

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, June 19th, 2019

- I. Call to Order** (5:00 p.m. at CBJ Assembly Chambers)
- II. Roll Call** Don Etheridge, Bob Janes, Budd Simpson, David McCasland, James Becker, Bob Wostmann, Christopher Dimond, Mark Ridgway and Weston Eiler.

III. Approval of Agenda

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED

- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total)
- V. Approval of Wednesday, May 22nd, 2019 Operations/Planning Meetings Minutes**
- VI. Consent Agenda - None**
- VII. Unfinished Business**

1. Amalga Harbor Float Extension – Next Steps
Presentation by the Port Director

Committee Discussion

Public Comment

Committee Discussion/Action

MOTION: TBD

VIII. New Business

1. Gitkov Dock Partial Lease Assignment to Delta Western
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

MOTION: TO APPROVE THE PARTIAL ASSIGNMENT OF GITKOV DOCK LEASES (ATS 1170 & ATS 1525) TO DELTA WESTERN, LLC.

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2. Proposed Improvement to ATS 1170 by Delta Western
Presentation by the Port Director

Committee Questions

Public Comment

Committee Discussion/Action

**MOTION: TO APPROVE CONSTRUCTION PLANS CONTEMPLATED AT ATS 1170
BY DELTA WESTERN, LLC.**

IX. Items for Information/Discussion

1. City & Borough Plan for Subport Lot C1
<https://alaskamentalthtrust.org/trust-land-office/juneau-waterfront-parcel/>
Presentation by the Port Director

Committee Discussion/Public Comment

2. Regulation prohibiting Unattended vessels at Launch Ramps
Presentation by the Port Director

Committee Discussion/Public Comment

3. Army Corps of Engineers Dredging Plan – Aurora & Harris Harbors
Presentation by the Port Director

Committee Discussion/Public Comment

4. FY20 Grant Opportunities
Presentation by the Port Director

Committee Discussion/Public Comment

5. Enterprise Board Appointment Process
Presentation by the Port Director
Committee Discussion/Public Comment

X. Staff & Member Reports

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, July 17th, 2019.**

XII. Adjournment

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- I. Call to Order** Mr. Eiler called the meeting to order at 5:01pm in the CBJ Assembly Chambers.

II. Roll Call

The following members were present: Don Etheridge, Budd Simpson, James Becker, Bob Wostmann, Christopher Dimond, Mark Ridgway, and Weston Eiler.

Absent: Bob Janes, and David McCasland.

Also present: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, David Borg – Harbormaster, and Matthew Creswell – Deputy Harbormaster.

III. Approval of Agenda

Mr. Uchtyl asked to move #2 (Construction Project Update) under Items for Information/Discussion to before #3 (Transfer of CIP Funds from Project Close Outs) under New Business and the presentation for the Small Cruise Ship Master Planning Contract Award will be by the Port Engineer.

MOTION BY MR. RIDGWAY: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT

Motion passed with no objection

- IV. Public Participation on Non-Agenda Items – None**

- V. Approval of Wednesday, April 17th, 2019 Operations/Planning Meetings Minutes**

Hearing no objection, the minutes from April 17th, 2019 were approved as presented.

- VI. Consent Agenda - None**

- VII. Unfinished Business - None**

VIII. New Business

1. Small Cruise Ship Master Planning Contract Award

Mr. Gillette said on page 15 in the packet is a memo that was added in the packet today. This regards the small cruise ship master plan that staff will be embarking on. This is a marine passenger fee activity. The idea is to plan for future needs of the small cruise ship industry and develop a master plan for meeting the needs that are warranted for commercial passenger vessels less than 275' in length. The scope would be to develop small cruise ship market trends, evaluate various locations, infrastructure to support those vessels, and develop planning level concepts with cost estimates for the different concepts. The plan would be used by Docks & Harbors staff and the Board over the next decade in trying to develop infrastructure for that sector of the industry. In November, staff went out with a RFP for professional services and only received one proposal from

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PND Engineers. They are joined by the following sub-consultants; McDowell Group will do market and economic analysis, Corvus Design will do facility inventory and planning documents, Marine Exchange of Alaska will do vessel traffic and navigation assessments, and NorthWind Architects will do rendering drawings. The fee proposal for this work is \$131,103. This will go to the full Board next Thursday and to the Assembly on June 6th for final approval because it is over \$100,000.

Committee Questions

Mr. Eiler asked if the sub-contractors listed were selected by PND?

Mr. Gillette said they were part of their proposal.

Mr. Eiler asked if the sub-contractors will do outreach to the small cruise ship industry to gauge needs, directional planning, and expansion of vessels/fleets.

Mr. Gillette said that is part of the whole project and PND will decide who does that outreach.

Mr. Eiler asked if the planning efforts includes/covers the expansion of the Yacht industry?

Mr. Gillette said the intent is for the small cruise ship industry in part because the study is being paid by marine passenger fees. When the docks are not used, it could accommodate the larger yachts.

Mr. Wostmann asked what is the requirement for a vessel to have to pay the Marine Passenger fees?

Ms. Larson said a vessel has to have overnight accommodations for 20 or more passengers.

Mr. Uchytel said the Port Development fee is added to vessels over 200 gross tons.

Mr. Wostmann clarified that the vessels with under 20 passenger accommodations and over 200 gross tons are not included in this study.

Mr. Uchytel said that is correct.

Mr. Becker said there is a meeting scheduled to discuss setting a limit on cruise ship passengers to Juneau. He asked if the small cruise ships have been coming to Juneau for a long time?

Mr. Gillette said the small cruise ships have been coming to Juneau for a while and this project is a way to look at the need. The current company's coming are adding more and larger vessels that we are not able to accommodate in the downtown area.

Mr. Eiler noted that currently many small cruise ship companies are members of the Tourism Best Management Program (TBMP) and are engaged with efforts to soften any adverse impacts on the community.

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Mr. Ridgway asked if there was an engineer's estimate for this project?

Mr. Gillette said Docks & Harbors was given \$150,000 in Marine Passenger fees to perform this type of study. The fee proposal was based on the scope of services requested.

Mr. Uchytel said a year ago, the City Manager decided to set money aside for this study because the Downtown Business Association would like to see more of the small cruise ships and develop this part of the industry because they bring more cash to the community. We have turned ships away from the IVF and staff is even using the inside of the CT dock. American Cruise Lines, who has been coming for the last three or four year, have moved to the Gitkov Dock because we are not able to meet their needs for accommodations.

Mr. Eiler asked why the definition of small cruise ships was set at 275 feet?

Mr. Uchytel said that is the size of the American Cruise Line Constellation that staff told was too large to provide moorage at the IVF. That vessel now docks at the Gitkov Dock. We want to be able to accommodate that size vessel.

Mr. Eiler said he would like to review what provisions for the small cruise ships are included in plans the Board has previously approved (ex; Bridge to Norway Point planning or Marine Park to Taku).

Public Comment - None

Committee Discussion/Action

MOTION By MR. RIDGWAY: TO AWARD \$131,103 TO PND ENGINEERS TO CONDUCT SMALL CRUISE SHIP MASTER PLANNING AND ASK UNANIMOUS CONSENT.

Motion passed with no objection

2. Removal of Remaining RV Spots at Savikko Park/Montessori School

Mr. Borg said on page 24 in the packet is a summary on the RV parking spaces. The management of this space exceeds the profit that we make. To be able to use these spaces, someone needs to have a fully functional self-contained RV because there are no hook ups. It is not allowed to sleep in your car overnight at this location because there are no bathrooms. There was discussion in the past about this area when the Montessori School redid their parking lot a few years back when the four parking spaces were decreased to two and Mr. Borg said he wanted to get rid of all of them at that time. Staff spends hours trying to clear a \$10 parking space. This is a good time to get rid of the RV parking, make into public parking, and give back to Parks & Rec.

Committee Questions

Mr. Becker asked where the RV's can park and pump out in Juneau?

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Mr. Borg said Skate Park in the valley, RV park on backloop, and the campground at the National Forest.

Mr. Uchytel said he sent out an email to all CBJ Department Directors asking if there was any reason to keep the RV spaces. The CDD Director is looking into if there is a conditional use out there requiring these spaces be kept. He is hoping to have an answer before the Board meeting next Thursday.

Mr. Simpson recommended adding to the motion the transfer back to Parks and Rec.

Mr. Wostmann said he would second that.

Mr. Uchytel said he is not sure Parks & Rec has management property with the Montessori School.

Mr. Borg said he could take down the RV parking sign and put up a public parking sign.

Mr. Simpson recommended the management of this area go back to who transferred this to Docks & Harbors.

Mr. Wostmann recommended changing Mr. Simpson's proposed amendment to instruct staff to determine any other City entity that could put these RV parking spaces to better use but leave it open on where it should go.

Mr. Ridgway commented that directing staff to do something does not require a motion.

Mr. Etheridge recommended to do what Mr. Borg suggested to take down the RV sign and put up a public parking sign.

Public Comment - None

Committee Discussion/Action

MOTION By MR. RIDGWAY: TO REMOVE REMAINING RV SPOTS FROM SAVIKKO PARK/MONTESORRI SCHOOL AND ASK UNANIMOUS CONSENT.

Mr. Eiler amended the motion on the Agenda to correct the spelling of "Montasorri" to "Montessori".

Motion passed with no objection.

3. Transfer of CIP Funds from Project Close Outs

Mr. Eiler recused himself from this topic stating he works in a government relations capacity for the University of Alaska, and that part of this topic includes the Auke Bay Marine Station. He handed the gavel to Vice Chair Mr. Ridgway.

Mr. Gillette said every year at this time the Finance Department encourage staff to close out projects that have been completed and put the funds into other projects or back to our fund balance. Staff has identified five funds that can be closed out with a

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recommendation on where to transfer the money. Mr. Gillette went over the close outs and transfer recommendations on pages 32 and 33 in the packet.

- Statter Harbor Loading Facility Impact Statement which has been around since 1993- The recommendation is to move this money to Statter Harbor Improvements Phase III which is close to the same area.
- Taku Harbor Repairs have been completed. These funds came from a Fish & Game grant. The Assembly did not approve the Amalga Fish Cleaning station grant money given to us by Fish & Game to go toward construction. Because of the direction from the Assembly to have more public process, we have accumulated addition expenses and the transferred funds will help with those expenses. This is a similar project and both have Fish & Game funds. We are currently at a negative in the Amalga Harbor Fish project account. This will need to be at zero by the new fiscal year.

Mr. Becker asked if Fish & Game approved this transfer?

Mr. Gillette said the Fish & Game money was used and the remaining amount is Harbors funds.

Mr. Uchytel said staff believes we will still be able to be reimbursed from Fish & Game after the use of this money.

Mr. Gillette said Fish & Game has already agreed to pay for more public input process which was PND presenting to the public and the Board.

- Statter Harbor Breakwater Improvements – Staff would like to transfer \$235,000 to the Auke Bay Marine Station (ABMS) Maintenance & Improvements. The Breakwater open areas filled with grating were the worst areas in terms of people's safety. There are other needs for this money with higher priorities. The ABMS has a negative balance and it needs to be at zero by the end of the fiscal year. We also have an agreement with UAS when the subdivision was completed to pay up to \$220,000.
- The remaining amount of Statter Harbor Breakwater Improvements \$127,460.60 staff would like to transfer to Statter Harbor Improvement Phase III. This will go toward part of our match for this project.
- Harris Harbor Restroom has been completed and the remaining \$904.90 will be transferred to the Harbor fund balance.

Committee Questions

Mr. Ridgway asked about the Auke Bay Marine Station expense?

Mr. Gillette said these are shared expenses which were part of the subdivision process. The driveway needed to be reoriented so we both had a separate access and we agreed to split some costs. Docks & Harbors took over the existing driveway but UAS needed to build one. The utilities, sewer and water also needed to be split. This was all part of the agreement with the partition of the property.

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Mr. Wostmann asked if the two transfers out of the Statter Harbor Breakwater account would zero that account?

Mr. Uchytel said that is correct. He said for the Auke Bay Marine Station we have also expended about \$250,000 for the 100' float extension and getting the facility ready to occupy.

