

**CBJ DOCKS & HARBORS BOARD**  
**OPERATIONS COMMITTEE MEETING AGENDA**  
**For Tuesday, August 17, 2010**

- I. Call to Order (5:00 p.m. at the AURORA HARBOR OFFICE).
- II. Roll Call (Etheridge, Busch, Jebe, Preston, Wostmann, and Williams).
- III. Approval of Agenda.

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

- IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person or twenty minutes total).
- V. Approval of Previous Meeting Minutes.  
Presentation by the Committee Secretary

Public Comment.

**MOTION: TO APPROVE THE MAY 18, 2010 OPERATIONS  
COMMITTEE MEETING MINUTES AS PRESENTED OR AMENDED.**

Committee Discussion/Action.

- VI. Election of New Vice Chair

- VII. Items for Action.

- 1. Consideration of a Terminal Operator Agreement  
Presentation by Port Director

Public Comment

**MOTION: TO BE DEVELOPED AT THE MEETING**

Committee Discussion/Action

- 2. Use of the ABCLF Without Reservations  
Presentation by Harbormaster

Public Comment

**MOTION: TO BE DEVELOPED AT THE MEETING**

Committee Discussion/Action

VIII Items for Information/Discussion:

1. Nordic Tug Charters Overview
2. Norway Point Land Use
3. Echo Cove Launch Ramp Management
4. Trash Receptacles at North Douglas Launch Ramp

IX. Staff & Member Reports.

X. Committee Administrative Matters.

1. Next Operations Committee meeting – September 21, 2010

XI. Adjournment.

**MOTION: TO ADJOURN THE OPERATIONS COMMITTEE MEETING.**

**CBJ DOCKS & HARBORS BOARD**  
**OPERATIONS COMMITTEE MEETING MINUTES**  
**For Tuesday, May 18, 2010**

I. Call to Order.

Committee member Mr. Jardell called the meeting to order at 5:00 p.m.

II. Roll.

The following members were present: Mr. Williams, Mr. Wostmann, Mr. Preston and Mr. Jardell.

The following members were absent: Mr. Etheridge, and Ms. Jebe.

Also in attendance were: Mr. Stone – Port Director, and Mr. Benner – Harbormaster.

III. Approval of Agenda.

**MOTION by Mr. Wostmann: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED. The motion passed without objection.**

IV. Public Participation.

There were none at this time.

V. Approval of Previous Meeting Minutes.

**MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO APPROVE THE MINUTES OF APRIL 20, 2010. The motion passed without objection.**

VI. Items for Action.

**1. Pass Keys for restroom Doors at Statter Harbor.**

Mr. Stone said we would like to put a pass key lock on the doors of the restrooms. The price will be \$32.44 for the pass keys to be made. In addition there is a \$4000.00 dollar charge for the strikers and lock assemblies. We have a capital improvement project for restrooms to pay for maintenance. Mr. Stone said he is looking to get approval so that we can get this started.

We were having vandalism at night so we had to lock the bathrooms up and only keep them open during the day when staff was there. We have had portable restrooms installed for use during the night when the bathrooms are locked up. The key fobs will be available to purchase for the harbor patrons. This will give them access to restrooms after hours.

Mr. Preston asked if we could deactivate the transient keys if they don't turn in the key when leaving? Mr. Stone said the person will lose their deposit and their key won't work anymore. If they come back to Juneau they will need to purchase a new key for the restrooms.

**CBJ DOCKS & HARBORS BOARD**  
**OPERATION COMMITTEE MEETING MINUTES**

May 18, 2010

Page 2

VI. Items for Action.

**1. Pass Keys for Restroom Doors at Statter Harbor, (Continued)**

Mr. Wostman asked if the bathrooms at Harris Harbor are open to the public. Mr. Stone said we closed those down due to vandalism and people staying overnight and using portable heaters. The liability issue and cost of monthly maintenance is the reason we had to shut them down. The facility is used for storing harbor materials. We do supply a portable restroom for the harbor patrons during the summer months.

Mr. Benner said Statter Harbor restrooms will be open from 6:00 a.m. to 6:00 p.m. After 6:00 p.m. the patrons who have keys may have access to them.

**Public Comment**

There were none.

