

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Thursday, October 23rd, 2014

- I. Call to Order** (5:00 pm in Room 224)
- II. Roll Call** (John Bush, Tom Donek (Acting Board Chair), Budd Simpson, David Summers, and Bob Janes)
- 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 time).
- V. Approval of September 18th, 2014 OPERATIONS/Planning Meetings Minutes**
- VI. Consent Agenda**
 - A. Public Request for Consent Agenda Changes**
 - B. Board Members Requests for consent Agenda Changes**
 - C. Items for Action**
- VII. Unfinished Business**
- VIII. New Business**
 - 1. Salmon Creek Development New Lease ADL 102934 (Tim Smith et al)
Presentation by the Port Director
 - Committee Questions
 - Public Comment
 - Committee Discussion/Action
 - MOTION: TO APPROVE THE SALMON CREEK DEVELOPMENT LEASE AND
SEND TO THE FINANCE COMMITTEE TO SET THE ANNUAL RENT RATE.**
- IX. Items for Information**
 - 1. Juneau Port Development Lease Extension/Mineral Rights
Presentation by the Port Director/CBJ Law
 - 2. Harbor Rules/Nuisance Dogs
Presentation by the Harbormaster
 - 3. Update on Statter Harbor Bid

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Thursday, October 23rd, 2014

Presentation by the Port Engineer

4. Cruise Dock Corrosion Protection Update

Presentation by the Port Engineer

5. Auke Bay Loading Facility Conditional Use Modification

Presentation by the Port Engineer

X. Long Range Planning Discussion

XI. Staff, Committee and Member Reports

XII. Committee Administrative Matters - Next Meeting: November 13th, 2014

XIII. Adjournment.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

I. Call to Order

Mr. Simpson called the meeting to order at 5:02 p.m. in the Assembly Chambers.

II. Roll Call

The following members were in attendance: Roberts Janes, David Logan, and Budd Simpson.

Also in attendance were: Carl Uchytel – Port Director, Dave Borg – Harbormaster, Gary Gillette – Port Engineer, David Summers – Board Member, and Tom Donek – Board Member.

III. Approval of Agenda

MOTION By MR. LOGAN TO APPROVE THE AGENDA WITH ONE CONSIDERATION; TO MOVE THE MEMORANDUM OF AGREEMENT – STATTER HARBOR LAUNCH RAMP FROM THE CONSENT AGENDA TO THE NEW BUSINESS SECTION AND ASK FOR UNANIMOUS CONSENT.

The motion passed with unanimous consent.

IV. Public Participation on Non-Agenda Items

None.

V. Approval of August 21st, 2014 Operations-Planning Meeting Minutes

MOTION By MR LOGAN: TO APPROVE THE August 21st, 2014 Operations-Planning Meeting Minutes AS PRESENTED AND ASK UNANIMOUS CONSENT.

The motion passed with unanimous consent.

VI. Consent Agenda

A. Public Request for Consent Agenda Changes

None.

B. Board Members Requests for consent Agenda Changes

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

The motion passed with unanimous consent.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

C. Items for Action

1. Salmon Creek Development – Lease Renewal

Recommendation: That the Docks & Harbors Operation-Planning Committee, under CBJ 85.02.060(a)(5), directs the Port Director to commence a lease agreement with Salmon Creek Development for Alaska Tidelands Survey No. 1277 consistent with CBJ 53.20.

VII. Unfinished Business

None.

VIII. New Business

1. Douglas Harbor Re-build Options

Mr. Gillette gave a PowerPoint presentation and provided packets with information. See attached packets containing multiple options and pricing for the Douglas Harbor Re-build. Docks and Harbors currently have \$5.6 million available for this project, which includes grant money. What size vessels do we want to accommodate? If we dredge beyond 12 feet we will need to dispose of contaminated soil.

Committee Questions

Mr. Logan asked are any permits required to use Fish Creek Quarry as a containment site for the contaminated soil.

Mr. Gillette said there are some unanswered questions and that is one of them.

Mr. Logan asked what funding sources do we have available.

Mr. Uchytel said we have \$3 million in our Harbor Fund and \$2 million from a matching grant. This is unencumbered money.

Mr. Donek said the cap for the contaminated material is estimated to be \$1 million and the estimated cost to build Douglas Harbor was originally between \$2 and \$3 million. Why is the new estimated cost higher than \$4 million?

Mr. Gillette said inflation is part of the higher cost. There is a 10% contingency costs, the cap is larger than we originally thought, and the barge needs a Global Positioning System (GPS) because we need to monitor exactly where it is when dealing with the contaminated soil. I will compare the original estimate with the current estimate to see other areas where the estimates differ.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

Mr. Summers asked what size slips are currently in demand.

Mr. Gillette said the demand for skiff sized slips has decreased significantly. There is still a demand for small slips in the summer. We are talking about replacing Douglas Harbor with the same number and size of slips. The larger boats currently in Douglas Harbor are wintering in Aurora. That leaves many slips empty over the winter months. We should look at building larger slips in Aurora Harbor and take that into consideration when designing the Douglas Harbor.

Mr. Donek asked if we dredge to 13 feet then put a 1.5 foot cap on would that then leave us with 11.5 feet of depth.

Mr. Gillette said I need to find out. Typically with dredging it is difficult to get an exact depth.

Mr. Donek asked what the glacial rebound rate in Douglas Harbor is. If we dredge to a depth of 12 feet how long will we have until we need to dredge again?

Mr. Gillette said I am not sure what the glacial rebound rate is in Douglas Harbor. Propellers help to keep some of the harbor floor at the dredged depth by pushing the soil under the floats.

Mr. Simpson asked if we dredge to a minus 12 how much soil will be removed.

Mr. Gillette said 12,500 cubic feet would be removed to dredge to minus 12 feet and up to 40,000 cubic feet to dredge to minus 14 feet.

Mr. Logan asked what the current depth at the North end of Aurora Harbor is.

Mr. Gillette said 15 feet at N Float.

Mr. Janes asked what amount of money expires if we don't proceed with rebuilding Douglas Harbor.

Mr. Uchytel said nothing expires. The Department of Transportation (DOT) has informed me Docks and Harbors has had the grant for 7 years and we need to use the money or lose it. They said we have a year to spend the money.

Public Discussion

Dennis Watson of Juneau, AK said I don't like the "build it and they will come" mentality. There are other areas that need to be addressed more than Douglas Harbor. One area is the Commercial Loading Dock at Auke Bay. That area is well beyond its capacity to serve the public. Here we are talking about spending almost \$10 million

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

on a harbor that most people move out of in the winter because it is too windy. Build it as it is now, or give the money back to the state. If you use all of the Harbor funds how long will it be until you can address the needs of the Commercial Loading Dock at Auke Bay?

Committee Discussion/Action

Mr. Donek said I want to see Douglas Harbor dredged and use the Corp permit. If we don't use the Corp permit before it expires we may not get another permit or we may face more challenges. We spent a lot of money to get the permit so we need to use the permit. I want to see something in place out there. If we can only build one head float with no fingers, that's fine. If we don't dredge it we might lose Douglas Harbor.

Mr. Gillette said the grant money cannot be used to dredge. That means we have to use some or all of the \$3.6 million that is in Harbor Funds.

Mr. Janes said I have reservations about moving ahead just because we have some money. We don't know what our needs are in Douglas Harbor and it may take time to figure out what those needs are. It might take surveys and more attention to what type of vessels patrons are requesting moorage for. If we lose the permit, and that need is there in a few years, I am confident that we can get the permit again. With the concerns over city finances, I think we need to be conservative and find out our needs before we break ground.

Mr. Logan said we need to dredge before we lose the ability and the money. If we move forward to dredge to a certain depth will we have time to redesign the configuration as we proceed?

Mr. Gillette said yes, it will take time to demolish the old floats before dredging. We can start designing when we know what we want. It might be a while before we can install the harbor because we have to build it. Also, there's still potential that the Corp of Engineers can come up with some money. They are required to maintain this harbor that they built to a minus 12 feet. The decision to move forward in 2007 was because the Board did not think the Corp of Engineers would come up with the funds. Since I have been working with the Corp of Engineers they have indicated that there are some programs that might help us. There's no guarantee that money will be available, but it is a possibility.

Mr. Logan asked if we dredge to minus 12 feet instead of the original depth, would we be required to modify the permit.

Mr. Gillette said yes, but since we would be scaling it back and not dumping contaminated soil into the ocean it should get approved. We still might have to cap it.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

Mr. Uchytel said we will need to ask The Environment Protection Agency (E.P.A.) how far we can dredge before needing to cap the material. We have a letter from The E.P.A. stating that we can dredge 12 feet without needing to cap it, but the letter is from 2012 and now The E.P.A. might say something different. If we dredge and then we do not replace the docks, we would be displacing 80 boats.

Mr. Donek responded yes, we will be displacing boats if we dredge and do not replace the docks. However, if we do nothing Douglas Harbor will be unusable and we will still be displacing boats.

Mr. Uchytel said I am in favor of rebuilding Douglas Harbor in-kind. What type of survey or information do we need to proceed?

Mr. Donek replied waitlists, hot-berth lists, and noting what size vessels patrons are requesting slips for.

Mr. Borg said floats A, B, and C were at full capacity by June 2014. As of today, there are 2 slips available on those floats. We do not have a waitlist for Douglas Harbor. If we do not rebuild the 24 foot slips then patrons who have smaller vessels will not be able to moor in the summer like they currently do. I moor my boat in the summer so I can go out in the evenings. I think we should replace Douglas Harbor in-kind.

Mr. Janes asked if we replace in-kind will we need to dredge.

Mr. Borg replied yes, currently some areas need to be dredged. Dredging to 12 feet would suffice.

Mr. Uchytel said the grid and the old boat launch will be removed when we rebuild Douglas Harbor.

Mr. Simpson said I have used the Douglas Harbor for 30 years and I usually leave my boat there for the winter without incident. There have been improvements made in Douglas Harbor like the new launch ramp, the parking area near the new launch ramp, and the breakwater. All of these improvements help to seal off Douglas Harbor and many patrons use this harbor so they can go to the South end. I am opposed to doing nothing because we would lose the funds that have been allocated to the project. We are not getting much more out of the harbor with the 14 foot dredge yet it costs significantly more. I support dredging to a depth of 12 feet.

MOTION By MR. LOGAN TO REFER THE DREDGING OF DOUGLAS HARBOR TO THE FINANCE COMMITTEE WITH RECOMMENDATION THAT DOUGLAS HARBOR BE DREDGED TO A DEPTH OF 12 FEET AND TO BEGIN THE DESIGN PROCESS CONCURRENTLY TO REBUILD THE HARBOR AS CURRENTLY CONFIGURED ASKING FOR PUBLIC INPUT.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

The motion passed 2 to 1 and will proceed to the Finance Committee.