Public Comment - None

Committee Discussion/Action

MOTION By MR. WOSTMANN: TO APPROVE ADMINISTRATIVE TRANSFER AS RECOMMENDED BY THE PORT DIRECTOR MEMO DATED MAY 21st, 2019 AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

Mr. Ridgway passed the gavel back to mr. Eiler.

IX. Items for Information/Discussion

1. Draft Regulation – No standing at Launch Ramps

Mr. Uchytel said on page 34 in the packet is a proposed new ordinance. The intent for this is to address complaints from the Amalga Harbor residence and launch ramp users. The Seiners will bring their skiff in and tie up at the launch ramp boarding float, go to town, and sometimes leave it overnight. The Deputy Harbormaster and Harbormaster have been working with the Seiner's Association to not leave their skiff because it is highly disruptive to people that live out there as well as to people wanting to launch their boat. The existing ordinance would work with 85.20.030 Boat launch ramp fee and permit required; penalty. If this does move forward, we will have to add the dollar amount for the violation. Another thing that may need to be added is all vessels are required to have AK numbers for identification.

Mr. Creswell said he spoke with Susan Doherty yesterday who is the Executive Director of the Southeast Seiners Association in Ketchikan. She has agreed to come up to Juneau on July 2nd –July 5th to be on site at Amalga Harbor. She wants to be in Juneau on the day prior to the openings and the 1st day of each opening to talk to every boat that comes into the dock. Mr. Creswell said he will put the no unattended moorage signs up again and be more permanent.

Mr. Borg said staff could write tickets for not following posted signage.

Committee Discussion/Public Comment

Mr. Becker asked if you can buy a launch ramp permit at Amalga?

Mr. Creswell said not at Amalga but you can at Statter Harbor parking kiosk, Statter Harbor office, or online.

Mr. Borg said purchasing a launch ramp permit does not authorize moorage.

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Mr. Ridgway suggested to quantify what “short” means in the proposed regulation.

Mr. Uchytel asked the Board how they want to move forward with this?

Mr. Etheridge said he would like to continue with this regulation so staff has it just in case we need it.

Mr. Eiler said he would like to hear more about this after the Seine Fleet’s openings.

2. Construction Project Updates –Discussed before #3 Items for Action.

Mr. Gillette reported –

- Statter Harbor Phase IIIA master plan project – This project is fully permitted and bid documents are in production with the plan to advertise on June 14th.
- The Archipelago Property -
 - The subdivision has been signed by the Representatives of Archipelago in Georgia and is being sent back to Juneau to be signed by the Lands manager and the CDD Director. This will complete the subdivision process.
 - We are in the final items for closing on the property- taxes have been paid and everything else has been checked off so this should be signed soon.
 - Our portion of the Archipelago project first phase – Staff is expecting the final bid documents tomorrow and advertise on Friday. The bid opening will be on June 25th, bring to the Board on June 27th and to the Assembly on July 1st. If all goes as planned, a contractor will be in place shortly after being onsite mid-July to August timeframe.
- The Amalga Harbor project - There has been some public reviews and at the next Board meeting we will be getting an update from PND on the public process and the comments received. It will be up to the Board to give staff direction.
- Auke Bay Marine Station – The subdivision is still in process. The only item to be resolved is CDD requiring a public access easement across the University’s property. They wanted to cross our property, but that is not physically possible to make a public access due to steepness. Staff told them we are not interested in that. There are some shared costs as part of the agreement to subdivide the property from the federal government.
- The Visitor Information Kiosk – Ribbon cutting was last Friday, and building keys were changed over today. Travel Juneau is moving in and should be up and running next week.
- The Small Cruise Ship Study – talked about this earlier
- The Small Security Check stations – these are the check stands on the approach docks for each berth. This project was bid but staff held off because we did not have enough money to construct both. FY20 Marine Passenger fees have been identified for this project and will be available July 1st. Staff will continue with the bid process to be built this fall and winter.

Mr. Uchytel said staff will hold off on advertising this project because we may have an opportunity for FEMA Port Security Grant money. There is a possibility to get a 75/25 matching grant. Staff is working with the Marine Exchange of

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Portland to put together a grant application document and we will know in August. This is funded by Marine Passenger fees but we could use that money other places if we get the grant.

Committee Discussion/Public Comment

Mr. Eiler asked what was the engineer's estimate for the Archipelago project?

Mr. Gillette said \$13.9M.

Mr. Eiler asked about the timeline for Aurora Harbor phase III?

Mr. Gillette said Aurora Harbor phase III will be three phases. The demolition, dredging by the Corps of Engineers, and float installation. The stopping block for this is the funding. We have applied for grant money but staff does not anticipate receiving any funds.

Mr. Eiler asked for the timeline from funding to completion?

Mr. Gillette said roughly a year.

3. Alaska Association of Harbormasters & Port Administrators Annual Conference

Mr. Uchytel said in your packet on page 35 is a letter that was sent out to all of the AAHPA members for the conference which will be hosted in Juneau this year from September 30th to October 4th. He said he sent an invite to US DOT, folks in DC and MARAD to come talk about grant opportunities, the Governor to speak, Commissioner of Transportation, Admiral Bell from the Coast Guard, and they have all said they would like to participate. Gastineau Guiding will provide a whale watching cruise on the first day and there will be a welcome reception at the Buoy Deck. The Banquet will be Thursday night at the Elizabeth Peratrovich Hall along with most of all the events. We plan to leverage the successes in Juneau with the TBMP best management practices and the execution of our capital projects over the past ten years. He said he sent a letter to the VP at Norwegian Cruise Lines asking to have a cocktail reception October 2nd on the last ship of the year. Staff feels we can make this the best conference ever.

Committee Discussion/Public Comment

• Staff & Member Reports

Mr. Uchytel reported:

- He believes there will be one position available on the Board starting July 1st. He wanted to encourage Board members to reach out to people they know that may be interested.
- He thanked Board members who showed up to the infrastructure week events. He heard good things from people who showed up and participated. The final ribbon cutting event was the new visitor's center kiosk.
- He will be presenting an AAHPA scholarship award at the Thunder Mountain High School tomorrow to Andrew Dilly.
- Next Thursday there will be an Amalga Harbor hearing and the Board will hear from TSI, the Huffman Cove/Amalga Harbor residents and he urges the Board to

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formulate in their mind the best plan of action for Amalga Harbor. There will be a social media release tomorrow morning letting the public know of the meeting. Mr. Uchtyl said Ryan Beason with TSI invited the Board members and himself to attend their Board meeting but he was not able to attend. He said he did talk to Mr. Beason and told him that he does not believe the resolution as written is factual and accurate. He said TSI reaffirmed their position of the resolution at their most recent TSI Board meeting. He sent an email to TSI letting them know he would like to meet early regarding the Golden North Salmon Derby preparation so staff can assure that TSI has sufficient resources for them to carry out a successful fishing derby. My staff and I feel Docks & Harbors does a lot for TBMP, Rotary, TSI, and the Territorial Sportsman. Moving forward, he believes it is not unreasonable to ask to be compensated for our services. We will always provide the best services we can for our patrons using our facilities especially during Derby weekend and we do not have any problem continuing that. As a business decision, he is questioning if we should start charging for our services for storing and moving the derby floats, renting forklifts to move ice around, and staff being on call for the entire weekend. He said he would like to meet to make sure they have sufficient resources to be successful.

Mr. Becker said the whole derby is to make money for scholarships. If they have to spend more to operate the derby, they will have less money toward the scholarship. He asked how much Docks & Harbors spends to support the derby?

Mr. Uchtyl said he does not have an exact amount but staff does a lot to support the derby.

Mr. Becker said he would like to know Docks & Harbors expense to support the derby.

Mr. Ridgway asked if there is a connection with the Amalga Harbor decision and charging for services?

Mr. Uchtyl said no, they are two separate items.

Mr. Etheridge asked if he needed a final decision made next Thursday?

Mr. Uchtyl said staff can do whatever the Board wants us to do.

Mr. Etheridge said he would like to hear the presentation and have time to think about it but not make a decision next Thursday.

Mr. Uchtyl said he advertised next Thursdays meeting as a hearing and the Board will be pressured to render a decision.

Mr. Wostmann asked how many written comments are there besides the TSI resolution.

Mr. Uchtyl said 15 letters from the Amalga\Huffman Cove residents and one letter from John Cooper. However, the Board will not see a lot of written support from people who could benefit from this project. He said about three or four years ago,

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the fish cleaning float was broken and staff removed it. For several weeks, people were just cleaning fish on the float and it was bloody and slippery. We received complaints and people demanding we put the float back. He is anticipating the result from this meeting be remove the fish cleaning float or do not do anything at all.

Mr. Wostmann asked if the Board could get all the minutes regarding all the comments prior to the meeting so the members have enough time to read and think about them.

Mr. Uchytel said staff could send them in an email.

Mr. Wostmann said in email will work.

Mr. Eiler asked to receive the PND presentation for review prior to the meeting. He cautioned against mixing the issues with TSI of Amalga Harbor improvements and support the department provides in-kind during the Golden North Salmon Derby.

Mr. Ridgway did hear the issues with TSI and Amalga are two separate issues. He recommended getting information out as quickly as possible before the meeting so the members have time to review.

Mr. Uchytel said he will try to get the information to the Board members sooner rather than later.

Mr. Borg reported:

- Staff is still working to remove the broken pile in the north end of Aurora. Trucano is scheduled to pull it on June 3rd.
- There was a hearing for the vessel Resolute in Douglas Harbor. He issued a 72 hour notice to get the vessel moving but the owner had well over a month to get it operational and it is still not operational. From the hearing, he was given an additional two weeks, until June 6th, to get this vessel running.
- The pump out barge and cart is up and running in Douglas. This was all built in house with Mr. Osborn taking the lead.
- Harris pump out is having some operational issues but staff hopes to have that up and running in the coming weeks.
- There was an individual who fell asleep on the seawalk and rolled off the bull rail into the water. He self recovered himself, got out of the water, and was fine.
- Staff served 110 hot dogs for customer appreciation at the new visitor center ribbon cutting ceremony.
- The Electric vehicle for doing medivacs off cruise ships should be here in mid-July. The plan is to hand it over to Capital City Fire/Rescue (CFR) and they will come up with a SOP for the use and work in tandem to develop a MOU. CFR staff will do the maintenance and operation, but it will stay at the Port.
- Staff is feeling the extra tourists and the extra employees are helping. We are finding that it takes four to five people in the parking lots on busy days where it used to be two.

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- The downtown traffic flow is going pretty good for the beginning of the season with the new bus drivers and extra traffic.

Mr. Wostmann asked what kind of impact from DOT's road construction is expected?

Mr. Borg said it is going to be a huge challenge.

Mr. Eiler asked the timeline for the reconstruction on Egan Highway downtown?

Mr. Borg said two years.

Mr. Eiler asked Mr. Borg prepare a short briefing for the Committee summarizing his views on the proposal to install security cameras at Dock & Harbors facilities.

Mr. Borg said he did talk to Mr. Wiseman for about three hours on this topic about what our infrastructure is and what it will take for the cameras. Mr. Borg said Mr. Wiseman walked out of the meeting understanding Docks & Harbors challenges and it would be easier if he put a camera on his boat.

Mr. Eiler said he appreciated knowing staff engaged with the stakeholders that spoke before the Board on this matter.

He also suggested installing a time-lapse camera for the Archipelago lot to capture that unique project's construction.

Mr. Gillette said there is a camera there, but not a time-lapse.

Mr. Ridgway asked if the crime in the Harbors has always been this bad?

Mr. Borg said yes.

Mr. Ridgway asked if there is an active answer for the public as to what Docks & Harbors is doing to improve security?

Mr. Etheridge said with the new SB91, the Police Department is not able to hold people committing crimes. The legislature is working to improve this so when the Police Department does arrest someone they can hold them. The crime in Juneau is bad everywhere and not just the Harbors but this is an area wide problem.

Mr. Borg said he tried to start up a neighborhood watch with the Harbor liveboards but the majority of the people living in the Harbor do not want to get involved. We have put up fliers to report suspicious activity. Mr. Borg said he can issue trespasses, but he needs to know it happens and the person needs to understand they are being trespassed. The trespassing is working and Mr. Creswell has four subpoena's to go to court for one individual sleeping in our bathrooms. He said he challenges people that are not normally seen in the Harbor. People looking to do bad know how to get around cameras. Not sure if the camera is the best solution or a night security employee.