**MOTION by Mr. Wostmann: ASK TO ACCEPT STAFF PROPOSAL FOR SELLING OF PASS KEYS FOR THE STATTER HARBOR RESTROOMS AND ASK FOR UNANANIMOUS CONSENT.**

**The motion passed without objection.**

**2. Asphalt Repairs for Harbors.**

Mr. Benner took pictures at Aurora Harbor and various places where we need the asphalt patch work done. Bicknell Construction said it would be around \$20,000 dollars to cover the repairs which are needed for 8,000 square feet. Mr. Benner said we need to know the amount of money we can spend to complete the parking lot repairs. Roy McCloud said we do not have enough money in the fund for completing all of the work. We would need to get a CIP to finish the cost for the completion of the repairs. Mr. Benner said we will probably need to do some of the work this fiscal year and complete the rest next fiscal year.

Mr. Preston asked Mr. Benner how much for repair work. Mr. Benner said \$5000.00 will cover some of the repairs and \$20,000.00 will cover all areas of repairs. Mr. Stone said if we pay the \$20,000, the harbor department will not need to do any repairs for at least five years.

**MOTION by Mr. Wostmann: TO HAVE THE HARBOR MASTER GET AN ESTIMATE FROM BICKNELL CONSTRUCTION FOR THE ASPHALT REPAIRS AND SUBMIT IT TO THE HARBOR BOARD FOR IMMEDIATE APPROVAL.**

**CBJ DOCKS & HARBORS BOARD**  
**OPERATIONS COMMITTEE MEETING MINUTES**  
**May 18, 2010**  
**Page 3**

**VII. Items for Information/Discussion.**

**1. Statter Harbor Parking Lot Use by Adjoining Business.**

Mr. Benner said the staff has changed the limit for parking in the spaces in front by Auke Bay Harbor office to 30 minute parking. Mr. Lobaugh owner of Bricks Electronics said his business should have two parking spots. He said that Mr. Faulk his landlord purchase two annual parking permits for Mr. Lobaugh. Mr. Benner checked and in the year 1990 Mr. Graham had signed for a handicap spot for the businesses at Statter Harbor. There was never an agreement written or verbal for free parking for any of the businesses located at Statter Harbor.

Another issue of concern is the NOAA parking and the sign, which is located by the ramp next to the office. Mr. Benner said the harbor department has not charged the government agencies for launch permits or parking for years. Mr. Jensen from the Coast Guard said they are always at the harbors to do vessel inspections and checking boating equipment from time to time. Mr. Jensen asked if they could receive more then one permit since the Coast Guard has multiple vehicles.

Mr. Jardell suggested the Coast Guard purchase a monthly pass for Statter Harbor. Mr. Jensen asked if downtown parking permits were included in the monthly fee for Statter Harbor. Mr. Benner said all parking for the downtown harbors are free, the Aurora Harbor office has temporary parking permits we give out. The parking policies will be passed onto the Harbor Board for further discussion.

There was further discussion among Board Members.

**2. Mail Boxes at Aurora Harbor.**

Mr. Benner said we have been having a lot of people responding to the verification letter we sent out about the mail boxes in front of the Aurora Harbor Office. We need verification the people who are assigned mail boxes have a boat in one of the CBJ Harbors. Mr. Benner will contact the post master to see how we should re-assign the boxes and receive new keys for them.

**3. RV Parking Lot in Douglas**

Mr. Benner said Juneau has very limited RV Parking. The Mendenhall Camp Grounds do not open up until mid June every summer. This is why we have cleaned up our RV area and posted signs for the RV parking area located at Saviko Park. The Parks and Recreation department did close down the only area for the customers to dump their waste. The reason is because it clogs up the lines and causes problems. A lot of people use our facility even though we don't have any facility for dumping waste or providing electricity or water and we have only five spaces available and the limit is three days maximum.

**CBH DOCKS & HARBOR BOARD**  
**OPERATIONS COMMITTEE MEETING MINUTES**  
**May 18, 2010**  
**Page 4**

**VII. Items for Information/Discussion**

**4. Vessel Size Restrictions in Boat Houses**

Mr. Benner said we have four oversize vessels in a few of the boat houses. There are some boat houses that are invading the fare way across from them. The regulation does not allow inappropriate size of vessels to have reserved assigned moorage within a boat shelter.

Mr. Wostmann suggested we enforce the regulations for the size of vessels in the boat harbor.

Mr. Benner said we could grandfather these people in so they may keep their boats in the boat houses. Mr. Preston suggested that a letter be sent to all boat house owners informing them of the regulation they may or may not be violating, just to remind them now about the regulation.

**5. Norway Point Land Use Permit**

Mr. Benner said Mr. Sky Bonnell has a Jet Ski business which he is running out of a 40 x 10 foot trailer down at Norway Point. Mr. Bonnell has been painting the trailer to make it look nice.

Mr. Stone said the Sailing Club would also like to see about doing a long term lease for the next five to ten years. Mr. Preston said now would be a good time to re-visit the idea for a long term development plan at Norway Point. The long term idea was to have a Nautical Theme for this area since the Yacht Club is there.

