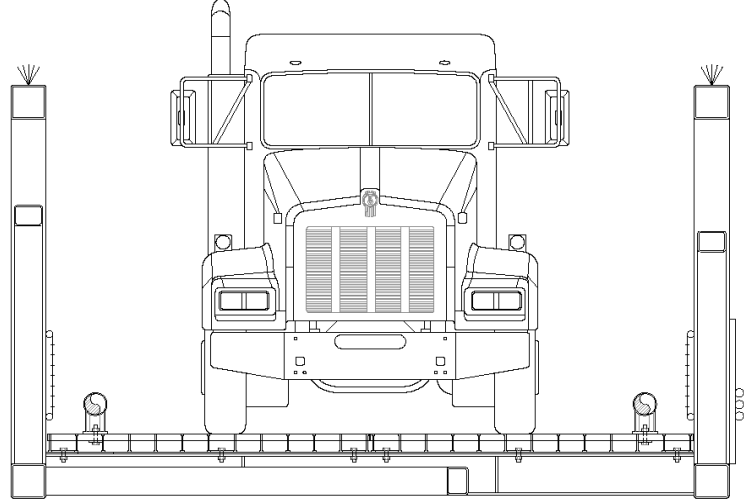
**VEHICLE TRACKING SIMULATION**



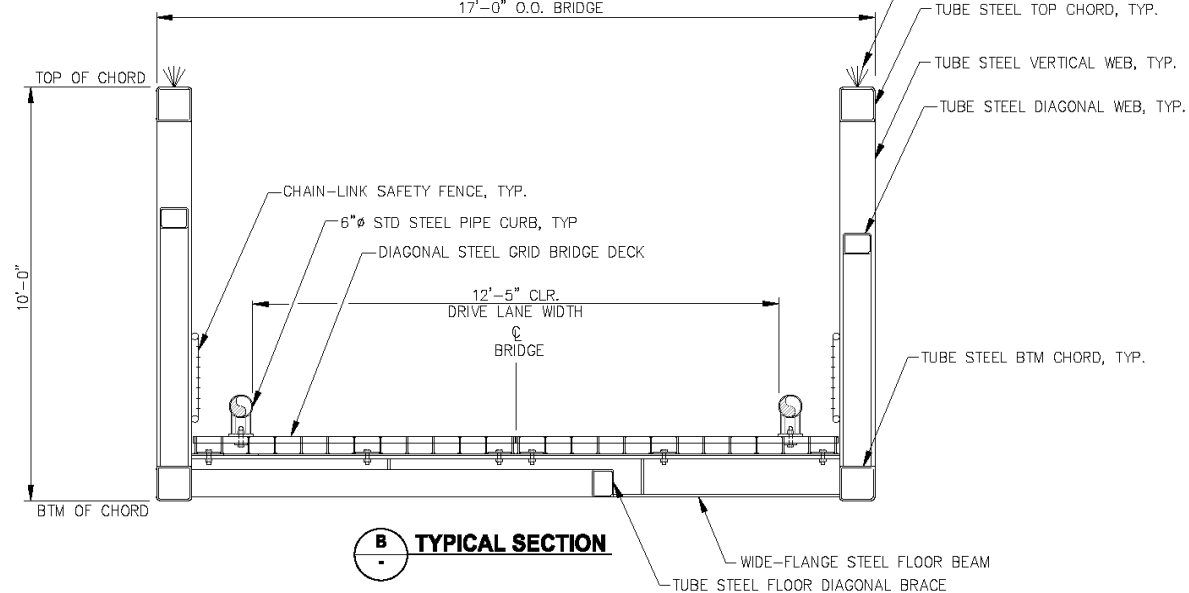
<b>WB-50 - Large Truck</b>	
Overall Length	55.000ft
Overall Width	8.500ft
Overall Body Height	12.052ft
Min Body Ground Clearance	1.334ft
Max Track Width	8.500ft
Lock-to-lock time	4.00s
Curb to Curb Turning Radius	39.900ft