2. Harbor Rules (Nuisance/Aggressive Canines)

Mr. Uchytel said there is concern regarding aggressive and nuisance dogs on our docks. We are looking into how best to address the issue.

Mr. Summers said there are existing ordinances that address this issue. These ordinances are aimed at dogs in neighborhoods. On a dock there is no area to retreat. I would like Harbor Staff to have the ability to evict a dog from the Harbor.

Mr. Uchytel said we have regulations but we don't have Harbor Rules. Perhaps we could implement some Harbor Rules to hold people more accountable for their actions. This could be a list of standards that we have for harbor patrons.

Ben Peyerck, Director of Juneau Animal Patrol and Protection, said it is up to the Harbor Officers discretion as to how they handle a situation. If they feel the person who is in violation of the law is receptive to education and will follow through with what they are told, then the Harbor Officer can issue a verbal or written warning. The Harbor Officer does have the option to issue a written citation that carries a fine. It is a case-by-case scenario. If there are recurring problems then citations are usually written. If the animal is up to date on licensing, vaccinations, and they haven't had any other violations, we usually issue a written warning and educate the owner on what needs to be done.

Committee Questions

Mr. Summers said in a neighborhood there are more opportunities to retreat, but not in a harbor. Would you agree Mr. Peyerck?

Mr. Peyerck responded yes, there are no fences to hide behind or areas to get away from a dog on the docks. Aggressive dogs are something we take very seriously. If an aggressive dog frightens an individual we can issue a citation; the dog does not need to physically attack an individual for a citation to be issued.

Mr. Summers asked Mr. Peyerck, do you think it would be beneficial for the Harbormaster to be able to evict a problematic dog from the Harbors.

Mr. Peyerck said that would be up to the Harbors to enforce. Animal Patrol would not be able to enforce evicting a dog from the Harbors since it is not a Title 8 Ordinance. That would be one way to eliminate your problems.

Mr. Simpson asked Mr. Summers, have you found aggressive dogs to be a consistent problem in the Harbors.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

Mr. Summers said I live aboard a boat in Aurora Harbor. I often come across dog waste, and dogs that are not on a leash.

Mr. Janes asked do we currently have a set of rules. Could we add more rules and if so, would we have the authority to enforce those rules?

Mr. Borg replied we have the authority to write a ticket to enforce the leash law and cleaning up after the dog. We have to see the violation.

Mr. Uchytel said we have signs that state dogs must remain on a leash. Patrons are required to sign an agreement stating they will abide by all Harbor regulations.

Mr. Borg said live aboard patrons are required to sign a Live Aboard Registration. Patrons are not required to read our regulations before signing the agreement that states they will abide by all Harbor regulations. We are working on creating a document that has the basic regulations and requiring patrons to read them before signing an agreement that states they will abide by Harbor Rules and Regulations. Only after signing the agreement will patrons be granted moorage.

Mr. Summers said I recommend a pet fee for patrons who live aboard and own a pet. The pet should also be registered with the Harbor Office.

Mr. Uchytel said there was an aggressive patron at the Aurora Harbor Office recently. I asked the Law Department if we could issue a no trespassing charge. I was told we needed a Harbor Rule that the Board approves to enforce a no trespassing charge. These rules would not merit an ordinance change. I recommend implementing a rule against aggressive dogs.

Public Discussion

None.

Committee Discussion/Action

Mr. Summers said I support implementing a rule against aggressive dogs in the Harbors. I would like to see a rule that includes the eviction of an aggressive animal.

Mr. Uchytel said there are ordinances that require dogs to be on leashes or under voice control and owners must clean up their dogs waste.

Mr. Peyerk said dogs must be leashed when on the docks; voice control is not an option. When I see a dog off a leash on the docks, by the time I turn my car around and get to the docks, the owner and the dog are gone before I can get to them. It is difficult to enforce these ordinances. After a certain number of violations an animal can be deemed dangerous; then the animal is required to wear a muzzle, a collar

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

stating the dog is dangerous, a license stating the dog is dangerous, and a leash held by someone who can control the dog when the dog is out of its house or kennel. The owner is also required to obtain animal liability insurance in the sum of \$100,000. That would take serious aggressive issues to reach that point.

Mr. Janes said we need to take the leash law seriously. I was almost knocked off the docks by a friendly dog recently.

Mr. Simpson said I want to refer this to the Harbormaster who is working on Harbor Rules which will include rules for dog owners controlling their dogs. We will consider implementing an ordinance that allows us to remove a problematic dog from the Harbors in the future.

3. Memorandum of Agreement – Statter Harbor Launch Ramp

Mr. Uchtyl said we have an agreement prepared.

Committee Questions

None.

Public Discussion

None.

Committee Discussion/Action

MOTION By MR. LOGAN TO REFER THE MEMORANDUM OF AGREEMENT FOR THE STATTER HARBOR LAUNCH RAMP AGREEMENT TO THE FULL BOARD AND ASK FOR UNANIMOUS CONSENT.

The motion passed with unanimous consent.

IX. Items for Information

1. Juneau Port Development, LLC – Project Name and Modified Plan Review

Howard Lockwood of Juneau, AK handed out pamphlets with design ideas for a proposed harbor south of Downtown Juneau. Mr. Lockwood will provide the permit status at the next board meeting.

2. Capital Improvement Plan Scoring Matrix

Item deferred to the next Operations/Planning Committee meeting.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Thursday, September 18th, 2014

X. Long Range Planning Discussion

Item deferred to the next Operations/Planning Committee meeting.

XI. Staff, Committee and Member Reports

Mr. Gillette said the Statter Harbor Launch Ramp Bids will be opened on October 8th, 2014. The Community Development Department will inform us if Harbor Staff or patrons need a Conditional Use Permit to do repairs in the Auke Bay Boatyard.

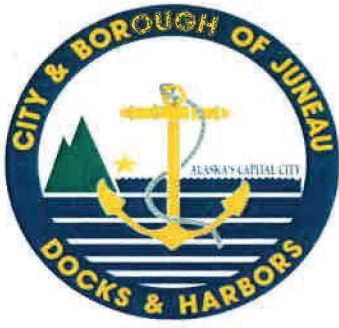
Mr. Uchytel said Harbor Staff and patrons have utilized the Auke Bay Boatyard by hauling boats, changing fluids, and pressure washing. The owner of a private boat hauling company has voiced his concern that the hauling of boats by Harbor Staff is infringing on his business. We have refrained from hauling any boats that are not affected by the Aurora Harbor Rebuild until we investigate the issue. Also, at 9:00 a.m. tomorrow we will have an end of season debriefing regarding how to make downtown safer for next year.

XII. Committee Administrative Matters

Next Meeting Operations/Planning Committee meeting is scheduled for Thursday, October 23rd, 2014.

XIII. Adjournment

The Operations/Planning Committee meeting adjourned at 6:44 p.m.



City & Borough of Juneau • Docks & Harbors
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

Port of Juneau

August 22, 2014

Tim Smith et al
P.O. Box 34437
Juneau, AK 99803

Dear Mr. Smith,

In accordance with Regulations of Docks and Harbors set forth under 05 CBJAC 50.040, your new lease will require an appraisal. Even though you have held this lease for many years, a new lease with CBJ is required. The new lease process is as follows:

Application Phase

- Applicant submits application and \$10.00 filing fee.
- Port Director ensures the proposed intended use is consistent with the goals of lease tidelands.

Review Phase

- At a monthly meeting, Docks and Harbors Operations Committee directs the Port Director to move forward.
- Applicant agrees to fund appraisal and other costs associated with processing the application.
- At a monthly meeting, Docks and Harbors Finance Committee proposes lease rent.

Approval Phase

- At a monthly meeting, Docks and Harbors Board approves the requested lease of property.
- CBJ Law Department drafts an ordinance for Assembly consideration.
- Draft ordinance reviewed by Assembly Lands Committee and recommendation to Assembly.
- The ordinance requires two Assembly meetings (public notice and adoption)

Lease Execution Phase

- Upon Assembly authorization, CBJ Law will draft a lease for signature.
- Port Director/Lessee signs, notarizes & records the transaction with the State Recorder's Office.

Review and renewal Phase

- Lessee is responsible for obtaining all permits and for notification to Docks & Harbors Board for any further development of leased premises or improvements.
- Reappraisal process for lease adjustment is every five years.

Your application has been reviewed, and will go to the OPS/Planning Committee on September 18th, the Finance Committee on September 23rd, and the Regular Board on September 25th.

Your lease information has been sent to Horan & Company to provide an appraisal. Mr. Horan will contact you regarding your lease.

Should you have any questions, please do not hesitate to ask.

Sincerely,



Carl Uchytel, P.E.
Port Director

**SALMON CREEK DEVELOPMENT
BOX 34437
JUNEAU, ALASKA 99803**

AUGUST 20, 2014

**CITY AND BOROUGH OF JUNEAU
PORT DIRECTOR**

RE: LEASE RENEWAL ADL 102934

**ENCLOSED IS OUR RENEWAL APPLICATION FOR THE ABOVE REFERENCE
TIDELAND LEASE. THE ORIGINAL LEASE WITH THE STATE OF ALASKA WAS IN
THE NAME OF TIM SMITH ETAL, IT WOULD BE OUR PREFERENCE TO USE
SALMON CREEK DEVELOPMENT AS THE LESSEE. ALL OWNERS IN THE ETAL
ARE THE SAME OWNERS IN SALMON CREEK DEVELOPMENT.**

**PLEASE DON'T HESITATE TO CALL IF YOU HAVE ANY QUESTIONS OR NEED
ADDITIONAL INFORMATION.**

**SINCERELY,
JOSEPH M. SMITH
SALMON CREEK DEVELOPMENT
321-2330**

City and Borough of Juneau Property Docks and Harbors Application for Lease

Application processing - The Port Director will review each application for completeness within 30 days of receipt unless the Director notifies the applicant that more time is required to complete the review. If the port director determines that the application is not complete, the Director will provide the applicant with a general description of the information needed to make the application complete. Once the application is complete, the Port Director will estimate the cost for the docks and harbors department to process the application and will notify the applicant in writing of the estimated cost. The applicant is required to pay all costs associated with processing of the application, including any costs to survey and appraise the area proposed to be leased. The applicant must agree in writing to pay the processing costs prior to the Docks and Harbors Board taking action on the application. Failure of the applicant to agree to pay, or pay, any processing cost will result in the application being denied. The applicant may assist the Port Director by arranging for specified components of the work, such as survey and appraisal, provided any such work to be performed by applicant is approved in writing in advance by the Port Director.