There was further discussion among Board Members.

**VIII. Member & Staff Reports.**

Mr. Benner said we did some work on the Auke Bay Launch Ramp. Some metal rebar started to work its way loose; it could have caused a trailer tire problem. We had twenty compliments and one complaint that we did not give enough notice. Mr. Preston said the one complaint was we shut down both lanes to repair one side.

Mr. Wostmann said north of the Douglas Bridge the Nordic Tugs seem to be speeding through the no wake zone. Mr. Benner said he will check into getting a radar gun and check with the police department to get it set up. Mr. Williams suggested that we give at least 30 to 45 days notice to the public so they are aware of this change.

Mr. Stone said Tom Hartle the city's attorney said to have Mr. Weltzin speak with Tim Allen who is our Risk Manger and works with claims.

Customer Appreciation day is on May 28<sup>th</sup> from 11-1:00 p.m. We will be having Hot Dogs, Hamburger, and Salads. Please stop by and enjoy.

**CBJ DOCK & HARBOR BOARD**  
**OPERATIONS COMMITTEE MEETING MINUTES**  
**May 18, 2010**  
**Page 5**

IX. Committee Administrative Matters.

The next meeting is scheduled for June 15, 2010.

X. Adjournment.

**MOTION by Mr. Preston: ASK UNANIMOUS CONSENT TO ADJOURN THE MEETING.**

**The motion passed without objection.**

The meeting was adjourned at 6:43 p.m.





## Port of Juneau

**To:** Docks and Harbors Operations Committee  
**CC:**  
**From:** John M. Stone, P.E. Port Director  
**Date:** August 6, 2010  
**Re:** Terminal Operator Agreement

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The Board requested we calendar this topic on the August Operations Meeting. This comes from a request made by Dennis Young at the July 22 CIP/Planning Committee Meeting. Mr. Young requested that the Docks and Harbors Board enter into a terminal operator agreement for the Port of Juneau. I am attaching a copy of the Port of Kodiak's Terminal Operator Agreement for your review.

In discussions with staff, we have identified several issues that should be considered during your deliberation of this request. These include, but are not limited to, the following:

1. What is the purpose of the agreement? How does it benefit the city and the public? What are the downsides of an agreement?
2. Who is the agreement with and how is this determined? Is it subject to the CBJ purchasing code?
3. What does the agreement do and how is this determined?
4. What docks does the agreement apply to? Is it borough-wide or just the city docks? What city docks does it apply to, i.e. the IVF, Auke Bay, small boat harbors? If it applies to just the city docks, does this place us at a competitive disadvantage?
5. What vessels does the agreement apply to?
6. Who enforces the agreement and how much does it cost to do enforce it?
7. How has the agreement worked in Kodiak and what can we improve upon?

The development of an agreement and an analysis of the above issues are likely to take considerable effort and expertise. The Board may want to consider bringing a consultant on to help.

Call me at 586-0294 if you have questions.

Attachment



**PORT OF KODIAK  
TERMINAL OPERATION CONTRACT  
City of Kodiak and Horizon Lines of Alaska, LLC  
City Contract 177404**

This Terminal Operation Contract made and entered into as of January 1, 2010, by and between the City of Kodiak, Alaska, a municipal corporation organized and existing under the laws of the state of Alaska, hereinafter referred to as the "City," and Horizon Lines of Alaska, LLC, a limited liability company organized under the laws of state of Delaware, hereinafter referred to as the "Operator."

**WITNESSETH**

WHEREAS, the parties desire to enter into a Terminal Operation Contract and Operator is willing and able to perform the services; and

WHEREAS, the Operator and the City have entered into a Preferential Use Agreement and a Warehouse Lease Agreement, both dated January 1, 2010, and the City agrees that it is in the best interest of the public for the Operator to provide services for the Port of Kodiak at Piers I, II, and III.

NOW, THEREFORE, in consideration of the terms, covenants, conditions, and agreements herein contained and further enumerated in the Pier II Warehouse Lease Agreement, and Preferential Use Agreement, the Operator and the City hereby agree as follows:

1. **Term.** This Contract shall continue in effect for a period of forty-eight (48) months commencing on January 1, 2010, and shall continue in full force and effect until midnight December 31, 2013, unless terminated pursuant to the terms of paragraph 14 below.

2. **Facility.** The City will make available to the Operator that certain terminal and adjacent property at Piers II, and III, as depicted in Exhibit A to this Contract, hereinafter referred to as the "Facility." The City shall have the right to make additions, alterations, or improvements to the Facility which do not impede Operator's access to or use of the Facility.