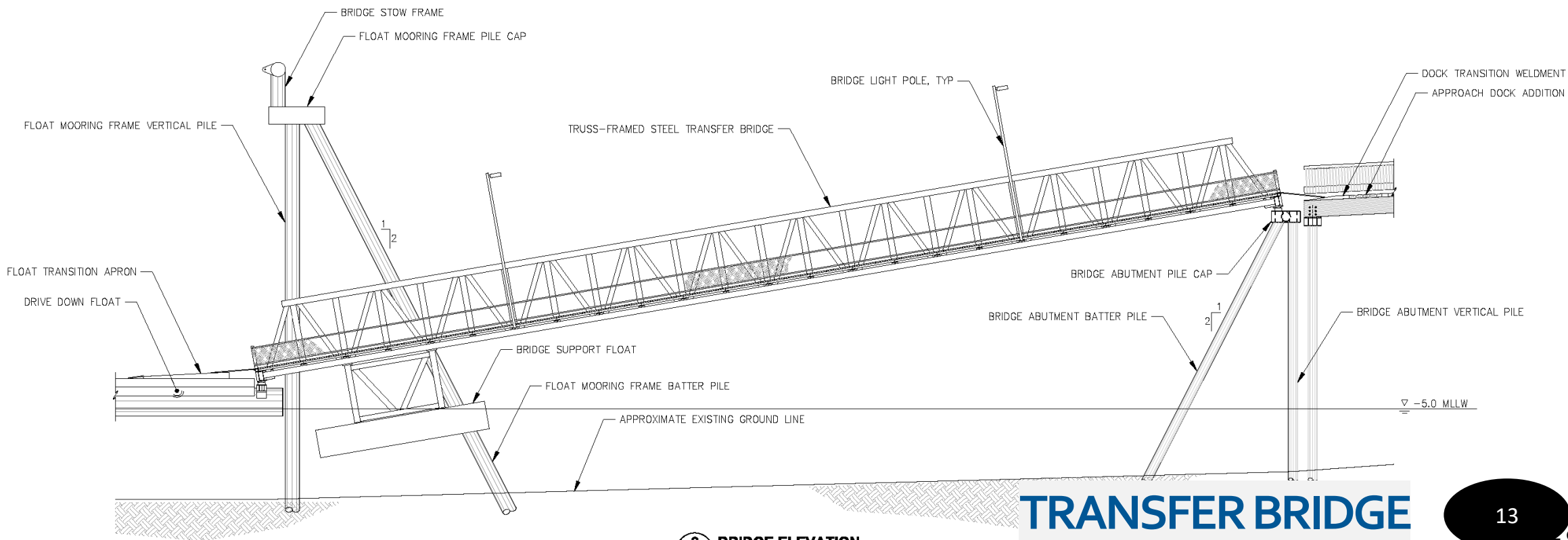
# LARGE TRUCK w/TRAILER & 16' WIDENED APPROACH DOCK