Date 8/20/14 ADL# 102934

Applicant's Name: SALMON CREEK DEVELOPMENT

Group, Association, or Corporation Name PARTNERSHIP

Mailing Address: P.O. BOX 34437

City/State/Zip JUNEAU, AK 99803

Message Phone 321-2330 Work Phone 789-7437

email - gastcon@pci.net

Is applicant authorized to conduct business under the laws of the State of Alaska?

YES

Is applicant 19 years or older?

YES

What type of lease are you applying for?

TIDELAND LEASE

(uplands lease, tidelands lease, easement)

Legal Description:

Lot(s) _____ Block/Tract# _____ Survey/Subdivision _____

Other: AST 1277 PLAT 83-710Acres 1.83

What is the proposed use and activity on the leased land?Continue the current use as a barge facility or other marine-related operations as allowed under the CBJ LAND USE CODE

Proposed term of lease _____?

Are you planning to Sublease this land? Yes (No) CONTINUE CURRENT USE

Are there any improvements or construction planned?

No---All improvements were constructed during the original lease period

If yes, submit a development plan that includes.

- a. The nature and purpose of the proposed lease.
 - b. A site plan
 - c. The use, value, and nature of improvements to be constructed.
 - d. The dates construction is estimated to commence and be completed.
 - e. A detailed description of the proposed operation.
 - f. Whether the intended use complies with the CBJ Land Use Code, CBJ Title 49, and the comprehensive plan of the City and Borough of Juneau.
 - g. Additional information that would assist the Port Director, the Docks and Harbors Board, and the Assembly in acting on the application.
-
-

CBJ zoning title and plans are available from the Community Development Department.

The Board recommends that applicants carefully review current site conditions before making an application.

The Board intends to award leases to the development that provides the most marine-related benefit to the community of Juneau and the development that provides the most economic benefit to the City and Borough of Juneau in general and the Docks and Harbors Department in particular.

The lease must meet all applicable requirements listed in CBJ ordinance 53.20.



Signature
Joseph M. Smith

8/20/14

Date

SALMON CREEK DEVELOPMENT

Managing Partner

If applying on behalf of an agency, municipality, or organization, state which one. Title

Please do not write below. Docks and Harbor use only.

Application Received _____ \$10.00 Filing Fee Received _____

Date approved by Operations Committee _____

Date approved by Finance Committee _____

Approved by Regular Board _____

Law Department Ordinance _____

Assembly Action _____

Lands _____

Public Notice _____

Ad Option _____

Final Lease Signed Date _____

ESTIMATED MARKET RENT

OF ATS 1277, PLAT 83-210, 1.83 ACRES

LOCATED IN GASTINEAU CHANNEL,
JUNEAU, ALASKA, ADL 102934



PREPARED FOR: City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

PREPARED BY: James A Corak, AA#35
Real Estate Appraiser
HORAN & COMPANY, LLC
403 Lincoln Street, Suite 210
Sitka, Alaska 99835

EFFECTIVE DATE: October 1, 2014

REPORT DATE: October 10, 2014

OUR FILE NO.: 14-104

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN, MAI / WILLIAM G. FERGUSON, JOSHUA C. HORAN,
JAMES A. CORAK, SHEILA M. KRAMER, SLATER FERGUSON AND KELLY GOEDEN

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

PHONE NUMBER: (907)747-6666 FAX NUMBER (907)747-7417 commercial@horanappraisals.com

October 10, 2014

Carl Uchytel, P.E., Port Director
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

VIA Email teena_scovill@ci.juneau.ak.us

Re: Estimated Market Rent of ATS 1277, Plat 83-210, 1.83 Acres Located in Gastineau Channel,
Juneau, Alaska, ADL 102934; Our File 14-104

Dear Mr. Uchytel,

I have analyzed the applicable real estate market for sales information as well as any applicable tidelands and waterfront leases. Based on this analysis, the estimated annual market rent value, as of the valuation date of September 24, 2014, is as follows:

ATS 1277, 1.83 Acres; 79,715 SF
\$12,500/year

Your attention is invited to the remainder of this report which sets forth the Assumptions and Limiting Conditions, Certification of Appraisal, and the most pertinent data considered in estimating the market value of the subject property. This summary appraisal report is intended to comply with the rules and regulations as set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) and the City and Borough of Juneau's Appraisal instructions.

If you have any questions or comments, please feel free to contact me at your convenience.

Sincerely,



James A. Corak, AA#35
Horan & Company, LLC

TABLE OF CONTENTS

Certification of Appraisal	4
1 SCOPE OF APPRAISAL	6
1.1 Identification of Property	6
1.2 Purpose of Appraisal, Intended Users and Intended Use	6
1.3 Property Rights Appraised	7
1.4 Terminology	7
1.5 Parties to the transaction	8
1.6 Inspection and Effective date	8
1.7 Assumptions and Limiting Conditions.....	8
2 AREA ANALYSIS	10
2.1 Introduction	10
2.2 Juneau Area Analysis	10
2.3 Land Lease Percentage Rate	11
3 PROPERTY DESCRIPTION	13
3.1 Overall Description	13
3.2 Zoning	13
3.3 Assessed Valuation and Taxes	13
3.4 Easements and Other Restrictions.....	14
3.5 Functional Utility of Site.....	14
3.6 Synopsis of Typical Lease.....	14
4 VALUATION	17
4.1 Highest and Best Use	17
4.2 Tidelands Lease Valuation.....	17
Addenda	
Subject Photographs	
Comparable Write ups	
Comparable Sales Map	
Qualifications of James Corak	

CERTIFICATION OF APPRAISAL

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- James A Corak made a personal inspection of the property that is the subject of this report on October 1, 2014.
- No one provided significant real property appraisal assistance to the persons signing this certification.
- Our office previously evaluated the subject lease to determine the need for adjustment based on current market trends. No other appraisal services were performed on the subject lease in the past three years. James A. Corak has not valued this lease or leased lands.



James A. Corak, Real Estate Appraiser, AA#35

October 1, 2014

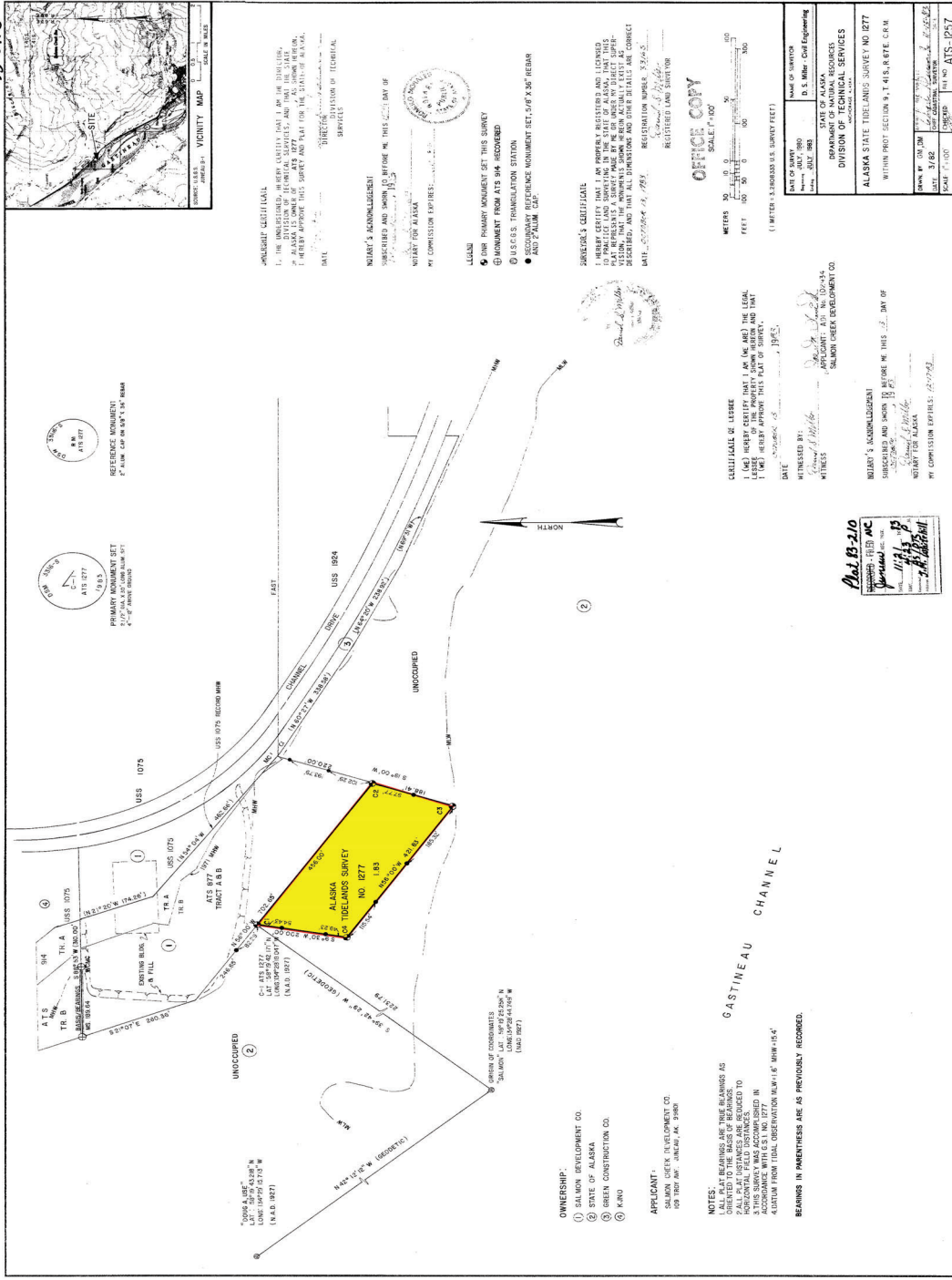
Inspection and Effective Date

Inspection October 1, 2014

October 10, 2014

Date of Report

83-210



PLAT 83-210

1 SCOPE OF APPRAISAL

This appraisal is intended as an establishment for an update and review of the lease on the subject property. The past lease established in 1984 has expired and a new lease is being written. This appraisal will be used to negotiate a new annual lease amount.

Appraisal Methodology

The most direct way to estimate market rent is by the Rent Comparison Approach. In this approach, the annual rent of similar properties is considered on a price per square foot basis. We identify comparable information through interviews with knowledgeable participants in the real estate markets such as local appraisers, other lessors and lessees, discussions with municipal property assessment personnel and others who are familiar with the real estate market in Southeast Alaska. A search was performed of similarly used properties in the communities throughout Southeast Alaska. Information was collected from reliable sources as available.