3. **Terminal Operator Services.** The parties recognize that Horizon is a party to a Preferential Use Agreement, hereinafter referred to as the "PUA," and that Horizon has the right to perform its own stevedoring and shore-side services. Subject to the foregoing and to any future modifications or revisions of the PUA, the Operator at the Facility agrees to perform in a prompt, efficient, prudent, and economical manner the following services:

A. Provide all clerical personnel, laborers, and supervision necessary to perform cargo terminal services.

B. Loading discharging and stevedoring.

(1) The Operator has the exclusive right to perform loading, discharging, and stevedoring of vessels twenty-four (24) hours per day, seven (7) days per week, except as noted in (2) and (3) below.

(2) Unless services are requested, the following vessels are exempt from using the services of the Operator: vessels of the Alaska Marine Highway System, vessels in port at the invitation of the City for special occasions where the ship will be open to the

public, U.S. flagged government vessels, including university research vessels, and vessels seeking fuel or other services from Harbor Enterprises dba Petro Marine Services and North Pacific Fuel aka Petro Star.

(3) Commercial fishing vessels, catcher-processors and fish processors, and cargo vessels under 300' are also exempt *unless loading or unloading commercial freight or hazardous materials.*

C. Without limiting the foregoing, the Operator shall:

(1) Perform the stowage of cargo on board vessels in accordance with instructions received from their masters or their designated representatives.

(2) Discharge cargo vessels and transport the cargo or containers to a place of rest in the Facility.

(3) Transport containers between the yard and vessels and load and stow containers onto the vessels.

(4) Lash and unlash cargo on vessels.

(5) Open and close hatches and cells.

(6) Plug and unplug shipboard electrical reefer receptacles if necessary to the extent not performed by the vessels.

(7) Check and tally containers and container seals and cargo.

(8) Spot vessels and handle lines as may be required.

(9) Plan the layout and parking of containers and cargo.

(10) Transport empty and loaded containers within the Facility.

(11) Receive and deliver empty or loaded containers or chassis.

(12) Perform all necessary housekeeping services.

(13) Furnish all security at Pier III, for commercial cargo vessels, in accordance with U.S. Coast Guard approved facility security plan, except for cruise ship operations.

(14) Visually inspect the condition of containers and cargo discharged from vessels at the Facility, reporting to the vessels' masters or agents any damage or defects noted.

(15) Prepare daily reports reflecting the movement of containers or cargo.

(16) Provide expeditious movement of containers and cargo.

(17) Perform such other duties as are reasonable in such operations and as negotiated between the parties involved.

(18) Bill, receive, or attempt to collect and, where applicable, remit to the City, all charges incurred under the applicable Port of Kodiak Tariff by persons, vessels, or cargo utilizing Port facilities or services subject to this Contract.

**4. Definition of Vessel.** For the purpose of this Contract, the term "vessel" shall mean and include every type of propelled or non-self propelled vessel, including, without limitation, barges, container vessels, break-bulk vessels, and combinations of break-bulk and container vessels, and all other types of cargo or passenger vessels.

**5. Terminal Operator's Equipment.** The Operator will provide all equipment necessary to perform the services required by this Contract.

**6. Public Berth.** It is agreed that the berths and facilities as above mentioned are public berths and shall be made available to and are available to all types of vessels that may wish to

load or unload without discrimination in favor of or against any vessel, shipper, or consignee provided, however, that the City at its option, may determine that a given vessel is unsuitable for servicing at the berth and may prohibit the berthing of such vessel or alternatively may require such vessel owner to post such bond as the City may deem appropriate in the circumstances. Nothing herein contained is to be deemed to allow the berthing or transit of cargo which is prohibited by any applicable law including, without limitations, explosives or other dangerous commodities.

7. **Crane.** A. The parties recognize that there is a Paceco 30-ton crane (the "crane") at Pier III. The Operator's use of the crane is limited to the loading and unloading of containers only, and the Operator maintains the crane.

B. Operator shall provide competent and qualified operators for the crane who shall be available on a 24-hour basis throughout the term of this Contract to provide crane services to vessels utilizing the Pier III Terminal. Third parties requiring use of the crane shall request such services through Operator and shall be charged at the rate of \$1,000.00 per hour, with a minimum of one hour for equipment warm-up plus a minimum of one hour for equipment usage. Operator shall retain \$850.00 per hour of this amount and shall remit the balance of \$150.00 per hour to the City.