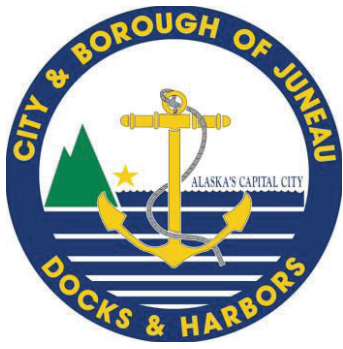
Mr. Eiler recommended having staff do an overview of how the department handles security/safety and public process for new projects at the Board's next strategic retreat or sometime in the fall.

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XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, June 19th, 2019.**

XII. Adjournment: Meeting adjourned at 6:55pm.



Port of Juneau

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

From: Carl Uchytel, Port Director
To: Docks & Harbors Board
Thru: Docks & Harbors Operations-Planning Committee
Date: June 14th, 2019
Re: REQUEST FOR PARTIAL ASSIGNMENT OF ATS 1525 & ATS 1170

1. John Gitkov & Jane Hawkins have two tideland leases with Docks & Harbors and own/operate Gitkov Dock:

- ATS 1170 1.69 acres Expires 9/23/2047
- ATS 1525 (Tract A & Track B) 1.15 acres Expires 1/30/2030

2. In their letter dated June 14, 2019, they are requesting partial assignment (1.30 acres) of the above mentioned leases to Delta Western, LLC. The letter also provides notice that Delta Western intend to continue same use of the property but is intending to make improvements to the property by adding diesel and gas fuel storage tanks and fuel lines.

3. The ATS 1170 is a new lease (from 2012) with Docks & Harbors. ATS 1525 was a lease transferred to CBJ from the State in 2001. Both leases are attached and have similar language requiring the owner/lessor to approve assignment as well as approving improvements. CBJ Law has reviewed the request and has indicated that partial assignments of leases are legal and appropriate.

3. I recommend the Board approve the Gitkov request to partially assign the ATS 1170 and ATS 1525 to Delta Western. I also recommend the Board approve the future improvements proposed by Delta Western, LLC as shown as an attachment to the Gitkov letter.

#

Encl (1): Gitkov letter dated June 14th, 2019 w/attachments

- (2) ATS 1170 lease
- (3) ATS 1525 lease

June 14, 2019

CBJ Docks & Harbors
Attn: Carl Uchytel, Port Director
76 Egan Drive
Juneau, Alaska 99801

By Hand

Re: Partial Assignment of Leases ATS 1170 and ATS 1525

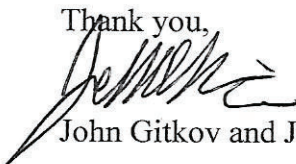
Dear Carl,

Thank you for meeting with us on Monday! As we talked about in our meeting, Delta Western, LLC ("Delta Western") intends to buy the "Gitkov dock" and our barge, and to expand our existing marine fueling capability. Delta Western will need to assume a portion of our tidelands leases in order to do this.

We are requesting that you approve the partial assignment of Tidelands Leases ATS 1170 and ATS 1525 to Delta Western as shown in the red-lined area on the map attached as Exhibit A. We propose that the leased area inside the red line be assigned to Delta Western. We also understand from Delta Western that they intend to continue our same use of the leased property. However, Delta Western intends to improve the property covered by the leases by (1) adding fuel tanks for storage; and (2) building three pipelines from the fuel tanks to three new marine fuel dispensers located on the barge. These proposed improvements are shown on the drawings attached as Exhibit B. If you approve the requested partial assignments of the Leases, we also request that you approve the improvements proposed by Delta Western.

We really appreciate your support. Please do not hesitate to call me at (907) 723-4210 with any questions. We will plan to attend the committee meeting of the CBJ board on June 19, 2019.

Thank you,


John Gitkov and Jane Hawkins



GLACIER HIGHWAY

GUARD RAIL
POWER LINE

TOE OF BANK

PARKING

ACCESS
LANE

LC=105.45'
NB7°05'05"E
A=106.48'
C=3°46'15"
Rc=1617.85'

RIGHT OF WAY
C=7°44'52"
A=218.78'

A=58.84'
C=2°05'01"

PROPOSED
20,000 GAL
DIESEL TANK

PROPOSED 12,000
GAL GASOLINE TANK

RAMP

PARKING
ATS 1170

ATS 1525
TRACT B

AREA IN TR B ATS 1525
21,963.32 SQ. FT.

AREA IN ATS 1170
34,576.96 SQ. FT.

BARGE

258.41' N00°00'59"E

N.65.00.005 .Y6'26"

N.80.91.201 .66'25"

244.55' N00°00'45"W

349.72' N89°59'15"E

299.99' N89°59'15"E

150.39' S89°59'15"W

50.00'
N89°59'15"E

500.00'45"E
253.54'

ATS 1525

500.00'45"E
250.10'

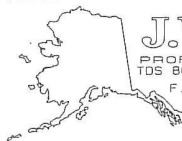
117.95' N00°00'45"W

110.60' S87°49'32"W

119.42' N18°40'23"E

100.39' N01°18'47"E

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT PLAT; THAT ALL
WALKS, ROADS, EASEMENTS AND IMPROVEMENTS THEREON ARE AS SHOWN
AND THAT ALL OVERLAPS AND ENCROACHMENTS ARE AS SHOWN TO THE
BEST OF MY KNOWLEDGE.



J.W. BEAN
PROFESSIONAL SURVEYOR
TDS 8684

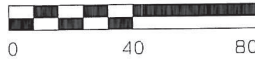
F.B. JOB No 13303
SCALE AS-SHOWN
DATE 6-14-2019

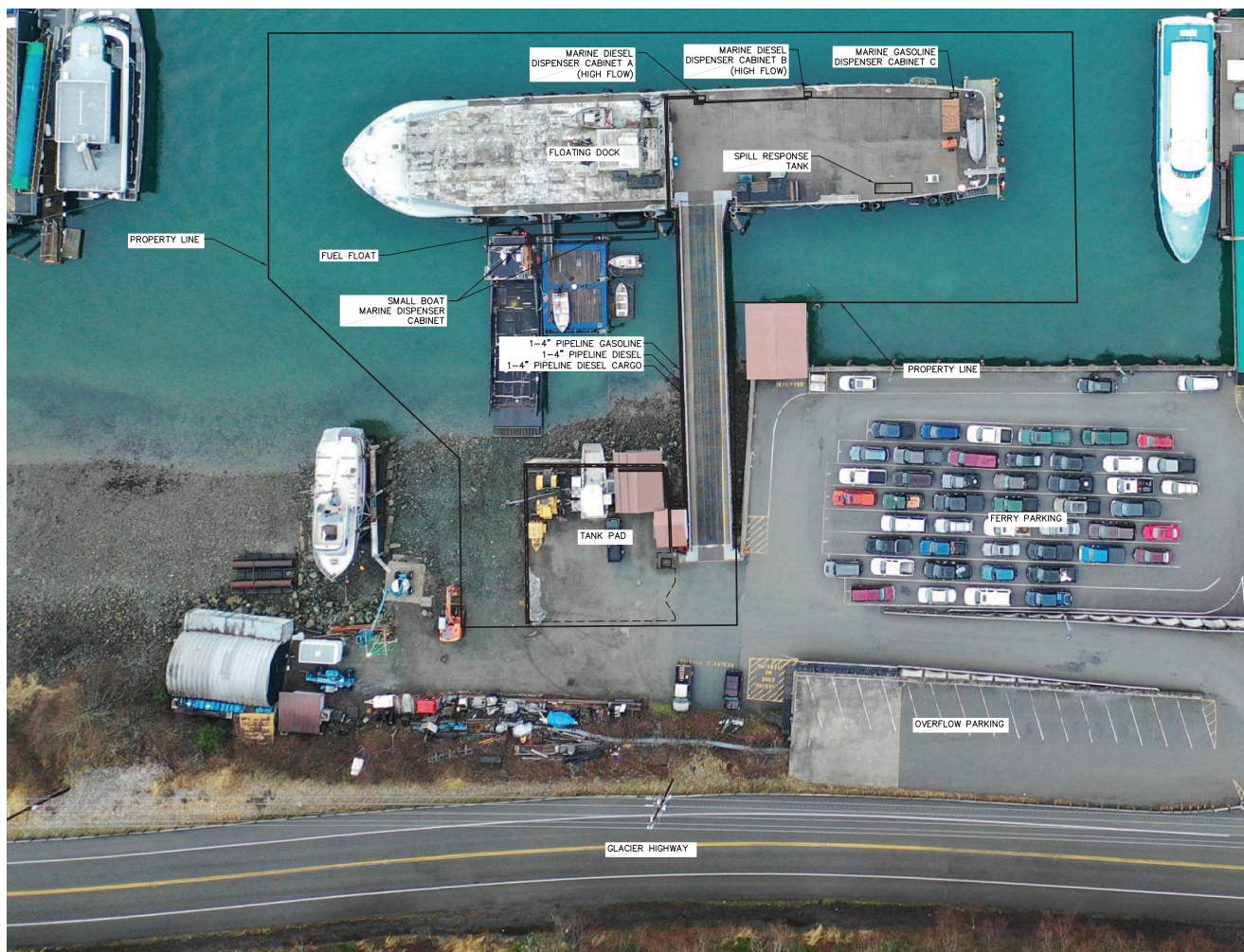
LEASE LAND OF
PORTION OF

ATS 1525, TRACT B &
ATS 1170



SCALE 1"=40'





1 OVERALL SITE PLAN
SCALE: 1" = 50' (HALF SIZE 11"x17")

NOTES:

(N1) DRAWING IS PRELIMINARY AND SUBJECT TO CHANGE.

[illegible]

AUKU BAY FUEL TERMINAL
 OVERALL SITE PLAN
 DELTA WESTERN
 JUNEAU, AK

GNE #: JOB # 309047	
ACAD NO:	
DATE:	6/12/19
SCALE:	
DRAWN:	RD
CHECKED:	TS
DESIGNED:	
APPROVED:	
309047	REV A

SK-01

DWG NO. 13

CC

A
L
A
S
K
A

2013-003299-0

Recording District 101 Juneau

05/07/2013 02:51 PM Page 1 of 16



Recorder return to: City and Borough of Juneau
Attn: Carl Uchytel, P.E., Port Director
155 S. Seward Street
Juneau, AK 99801

LEASE AGREEMENT FOR ALASKA TIDELANDS SURVEY 1170

PART I. PARTIES

This lease is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter "CBJ" or "City" and Jane H. Hawkins and John D. Gitkov, husband and wife, d/b/a Gitkov Dock, hereafter collectively "Lessee."

PART II. LEASE ADMINISTRATION

All communications about this lease shall be directed as follows, and any reliance on a communication with a person other than that listed below is at the party's own risk.

City and Borough:

Lessee:

Attn: Carl Uchytel, P.E.
Port Director
City and Borough of Juneau
155 S. Seward Street
Juneau, AK 99801
Phone: (907) 586-0292
Fax: (907) 586-0295

Attn: Jane H. Hawkins and John D. Gitkov
d/b/a Gitkov Dock
22745 Glacier Hwy.
Juneau, AK 99801
Phone: (907) 723-4210
Message: (907) 789-4210

PART III. LEASE DESCRIPTION

This lease agreement is identified as: Lease Agreement for Alaska Tidelands Survey 1170. The following appendices are attached hereto and are considered to be part of this lease agreement as well as anything incorporated by reference or attached to those appendices.

- Appendix A: Property Description & Additional Lease Provisions
- Appendix B: Lease Provisions Required by CBJ Chapter 53.2
- Appendix C: Standard Provisions

If in conflict, the order of precedence shall be: this document, Appendix A, B, and then C.

Lease Agreement for ATS 1170

Page 1 of 12

PART IV. PRIOR LEASE SUPERSEDED

This lease agreement supersedes and replaces any lease agreement for Alaska Tidelands Survey 1170 entered into between the State of Alaska and a predecessor lessee on September 24, 1982, and any amendments to, or assignments of, that lease agreement.

PART V. LEASE EXECUTION.

The CBJ and Lessee agree and sign below.