Our office maintains market data information on sales, transfers and on a geographic location basis for those rural properties not connected to a road system, and those connected. Within each of these areas, the data is further segmented into commercial and residential properties. Within these divisions of separation are divisions for zoning and whether the properties are waterfront or upland parcels. Horan & Company, LLC maintains and continually updates this library of sale transactions throughout the Sitka and Southeast Alaska region and has done so for over 30 years.

1.1 IDENTIFICATION OF PROPERTY

The subject of this report is ATS 1277, Plat 83-210, Juneau Recording District, First Judicial District, State of Alaska. This survey is a portion of the former Northland Barge landing site on Channel Drive adjacent to Gastineau Channel in Juneau, Alaska.

The property is located on tidelands adjacent to the Mendenhall Wetlands State Game Refuge (MWSGR) in Gastineau Channel, off the mainland adjacent to Salmon Creek.

1.2 PURPOSE OF APPRAISAL, INTENDED USERS AND INTENDED USE

The purpose of this appraisal is to determine the annual market rent.

Intended use: This valuation is to be used to set market rent for a tidelands lease as administered by the City and Borough of Juneau.

Intended users are the City and Borough of Juneau and Tim Smith, et al, Lessee.

1.3 PROPERTY RIGHTS APPRAISED

The market rent estimate is for the property in fee simple interest less mineral rights¹ in its pre-development condition.

1.4 TERMINOLOGY

Market Value

Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows:

Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows:

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Pages 123

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements.

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Pages 121 & 122

Tidelands

All areas which are at or below mean high tide and coastal wetlands, mudflats, and similar areas that are contiguous or adjacent to coastal waters and are an integral part of the estuarine systems involved. Coastal wetlands include marshes, mudflats, and shallows and means those areas periodically inundated by saline waters...

http://law.sc.edu/pathfinder/coastal_development/reference/definitions.shtml

¹ Reserved by the state under AS 38.05.125(a)

1.5 PARTIES TO THE TRANSACTION

Client and Ostensible Owner

City and Borough of Juneau; client. Owned by the State of Alaska; administered by the City and Borough of Juneau.

Lease Applicant

Tim Smith, et al.

1.6 INSPECTION AND EFFECTIVE DATE

James Corak made a personal inspection of the property that is the subject of this report on October 1, 2014.

The **effective date** of this appraisal is the inspection date.

Property History

The subject property is owned by the State of Alaska since statehood. A lease was issued April 27, 1984 with an expiration of the thirty year term of April 26, 2014, and the administration of the lease was transferred to the City of Juneau on February 8, 2001, under the condition only to lease and not to sell or transfer this type of property. It has not sold or leased to another party since 1984. The most recent lease amount was \$11,957.25 per year. This interprets to \$6,534.02 per acre per year or \$0.15/SF/year.

1.7 ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and valuation contained herein are further expressly subject to the following assumptions and/or conditions:

1. It is assumed that the data, maps and descriptive data furnished by the client or his representative are accurate and correct. Photos, sketches, maps, and drawings in this appraisal report are for visualizing the property only and are not to be relied upon for any other use. They may not be to scale.
2. The valuation is based on information and data from sources believed reliable, correct and accurately reported. No responsibility is assumed for false data provided by others.
3. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property.
4. This appraisal was made on the premise that there are no encumbrances prohibiting utilization of the property under the appraiser's estimate of the highest and best use.
5. It is assumed that the title to the property is marketable. No investigation to this fact has been made by the appraiser.
6. No responsibility is assumed for matters of law or legal interpretation.

7. It is assumed no conditions exist that are not discoverable through normal diligent investigation which would affect the use and value of the property. No engineering report was made by or provided to the appraiser.
8. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
9. The value estimate is made subject to the purpose, date and definition of value.
10. The appraisal is to be considered in its entirety, the use of only a portion thereof will render the appraisal invalid.
11. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described herein unless prior arrangements have been made.
12. The market rent is estimated for the tract with no value for improvements to the land or improvements on the land which are owned or leased by the lessee.

A
L
A
S
K
A

2007-007947-0

Recording Dist: 101 - Juneau

12/10/2007 3:30 PM Pages: 1 of 22



cc

THIS COVER SHEET HAS BEEN ADDED TO
THIS DOCUMENT TO PROVIDE SPACE FOR
THE RECORDING DATA. THIS COVER
SHEET APPEARS AS THE FIRST PAGE OF
THE DOCUMENT IN THE OFFICIAL PUBLIC
RECORD.

DO NOT DETACH

JUNEAU PORT DEVELOPMENT TIDELANDS LEASE 2007

PART I. PARTIES. This Lease is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter "City," and Juneau Port Development, LLC, hereafter "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:

Attn: John M. Stone, P.E.
Port Director
City and Borough of Juneau

155 S. Seward Street
Juneau, Alaska 99801
Phone: (907) 586-0494
Fax: (907) 463-2606

LESSEE:

Juneau Port Development, LLC
Howard H. Lockwood, Manager
Lessee

P.O. Box 20734
Juneau, Alaska 99802
Phone: (907) 209-4250
Fax: (907) 463-3055

STATE RECORDER:

PLEASE RETURN TO JOHN M. STONE AT ABOVE LISTED ADDRESS

PART III. LEASE DESCRIPTION. This Lease is identified as the Juneau Port Development Tidelands Lease 2007. The following appendices are attached hereto and are considered a part of this Lease 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 53.20
Appendix C: Standard Provisions

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

PART IV. LEASE EXECUTION. City and Lessee agree and sign below. This Lease is not effective until signed by City.

CITY:

Date: NOV 14, 2007
By: [Signature]
Authorized Representative
John M. Stone
Port Director

LESSEE:

Date: Nov 14, 2007
By: [Signature]
Juneau Port Development, LLC
Howard H. Lockwood, Manager
Lessee



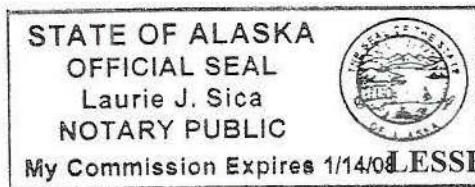
2 of 22
2007-007947-0

CITY ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the 14th day of November, 2007, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared John M. Stone to me known to be the Port Director of the City and Borough of Juneau, Alaska, a municipal corporation which executed the above and foregoing instrument, who on oath stated that he was duly authorized to execute said instrument on behalf of said corporation; who acknowledged to me 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.



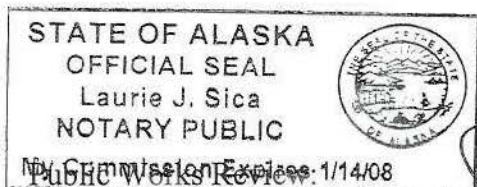
Laurie J. Sica
Notary Public in and for the State of Alaska
My Commission Expires: 11/14/2007

LESSEE ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the 14th day of November, 2007, before me, the undersigned, duly commissioned and sworn, personally appeared Howard H. Lockwood to me known to be the identical individual described in and who executed the foregoing instrument as Lessee; who on oath stated that he was duly authorized to execute said instrument on behalf of Juneau Port Development, LLC; 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.



Laurie J. Sica
Notary Public in and for the State of Alaska
My Commission Expires: 11/14/2007

[Signature], Public Works Department

Risk Management Review: Tom Allen, Risk Manager

Approved as to Form: Pombura, Law Department



**APPENDIX A:
PROPERTY DESCRIPTION & ADDITIONAL LEASE PROVISIONS**

1. DESCRIPTION OF PROPERTY

The property subject to this Lease is referred to as “the Leased Premises” or “the Property.” The Leased Premises are as follows:

(a) The premises comprised of filled and unfilled tidelands described as a portion of Alaska Tidelands Survey 556A as depicted on Exhibit A and shown generally on Exhibit B, exclusive of any recorded easements and any easements needed by the City and Borough of Juneau for its operations and activities at the Juneau Wastewater Treatment Plant, which plant is located on the northwest portion of the Leased Premises at 1540 Thane Road. City agrees to provide Lessee with a description of the easements on and over the Leased Premises that City needs for its operations and activities at the Juneau Wastewater Treatment Plant not later than 12 months after the effective date of this Lease; those easements shall be attached to and incorporated by this reference into this Lease.

(b) Lessee agrees to allow City to continue to use the area known as the “Little Rock Dump” shown on Exhibit A, or any portion of that area, for its operations and storage uses until such time as Lessee begins construction within that area; provided that areas within the “Little Rock Dump” that are not used by Lessee as part of its development shall remain under the direction and control of City.

(c) Lessee agrees to provide City with a survey plat showing the exact boundaries and a legal description of the Leased Premises, including all recorded easements within the Leased Premises, and all easements identified by City as needed by City for its operations and activities at the Juneau Wastewater Treatment Plant. Lessee will provide this survey plat and legal description to City no later than 24 months after the effective date of this Lease. The survey plat shall also show the boundaries and area of Lessee’s proposed development and public use areas. Upon acceptance of the survey plat and legal description by City as satisfactory, this survey plat and legal description shall replace the survey contained in Exhibit A to this Lease; a Revised Exhibit A with the new survey plat and legal description of the Leased Premises shall be attached to this Lease and this Lease shall be amended accordingly.

2. AUTHORITY

This Lease is entered into pursuant to the authority of CBJ 85.02.060(a)(5) and CBJ Chapter 53.20; and Ordinance 2007- 43 enacted by the Assembly on August 20, 2007, and effective on September 20, 2007.

3. TERM AND RENEWAL OPTION

(a) The term of this Lease shall be for an initial period of 35 years, commencing on the effective date of this Lease, unless sooner terminated as provided herein. The effective date of this Lease shall be the date this Lease is signed by City.

(b) City grants Lessee an option to renew this Lease for one successive period of 35 years. Lessee shall exercise this option, if at all, by written notice given to City during the first six months of the last year of the underlying Lease term, provided City may deny renewal of this Lease for good cause shown. "Good cause" must relate to acts and omissions under this Lease.

4. LEASE PAYMENTS AND ADJUSTMENTS

(a) Lessee agrees to pay City annual Lease payments for the Leased Premises. A qualified appraiser shall establish the annual Lease payment and the appraisal shall consider the values of comparable land in the same or similar areas. When establishing the Lease payment, the appraiser shall not include the value of improvements made by Lessee pursuant to this Lease. The appraiser shall also take into consideration encumbrances that existed upon the Leased Premises on the effective date of the Lease, such as mineral claims, environmental contamination, and access issues. The appraiser shall not value areas of the Leased Premises that are not developable or that are made available for public use under this Lease, such as waterfront parks and seawalks. Lessee agrees to pay for all appraisal costs required to establish the annual Lease payment under this subsection.