C. It is recognized that some vessels carry on-board cranes or other ship's gear for the discharging or loading of cargo. In the interests of safety and expeditious handling of cargo, it is agreed that ship's cranes or ship's gear may be used for the discharge or loading of cargo unless, in the City's opinion the ship's cranes are not suitable for the handling of such cargo.

8. **Compensation to City.** As and for compensation to the City, the City shall be entitled to all income derived from wharfage, dockage, and sale of water. All such sums shall be a charge against the vessel or cargo, as the case may be, and shall be collected by the Operator and remitted by the Operator to the City. Such remittances shall be accompanied by appropriate itemized documentation. Charges shall be paid by the Operator to the City within ninety (90) days after the first billing to the vessel or cargo, as the case may be or within ten (10) working days of receipt of payment by the Operator, whichever is less, provided that credit terms shall be those chosen by the Operator. All such billings to the vessels and cargo will be itemized for services rendered by the Operator and shall be made promptly after performance of those services.

9. **Compensation to Operator.** The Operator shall be entitled to keep all other charges (including charges for electrical energy, storage, and the movement of cargo) authorized and fixed in accordance with the applicable Port of Kodiak Tariff. The Operator shall be bound by any future modification or amendments of the Port of Kodiak Tariff; provided, however, the City shall not alter the credit terms of the tariff during the term of this Contract. When charges involve stevedoring or other labor services based upon an hourly wage rate, then the Operator may add to the total applicable labor charge an administrative fee of thirty percent (30%) and shall collect such fee from the person or vessel requiring the services in question. In no event, however, shall the Operator charge or collect an administrative fee with respect to any portion of its labor costs, which are based upon or derived from wage rates exceeding those applicable to similar work under contracts or agreements subject to the Davis-Bacon Act. If, on the date of execution of this Contract, there exists a labor organization which represents a majority of the individuals living in or around Kodiak, Alaska, who earn their livelihood as stevedores or longshoremen, then the

Operator shall make reasonable good-faith efforts to negotiate a collective bargaining agreement with said labor organization for the provision of stevedoring labor services under this Contract.

**10. Indemnification.** A. The Operator, in operating pursuant to this Contract, is an independent contractor, and is in no way an agent, servant, or employee of the City. The Operator shall be responsible for and shall indemnify, defend, and hold the City harmless from and against any and all claims, demands, and causes of action which arise out of or relate to the operation of this Contract, including, but not limited to any and all claims alleging that the negotiation, execution, or performance of this Contract violates or contravenes any federal, state, or local law or regulation. The only exception to this indemnity provision shall be for claims resulting from the negligence, gross negligence, or willful misconduct of the City or its employees, agents, or servants, with respect to which the Operator's obligations under this paragraph shall be limited to that portion of any such claim not attributable to the City.

B. Notwithstanding any provision of this Contract, Operator shall not be liable for, and shall not be liable to indemnify, defend or hold the City harmless from, any condition at the Facility, whether known or unknown, which was in existence before July 1, 2004.

**11. Bond.** The Operator, at its sole expense, shall furnish the City with employee fidelity coverage in the amount of \$50,000, naming the City as a loss payee, covering embezzlement or mysterious disappearance of funds that may have been collected by the Operator for the benefit of the City as provided in Paragraphs 7 and 8 above.

**12. Insurance.** The Operator shall carry, at its sole expense, comprehensive general liability insurance, comprehensive automobile liability insurance (or equivalent coverage), contractual liability, and personal injury liability insurance, all with a combined single limit of at least one million dollars per occurrence naming the City, as well as, the Operator as insureds. The Operator shall provide to the City evidence of insurance in an amount not less than \$50,000 for loss due to property lost or stolen while in the Operator's custody or control or while the Operator is otherwise acting pursuant to this Contract. The Operator shall provide to the City proof of Workmen's Compensation and U.S. Longshoremen and Harbor Worker's Compensation insurance or compliance with the self-insuring requirements of the State of Alaska. The insurance coverage to be obtained by the Operator pursuant to this paragraph shall be non-cancelable except upon at least thirty days prior written notice to the City and the insurer shall unconditionally covenant in said insurance policy or policies. Operator shall obtain the agreement of the insurer, through endorsement or otherwise, to tender to the City thirty (30) days written notice of expiration or termination of any such policy or policies. The Operator shall provide the City with proof of such insurance and bonding pursuant to this paragraph and Paragraph 11 above prior to the effective date of this Contract, and this Contract shall not become effective until and unless such proof is made.

**13. Damage to the Wharf Facilities and Improvements.** The Operator shall pay for all damage to City-owned property caused by the Operator, its agents, employees, or invitees. The City shall make the Operator an additional insured, as its interests may appear, on any policy or policies of insurance the City may secure in contemplation of such risk.