City and Borough of Juneau:

Lessee:

Date: 5/7/2013
By: Carl Uchytel
Carl Uchytel, P.E., Port Director

Date: 5/1/13
By: Jane H. Hawkins
Jane H. Hawkins
Lessee:

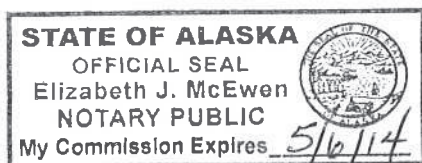
Date: 5/1/13
By: John D. Gitkov
John D. Gitkov

CBJ ACKNOWLEDGMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the 7th day of May, 2013, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Carl Uchytel, to me known to be the Port Director of the City and Borough of Juneau, Alaska, the municipal corporation that executed the above foregoing instrument, who on oath stated that he was duly authorized to execute said instrument on behalf of said corporation, and who acknowledge that he signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.



Elizabeth J. McEwen
Notary Public in and for the State of Alaska
My Commission Expires: 5/6/2014

Lease Agreement for ATS 1170

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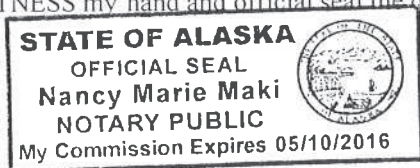


LESSEE ACKNOWLEDGMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the 15th day of May, 2013, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Jane H. Hawkins, to me known to be the identical individual described herein who executed the foregoing instrument as Lessee, and who acknowledged to me that she signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.



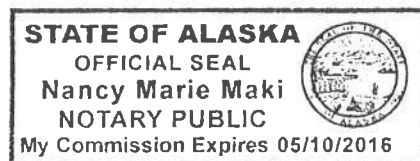
Nancy Marie Maki
Notary Public in and for the State of Alaska
My Commission Expires: 5/10/2016

LESSEE ACKNOWLEDGMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the 15th day of May, 2013, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared John D. Gitkov, to me known to be the identical individual described herein who executed the foregoing instrument as Lessee, and who acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.



Nancy Marie Maki
Notary Public in and for the State of Alaska
My Commission Expires: 5/10/2016

Approved as to Content:

Carl Uchytel 5-7-13, Docks & Harbors

Risk Management Review:

Tim Allen 4/15/2013, Risk Manager

Approved as to Form:

Amun 4-12-13, Law Department



APPENDIX A:

PROPERTY DESCRIPTION & ADDITIONAL LEASE PROVISIONS

1. DESCRIPTION OF PROPERTY

The property subject to this lease is generally referred to as "the Leased Premises" or "the Property." The Leased Premises are described as follows:

ATS 1170, Plat 82-43, Juneau Recording District, First Judicial District, State of Alaska, containing 73,529 square feet, more or less.

The Leased Premises, depicted on Exhibit A to CBJ Ordinance No. 2013-06, are subject to any legally enforceable easements and/or covenants. A copy of CBJ Ordinance No. 2013-06 is attached to and made a part of this lease by this reference.

2. AUTHORITY

This lease is entered into pursuant to the authority of CBJ Code Section 85.02.060(a)(5), CBJ Chapter 53.20; and CBJ Ordinance No. 2013-06, adopted by the City and Borough of Juneau Assembly on March 4, 2013, and effective 30 days thereafter.

3. TERM AND RENEWAL OPTION

The term of the lease is 35 years, unless sooner terminated, commencing on September 24, 2012. The CBJ grants Lessee one option to renew this lease for one, successive period of 35 years, subject to written approval by the CBJ. Lessee shall seek to exercise this option, if at all, by written notice given to the CBJ no later than the six months prior to the expiration of the underlying initial lease term (September 23, 2047).

4. LEASE PAYMENTS, ADJUSTMENTS AND DISPUTE RESOLUTION

(a) Lessee shall pay the CBJ an annual lease payment for the Leased Premises. The annual payment for the initial five-year period (September 24, 2012 through September 23, 2017) shall be \$11,030 (Eleven Thousand and Thirty Dollars) plus sales tax. The annual lease payments shall be made by Lessee to the CBJ at the start of each subsequent year of the term, with the annual payment due on or before September 23rd.

(b) Beginning with the first year after the initial five-year period of the term, the Port Director will re-evaluate and adjust the annual lease payment for the Leased Premises (including any equipment and improvements) for the next five-year period of this lease, and then every five years thereafter, in accordance with CBJ 53.20.190(2) and 05 CBJAC 50.010, *et seq.* Regardless of the timing of the adjustment, the new annual lease payment amount shall be paid retroactively to the beginning of the lease payment adjustment period for which no adjustment has yet been made.

- i. Any changes or adjustments shall be based primarily upon the values of comparable land in the same or similar areas; such evaluations shall also include all improvements, placed upon or made to the land, to which the



City and Borough has right or title excluding landfill placed upon the land by the lessee except that the value of any improvements credited against rentals shall be included in the value.

- ii. If the lessee disagrees with the lease rent adjustment proposed by the port director, the lessee shall pay for an appraisal and have the appraisal undertaken in accordance with the requirements set out in 05 CBJAC 50.050. The lease rent adjustment proposed by the port director will automatically take effect if the lessee's appraisal is not completed and submitted to the director within six months after the director proposes the adjustment.
- iii. Delays in setting or adjusting lease rents shall not change the effective date of the lease rent change. In the case of renewals, the new rent shall apply retroactively to the date the lease expired. In the case of rent adjustments during a lease, the new rent shall apply retroactively to the date of rent adjustment as set out in the lease.

(c) In the event the Docks & Harbors Board cannot reach agreement with the applicant or lessee on the lease rent or adjustment, the Board shall pay for an additional appraisal and have that appraisal undertaken in accordance with 05 CBJAC 50.050. After reviewing the additional appraisal, the Board shall establish lease rent. If the applicant or the lessee disagrees with the lease rent or adjustment, the applicant or lessee may appeal to the Assembly. The decision of the Assembly shall be final.

5. AUTHORIZED USE OF PREMISES AND IMPROVEMENTS

Lessee is authorized to use the Lease Premises for its commercial dock and marine services related operations. Should Lessee wish to further develop the premises, Lessee shall be required to obtain written approval of its development plans from the CBJ Docks and Harbors Board prior to any further development of the Leased Premises or improvements. Lessee shall be responsible for obtaining all necessary permits and approvals for Lessee's development of the Leased Premises prior to beginning any construction or otherwise taking any action for which a permit or approval is required.

6. INSURANCE REQUIREMENTS

Lessee shall provide a certification of proper insurance coverage to the City and Borough of Juneau. All insurance shall require that the insurance company give prior written notice, consistent with the terms of the policy, to the CBJ's Risk Management Officer prior to any cancellation, non-renewal, or reduction in the amount of coverage. The Lessee's insurance shall be primary and any insurance maintained by the CBJ shall be non-contributory. If the Lessee maintains higher limits than shown below, the CBJ shall be entitled to coverage for the higher limits maintained by the Lessee.



Lessee acknowledges that it is the Lessee's obligation to obtain adequate insurance for protection of Lessee's buildings, fixtures, improvements or personal property located on the Leased Premises, and adequate insurance to cover debris removal. Lessee, and its insurer, also agree to waive any rights of recovery for property loss or claims relating to this agreement. The CBJ will be named as a joint loss payee as its interest may appear on the property insurance coverage.

Lessee agrees to maintain insurance as follows at all times while this contract is in effect, including during any periods of renewal.

Marine General Liability Insurance. The Lessee must maintain Marine General Liability Insurance, including coverage for wharfinger's liability, in an amount it deems reasonably sufficient to cover any suit that may be brought against the lessee. This amount must be at least one million dollars (\$1,000,000.00) per occurrence, and two million dollars (\$2,000,000.00) aggregate. . This coverage shall include the CBJ, its officials, employees, and volunteers as insureds. **The CBJ will be named as additional insured on this policy for "any and all work performed for the CBJ".**

Comprehensive Automobile Liability Insurance. The coverage shall include all owned, hired, and non-owned vehicles to a one million dollar (\$1,000,000.00) combined single limit coverage. **The CBJ will be named as additional insured on this policy for "any and all work performed for the CBJ".**

Workers Compensation Insurance. If required by Alaska Statute, the Lessee must maintain Workers Compensation Insurance to protect the Lessee from any claims or damages for any personal injury or death which may arise from services performed under this contract. This requirement applies to the Lessee firm, the Lessee subcontractors and assignees, and anyone directly or indirectly employed to perform work under this contract. The Lessee must notify the CBJ as well as the State Division of Workers Compensation immediately when changes in the Lessee business operation affect the Lessee insurance status. Statutory limits apply to Workers Compensation Insurance. The policy must include employer's liability coverage of one hundred thousand dollars (\$100,000.00) per injury and illness, and five hundred thousand dollars (\$500,000.00) policy limits. **If the Lessee is exempt from Alaska Statutory Requirements, the Lessee will provide written confirmation of this status in order for the CBJ to waive this requirement. The policy will be endorsed to waive subrogation rights against the CBJ.**

Property Insurance Lessee acknowledges that the CBJ carries no property or casualty insurance on the Leased Premises of improvements located thereon belonging to Lessee, and that it is the Lessee's obligation to obtain adequate insurance for protection of Lessee's buildings, fixtures, improvements or personal property located on the Leased Premise, and adequate insurance to cover debris removal. Lessee and its insurer also agree to waive any rights of recovery for property loss or claims relating to this agreement. The CBJ will be named as a joint loss payee as its interest may appear on the property insurance coverage.



**APPENDIX B: LEASE PROVISIONS REQUIRED BY
CBJ CHAPTER 53.20**

1. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.

As required by CBJ 53.20.160, it shall be the responsibility of Lessee to properly locate Lessee's improvements on the Leased Premises and failure to so locate shall render Lessee liable as provided by law.

2. APPROVAL OF OTHER AUTHORITIES.

As required by CBJ 53.20.180, the issuance by the CBJ of leases, including this lease, under the provisions of CBJ Title 53 does not relieve Lessees of responsibility for obtaining licenses, permits, or approvals as may be required by the CBJ or by duly authorized state or federal agencies.

3. TERMS AND CONDITIONS OF LEASES REQUIRED BY CBJ 53.20.190.

As required by CBJ 53.20.190, the following terms and conditions govern all leases and are incorporated into this lease unless modified by the Assembly by ordinance or resolution for this specific lease. Modifications of the provisions of this Appendix B applicable to this specific lease, if any, must specifically modify such provisions and be supported by the relevant ordinance or resolution to be effective.

(1) **Lease Utilization.** The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the lease, and in conformity with the provisions of CBJ code, and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject the lease to cancellation at any time.

(2) **Subleasing.** Lessee may sublease Leased Premises or any part thereof leased to Lessee hereunder; provided, that the proposed sub-lessee shall first apply to the manager or port director for a permit therefore; and further provided, that the improvements on the Leased Premises are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease that may be made to apply to the sublease are hereby incorporated into the sublease. The CBJ reserves the right to amend or modify the terms and conditions that shall apply, if the CBJ deems it appropriate to do so.

(3) **Assignment.** Lessee may assign its rights and obligations under this lease; provided that the proposed assignment shall be approved by the CBJ prior to any assignment. The assignee shall be subject to all of the provisions of the lease. All terms, conditions, and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

(4) **Modification.** The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

(5) **Cancellation and Forfeiture.**

(a) The lease, if in good standing, may be cancelled in whole or in part, at any time, upon mutual written agreement by Lessee and the CBJ.



(b) The manager or port director may cancel the lease if it is used for any unlawful purpose.

(c) If the lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or any of the provisions of this Code, and should the default continue for 30 calendar days after service of written notice by the City and Borough without remedy by the lessee of the conditions warranting default, the City and Borough may subject the lessee to appropriate legal action including forfeiture of the lease. No improvements may be removed by the lessee or other person during any time the lessee is in default.

(d) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of the CBJ with approval of the Assembly, constitute grounds for default.

(6) **Notice or Demand.** Any notice or demand, which under the terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided.

(7) **Rights of Mortgage or Lienholder.** In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

(8) **Entry and Reentry.** In the event that the lease should be terminated as herein provided, or by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by Lessee during the term, the CBJ or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of lands or such thereof, and remove all persons and property therefrom either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefore. No reentry by the CBJ shall be deemed an acceptance of a surrender of the lease.