(b) Lessee shall submit the initial appraisal to City before the harbor facility to be constructed by Lessee on the Leased Premises is opened for occupancy. The first annual Lease payment will be due to City one year after the date the harbor facility is opened for occupancy. The first Lease payment will be calculated to include retroactive annual Lease payments beginning with the effective date of this Lease through one year after the date the harbor facility

is opened for occupancy. Subsequent annual Lease payments shall be due at the end of the calendar year (December 31) following the year the first annual Lease payment is due. City agrees to offset the Lease payments under this section with credits that are approved under Appendix B, Section 3(23) of this Lease.

(c) Lessee agrees to a review and adjustment by the Port Director of the annual Lease payment to City not less often than every fifth year of the Lease term, beginning with the Lease payment due after completion of each review period. Any changes or adjustments shall be based primarily upon an appraisal that considers the values of comparable land in the same or similar areas. The appraisal shall not include the value of improvements made by Lessee pursuant to this Lease, except that the value of any improvements credited against payments shall be included in the appraisal as necessary to grant credits approved under Appendix B, Section 3(23) of this Lease. Lessee may protest the adjustment to City, and if denied wholly or in part, Lessee may appeal to the City Docks & Harbors Board. Lessee agrees to pay for all appraisal costs required to establish the Lease payment adjustments under this subsection.

5. AUTHORIZED USE OF LEASED PREMISES

(a) Lessee agrees to use the Leased Premises to plan, design, engineer, permit, finance, construct, sub-lease, and operate a full-scale harbor marina complex, together with uplands commercial marine-related facilities, a public park, and all of the related amenities necessary for the operation of these facilities and improvements.

(b) Lessee shall be responsible for obtaining all necessary permits and approvals that may be necessary for Lessee's development of the Leased Premises.

(c) Lessee agrees to obtain and have in place the permits and approvals necessary to start construction of the harbor facilities and amenities listed in subsection (a) of this Section 5 within 36 months after the effective date of this Lease. The site plan, conceptual design, cost estimates, and construction plan and schedule for the development of the Leased Premises will be presented to the Port Director and the City Docks & Harbor Board for review and approval prior to the commencement of any construction, unless otherwise agreed in writing by the parties. If Lessee does not have the permits in place within 36 months after the effective date of this Lease, the Lease shall terminate; provided, Lessee may request in writing to the Port Director that City extend the 36-month planning and permitting period if Lessee makes a showing satisfactory to



City that it has pursued the planning and permitting for its development of the harbor facilities on the Leased Premises with all due diligence and cannot meet this 36-month deadline for reasons beyond its control. Any extension to this 36-month period must be approved in writing by the Port Director.

(d) Lessee agrees to complete construction and commence operation of the harbor facilities and amenities within 48 months after Lessee has been issued all the permits and approvals necessary to start construction. If Lessee does not complete construction and commence operation within this 48 month period, the Lease shall terminate; provided, Lessee may request in writing to the Port Director that City extend this 48-month period if Lessee makes a showing satisfactory to City that it will complete construction and commence operation of the harbor facilities and amenities with all due diligence and cannot meet this 48-month deadline for reasons beyond its control. The time period of any such extension shall be decided by the Docks and Harbors Board; any extension must be in writing by City.

(e) The Leased Premises shall be used only for purposes within the scope of Lessee's lease proposal and the terms of this Lease, and in conformity with the City and Borough Code, and all applicable State and Federal laws and regulations. Use or development of the Leased Premises for other than the authorized uses shall constitute a violation of this Lease and subject the Lease to cancellation at any time. Lessee acknowledges that the Leased Premises adjoin the Juneau Wastewater Treatment Plant and that the Treatment Plant does and will cause the release of malodorous vapors. Lessee agrees to hold City harmless from any and all effects resulting from or caused by any and all such releases. This indemnification provision is in addition to the hold harmless and indemnification provision set out in Appendix C, Section 9, of this Lease, which also applies to this Lease.

6. ENVIRONMENTAL MATTERS

(a) **Lessee's Responsibility for Environmental Laws.** Lessee shall, at its own expense, comply with all existing and hereafter enacted environmental responsibility laws, hereafter "Environmental Laws." Lessee shall, at its own expense, make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority, hereafter "Authority," under the Environmental Laws. Should the Authority require that a cleanup plan be prepared and that a cleanup be undertaken because of any spills or discharges of

or contamination by Hazardous Materials, as hereafter defined, or other materials, on the Leased Premises that occur during the term of the Lease, or arise out of or in connection with Lessee's use or occupancy of the Leased Premises and occur during the term of the Lease, then Lessee shall, at its own expense, prepare and submit the required plans and financial assurances and carry out the approved plans. Lessee's obligations under this section shall arise if there is any event or occurrence on the Leased Premises during the term of the Lease or arising out of or in connection with the Lessee's use or occupancy of the Leased Premises that requires compliance with the Environmental Laws. At no expense to City, Lessee shall promptly provide all information requested by City for preparation of affidavits or other documents required by City to determine the applicability of the Environmental Laws to the Lease, and shall sign the affidavits promptly when requested to do so by City.

(b) Indemnification by Lessee. Lessee shall indemnify, defend and hold harmless City from all fines, suits, procedures, claims, liabilities, and actions of any kind arising out of or in any way connected with any spills or discharges of or contamination by Hazardous Materials on the Leased Premises that occur during the term of the Lease or arise out of or in connection with Lessee's use or occupancy of the Leased Premises; and from all fines, suits, procedures, claims, liabilities, and actions of any kind arising out of 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 spills or discharges or contamination that occur during the term of the Lease or arise out of or in connection with Lessee's use or occupancy of the Leased Premises, unless such contamination was placed upon the Leased Premises by City or City's action, prior to the signing of this Lease. This indemnification provision is in addition to the hold harmless and indemnification provision set out in Appendix C, Section 9, of this Lease, which also applies to this Lease.

(c) Lessee's Assurances to City. 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 upon the Leased Premises except when fully in compliance with the Environmental Laws. Lessee agrees that it will not construct any above ground or under ground fuel or chemical tanks without the written consent of City.

(d) Notice of Environmental Problems. Lessee agrees to immediately notify City if Lessee becomes aware of (1) any Hazardous Material or other environmental problem or liability with respect to the Leased Premises, or (2) any lien, action, or notice resulting from the claimed or actual violation of Environmental Laws, including but not limited to the generation, recycling, reuse, sale, storage, handling, transport and disposal of any Hazardous Material.

(e) Lessee's Obligations Unconditional. Lessee's obligations under this section regarding environmental compliance are unconditional and shall not be limited by any non-recourse or other limitations of liability provided for in the Lease or any document executed in connection with the Lease. The representations and covenants of Lessee set forth in the Lease, including without limitation, the indemnity for environmental compliance provided herein, are (1) separate and distinct obligations from Lessee's obligations under the Lease, (2) shall not be discharged or satisfied by Lease compensation or other payment under the Lease, and (3) shall continue in effect after any further transfer of the Leased Premises.

(f) "Environmental Laws" Defined. For purposes of the Lease, "Environmental Laws" is defined to include all City, State, and Federal laws or regulations, whether currently in existence or hereafter enacted, that govern (1) the existence, clean-up, or remedy of contamination on property; (2) the protection of the environment from spilled, deposited, or otherwise emplaced contamination; (3) the control of hazardous waste; or (4) the use, generation, transport, treatment, removal, or recovery of Hazardous Material.

(g) "Hazardous Material" Defined. For purposes of the Lease, "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by the City and Borough of Juneau, Alaska, the State of Alaska, or the United States government. It is any substance which at any time shall be listed as "hazardous" or "toxic" or which has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Environmental Laws. The term "Hazardous Material" shall also include, without limitation, raw materials, building components, the products of any manufacturing or other activities on the Leased Premises, wastes, petroleum, oil, and source, special nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended (42 U.S.C. 301 1, *et seq.*, as amended).



(h) Pre - Construction Audits. Lessee shall responsible for engaging a qualified contractor(s) to conduct any and all pre-construction environmental audits that may be necessary to secure the permits and approvals for its planned development of the harbor facilities and amenities on the Leased Premises. All pre-construction audits required for the permitting process must be completed by Lessee prior to the commencement of any construction. The cost of environmental audits shall be paid by Lessee. The results of all environmental audits shall be made available to employees or agents of City as designated by the Port Director.

(i) Modification of Leased Premises Possible. It is recognized by the parties that the portion of the Leased Premises known as the Old Garbage Dump near Snowslide Creek was used as a material waste dump by the City and Borough of Juneau during the late 1940's, the 1950's, and the 1960's, and sewerage sludge deposit site by the City and Borough of Juneau sewer disposal system. Further, the cove area west towards the current Juneau Wastewater Treatment Plant was used for many years as an "old boat bone yard." Lessee intends to review all available options for the satisfactory clean-up and reclamation of the Little Rock Dump portion of the Leased Premises. In the event this planned clean-up and reclamation is not approved by the applicable Federal and State agencies, and by City, then Lessee, at its sole discretion, may remove the unacceptable portion of the Leased Premises from the development plan without liability or responsibility to Lessee to conduct clean-up and reclamation of that portion, and continue with the project; removal of the unacceptable portion of the Leased Premises from the development plan, if any, shall have no affect on the amount of the next annual Lease payment due or subsequent Lease payment adjustments.

(j) Costs and Expenses Incurred by Lessee. All costs and expenses incurred by Lessee as a result of fulfilling the environmental remediation requirements of City, State, or Federal agencies for all pre-construction environmental audits necessary for the permitting process and construction monitoring, together with the collection, clean-up, and proper removal and disposal of the contaminated and undesirable material that is known to exist in or upon the Leased Premises, will be eligible for lease rental credit as provided in Appendix B, Section 3(23) of this Lease.



7. SPECIAL CONDITIONS REGARDING THE LEASED PREMISES

(a) At any time after the first 36 months of this Lease, City or the City Docks & Harbors Board may, at City's discretion and at its cost and expense, undertake planning, designing, permitting, financing, and construction of any improvement or facility within the Leased Premises. Any such work by City will be planned to fit into Lessee's work schedule and development plans for the Leased Premises.

(b) Lessee's planning, design, construction, and development of any improvement or facility within the Leased Premises must be in accordance with all applicable City and Borough Code provisions and all City, State, and Federal permitting and approval requirements, and must be compatible with the Long Range Waterfront Development Plan.

