



City and Borough of Wrangell
Port Commission
AGENDA

Thursday, April 18, 2024
5:30 PM

Location: Borough Assembly Chambers
City Hall

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES (*MOTION* - Move to approve the Minutes, as presented)

a. 3-7-24 Port Commission Minutes

4. AMENDMENTS TO THE AGENDA

5. CORRESPONDENCE

a. Don Pickett Insurance Correspondence

6. PERSONS TO BE HEARD

7. HARBORMASTER'S REPORT

a. HARBORMASTER REPORT APRIL

8. COMMISSIONER REPORTS

9. UNFINISHED BUSINESS

a. DISCUSSION AND POSSIBLE MOTION JON CAMPBELL REQUEST FOR 21 YEAR TIDELAND LEASE OF A 50'x50' PORTION OF LOT 5, BLOCK 7A

10. NEW BUSINESS

a. Approval of Lease to Trident Seafoods, A Portion of the old mill dock parcel 02-023-700, more specifically 20ft X 90ft northwest from the southernmost portion old mill dock including the approach nearest the Trident Seafood plant.

b. DISCUSSION AND POSSIBLE MOTION TO APPROVE 10 YEAR LEASE REQUESTED BY JEFF GRANNUM PENINSULA SEAFOODS FOR LOT #1 MILL DOCK

11. NEXT AGENDA ITEMS

12. ADJOURN

**Minutes of the Regular Wrangell Port Commission Meeting
Held March 7, 2024**

Item a.

WORK SESSION (5:30 PM – 6:30PM)

- a. Joint Work Session – Port Commission & Borough Assembly on Vessel Insurance

Chairman John Yeager called the Regular Port Commission meeting to order at 6:30 p.m. on March 7, 2024.

Meeting recessed at 6:30pm – resumed at 6:45pm.

PRESENT: Commissioners Yeager, Bunes, Martin, Morrison, and Davies

Harbormaster Steve Miller was also in attendance.

APPROVAL OF MINUTES

- a. Approval of minutes from meeting held on February 1, 2024.

M/S: Bunes/Davies to approve the minutes as presented. Motion approved unanimously.

AMENDMENTS TO THE AGENDA - none

CORRESPONDENCE/PERSONS TO BE HEARD - none

HARBORMASTER’S REPORT

- Harbormaster Miller went through the March Report he prepared.
- RAISE Grant announcements will begin around June 2024.

COMMISSIONER REPORTS

- Morrison – Asked if the Port Commission will be involved with the waterfront space development where the barge currently operates. Miller confirmed that when discussion begins, it will come to the Port Commission.
- Bunes – Appreciates the in-depth Condition Assessment prepared by PND.
- Davies – Suggested better labeling of MSC meters.
- Martin – none.
- Yeager – none.

UNFINISHED BUSINESS –

9a. Boat Launch Permit Discussion

- Commissioners reviewed Boat Launch Rate Comparison sheet and discussed options for implementing a structured policy for boat launch permits.
- Commissioners determined that they would like to pursue a policy similar to Juneau, Alaska. This will be revisited at next month's meeting.

NEW BUSINESS –

10a. RECOMMEND APPROVAL OF LEASE AGREEMENT TO CHANNEL CONSTRUCTION FOR THE PROPERTY THEY ARE CURRENTLY LEASING FOR A TIME NOT TO EXCEED 10 YEARS AND NEW PROPOSED SHORTTERM LEASE OF THE SHOP OUTLINED ON THE MAP

Davies moves to amend the motion to change “5 Mile” to “6 Mile” on a lease document. Buness seconds this motion.

- Morrison wonders if any additional access is needed for the smaller parcel. Miller confirms that there is already access to that parcel.

M/S: Davies/Buness to approve the amended motion as presented. Motion approved unanimously by poll vote.

10b. JON CAMPBELL REQUEST FOR 21 YEAR TIDELAND LEASE OF A 50’x50’ PORTION OF PARCEL 02-023- 208 LOT 5

Jon Campbell was present to answer any questions.

- Commissioners discussed the potential of expansion within the Inner Harbor Basin and Marine Service Center (Ritchie Yard) and if Mr. Campbell’s requested tideland lease could impact expansion options based on its location.
- Yeager expressed it may be an option to shorten the proposed lease agreement and offer Mr. Campbell a space in the harbor when the Inner Harbor is reconstructed.
- Commissioners took time to review Title 16 and asked Mr. Campbell some clarifying questions about his float house.
- Several Commissioners agreed more time was needed to review this request and asked that this is brought back in the next meeting.