**14. Default and Termination.** A. The term of this Contract is for a forty-eight (48) month period described in Paragraph 1 above. Notwithstanding the foregoing, the City retains the right



to declare a default hereunder and terminate the Contract should the Operator fail to perform any covenant hereof or pay any sum due hereunder within thirty (30) days after written notice specifying the alleged violation or default by the Operator.

B. During the term of this Agreement, both Operator and the City shall have the option to terminate this Agreement early, with 30 days notice, by either party giving written notice of its election to do so. In the event of any such early termination, the City and Operator shall each fully, faithfully, and timely perform all of their obligations under this Agreement through such early termination date.

**15. Inspection of Books.** The City reserves the right at any reasonable time after seven days written notice to Operator to inspect and make copies of the books and records of the Operator related to operations conducted pursuant to this Contract. The Operator agrees that cargo manifests shall not be released by Operator to a third party except in accordance with the laws of the United States.

**16. Non-Assignability.** The parties stipulate and agree that the services rendered under this Contract are of such a nature that the rights and duties arising to the Operator hereunder shall not be delegable or assignable to another party except to a subsidiary or affiliated corporation wholly owned by Operator (and/or one of its wholly owned subsidiaries or to any affiliate after five (5) days notice to the City) without the prior written consent of the City, which consent shall not be unreasonably withheld. Nothing in this paragraph is intended, however, to restrict the Operator in its selection of employees to carry out this Contract or any of its terms. Should the City consent to a delegation or assignment Operator shall nevertheless remain liable for the performance of all of its obligations under this Contract and the acceptance by the City directly from an assignee of any payments or other performance due under this Contract shall not be construed as a waiver of Operator's continuing liability. A change of control of Operator does not constitute an assignment for purposes of this paragraph.

**17. Compliance with Federal, State, and Local Laws.** At all times during the Contract period, the Operator shall conduct operations in accordance with all applicable federal, state, and local laws and ordinances.

**18. Severability.** If any part, term or provision of this Agreement is declared null or unenforceable by a court of competent jurisdiction, the validity and enforceability of the rest of this Agreement shall not be affected.

**19. Waivers.** No waiver by Operator or the City of any covenant or condition of this Agreement shall be construed as a waiver of any other covenant or condition, nor shall the waiver of one breach be considered as a waiver of any other breach.

**20. Modifications and Notices.** A. No modification of this Agreement shall be effective unless submitted in writing and agreed to by Operator and the City in writing. No modification of one provision of this Agreement shall be considered a waiver, breach or cancellation of any other provision.

B. All notices required to be given under this Agreement shall be in writing, and shall be effective on the date of receipt and shall be mailed to the parties at the following addresses:

Horizon Lines of Alaska, LLC  
1717 Tidewater Road  
Anchorage, Alaska 99501

City Manager  
City of Kodiak  
710 Mill Bay Road, Room 216  
Kodiak, Alaska 99615

Any notice or document delivered by facsimile transmission to a facsimile machine at which the recipient routinely receives such transmissions shall be effective upon the date of receipt of the complete and fully legible document (so long as the original is also mailed in accordance with this paragraph) unless the transmission occurred outside of the usual business hours of the recipient, in which event the document shall be deemed to have been received on the next business day.

21. **Alaska Law.** The parties agree that this Agreement was entered into in the State of Alaska, that Alaska law will govern its interpretation and application, and that venue of any suit or other action arising out of this Agreement shall be in Alaska.

22. **Binding on Successors and Assigns.** All provisions of this Agreement shall inure to the benefit of and be binding on the parties, their successors, and permitted assigns.


23. **Complete Agreement.** This Agreement, including Exhibit A, hereto, and the Preferential Use Agreement and Warehouse Lease Agreement, both dated January 1, 2010, between the Operator and the City, constitute the final agreement between the parties. They are the complete and exclusive expression of the parties' agreement on the matters contained in this Agreement. All prior and contemporaneous oral and written negotiations and agreements between the parties on the matters contained in this Agreement are expressly merged into and superseded by the aforementioned agreements.

IN WITNESS WHEREOF, these parties have signed this Agreement on the date or dates indicated beneath the signature of their respective officers or agents.