(c) Lessee represents that the Leased Premises is covered by valid existing mining claims described as WAST 1-5 ADL 517981 through ADL 517985, which claims are governed by Alaska Statutes, AS 38.05.185 through AS 38.05.275. City agrees that, as between City and Lessee, it is permissible for Lessee to remove and dispose of specific materials in accordance with these mining claims and the applicable Alaska Statutes. The parties further agree that upon expiration of this Lease, Lessee will assign to City all of Lessee's rights remaining under these mining claims.

8. INSURANCE

(a) **Commercial General Liability Insurance.** Lessee shall maintain at all times during this Lease commercial general liability insurance in the amounts of \$1,000,000 per occurrence and \$2,000,000 general aggregate. The insurance policy shall name City as an "Additional Insured" and shall contain a clause that the insurer will not cancel or change the insurance without first giving City 31-days' prior written notice. Lessee will provide evidence of this insurance to City in a form acceptable to the City's Risk Management office.

(b) **Property Insurance.** Lessee acknowledges that City carries no fire or other casualty insurance on the Leased Premises or the improvements located on the Leased Premises, and that it is Lessee's obligation to obtain adequate insurance coverage for protection of Lessee's buildings, fixtures, facilities, or other improvements, or personal property, located or to be developed and located on the Leased Premises by Lessee, and adequate insurance to cover debris removal.

**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's liable as provided by law.

2. APPROVAL OF OTHER AUTHORITIES.

As required by CBJ 53.20.180, the issuance by City of leases, including this Lease, under the provisions of CBJ Title 53 does not relieve Lessee of responsibility for obtaining licenses, permits, or approvals as may be required by City 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 City and Borough 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) Adjustment of Rental. See Appendix A, Section 4, regarding Adjustment of Rental.

(3) Subleasing. As authorized by Ordinance 2007-43, Lessee may sublease the Leased Premises or any part of the Leased Premises; provided, that Lessee must first obtain the prior written consent of City. 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.



(4) **Assignment.** Lessee may assign its rights and obligations under this Lease; provided that the proposed assignment shall be approved by City 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.

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

(6) **Cancellation and Forfeiture.**

(A) The Lease, if in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by Lessee and City.

(B) City may cancel the Lease if it is used for any unlawful purpose.

(C) If 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 thirty calendar days after service of written notice by City without remedy by Lessee of the conditions warranting default, City may subject Lessee to appropriate legal action including, but not limited to, forfeiture of the Lease. No improvements may be removed by Lessee or other person during any time 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 City with the approval of the Assembly constitute grounds for cancellation.

(7) **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.



(8) **Rights of Mortgagee 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.

(9) **Entry and Reentry.** In the event that the Lease should be terminated as hereinbefore 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, City or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of the lands or such thereof, and remove all persons and property there from either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No reentry by City shall be deemed an acceptance of a surrender of the Lease.

(10) **Release.** In the event that the Lease should be terminated as herein provided, or by summary proceedings, or otherwise, City may offer the lands for lease or other appropriate disposal pursuant to the provisions of City and Borough Code.

(11) **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 City as partial or total damages for the breach.

(12) **Written Waiver.** The receipt of rent by City 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 City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by City unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of City to enforce the same in the event of any subsequent breach or default. The receipt, by City, of any rent or any other sum of money after the termination, in any manner, of the term demised, or after the giving by City 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 City to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by City.



(13) **Expiration of Lease.** Unless the Lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up unto City all of the Leased Premises on the last day of the term of the Lease.

(14) **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.

(15) **Removal or Reversion of Improvements 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 City may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of City, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying to City pro rata lease rentals for the period.

(A) If any improvements and/or chattels not owned by City and having an appraised value in excess of five thousand dollars as determined by the assessor are not removed within the time allowed, such improvements and/or chattels shall upon due notice to Lessee, be sold at public sale under the direction of City. The proceeds of the sale shall inure to Lessee preceding if Lessee placed such improvements and/or chattels on the lands, after deducting for City 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 Port Director are received, title to such improvements and/or chattels shall vest in City.

(B) If any improvements and/or chattels having an appraised value of five thousand dollars 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, City.



(16) **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 his permission and remaining upon the premises after the termination date of the Lease shall entitle City to charge Lessee a reasonable rent therefor.

(17) **Compliance with Regulations and Code.** Lessee shall comply with all regulations, rules, and the Code of the City and Borough of Juneau, and with all State and Federal laws, regulations, and as the Code or any such laws, regulations or rules may affect the activity upon or associated with the Leased Premises.

(18) **Condition of Premises.** Lessee shall keep the Leased Premises 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 Premises. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the Leased Premises.

(19) **Inspection.** Lessee shall allow an authorized representative of City to enter the Leased Premises for inspection at any reasonable time.

(20) **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 material valuable for building or commercial purposes; provided, however, that material required for the development of the Leased Premises may be used. In addition, as authorized by Ordinance 2007- 43 and as provided in Appendix A, Section 7(c), of this Lease, the parties are aware that the Leased Premises is covered by valid existing mining claims described as WAST 1-5 ADL 517981 through ADL 517985, which claims are governed by Alaska Statutes, AS 38.05.185 through AS 38.05.275. City agrees that, as between City and Lessee, it is permissible for Lessee to remove and dispose of specific materials in accordance with these mining claims and the applicable Alaska Statutes.

(21) **Rights-of-Way.** City expressly reserves the right to grant easements or rights-of-way across the Leased Premises if it is determined in the best interest of City to do so. If City grants an easement or right-of-way across any of the Leased Premises, Lessee shall be entitled to damages for all Lessee-owned improvements or crops 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.

(22) **Warranty.** City 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.

(23) **Lease Rental Credit.** When authorized in writing by City 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 Premises results in increased valuation of the Leased Premises or other City-owned lands. The authorization may stipulate type of work, standards of construction, and the maximum allowable credit for each phase of the specific project. The credit will be based upon appraised value of such improvements or the actual costs of work performed. Title to improvements or chattels credited against rent under this section shall vest immediately and be in City and shall not be removed by Lessee upon termination of this 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 City's title to the Leased Premises or enter into any lease, easement, or other obligation of City's title without the prior written consent of City; and any such act or omission, without the prior written consent of City, shall be void against City 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. As authorized by Ordinance 2007- 43, and as provided in Appendix A, Section 7(c) of this Lease, the parties agree that upon expiration of this Lease, Lessee will assign to City all of Lessee's rights remaining under the valid existing mining claims described as WAST 1-5 ADL 517981 through ADL 517985.

(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, City 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.

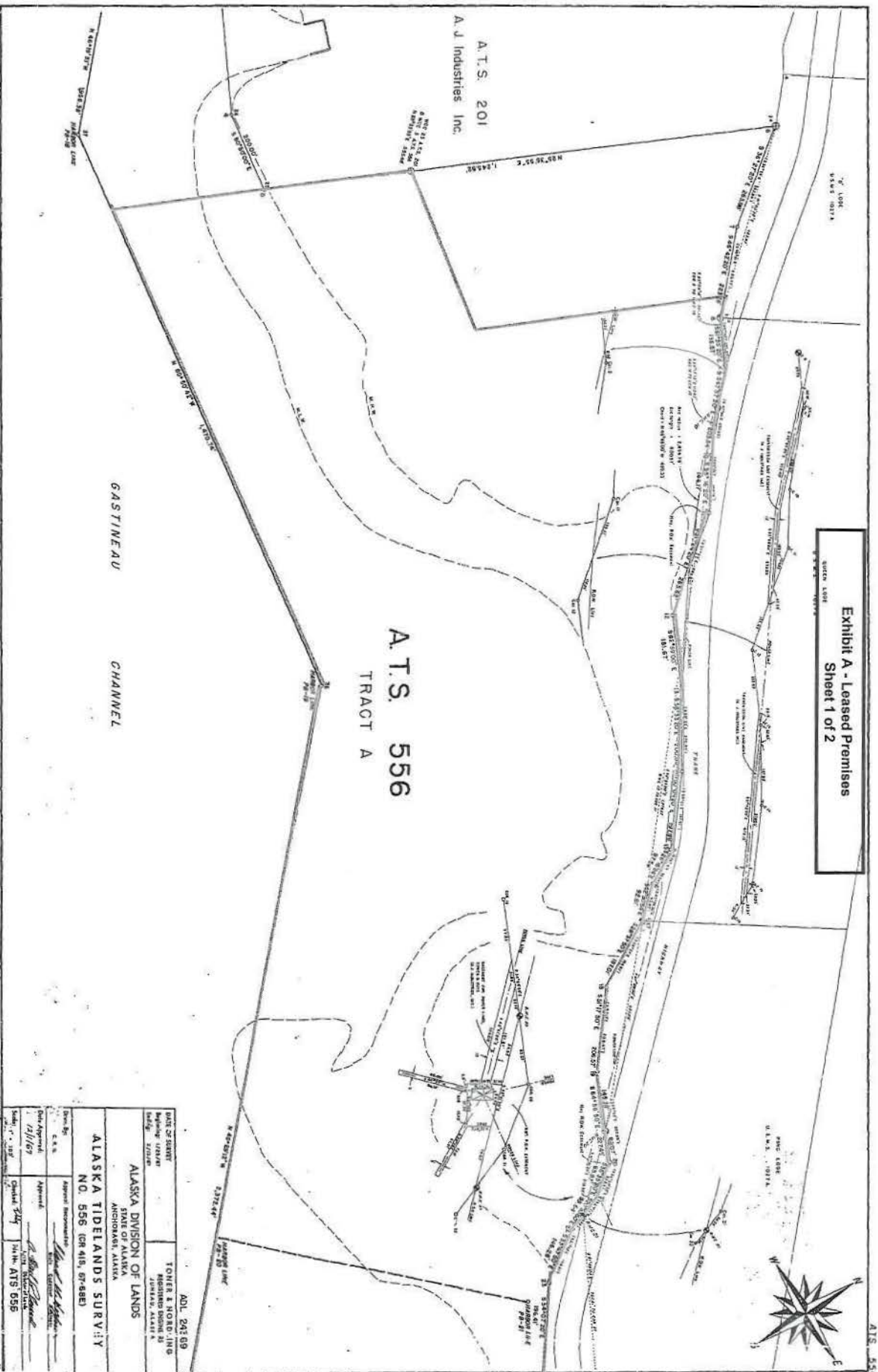
(9) **Hold Harmless.** Lessee agrees to defend, indemnify, and save City, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, and without limitation as to any damages resulting from settlement, judgment, or verdict, and includes the award of any attorneys fees even if in excess of Alaska Civil Rule 82. The obligations of Lessee arise immediately upon notice to City of any action, claim, or lawsuit. City 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 Lessee has actual notice. This agreement applies, and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against City.