M/S: Buness/Davies to approve the motion as presented. Motion denied unanimously by poll vote.

10c. JEFF GRANNUM PENINSULA SEAFOODS REQUEST TO CHANGE LEASE AGREEMENT FROM 5 YEAR LEASE TO 10 YEAR LEASE FOR PURPOSE OF EXPANSION DISCUSSION

Jeff Grannum was on via Zoom to answer any questions.

- Commissioners discussed other current leases in the Marine Service Center, weighing options between 5 year and 10+ year leases.
- One benefit of 5 year leases is that the port has some flexibility with those spaces.
- Harbormaster Miller confirmed that all leases are subject to renewal unless the terms of the lease agreement have been broken.
- Mr. Grannum expressed his interest in operating for up to 10 months out of the year and looking to grow his business in Wrangell. In order to do this, he needs the certainty and stability of a longer term lease in order to develop and expand his business.
- Miller explained that since Mr. Grannum took over an existing lease, the remaining length of his current lease is only 3 years. Miller will explore options to grant Peninsula Seafoods a full 5 year lease, and will bring this back as an agenda item next meeting.

NEXT AGENDA ITEMS:

- Jon Campbell Tideland Lease Request
- Approval of short-term lease to Trident Seafoods
- Discussion and Possible Motion to approve 10 year lease requested by Jeff Grannum Peninsula Seafoods for Lot #1 Mill Dock
- Boat Launch Permit rate change

The next Regular meeting will be held on April 4, 2024.

The Regular Port Commission meeting was adjourned at 8:25 p.m.

From: [Don Pickett](#)
To: [Wrangell Harbor](#)
Subject: Issues that came up at your last meeting.
Date: Friday, March 22, 2024 1:56:57 PM

Good afternoon.....I understand at your last harbor meeting there was discussion about rent increases, about boat insurance, and about the harbor buying overall insurance versus the boat owners. I want to say that if you own a car you carry insurance, if you own a house you have insurance, and if you own a boat you need to carry insurance. Liability is a must to carry. When a boat sinks in the harbor, someone will pay thousands of dollars to remove it and correct the environmental hazards of a fuel spill. I believe you have already experienced this with a sinking on the south end of Heritage Harbour. As you know there are many boats in the harbor that cook, have operating appliances, heaters, etc etc. If they can not afford insurance they will not be able to pay for the damage they do to the docks, to their neighbor's boat, or to remove it and do the proper cleanup when it sinks.

I can remember in the past when I renewed my annual rent I was required to furnish a copy of my insurance. It should always be a policy to rent a slip the boat owner would need to furnish a copy of their insurance and your office needs to verify that the liability portion of the policy is in an amount that will satisfy most issues of damage to the docks, to the neighboring boats, and to recover the boat when it sinks. I rent 50 buildings to many different types of businesses. They not only have to furnish me with a certificate of insurance from their insurance company but I also must be named "additional insured" . That is the only way you can go against their policy to reimburse you for damages they cause for any reason. I really hope my neighboring boats carry a good amount of liability insurance if their boat fire ruins my boat.

In my past years we owned a cabin in the Sierra' Mountains. A cabin 200' away from ours started on fire and before it was extinguished it burnt the cabins on both sides of it at 100% loss. A couple years later the cabin next to ours burnt down and it caused fire damage to the side of our cabin that his insurance paid for the reconstruction.

In closing I recommend you bring in an insurance broker for this discussion. Maybe the harbor needs to carry a liability policy to make up for those boat owners who do not have insurance. And maybe the rental rate for those uninsured boats will be an amount high enough to reimburse the Harbor for this cost. I would also ask Juneau, Sitka, and Petersburg harbors what their policy is. My understanding is you now have all slips fully rented and you have a waiting list... Excellent! If you lose some boats that can't afford insurance hopefully you will have others on the waitlist to fill those spots. I know you can not require transit folks to meet this issue but their rental rate can help pay for your overall harbor liability policy too.

I am open to discuss this matter if anyone wants to call me.

PS: I just remembered I furnished a copy of my insurance policy when I got pulled out to the dry dock.

THANK YOU for all your hard work!!!

Don Pickett
559/298.5852 wk
559/907.1109 cell
donpickett328@gmail.com

CITY & BOROUGH OF WRANGELL

PORTS & HARBOR REPORT

03/26/2024



Item a.