**A TYPICAL SECTION w/ TRUCK**  
(AML TRUCK)



**B TYPICAL SECTION**



**C BRIDGE ELEVATION**  
(LOW TIDE)

# TRANSFER BRIDGE

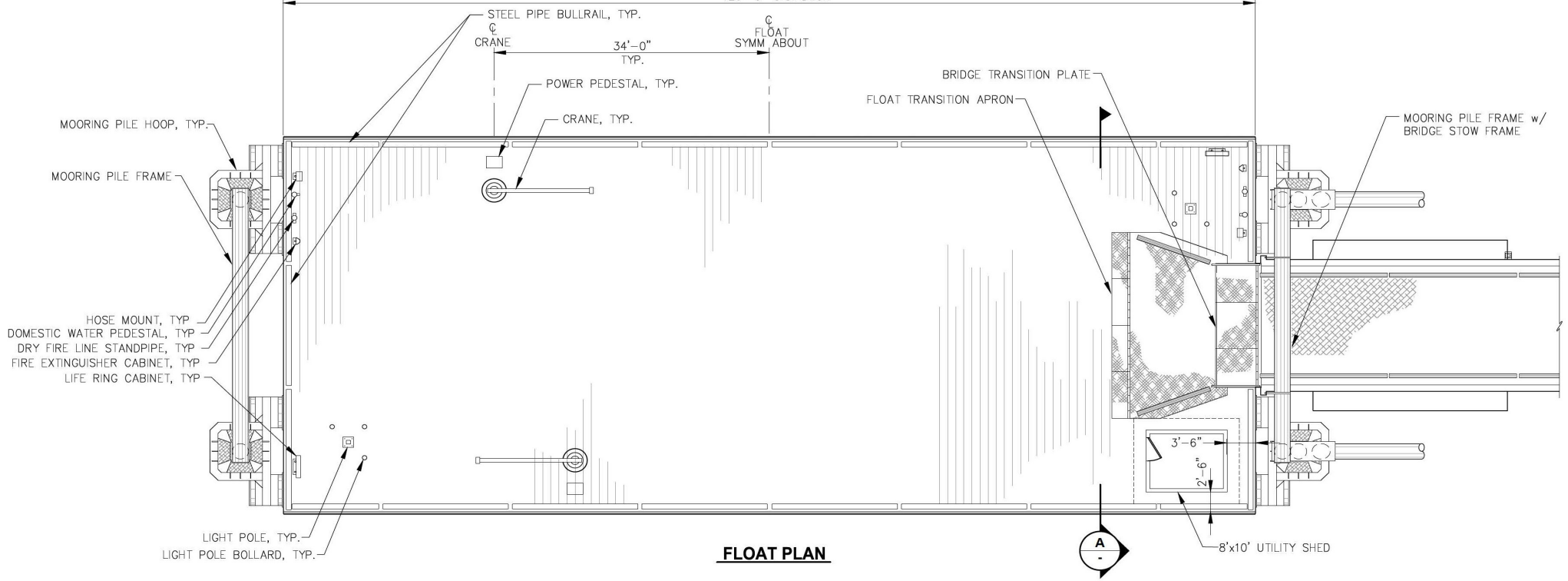
# TRANSFER BRIDGE



Steel Transfer Bridge Section  
Auke Bay Loading Facility – Juneau, AK



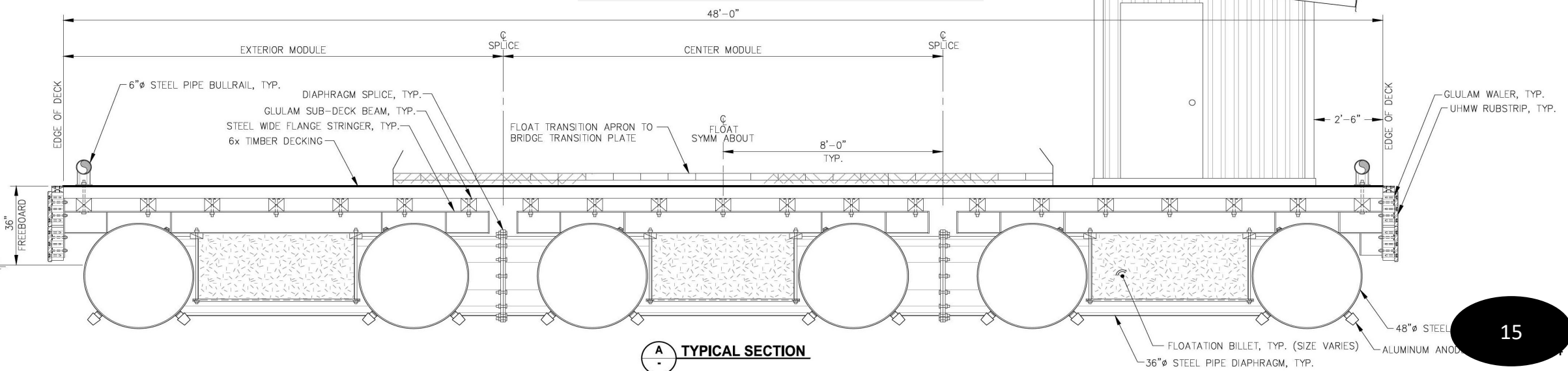
Steel Transfer Bridge Profile  
Petersburg Marine Terminal



FLOAT PLAN

# DRIVE DOWN FLOAT

**DESIGN CRITERIA:**  
 DEAD LOAD: WEIGHT OF ALL MATERIALS OF CONSTRUCTION.  
 LIVE LOAD: AASHTO HS20 (17TH EDITION, 2009)  
 60 PSF UNIFORM