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

(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.



Exhibit A - Leased Premises
Sheet 1 of 2



DATE OF SURVEY		TONGER & JONES, JR.	
NAME OF SURVEY		ANCHORAGE, ALASKA	
ALASKA DIVISION OF LANDS			
ANCHORAGE, ALASKA			
ALASKA TIDELANDS SURVEY			
NO. 556 (CR 415, 87-882)			
ANCHORAGE, ALASKA			
DATE OF SURVEY		TONGER & JONES, JR.	
NAME OF SURVEY		ANCHORAGE, ALASKA	
ALASKA DIVISION OF LANDS			
ANCHORAGE, ALASKA			
ALASKA TIDELANDS SURVEY			
NO. 556 (CR 415, 87-882)			
ANCHORAGE, ALASKA			
DATE OF SURVEY		TONGER & JONES, JR.	
NAME OF SURVEY		ANCHORAGE, ALASKA	
ALASKA DIVISION OF LANDS			
ANCHORAGE, ALASKA			
ALASKA TIDELANDS SURVEY			
NO. 556 (CR 415, 87-882)			
ANCHORAGE, ALASKA			

0-746200-1002

22 of 22





0 5 4 3 107 4

0000 0000

0000-0000-0000-0000

ENGINEER'S CERTIFICATE

I hereby certify that I so registered to practice land surveying in Florida and that said party possesses a survey made by me or under my direct supervision, and that no other person has been actually taken as locators, and that all dimensions and actual details are correct to the best of my knowledge.

Dated _____
at _____



1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630,

A.I.S. NO. 526, INCT A

Date: 6 M. 4° 38' 00" N., 18.79 E., 50 bolt in parent pole.
N. 37° 53' 10" E., 81.33 E., no power pole.

Ort. 8 N. 64° 53' 07" E., 83.78 ft. to point 9.
 8, 71° 51' 07" E., 55.88 ft. to point 9.

On 11 1/2, 11° 10' 00" E., 131.50 E., to a cross of

N. 21° 13' 29" W., 71.66 ft., to power pole.

LOC 11 6.37° 52' 50" N, 124.43° E, to north corner
6.22° 51' 00" N, 124.54° E, to west corner

N_2 , 50° 04' 00" N , 157° 30' E., to south coast

Journal of Interpersonal Violence

1

10

NOTES: Origin of bearings for Tract A of this survey between MC-Cor. 43 & Cor. 24, A.T.S. No. 28 reported as N. 20° 15' E. p. 4.

Origin of bearings for track 3 of this series between original block corner measurement (block #1 East Cr. Area) to of the West X

¹ datum, officially reported as N. 55° 13' E.,

Poor jobs and tired staff "beating off the bushes" are matched with almost

Speakers: Jennifer Zuckerman

Plot prepared April 17, 1972

TONER A
NEGATIVE
JUN 14

ALASKA DIVISION OF LAND

STATE OF ALASKA
ANCHORAGE, ALASKA

ALASKA TIDELANDS 5
NO. 556 (CR 415, 67-000

Approved: _____
Special Agent in Charge

Approved: 11/1/07	Approved: A. F. Williams
----------------------	---------------------------------

1' x 10'	CHUTE 257	No. No. AIS 55
----------	-----------	----------------

SHEET 6 OF 6 5/12/64

1

0-146100-100

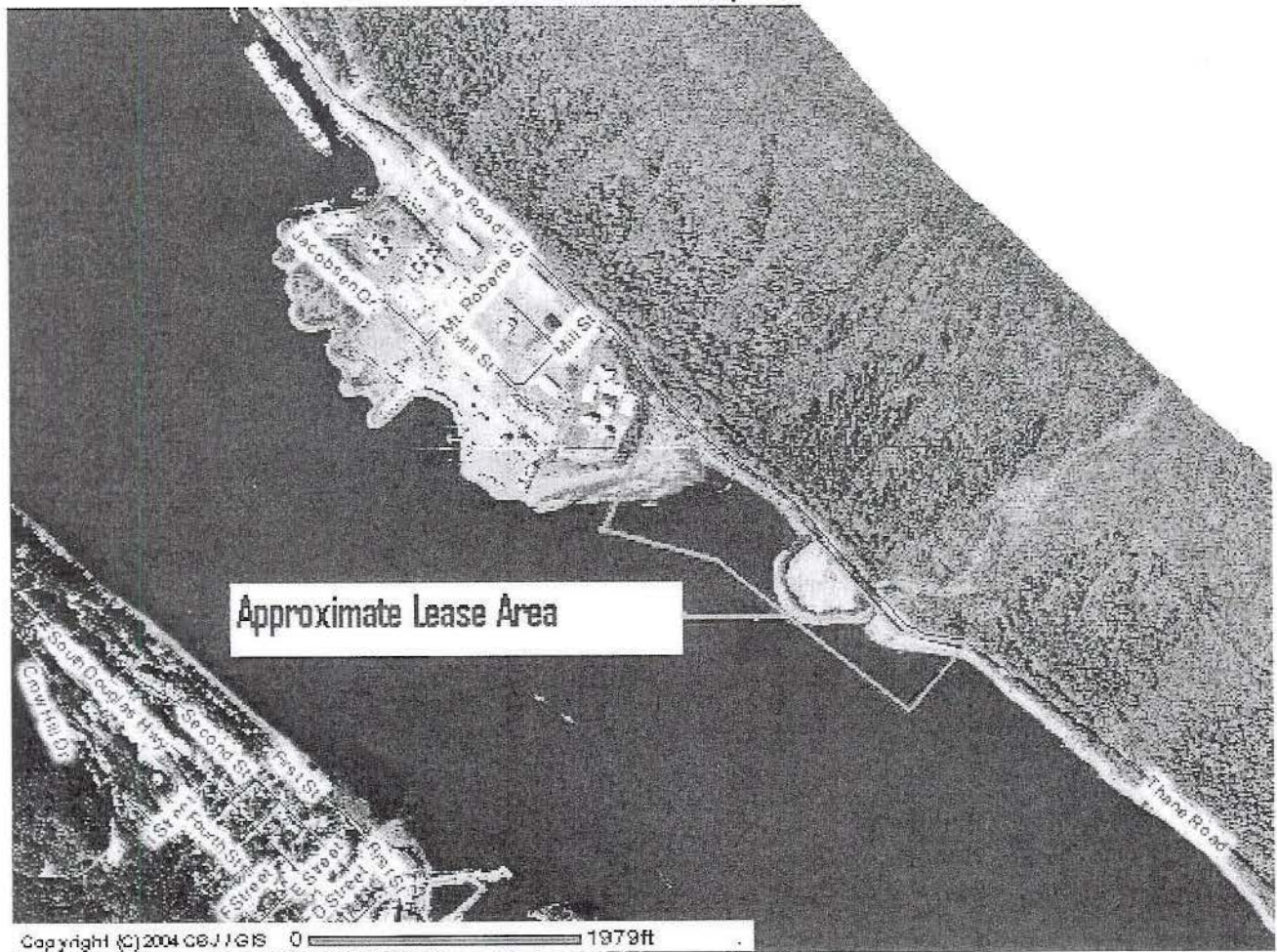
27 of 22
007 007017 0

04-588

100

1000

Exhibit B - Leased Area Map



RECEIVED
JAN 23 2014

BY: SF 11:22 AM

Carl Uchytel, PE
Port Director
City and Borough of Juneau
155 South Seward St.
Juneau, Alaska 99801
Re: Mining Claim WAST 3 ADL 517983

January 22, 2014

Dear Carl,

I hand you these documents for information only.

Attached are the State of Alaska, DNR official computer printouts of Dr. Roger Eichman's Mining Claims WAST 1-5, located at ATS 556A.

I have these Claims under lease from Dr. Eichman and as such, am responsible and liable for their maintenance in accordance with AS 38.05.185 thru AS 38.05.275.

They are an independent property right outside of Juneau Port Development LLC's Lease with the City and Borough of Juneau.

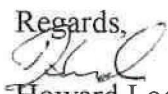
On Friday, January 17, 2014, I was on the property at the area which is occupied by the new Downtown Snow Storage Site Facility, taking pictures for this year's annual labor performance on Mining Claim WAST 3.

After considerable conversation with the Plant Superintendent, she determined that I should be arrested for trespass. I suggested that before she take that action, she should accompany me to the NW officially posted corner of Mining Claim WAST 3, in order to verify what I was saying.

When we arrived at that location together, there were two police officers waiting, along with several other people, including Jennifer Mannix, Risk Management. Jennifer was recently transferred and spoke that she was somewhat familiar with the problem at this property.

After reading the Claim notices and through conversation with the Plant Superintendent and myself, Officer Wise stated that this was above his authority, at which time he left the scene.

At this time, I am assembling all of the facts involved in this matter and will make a formal report to the full board as soon as that is accomplished.

Regards,

Howard Lockwood



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Natural Resources

Division of Mining, Land & Water
Mining Resources Section
Southeastern Office

P. O. Box 111020
Juneau, Alaska 99811-1020
Main: 907.465.3400
TDD: 907.269.8411
Fax: 907.586.2954

August 15, 2013

AMEx Mining
PO Box 20734
Juneau Ak, 99802

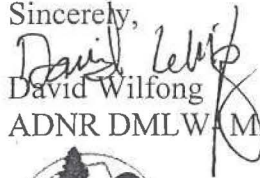
Re Mining Claim WAST 1-5 (ADL 517981-517985)

Mr. Lockwood,

The Alaska Department of Natural Resources has researched your request for the status of Alaska Division of Lands case files ADL 517981-517985, and has found them to be valid, existing, State Mining Claims as of August 15, 2013.

If you have any questions, please do not hesitate to contact me at (907) 750-0486.

Sincerely,


David Wilfong

ADNR DMLW Mining Section



State of Alaska



Patent

Deed Book 87 Page 445
Juneau Recording Dist.