(9) **Re-lease.** In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, the manager or port director may offer the lands for lease or other appropriate disposal pursuant to the provisions of the CBJ code.

(10) **Forfeiture of Rental.** In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by the CBJ as partial or total damages for the breach.

(11) **Written Waiver.** The receipt of rent by the CBJ with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of any of the conditions or covenants of the lease, shall not be deemed a waiver of any provision of the Lease. No failure on the part of the CBJ to enforce any covenant or provision therein contained, nor any waiver of

Lease Agreement for ATS 1170



any right thereunder by CBJ unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of the CBJ to enforce the same in the event of any subsequent breach or default. The receipt, by the CBJ, of any rent or any other sum of money after the termination, in any manner, of the term demised, or after the giving by the CBJ of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by the CBJ to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the CBJ.

(12) **Expiration of Lease.** Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up to the CBJ all of the leased land on the last day of the term of the lease.

(13) **Renewal Preference.** Any renewal preference granted Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the designated official.

(14) **Removal or Reversion of Improvement upon Termination of Lease.** Improvements owned by Lessee shall, within sixty calendar days after the termination of the lease, be removed by Lessee; provided, such removal will not cause injury or damage to the lands or improvements demised; and further provided, that the manager or port director may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of the port director or manager, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying the CBJ pro rata lease rentals for the period.

(a) If any improvements and/or chattels not owned by the City and Borough and having an appraised value in excess of \$5,000.00, as determined by the assessor, are not removed within the time allowed, such improvements and/or chattels shall, upon due notice to the lessee, be sold at public sale under the direction of the manager or port director. The proceeds of the sale shall inure to the lessee preceding if the lessee placed such improvements and/or chattels on the lands, after deducting for the City and Borough rents due and owing and expenses incurred in making such sale. Such rights to the proceeds of the sale shall expire one year from the date of such sale. If no bids acceptable to the City and Borough manager or port director are received, title to such improvements and/or chattels shall vest in the City and Borough.

(b) If any improvements and/or chattels having an appraised value of \$5,000.00 or less, as determined by the assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in, the City and Borough.

(15) **Rental for Improvements or Chattels not Removed.** Any improvements and/or chattels belonging to Lessee or placed on the lease during Lessee's tenure, with or without Lessee's permission, and remaining upon the premises after the termination date of the lease shall entitle the CBJ to charge Lessee a reasonable rent therefore.



(16) **Compliance with All Laws.** Lessee shall comply with all regulations, rules, and the code of the City and Borough of Juneau, and with all state and federal regulations, rules and laws applicable to the activity upon or associated with the leased land, which includes, but is not limited to, complying with the CBJ's Uniform Sales Tax code.

(17) **Condition of Premises.** Lessee shall keep the premises of the lease in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the leased lands. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the leased land.

(18) **Inspection.** Lessee shall allow an authorized representative of the CBJ to enter the lease land for inspection at any reasonable time.

(19) **Use of Material.** Lessee of the surface rights shall not sell or remove for use elsewhere any timber, stone, gravel, peat moss, topsoils, or any other materials valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used, if its use is first approved by the manager or port director.

(20) **Rights-of-Way.** The CBJ expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the CBJ to do so. If the CBJ grants an easement or right-of-way across the leased land, Lessee shall be entitled to damages for all Lessee-owned improvements or crops (if applicable) destroyed or damaged. Damages shall be limited to improvements and crops only, and loss shall be determined by fair market value. Annual rentals may be adjusted to compensate Lessee for loss of use.

(21) **Warranty.** The CBJ does not warrant by its classification or leasing of land that the land is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ land to said use.

(22) **Lease Rental Credit.** When authorized in writing by the manager or port director prior to the commencement of any work, Lessee may be granted credit against current or future rent; provided the work accomplished on or off the leased area results in increased valuation of the leased or other City and Borough-owned lands. The authorization may stipulate type of work, standards of construction and the maximum allowable credit for the specific project. Title to improvements or chattels credited against rent under this section shall vest immediately and be in the CBJ and shall not be removed by Lessee upon termination of the lease.



APPENDIX C: STANDARD PROVISIONS

- (1) **Holding Over.** If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only.
- (2) **Interest on Late Payments.** Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.
- (3) **Taxes, Assessments, and Liens.** During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting, or likely to result in, a lien against the Leased Premises or the improvements placed thereon.
- (4) **Easements.** Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.
- (5) **Encumbrance of Parcel.** Lessee shall not encumber or cloud the CBJ's title to the Leased Premises or enter into any lease, easement, or other obligation of the CBJ's title without the prior written consent of the CBJ; and any such act or omission, without the prior written consent of the CBJ, shall be void against the CBJ and may be considered a breach of this lease.
- (6) **Valid Existing Rights.** This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.
- (7) **State Discrimination Laws.** Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event of Lessee's failure to comply any of the above non-discrimination covenants, the CBJ shall have the right to terminate the lease.
- (8) **Unsafe Use.** Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein, which will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.
- (9) **Hold Harmless.** Lessee agrees to defend, indemnify, and save the CBJ, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of or related to the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, costs, expense, or damages resulting from settlement, judgment or verdict, and includes the award of any costs and attorneys fees even if in excess of Alaska Civil Rules 79 or 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 the CBJ relating to this lease. The obligations of Lessee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. The CBJ shall notify Lessee in a



timely manner of the need for indemnification, but such notice is not a condition precedent to Lessee's obligations and may be waived where the Lessee has actual notice.

(10) **Successors.** This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and the CBJ.

(11) **Choice of Law; Venue.** This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, First Judicial District at Juneau.



Presented by: The Manager
Introduced: 02/11/2013
Drafted by: J.W. Hartle

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2013-06

An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease of ATS 1170, Located at Approximately 13395 Glacier Highway.

WHEREAS, the State of Alaska conveyed management authority for ATS 1170 (also referred to as Alaska Tidelands Lease No. ADL 101598) to the City and Borough on February 8, 2001; and

WHEREAS, at the time of the conveyance, the holder of the existing lease between it and the State was John D. Gitkov and Jane H. Hawkins, husband and wife, d.b.a. Gitkov Dock; and

WHEREAS, the lease between John D. Gitkov and Jane H. Hawkins, husband and wife, and the State of Alaska, assumed by the City and Borough, expired on September 12, 2012; and

WHEREAS, Gitkov and Hawkins wish to renew their lease, and the Port Director recommended that the lease renewal constitute a new lease with the City and Borough under terms and conditions in accordance with City and Borough ordinances and regulations, with Gitkov and Hawkins paying the appropriate fair market value rental rate for continued use of ATS 1170; and

WHEREAS, it is the intent of the Docks and Harbors Board, and Gitkov and Hawkins, that the new lease agreement memorialize the intent and conduct of the parties under which Gitkov and Hawkins remain the responsible leaseholders of ATS 1170, despite the fact that a new lease document with the City and Borough was not signed when the underlying original lease expired; and

WHEREAS, in accordance with the 2012 appraisal report, the Port Director recommended an annual rental rate of \$11,030 (73,529 square feet at \$0.15 per square foot, rounded up to the nearest whole dollar), which was approved by the Docks and Harbors Board on December 20, 2012; and

WHEREAS, the parties now desire to enter into a lease agreement for ATS 1170, as recommended and approved by the Docks and Harbors Board; and

WHEREAS, the Board is authorized by CBJ 85.02.060(a)(5) to lease lands as provided in CBJ Chapter 53.20, and any action required by CBJ Title 53 of the City Manager may be performed by the Port Director; and



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2013-003299-0

WHEREAS, CBJ 53.20.020 authorizes the lease of lands owned by the City and Borough, including tidelands and submerged lands, by ordinance under such procedures and minimum terms and conditions as set forth in the ordinance.

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

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

Section 2. Authorization to Lease. The Port Director is authorized to negotiate and execute a lease to John D. Gitkov and Jane H. Hawkins, husband and wife, of Alaska Tidelands Survey No. 1170, Plat 82-43, Juneau Recording District, First Judicial District, State of Alaska, containing approximately 73,529 square feet of property, as shown on Exhibit A to this ordinance.

Section 3. Minimum Essential Terms and Conditions. The lease is subject to the following minimum essential terms and conditions:

(A) The leased property shall be used by Lessees for its commercial dock and marine services related operations.

(B) The lease shall be for a term of thirty-five years, beginning September 24, 2012, with one thirty-five year renewal option, subject to City and Borough approval of any renewal.

(C) The annual lease payment for the initial five-year period (September 24, 2012 - September 23, 2017) shall be \$11,030 plus sales tax. Annual rent under this lease agreement shall be due by September 23rd.

(D) Beginning with the first year after the initial five-year period of the term of this lease agreement, the Port Director will re-evaluate and adjust the annual lease payment for the leased property, equipment, and improvements for the next five-year period of the term in accordance with CBJ 53.20.190(2). Regardless of the timing of the adjustment, the new annual lease payment amount shall be paid retroactively to the beginning of the lease payment adjustment period for which no adjustment has yet been made.

(E) Lessees shall be responsible for obtaining all necessary permits and approvals for any further development of the leased property or improvements. In addition, Lessees are required to obtain approval of any development plans from the City and Borough Docks and Harbors Board prior to any further development of the leased property or improvements.

(F) Lessees shall indemnify, defend, and hold harmless the City and Borough and its officers and employees for any claims related to or arising out of Lessees' use, operation, or maintenance of the leased property, equipment, and improvements, including any further development of the leased property or improvements by Lessees.

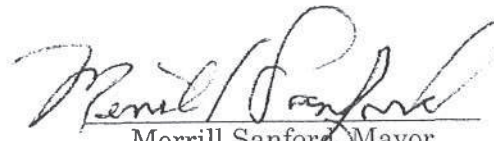


(G) The lease shall include all provisions of the standard City and Borough land lease form not in conflict with this ordinance, and any other provisions that the Port Director determines to be in the public interest.

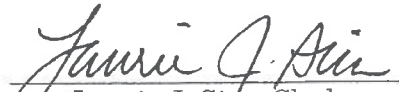
Section 4. Execution. The lease authorized by this ordinance may be enforced according to its terms notwithstanding any procedural or substantive deviations or differences from CBJ Title 53.

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

Adopted this 4th day of March, 2013.


Merrill Sanford, Mayor

Attest:


Laurie J. Siga, Clerk

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

February 14, 2001

John Gitkov
22745 Glacier Highway
Juneau, AK 99801

Re: Transfer of Tideland Leases No. ADL101598 and ADL 105281 to the City and Borough of Juneau

Dear Lessee:

This is to inform you that land management authority for the tidelands on which the above referenced lease is located has been conveyed to the City and Borough of Juneau. The management authority, effective 2/8/2001, includes all the State of Alaska's rights, title, and interest in, and to, the tidelands. A state tideland patent will be issued to CBJ, subject to the lease.

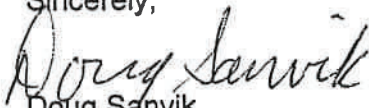
Accordingly, the above referenced lease has been transferred to the City and Borough of Juneau. The administration of the lease now resides with the City and Borough of Juneau and all correspondence and rental payments for this lease should be made to:

Attn: Joe Graham
Port of Juneau
City and Borough of Juneau
155 South Seward
Juneau, AK 99801
(907) 586-5255

For lease No. ADL 105281, please inform your insurance company to change the additional insured for your policy to CBJ.

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

Sincerely,


Doug Sanvik
Natural Resource Officer

cc: Joe Graham, City and Borough of Juneau

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

November 3, 2000

John Gitkov
22745 Glacier Highway
Juneau, Alaska 99801

Re: ADL 101598 & ADL 105281

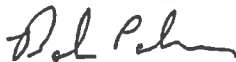
Dear Mr. Gitkov:

The purpose of this letter is to provide notice pursuant to AS 38.05.945 of our preliminary decision to grant a tideland conveyance to the City and Borough of Juneau. ~~This conveyance will transfer approximately 265 acres of tide and submerged land to the city and borough.~~ Your tideland leases, ADL 101598 & ADL 105281 will be part of this conveyance. This will not effect the terms of your existing lease. Juneau will become the land owner and the only changes will be that your annual use payments will be made to the City and Borough of Juneau and any future lease modifications will be administered by them.