TYPICAL SECTION

# STEEL PIPE PONTOON DRIVE DOWN FLOAT



Drive Down Float Fabrication



Drive Down Float Assembly

# STEEL PIPE PONTON DRIVE DOWN FLOAT



Drive Down Float  
Bar Harbor, Ketchikan, AK



Drive Down Float  
Bar Harbor, Ketchikan, AK

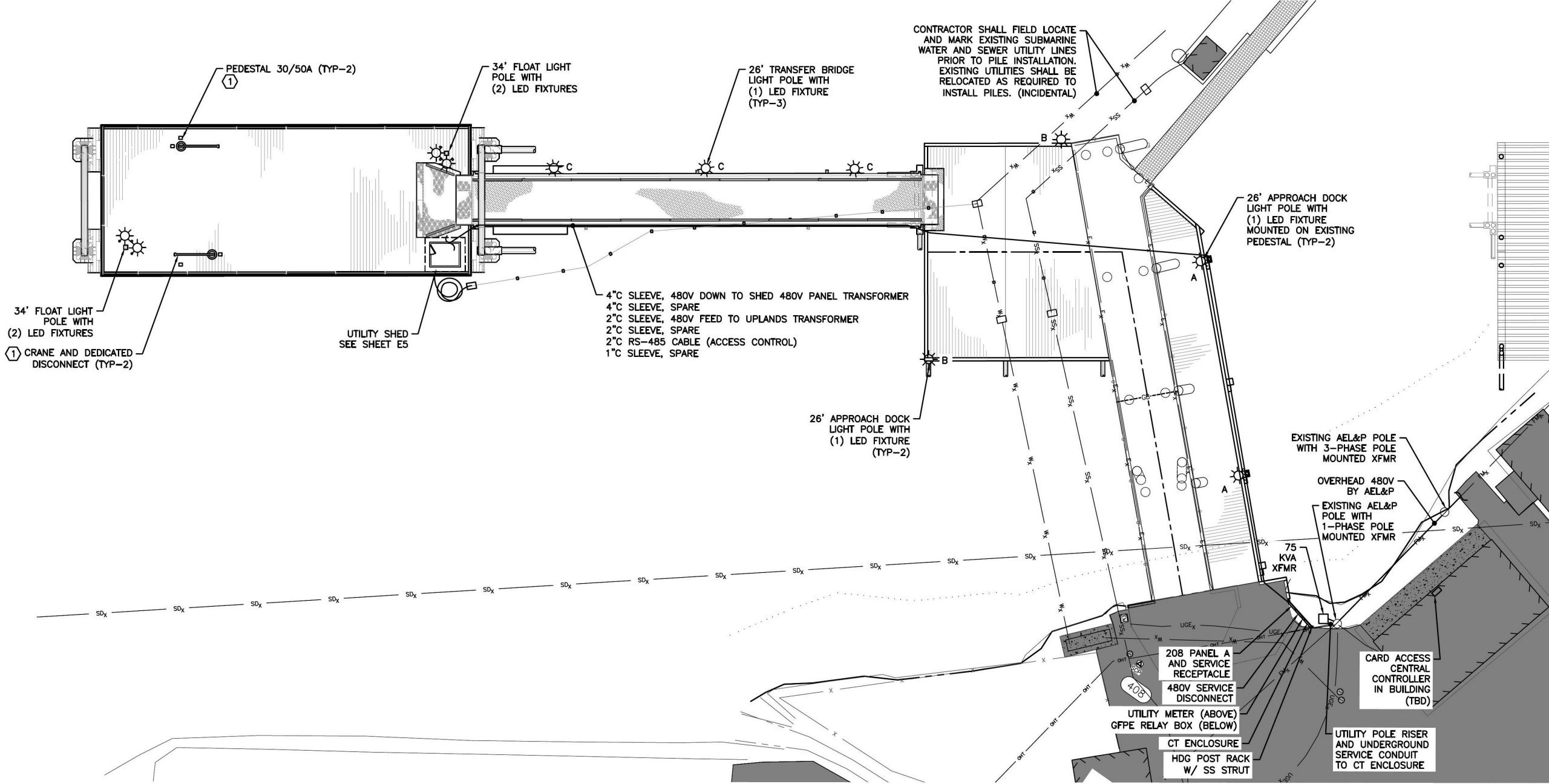
# FLOAT UTILITIES – WATER, FIRE & ELECTRICAL