City of Kodiak  
710 Mill Bay Rd. #216  
Kodiak, AK 99615

Horizon Lines of Alaska, LLC  
1717 Tidewater Rd.  
Anchorage, AK 99501

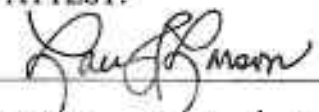
 5/13/10  
Aimée Kniatziowski Date  
City Manager

 5/6/2010  
Kenneth Gill Date  
Director of Operations

ATTEST:

ATTEST:

Debra L. Marlar  
City Clerk

 5/6/2010  
Laurie J. Larson Date  
Notary in & for the State of Alaska





MEMORANDUM

28 June 10

From: Phil Benner, Juneau Harbormaster  
To: Operations Committee  
Via John Stone, Port Director

Subj: USE OF THE ABCLF WITHOUT RESERVATIONS

1. The Auke Bay Commercial Loading Facility is getting a lot of use this season. We are having problems with vessels using the facility and not making reservation or letting the harbor staff know they are there. We are having to spend time to clear space for vessels that reserve the facility and then the owners complain about being moved.
2. The ABCLF has signs clearly stating that you need reservations to use the facility and that there is no moorage without Harbormaster's permission. We are still learning how to best take care of the facility and charge out crane, power, ramp and moorage fees.
3. I believe we need to put a surcharge on vessels that are at the facility for longer than four hours, have not made reservation or checked in with the harbor staff. This will cut down on unplanned use and conflict at the facility. If we charge the \$1.75ft moorage rate for unregistered use I would hope we could cut down on the conflict at the facility.
4. Any questions please contact 586-5255.

7/12/2010

To: Phil Benner, Juneau Harbor Master

CC: John Stone, Juneau Port Director

From: Joergen Schade, Nordic Tug Charters

Phil - As we discussed at our meeting on or about 6/25 I am sending you a general overview of what I see as Nordic Tug Charter's (NTC) needs from an operations perspective over the next several years.

We have grown the charter fleet from 4 boats to a 2010 fleet of 13 boats over the last 8 years. We recently have added the affiliation of an 85' charter boat to our operations. Our intent is to build a 15 to 20 boat fleet over the next 3 to five years. This objective will obviously be affected by the economic environment over that period along with our ability to obtain operations facilities and infrastructure that allow for an efficient and cost effective operating environment.

In order to achieve the efficiency needed to operate profitably, we need the following:

- An operations platform of 150' (minimum) to 200' in length which provides side tie moorage for 8 to 9 boats at a time. This is predicated on growing a Juneau based fleet of 13 to 15 boats (we are at 11 now) comprised primarily of 37', 42', and 54 boats.
- A multifunctional facility with utilities, in close proximity.
- A minimum long term lease commitment of 5 years with renewal options.

NTC is hereby requesting a written commitment as to the three specific location choices and approximate square footage available for NTC's use. This will allow for the investment of time and resources necessary to determine the design and construction of a functional facility to support Charter operations for a 13/15 boat fleet. Preliminary contacts have been made with vendors for a site review and space requirements needed to fulfill facilities design.

NTC has a significant fleet investment and needs to make decisions that will provide a secure operations platform on a longer term basis than currently exists in Juneau. To that end 2000' of Ketchikan waterfront, with 600' of tidelands, was purchased a few years ago. We have a ramp and 80'x24' dock currently in place and 180' of additional moorage under construction, about 70% complete. When the economy picks up we will have charters operating from the Ketchikan location in conjunction with Juneau. The plan is to provide one way charters between JNU/KTN which will be unique to NTC and SE Alaska. It proved to be a well received concept in 2007 & 8.

We are in the process of determining the number of boats for each location. Hence the need for an expedited process of discovery as to remediating the uncertainty of Juneau's location possibilities, long term lease availability conditioned on the extension of the Harbors existing lease, flexibility of allowances for NTC to utilize locations and facilities to optimize the efficiency of its unique charter fleet operations needs.

Although probably not within your purview I would also like to mention we have been able to provide some work for Juneau residents and to a greater extent Ketchikan. This season we have provided some income for four in Juneau. This is in addition to a fairly significant amount of revenue to several Juneau vendors who are not tourist focused.

I very much appreciate the considerations and cooperation provided to NTC by the harbor over the past several years and look forward to continuing in that vein. I also understand the conditions under which the harbor must function. That said, NTC must focus on establishing the most efficient and cost effective operations environment possible. We have roughly broken even the last several years and that obviously does not reflect a cost efficient business model. NTC needs to implement a more cost efficient operations platform to justify being in the charter business and that is the objective towards which we are working. We are investing in planning a major marketing operation this fall to grow our number of 2011 charters by 20% to 30%.

A lot of SE Alaska charter operations have gone out of business over the last few years and I suspect many more will be gone over the next year or two based on the current economic environment. NTC has been in the charter business 30+ years in Juneau and look forward to another 30. I'm sure, in one form or another, the harbor has also been negatively impacted.