A copy of the preliminary decision may be obtained from our office. The deadline for making comments on this preliminary decision will be December 3, 2000. Persons that do not submit written comment during the comment period will have no right to appeal the final finding.

If you have any questions please let me know.

Sincerely,



Bob Palmer
Lands Officer

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

ADL No. 105281

LEASE AGREEMENT

Effective this **1st** day of **February, 2000**, this lease agreement is entered into by the State of Alaska, hereafter referred to as "lessor," and **John Gitkov & Jane Hawkins**, 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 **tideland** lease is issued under the authority of **AS 38.05.075(c)**, for a term of **30** year(s) beginning on the **1st** day of **February, 2000** and ending at 12 o'clock midnight on the **31st** day of **January, 2030**, unless sooner terminated, subject to: compensation as specified in section 2; the attached development plan approved by the state on **December 28, 1995**; and attached stipulations, if any, that are incorporated in and made a part of this lease, for the following, hereafter referred to as the "leasehold":

Tracts A & B of Alaska Tidelands Survey 1525, located within Section 21, Township 40 South, Range 65 East, Copper River Meridian and contains 1.15 acres more or less according to the survey plat filed in the Juneau Recording District on December 16, 1999 as plat #99-59.

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 A and made a part of this lease agreement.

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 January 31st of every year during said term at the rate of**

 lessee

\$7,200.00 per year. 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.

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.

 lessee

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, peatmoss, 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 Mining, Land & Water, 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

(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:

John Gitkov & Jane Hawkins
22745 Glacier Highway
Juneau, Alaska 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:

 lessee

(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.

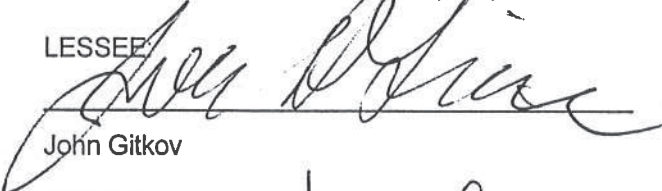
30. Modification. This lease may be modified or amended only by a document signed by both parties. Any purported amendment or modification has no legal effect until placed in writing and signed by both parties.

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.

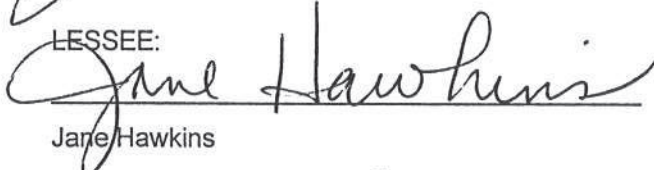
32. Severability of Clauses of Lease Agreement. If any clause or provision of this lease is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then the lessor and the lessee agree that the remainder of this lease will not be affected, and in lieu 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:


John Gitkov

LESSEE:


Jane Hawkins

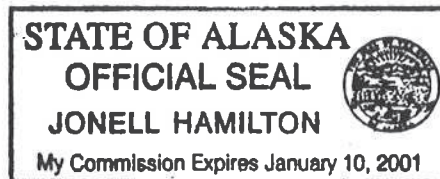
LESSOR:


Bob Loeffler

Director, Division of Mining, Land & Water

STATE OF ALASKA)
1st Judicial District) ss.
)

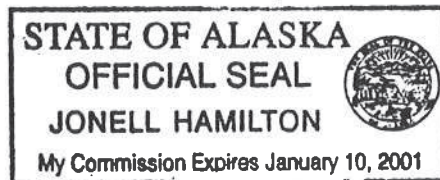
THIS IS TO CERTIFY THAT ON THIS 2nd day of Feb, 2000,
 before me personally appeared John Gitkov, known to me to be the person named and who signed the
 foregoing Lease and acknowledged voluntarily signing the same.



Jonell Hamilton
 Notary Public in and for the State of Alaska
 My commission expires: 01-10-01

STATE OF ALASKA)
1st Judicial District) ss.
)

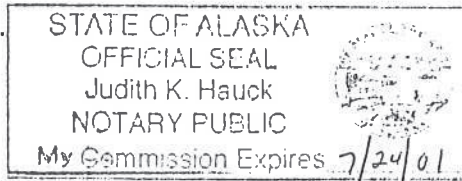
THIS IS TO CERTIFY THAT ON THIS 2nd day of Feb, 2000,
 before me personally appeared Jane Hawkins, known to me to be the person named and who signed the
 foregoing Lease and acknowledged voluntarily signing the same.



Jonell Hamilton
 Notary Public in and for the State of Alaska
 My commission expires: 01-10-01

STATE OF ALASKA)
1st Judicial District) ss.
)

THIS IS TO CERTIFY THAT ON THIS 9th day of February, 2000,
 before me personally appeared Bob Loeffler, 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.



Judith K. Hauck
 Notary Public in and for the State of Alaska
 My commission expires: 7/24/01

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.

ATTACHMENT 'A'

SPECIAL STIPULATIONS to ADL105281

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 105281,**
- 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 judgement 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. **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.

- 5. Wastewater Disposal.** Disposal of wastewater from any operation associated with this Lease to state lands or waters is specifically prohibited, unless otherwise approved by the Alaska Department of Environmental Conservation.
- 6. Fuel and hazardous substances.** No fuel or hazardous substances are to be stored on the subject parcel. Prior written approval from the lessor is required for a change in this restriction. Such approval may include additional stipulations and a change in the amount required for the performance guarantee.
- 7. 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.

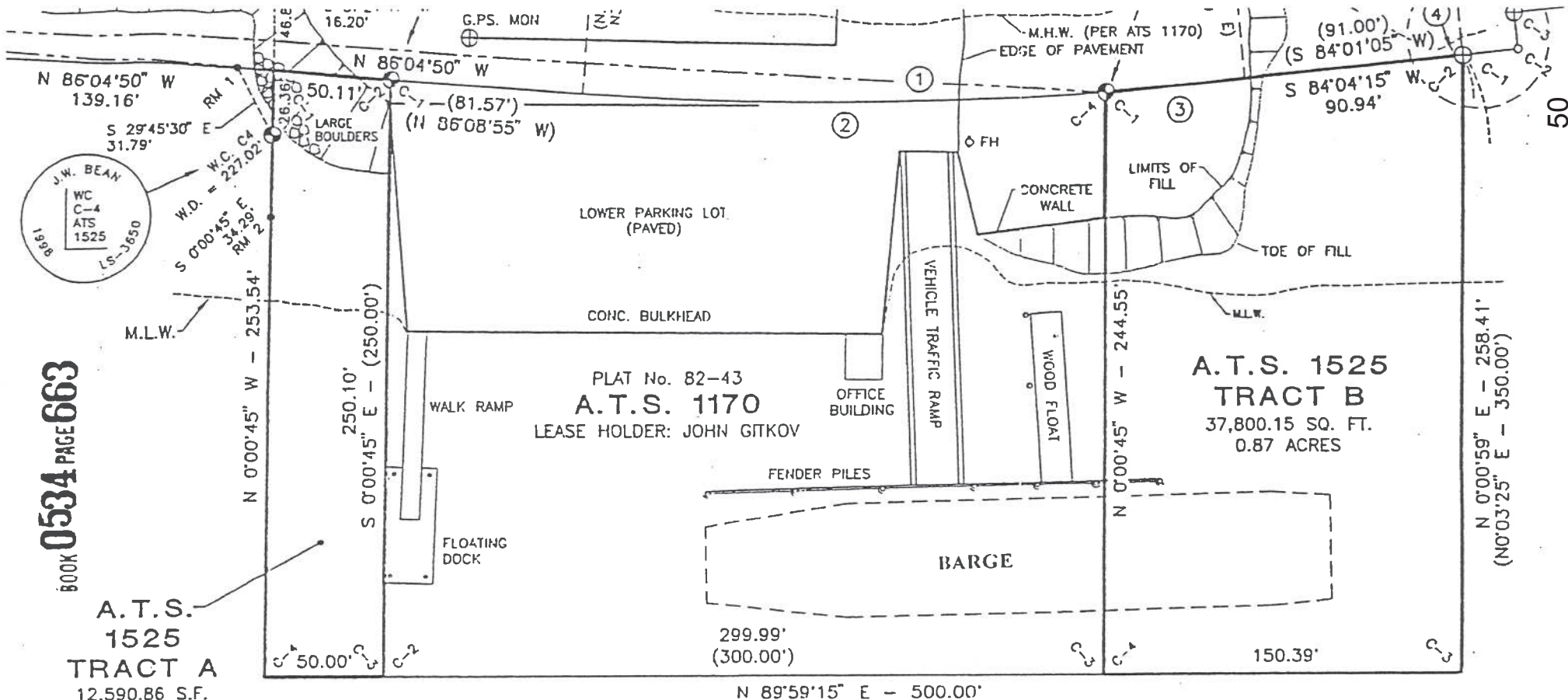
- 8. Inspection.** Authorized representatives of the State of Alaska shall have reasonable access to the subject parcel for purposes of inspection. The Lessee may be charged fees under 11 AAC 05.010(a)(7)(M) for routine inspections of the subject parcel, inspections concerning non-compliance, and a final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

BOOK 0534 PAGE 663

A.T.S. 1525
TRACT A
12,590.86 S.F.
0.29 ACRES

PLAT No. 82-43
A.T.S. 1170
LEASE HOLDER: JOHN GITKOV

A.T.S. 1525
TRACT B
37,800.15 SQ. FT.
0.87 ACRES



FLOOD
EBB

AUKE BAY

REQUESTED BY AS/perm & dev
JUNEAU RECORDING DISTRICT
N/C
JUN 11 10 52 AM '96

Date Prepared: 12/28/95	Applicant's Name: John Gitkov
STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF LAND	
DEVELOPMENT PLAN DIAGRAM	
Sec.(s) 21 T. 40 S., R. 65 E., CRM	
Scale: 1"=	
SHEET 1 OF 1	LEASE FILE # ADL 105281



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

DATE: June 10, 2019
TO: Chair Becker and Lands Committee
FROM: Rorie Watt, City Manager
RE: Recommendation for CBJ to Bid on Subport Lot C1

As we discussed at the Lands Committee meeting on 4/29, the Subport parcel Lot C1 is for sale. The parcel under discussion is here:



And the Trust Land Office's website for the sale of this parcel is here:

<https://alaskamentalthrust.org/trust-land-office/juneau-waterfront-parcel/>

Along with numerous Assembly members, persons in the business community and staff, I have worked on implementing the Long Range Waterfront Plan (LRWP) since its adoption in 2004. We all have many successes to be proud of that stem from the adoption of that plan. The LRWP can be found here:

http://www.juneau.org/cddftp/documents/CBJ_Waterfront_Plan_FINAL_112204.pdf

In furtherance of implementing the LRWP, I believe that it is in the public interest to acquire the parcel. The waterfront development and management opportunities are significant for Juneau, and the Borough Assembly is best situated to make those community decisions. A well-managed downtown waterfront, managed in alignment with community values, is critical for supporting Juneau's economy and the cruise ship industry.

I understand there may be interest from the private sector for acquiring the parcel as a foothold for a potential 5th large cruise ship berth. A fifth berth at this location was carefully considered in the early 2000's during the extensive public process that lead to the adoption of the LRWP *and was rejected*. If Juneau is ever ready for additional large berths, the Assembly is the body that should make that decision; the community should not be put in the position of reacting to a speculative investor.

Uses for the parcel include continuation of the waterfront seawalk, access to tidelands and marine facilities necessary for ships and passengers (including lightering and small cruise ship berthing), and associated uplands area to support those marine enterprise functions. Given the growth in cruise ship passenger visitation we must become more dynamic in our management of the transportation of our visitors. This property could serve as a transportation hub, reducing pressure on the downtown roads. As is indicated in the LRWP, the time has come to seriously consider a water taxi/harbor shuttle. This parcel is key to such a system.

The minimum required bid for the property is \$3,643,000. Bidders must submit a bid deposit of \$100,000 and bids will only be accepted between August 15th and September 6th of this year. If the two highest bidders (meeting the minimum) are within 5% of each other, there will be a subsequent auction process in which all bidders may participate. Closing on the sale must take place within 12 months.