Freeze Protected Water & Fire Suppression Pedestal

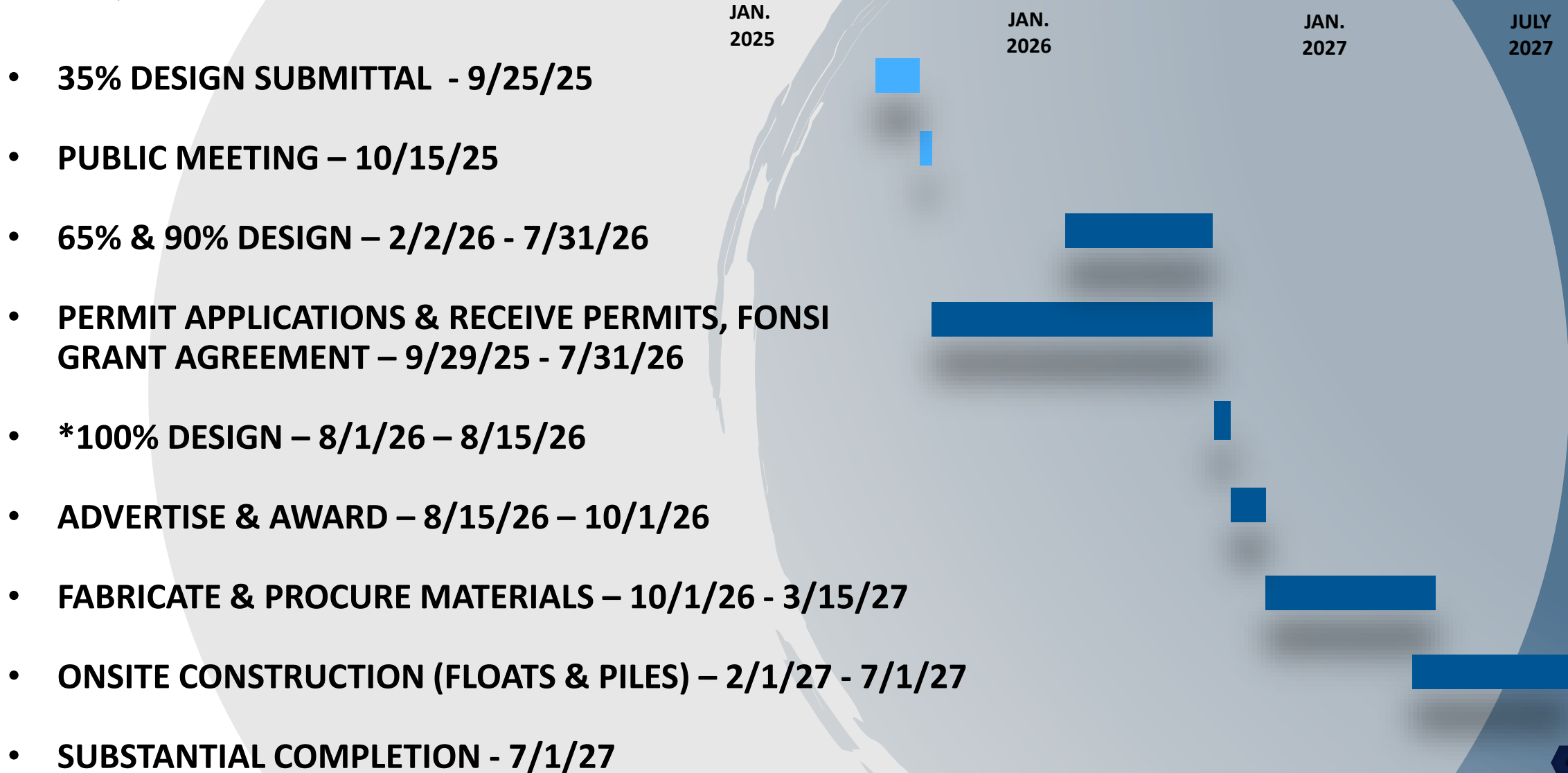


Electric Crane



# ELECTRICAL SITE PLAN<sub>AL</sub>

# PROJECT SCHEDULE



\*Due to MARAD funding, 100% design cannot be completed until grant agreement is complete.