Our wish is to maintain Juneau as our primary base of operation. That will require fulfillment of our physical needs to support a larger Juneau fleet. Specifically, we need additional contiguous moorage, with support facilities in close proximity.

I have memorialized the preceding to provide you more depth as to our thoughts and needs, per your request. I hope it makes sense to you and will help everyone involved in the process of accomplishing mutual fulfillment of the end objective in a timely manner. Time is becoming a more important part of the equation as we need to make final location decisions within the next year.

Thank you for your time and interest.

Best Regards,  
Joergen Schade



























Margo,

Following up on your email, the Harbormaster and I visited North Douglas launch ramp yesterday. I was under the impression that we had downsized the trash receptacles. Though we did downsize at Amalga Harbor, we did not downsize the North Douglas launch ramp receptacles. We have two 2 cubic yards dumpsters that are serviced by Arrow Refuse twice per week. This is the same level of service we have used for many years. Both of the dumpsters were about 1/2 full. It was clear that the majority of the trash was not boat related. One of the dumpsters contained a significant amount of yard debris. We also visited the False Outer Point pull-out. This is under the jurisdiction of CBJ Parks and Rec. It has two bear-proof trash cans. There was refuse dumped outside the cans, but the cans were empty.

In any event, Phil has instructed the staff to be vigilant in keeping the launch ramp area clean.

John

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**From:** John Stone

**Sent:** Tuesday, August 03, 2010 9:16 AM

**To:** 'margowaring@gmail.com'

**Cc:** Phil Benner; Sbusch@gci.net; Bob Wostmann (bob@wostmann.com); 'Cheryl Jebe (Cheryl\_Jebe@msn.com)'; 'Don Etheridge'; donek@gci.net; 'Eric Kueffner (ekueffner@faulknerbanfield.com)'; Jim Preston; kjardell@gci.net; Mike Williams (scoutdog@ptialaska.net)

**Subject:** RE: Web Form Mail:garbage

Margo,

I have passed your email onto the Harbormaster so he can direct our staff's attention to trash management at the North Douglas Launch Ramp. Our standard procedure is to visit the site at least once per day during which time we empty the trash and clean up the facility. The Harbormaster has not received feedback from staff that there are routine overflow problems at the site. However, he shared your email with staff and asked them to monitor the situation and report back to him. We do have occasional overflow situations at every one of our solid waste receptacles, even the very large ones at Harris, Aurora, and Douglas Harbor. To manage this, we routinely visit all of our trash receptacles to keep an eye on overflow and take corrective actions when needed.

I will share your concerns with the Board at their next Operations Committee meeting on Tuesday, August 17 at 5 pm in the Aurora Harbor Office.

John

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**From:** margowaring@gmail.com [mailto:margowaring@gmail.com]

**Sent:** Monday, August 02, 2010 9:08 PM

**To:** John Stone

**Subject:** Web Form Mail:garbage

<b>Sender:</b> Margo Waring	<b>Email:</b> <a href="mailto:margowaring@gmail.com">margowaring@gmail.com</a>
<b>Subject:</b> garbage	

**Telephone:**



**Message:**

Dear Mr. Stone, I had occasion to pass by the North Douglas Boat Launch garbage receptacles and found them overflowing and with garbage stacked along the side. Further, the receptacles at False Outer Point and the trail heads were also overflowing. When we last communicated about this subject, you assured that reduction in dumpster capacity would be counterbalanced by increased frequency of pick-up. This does not appear to have happened. I would guess that the reduced capacity has led people to dispose of trash at the other sites mentioned. The net effect has been more visible garbage in more locations. Again, when we last communicated, you stated that the reduction in size of receptacle was necessitated by certain households using the dumpster as their household waste site. Does it not seem that action could be directed to those who have misused the dumpster instead of penalizing us all? Previously I expressed concern that garbage not picked up would attract bears. This remains a concern since garbage is not secured in containers, the very thing all those ads warn against. I note that the North Douglas Neighborhood Association has kindly stepped in to pick up some of the stray trash that is the result of the new small receptacle policy. Their volunteer efforts lessen the effect of your reduced service. But I do not think it fair public policy to shift the burden to those who care about their neighborhood.





9 August 2010

From: Phil Benner, Harbormaster

To: Ops Committee

Subject: Vandalism at Cruise Ship Dock

1. On the night of 4 August or morning of 5 August we were hit by vandals spray painting and marking the cruise ship dock area. They apparently made it through much of downtown defacing property. Attached are some pictures of the vandalism.
2. The estimated cost of replacing, cleaning and man hours is \$2,500.00. A police report was filed and the case is still open.
3. Any questions please call 586-5255.