As a public institution, we are inherently less nimble than other potential bidders and we must plan accordingly. I recommend the following process:

- Lands Committee Consideration: 6/10/19
- Assembly Consideration: No Later Than 8/19/19
- Assembly Executive Session to give Direction on Bid: No Later Than 8/19/19
- Second Assembly Executive Session, as Needed: Schedule Special Meeting

Adjacent Land Ownership:

CBJ owns the adjacent tidelands to the west and south of the property. AVISTA owns the historic fuel dock. I have communicated with AVISTA/AELP and they are very supportive of coordinating sale/development of the dock parcel in coordination with CBJ's waterfront plans and goals. AVISTA/AELP expects to work cooperatively with any party which acquires the Mental Health Trust property. The US Coast Guard and NOAA own the historic wharf to the east. NOAA also coordinates usage of its portion of the old wharf with Alaska Fish & Game. In order for Lot C1 to be developed to maximum best use, development coordination between this parcel, the CBJ, the State and the Federal agencies is necessary. The CBJ is ideally and uniquely suited to coordinate and maximize the development potential.

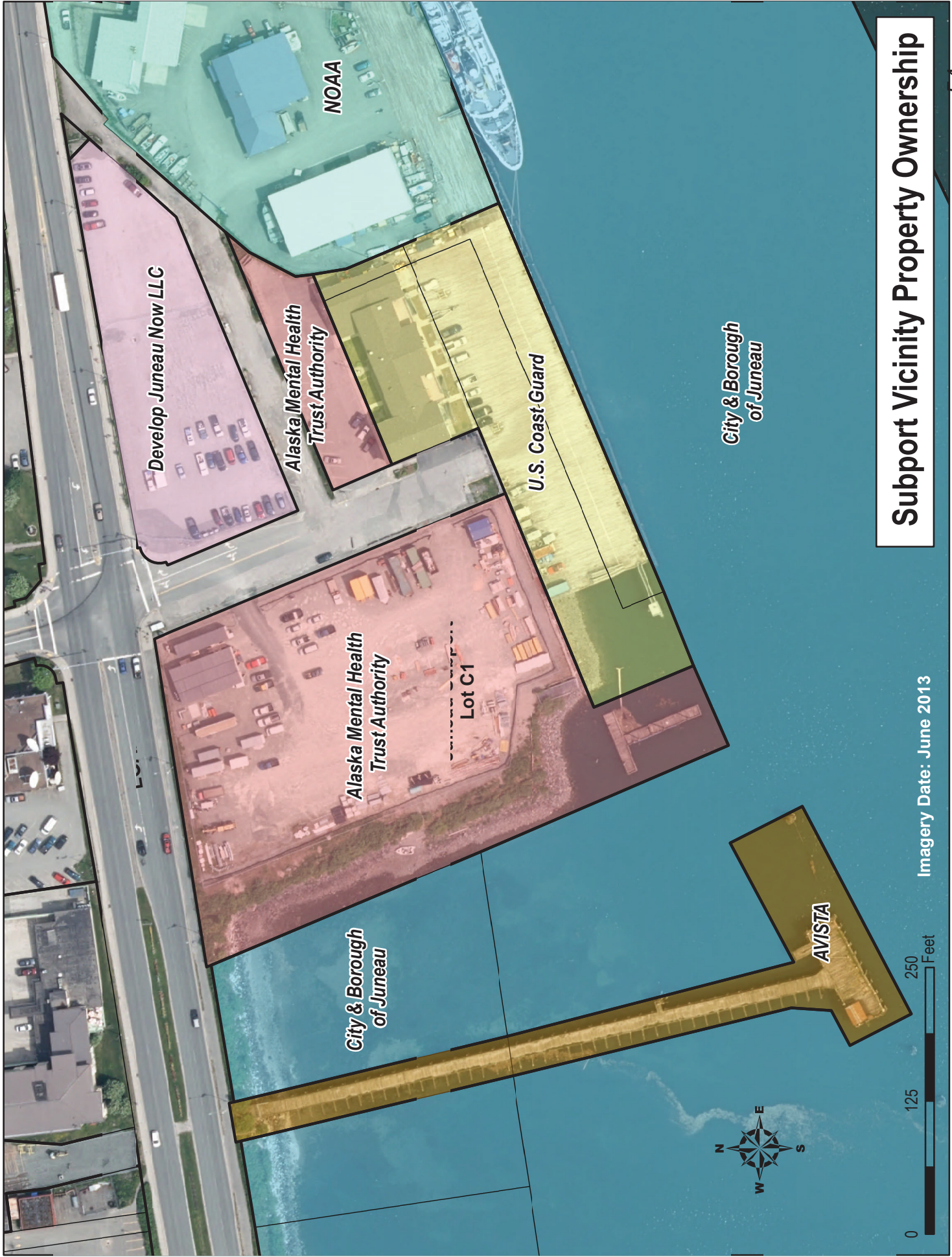
Fund Source:

I recommend that we pursue acquisition with passenger fees from the port development fee fund balance and/or the FY21 budget of CBJ Marine Passenger Fees and/or the State Commercial Passenger Vessel fees. Use of these fees is consistent with the intent of the recently settled CLIA litigation. The land is within the geographic and programmatic scope of the settlement agreement.

It is possible that full use of the parcel may not be necessary for the provision of services to vessels and/or passengers. In that event, if acquisition is successful and if excess land is available for private sector commercial use, then portions of the land could be disposed. In that case, it would be appropriate to remit proceeds of any disposals back into passenger fee fund balances. It is also appropriate to use passenger fees for acquisition as we would not attempt to acquire this parcel but for the need to provide support and services to passengers and/or vessels.

Recommendation:

Forward an appropriation Ordinance of \$100,000 from the port development fee fund balance directly to the Assembly (or Finance or COW for further consideration) for introduction no later than the July 22nd and public hearing no later than the August 19th Assembly meetings. Anticipate an executive session on August 19th to give direction on price to submit.



Subport Vicinity Property Ownership

Imagery Date: June 2013

0 125 250 Feet

Proposed New Ordinance

Unattended Vessels at Launch Ramps.

No person operating or in charge of a boat, kayak, seine skiff or other vessel may permit said watercraft to stand unattended at any City & Borough of Juneau launch ramp facility without an adult under responsible charge to monitor and maneuver as necessary said watercraft. This regulation does not apply to short durations when the operator or person in charge of the boat, kayak, seine skiff or other vessel leaves the proximity of the City & Borough of Juneau launch ramp facility to dispatch the vehicle and trailer necessary in the recovery of the watercraft.

Existing Ordinance

85.20.030 - Boat launch ramp fee and permit required; penalty.

(a) Any person using one or more of the Douglas Harbor Boat Launches, the Harris Harbor Boat Launch, the North Douglas Boat Launch, the Statter Harbor Boat Launch, the Tee Harbor Boat Launch, the Amalga Harbor Boat Launch, the Echo Cove Boat Launch, or the Auke Bay Landing Craft Freight Ramp, to launch and recover recreational vessels, or use of the launch ramp for access by off-highway or other vehicles, or for any type of commercial use, must pay the applicable fee as provided by regulation and must display the launch ramp permit provided by docks and harbors upon payment of the fee.

(b) Use of a boat launch ramp in violation of this section is a violation, subject to a civil fine.

Existing Fee Schedule in Ordinance

WATERS AND HARBORS

Title 85

Boat Harbor

85.10.050(k)	Violate posted parking	25.00
85.20.030(a)	Boat launch ramp fee and permit required	75.00
85.25.010	Fail to register	25.00

Law proposal:

CBJ 85.20.040 – Unattended Vessels at Boat launch Prohibited

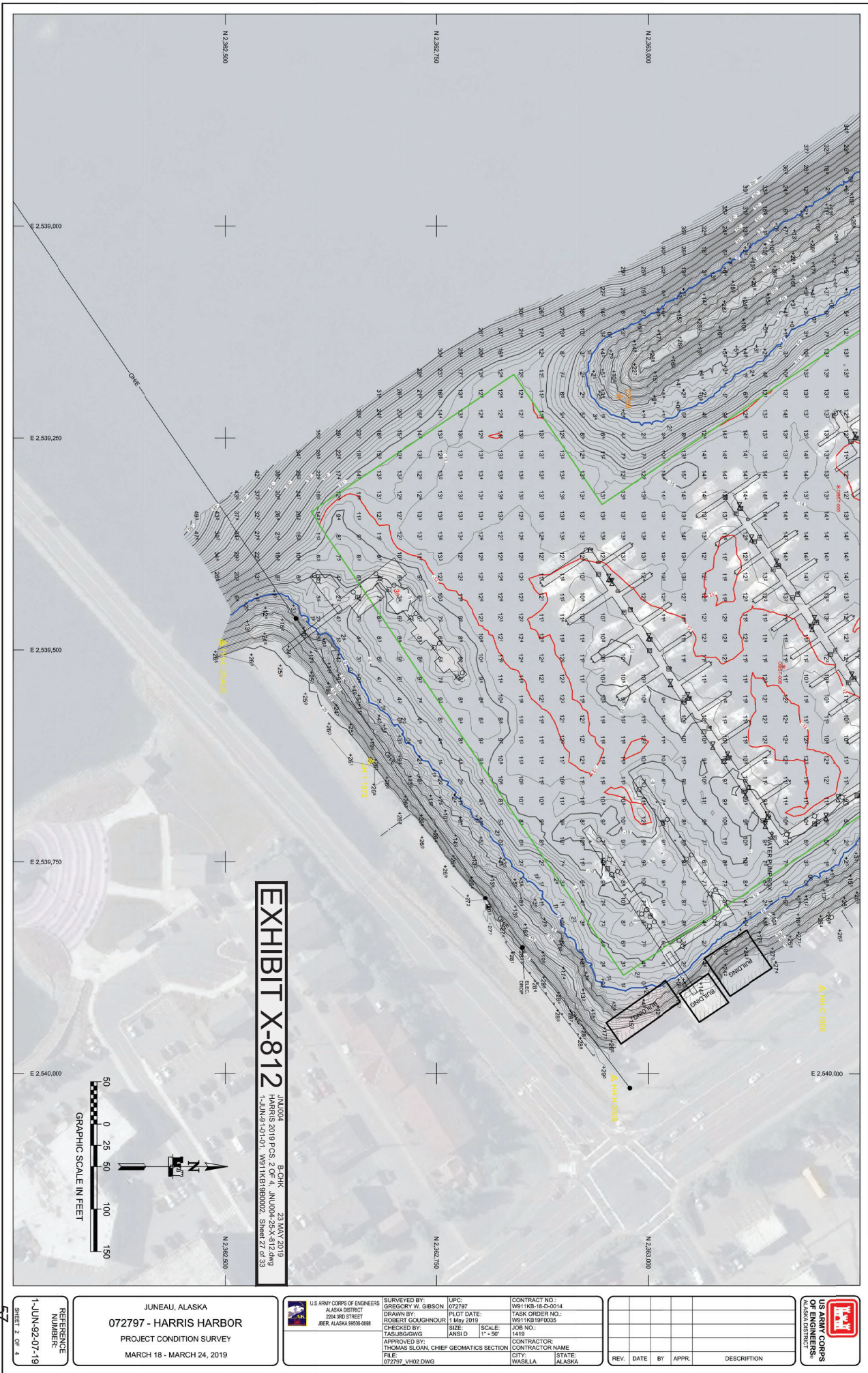
- (a) Boat launches are intended only for loading and unloading vessels. No person operating or in charge of a vessel may leave the vessel unattended at the Douglas Harbor Boat Launches, the Harris Harbor Boat Launch, the North Douglas Boat Launch, the Statter Harbor Boat Launch, the Tee Harbor Boat Launch, the Amalga Harbor Boat Launch, the Echo Cove Boat Launch, or the Auke Bay Landing Craft Freight Ramp. A person or persons attending a vessel must monitor and be able to maneuver the vessel as necessary for safe and efficient use of launches. For the purposes of this section, a vessel includes a boat, kayak, seine skiff or other similar watercraft.
- (b) The prohibition in section (a) does not apply to temporary durations when the operator or person in charge of the vessel leaves the boat launch to dispatch a vehicle and trailer necessary in the recovery of the vessel.
- (c) Violation of this section is a violation subject to a civil fine.