# PROJECT BUDGET

**65% ENGINEERS ESTIMATE BASE BID- \$13,239,044**

**ADD ALT A WIDENED APPROACH DOCK – \$1,182,596**

**TOTAL: \$14,421,640**

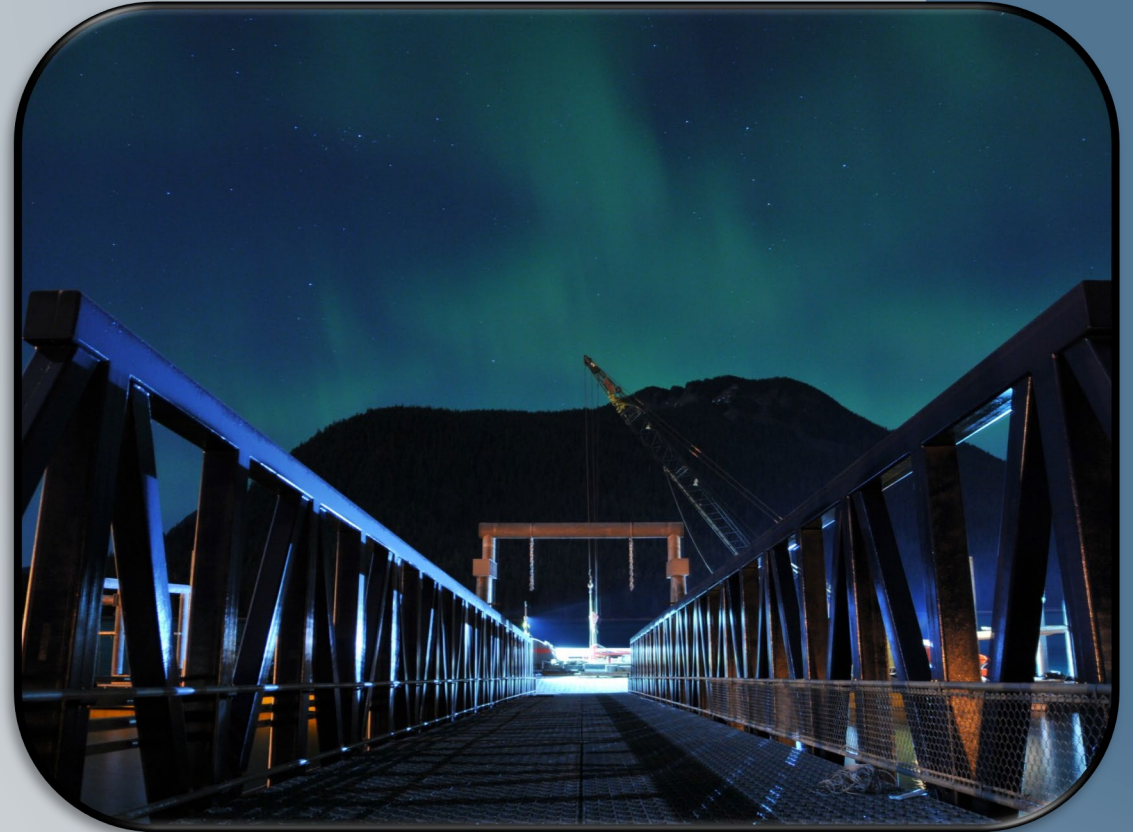
## **FUNDING SOURCES**

- **STATE OF AK HARBOR MATCHING GRANT - \$ 1,394,250**
- **MARAD PIDP GRANT - \$11,154,002**
- **HARBORS ENTERPRISE COMMITMENT – UP TO \$2.8M**
- **TOTAL AVAILABLE FUNDS: \$15,348,252**



# NEXT STEPS

- **ADDRESS 65% DESIGN REVIEW COMMENTS**
- **PROCEED TO 90% DESIGN DEVELOPMENT**



# Q&A

THANK YOU FOR YOUR  
ATTENDANCE, COMMENTS  
QUESTIONS & SUGGESTIONS!



# THANK YOU!

John Demuth, PE, SE  Brandon Ivanowicz

907.463.7002  907.586.2093

jdemuth@pndengineers.com  bivanowicz@pndengineers.com

 [www.pndengineers.com](http://www.pndengineers.com)