Tidelands No. 224

Know All Men By These Presents that the State of Alaska, pursuant to A.S. 38.05.320, as amended and the rules and regulations promulgated thereunder, and in consideration of:

A Municipal Preference Right

and other good and valuable consideration, does hereby grant to:

CITY OF JUNEAU

155 South Seward Street

Juneau, Alaska

their heirs and assigns, those Tidelands lying seaward of the mean high tide line in

Gastineau Channel, State of Alaska, described as follows:

Known as A.T.S. No. 556: TRACT A

Beginning at Cor. No. 1, from whence Cor. No. 29, A.T.S. No. 201 bears N. 22° 00' 00" W., 250.27 ft. distant. Thence, from Cor. No. 1, by metes and bounds, S. 22° 00' 00" E., 354.73 ft., to Cor. No. 2; S. 37° 35' 00" E., 970.00 ft., to Cor. No. 3; S. 62° 10' 00" E., 1,021.74 ft., to Cor. No. 4; S. 80° 50' 00" E., 200.00 ft., to Cor. No. 5; N. 25° 35' 55" E., 1,245.52 ft., to Cor. No. 6; S. 36° 27' 20" E., 263.98 ft., to Cor. No. 7; S. 46° 42' 20" E., 223.78 ft., to Cor. No. 8; S. 61° 35' 20" E., 136.57 ft., to Cor. No. 9; S. 47° 57' 20" E., 203.54 ft., to Cor. No. 10; S. 55° 16' 20" E., 144.17 ft., to Cor. No. 11; S. 37° 24' 20" E., 265.62 ft., to Cor. No. 12; S. 62° 59' 00" E., 181.67 ft., to Cor. No. 13; S. 58° 33' 20" E., 200.58 ft., to Cor. No. 14; S. 50° 04' 20" E., 197.98 ft., to Cor. No. 15; S. 26° 16' 24" E., 97.56 ft., to Cor. No. 16; S. 42° 30' 54" E., 92.61 ft., to Cor. No. 17; S. 28° 37' 50" E., 187.01 ft., to Cor. No. 18; S. 51° 17' 50" E., 206.57 ft., to Cor. No. 19; S. 64° 56' 50" E., 227.45 ft., to Cor. No. 20; S. 36° 35' 20" E., 85.87 ft., to Cor. No. 21; S. 20° 33' 50" E., 99.64 ft., to Cor. No. 22; S. 33° 47' 50" E., 146.28 ft., to Cor. No. 23; S. 54° 07' 20" E., 196.41 ft., to Cor. No. 24; S. 75° 55' 50" E., 199.85 ft., to Cor. No. 25; N. 89° 22' 10" E., 149.72 ft., to Cor. No. 26; S. 61° 24' 50" E., 87.54 ft., to Cor. No. 27; N. 35° 12' 30" E., 13.98 ft., to Cor. No. 28; S. 47° 44' 25" E., 297.64 ft., to Cor. No. 29; S. 42° 32' 25" E., 130.70 ft., to Cor. No. 30; S. 60° 45' 25" E., 181.73 ft., to Cor. No. 31; S. 34° 50' 25" E., 140.01 ft., to Cor. No. 32; S. 57° 17' 25" E., 193.69 ft., to Cor. No. 33; S. 39° 32' 25" E., 147.94 ft., to Cor. No. 34; S. 72° 22' 37" W., 1,267.45 ft., to Cor. No. 35; N. 46° 29' 12" W., 2,372.44 ft., to Cor. No. 36; N. 80° 50' 42" W., 1,470.74 ft., to Cor. No. 37; N. 46° 19' 31" W., 1,956.38 ft., to Cor. No. 38; N. 4° 39' 32" W., 565.32 ft., to Cor. No. 1, the point of beginning, containing in all 105,753 acres, more or less. Latitude 58° 17' 23" N. Longitude 134° 23' 43" W. at Cor. No. 1.

JUNEAU

Serial No. 68-20

STATE OF ALASKA PATENT

TIDELANDS NO. 224

Docu Book 87 Page 446
Juneau Recording Dist.

Known as A.T.S. No. 556; TRACT B

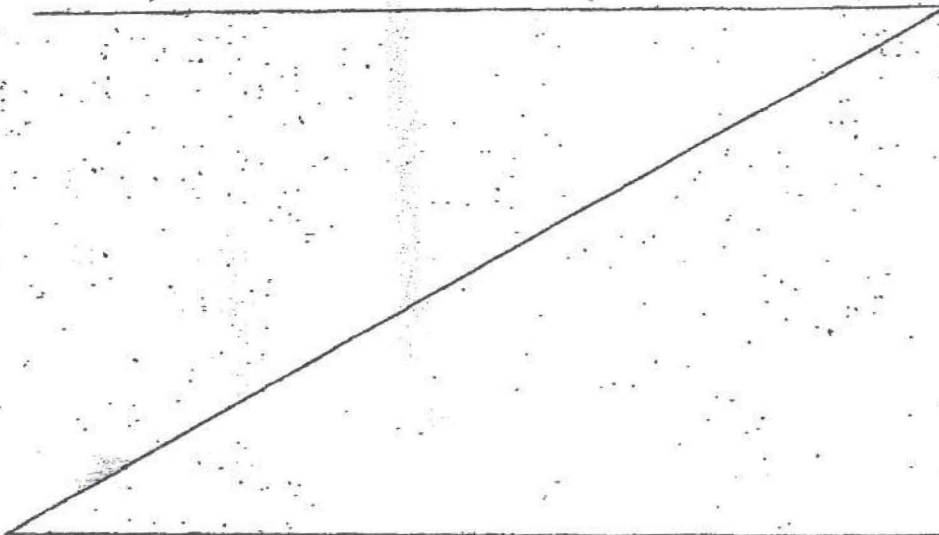
Beginning at Cor. No. 1, identical with Cor. No. 1, M.C., USS 2111. Thence, from Cor. No. 1, by metes and bounds, N. 28° 41' 11" W., 244.47 ft., to Cor. No. 2; N. 52° 08' 00" W., 146.67 ft., to Cor. No. 3; N. 52° 00' 51" W., 213.87 ft., to Cor. No. 4; N. 65° 38' 51" W., 365.71 ft., to Cor. No. 5; N. 46° 28' 51" W., 158.42 ft., to Cor. No. 6; N. 38° 01' 56" W., 823.02 ft., to Cor. No. 7; N. 40° 42' 56" W., 135.53 ft., to Cor. No. 8; N. 49° 01' 56" W., 208.24 ft., to Cor. No. 9; N. 50° 36' 45" W., 206.39 ft., to Cor. No. 10; N. 43° 40' 45" W., 225.58 ft., to Cor. No. 11; N. 43° 48' 45" W., 69.46 ft., to Cor. No. 12; N. 56° 51' 45" W., 95.92 ft., to Cor. No. 13; S. 89° 43' 00" E., 35.64 ft., to Cor. No. 14; N. 53° 51' 05" W., 346.36 ft., to Cor. No. 15; S. 46° 28' 00" W., 65.34 ft., to Cor. No. 16; N. 43° 13' 00" W., 1,498.46 ft., to Cor. No. 17; N. 30° 28' 50" W., 930.24 ft., to Cor. No. 18; N. 51° 40' 00" E., 86.84 ft., to Cor. No. 19; N. 44° 03' 30" W., 189.25 ft., to Cor. No. 20; S. 54° 37' 00" W., 106.22 ft., to Cor. No. 21; S. 14° 59' 00" E., 37.07 ft., to Cor. No. 22; S. 46° 12' 00" E., 31.61 ft., to Cor. No. 23; S. 28° 12' 00" E., 8.68 ft., to Cor. No. 24; N. 60° 58' 50" W., 465.45 ft., to Cor. No. 25; S. 72° 31' 10" W., 78.57 ft., to Cor. No. 26; N. 50° 20' 30" W., 96.36 ft., to Cor. No. 27; N. 34° 19' 30" E., 131.34 ft., to Cor. No. 28; N. 20° 19' 30" E., 165.00 ft., to Cor. No. 29; N. 50° 20' 30" W., 108.96 ft., to Cor. No. 30; N. 17° 12' 40" W., 122.16 ft., to Cor. No. 31; S. 52° 54' 26" E., 338.56 ft., to Cor. No. 32; S. 34° 02' 15" W., 299.84 ft., to Cor. No. 33; thence in an easterly direction along a circular curve with a radius of 298.06 ft., a chord bearing and distance of N. 78° 18' 55" E., 263.60 ft., to Cor. No. 34; N. 52° 04' 16" E., 104.71 ft., to Cor. No. 35; S. 52° 54' 26" E., 49.67 ft., to Cor. No. 36; S. 47° 24' 47" E., 5,837.84 ft., to Cor. No. 37; S. 30° 08' 58" W., 571.00 ft., to Cor. No. 1, the point of beginning, containing in all 64.682 acres, more or less. Latitude 58° 17' 21" N, Longitude 134° 24' 35" W. at Cor. No. 1.

EXCEPTION TO A.T.S. NO. 556, TRACT B

Beginning at Cor. No. 16, ATS 556, Tract B, identical with Cor. No. 3, M.C., U.S.M.S. 173; thence N. 43° 13' 00" W., 196.70 ft., to Cor. No. 1, the true point of beginning; thence, by metes and bounds, N. 43° 13' 00" W., 71.90 ft., to Cor. No. 2; N. 47° 23' 40" E., 71.56 ft., to Cor. No. 3; S. 43° 00' 00" E., 70.00 ft., to Cor. No. 4; S. 45° 51' 45" W., 71.31 ft., to Cor. No. 1, the point of beginning, containing in all 0.116 acres, more or less.

AREA

Tract A	105.753 Acres
Tract B	<u>64.682 Acres</u>
Total	170.435 Acres
Exception	<u>0.116 Acres</u>
Net Area	170.319 Acres



RECORDED - FILED	
JUNEAU REC. DIST.	
DATE	<u>1-9-1968</u>
TIME	<u>1:30 PM</u>
Requested by	<u>City of Juneau</u>
Address	<u>155 E. Seward</u>

Book 87 Page 44

Section....., Township 41 South, Range 67-68 East, CR..... Meridian
according to the official plat of survey thereof, on file and of record with the Division of Lands and recorded in
Plat No. 512, Serial No. 67-2463
Book..... Page..... of the official records of the JUNEAU Recording Precinct, JUNEAU, Alaska

The Grantor, Alaska, expressly reserves, out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, drilling and working mines or wells on these or other lands, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

This indenture is executed subject to the covenant that no person, firm, association or corporation shall take herring spawn in waters on or over the tidelands herein conveyed, nor shall any person, firm, association, organization or corporation engage in the sale, barter or exchange of herring spawn for profit, providing however, nothing herein shall be construed to prevent or prohibit the taking of herring spawn by residents of this State for (1) personal consumption or (2) barter or exchange for the necessities of life, pursuant to A.S. 16.10.140-170 as amended.

To Have and to Hold the said land with the appurtenances thereof unto the said Grantee and their heirs and assigns forever.

In Testimony Whereof the State of Alaska has caused these presents to be executed by the Director of the Division of Lands pursuant to A. S. 38.05.035, as amended this 4th day of January, A.D. 1968.

[Signature]