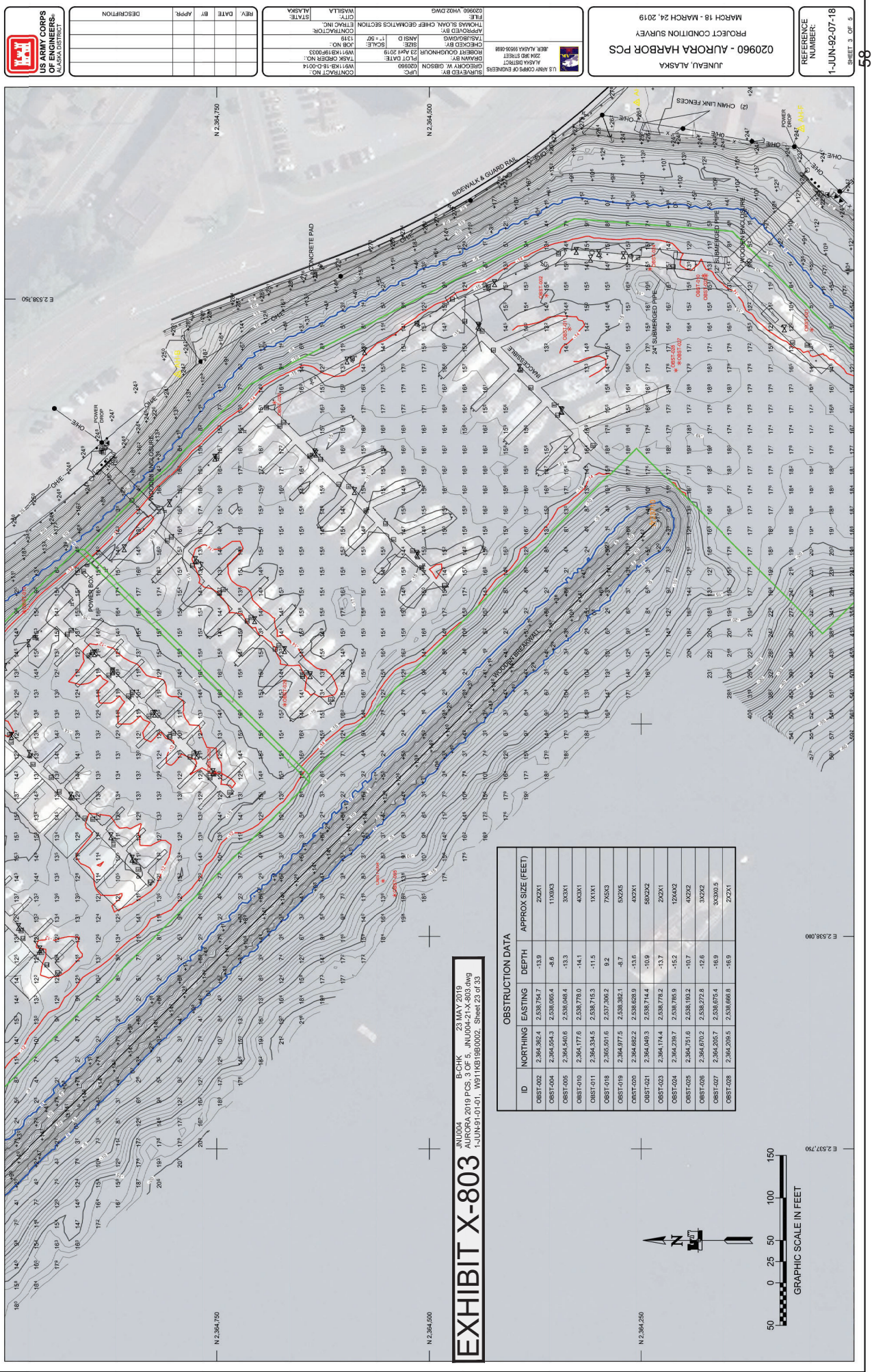
Commented [RP1]: I am all in favor of a boat launch at Tee Harbor. Do we have one?

Title 85

Boat Harbor

85.10.050(k)	Violate posted parking	25.00
85.20.030(a)	Boat launch ramp fee and permit required	75.00
CBJ 85.20.040(a)	Unattended Vessels at Boat Launch Prohibited	75.00
85.25.010	Fail to register	25.00





REV.	DATE	BY	APPV.	DESCRIPTION

PROJECT NO. 020960	PROJECT NAME AURORA HARBOR PCS
DATE 18-MAR-2019	PROJECT LOCATION JUNEAU, ALASKA
DESIGNED BY GREGORY W. GIBSON	CHECKED BY JASON D. 11-097
SCALE 1"=400'	DATE 12-MAR-2019
PLANT DATE 12-MAR-2019	PROJECT NO. 020960
TASK ORDER NO. 19-143-16-0014	CONTRACT NO. 19-143-16-0014
STATE ALASKA	CITY JUNEAU
CLIENT NAME THOMAS SLOAN, CHIEF GEOMATICS SECTION	CONTRACTOR JUNEAU

PROJECT CONDITION SURVEY
020960 - AURORA HARBOR PCS
JUNEAU, ALASKA
MARCH 18 - MARCH 24, 2019

REFERENCE NUMBER
1-JUN-92-07-18
SHEET 2 OF 5

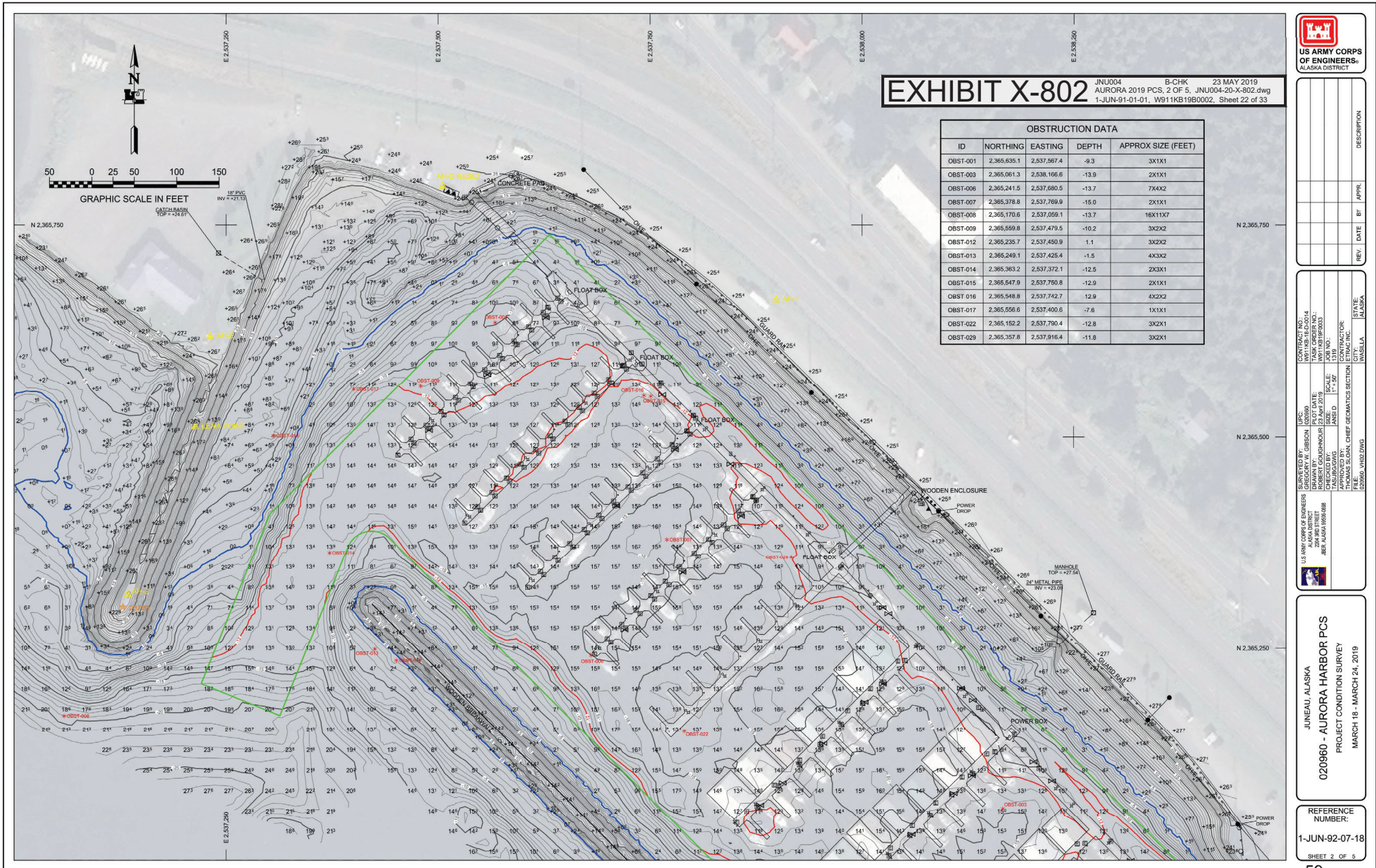
OBSTRUCTION DATA			
ID	NORTHING	EASTING	DEPTH
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08ST-004	2,364,556.3	2,538,665.4	-8.8
08ST-005	2,364,540.6	2,538,045.4	-13.3
08ST-010	2,364,177.6	2,538,778.0	-14.1
08ST-011	2,364,334.5	2,538,715.3	-11.5
08ST-018	2,365,501.6	2,537,306.2	9.2
08ST-019	2,364,977.5	2,538,382.1	-8.7
08ST-020	2,364,682.2	2,538,628.9	-13.6
08ST-021	2,364,049.3	2,538,714.4	-10.9
08ST-023	2,364,114.4	2,538,778.2	-13.7
08ST-024	2,364,238.7	2,538,785.9	-15.2
08ST-025	2,364,751.6	2,538,193.2	-10.7
08ST-026	2,364,670.2	2,538,272.8	-12.6
08ST-027	2,364,205.7	2,538,675.4	-16.9
08ST-028	2,364,205.5	2,538,666.8	-16.9

EXHIBIT X-803

B-CHK 23 MAY 2019
JUN004 23 MAY 2019
AURORA 2019 PCS, 3 OF 5, JUN004-21-X-803.dwg
1-JUN-91-01-01, W011KB00002, Sheet 23 of 33



Drawing X:UNIFIED-ENV:UN004-20-X-802.dwg last saved on 5/9/2019 1:12 PM was plotted by Tedrick, Robert C CIV USARMY CERPA (USA) on 5/23/2019 12:59 PM



Enterprise Board Appointment Process
Docks and Harbors Board Comments
August 2018

Duties and Responsibilities of the Docks and Harbors Board Defined

The duties and responsibilities of the Docks and Harbors (D&H) Board are defined in the D&H Board Bylaws and Title 85. The Board undertook the task of reviewing and updating its Bylaws. The revised Bylaws were approved by the Assembly in June 2014.

The Board has taken on the task of reviewing Title 85 and related regulations as issues arise. This is an effort to clean up language that is obsolete, redundant or ambiguous. Some issues that relate to the duties and responsibilities of the Board may be found. All suggested revisions will be forwarded to the Assembly for approval.

Overall, the duties and responsibilities of the Docks and Harbors Board are well defined.

Skills and Knowledge Sets Required

An effective Docks and Harbor Board member must have the following attributes:

Cares about what is going on with Juneau's D&H with a balanced, non-biased perspective.

Wants to be involved and is committed to helping make a difference for all D&H users and the community.

Committed to an open public process.

A good listener and active participant in Board discussions.

Capable of critical thinking.

Analytical and forward focused.

Good communication skills - both written and spoken.

Active in some aspect of maritime activity – such as boating in general, sport fishing, commercial fishing, diving, tourism, marine service and supply, marine engineering and construction, etc.

The Board is **not** well served by an individual with a personal agenda regardless of their level of knowledge or experience.

Current Docks and Harbors Board Membership (2018 – 2019)

The current members of the Docks and Harbors Board are a diverse group of long time Juneau residents. All have experience in boating and individual members have the following professional experience:

Lawyer

Retired marine construction and maintenance journeyman and tour boat captain

Downtown merchant with a day job

Government relations specialist and Legislative aid

Commercial fisherman

Owner of a tour guide company

These Board members represent a well-rounded group that possesses the skills and knowledge needed to be an effective board. In addition to what is apparent from their resumes, each board member has gained through Board work, varying degrees of knowledge about all aspects of Juneau's docks and harbors.