MEMORANDUM

TO: HONORABLE PORT COMMISSION MEMBERS

CC: MASON VILLARMA, BOROUGH MANAGER

FROM: STEVE MILLER, PORT DIRECTOR

SUBJECT: MONTHLY PORT & HARBOR REPORT

DATE: 04/04/2024

Security Camera Project Overview:

Chatham Electric is at the 85% completion mark. During the project execution, it was discovered that certain equipment necessary for establishing a secure network between Shoemaker Bay, Heritage Harbor, and the Harbor office was overlooked. To address this, the contractor has submitted a change order. There will be a delay of up to 4 weeks on this project due to having to order the necessary equipment. The completion date is now set for April 30, 2024. This will be an additional cost of \$49,781.38. Even with this adjustment, the project remains well under the grant award amount. Chatham Electric's commitment to quality and timely delivery is commendable, and the additional investment in network infrastructure will strengthen the project's effectiveness.



Anode Project Overview:

Five hundred and thirty out of eight hundred and thirty anodes have arrived in Wrangell. The contractor, Global Diving, is set to arrive in Wrangell on March 25th and the project will commence on the 28th. The anticipated completion date for this project is May 4th, 2024. During this period, Global Diving will strategically install anodes at designated locations throughout Heritage Harbor the MSC Pier and the barge loading /unloading pier int the Marine Service center.



Marine Service Center:

As winter recedes and the days grow longer the marine repair services prepare for the upcoming busy season. Reservations are pouring in for the months of April, May, June. Now that things have thawed, and fence upgrades started, the crew is looking forward to finishing up the privacy fencing at the Ritchie boat storage yard. They have been busy mixing and pouring concrete for some additional fence posts. Stringing new fencing and hanging the privacy curtain. This will be a nice upgrade and contribute to the overall tidiness of the property.



Harbors:

Metal roofing has been ordered to replace the asphalt shingles on the Harbor office roof. So far, the ice and water shield has arrived, and the rest will be here in the next couple of weeks. This project will be completed this summer once we get a couple weeks of dry weather.

The harbor crew will be starting to get floats ready for the coming summer season. This will entail pressure washing of floats and replacing bad decking. It seems to have

been an unusually warm winter and the algae growth on the floats seems worse than in previous years.

The sewer pump-out for Shoemaker Bay has been ordered and has arrived in Wrangell. Wrangell received the Clean Vessel Act grant in the amount of \$22,500 to help fund this project. This will get installed as time permits.

A project the crew has been working on throughout the winter is building a new ladder for the south crane in front of the Harbor office. This is almost complete we are waiting on special galvanized paint to cover the welds. We are hoping to have the ladder installed in the next couple of weeks.



The Harbor staff collaborating with the Alaska Department of Fish and Game to submit a grant application to Recreational Boating Access Program. The purpose of this application is to secure funding for the replacement of the deteriorated concrete at the Shoemaker Bay boat launch ramp. The original concrete ramp, which was constructed in 1989 using the same funding source, has reached its end of serviceable life. Notably, the landing float was replaced recently with Shoemaker Bay float replacement project.

We are currently working on the budget and once the budget workshop with the Assembly is announced we will send you all an invitation by email. Talking With Mason we will add the boat launch resolution to clarify charges into our rate schedule. You will get a chance to vote on this before going to the assembly.

Sincerely,
Steve Miller
Port and Harbor Director

**CITY & BOROUGH OF WRANGELL, ALASKA
PORT COMMISSION AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	April 4th, 2024
	<u>Agenda Section</u>	10

DISCUSSION AND POSSIBLE MOTION JON CAMPBELL REQUEST FOR 21 YEAR TIDELAND LEASE OF A 50'x50' PORTION OF LOT 5, BLOCK 7A

SUBMITTED BY:

Steve Miller, Port Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 21: \$	FY 22: \$	FY23: \$
Amount Budgeted:		
	FY22 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Jon Campbell Request Letter 2. Picture of location of float house 3. City map Lot 5 Block 7A 4. Planning and Zoning Recommendation

DISCUSSION AND POSSIBLE MOTION

Move to recommend approval of a request from Mr. Jon Campbell to lease Borough-owned tidelands for 21years identified as Lot 5, Block 7A 50ft X 50ft, of the Wrangell Townsite, zoned Waterfront Development:

OR

Move to recommend approval of a request From Mr. Jon Campbell to Lease Borough-owned tidelands Identified as Lot 5, Block 7A, 50ft X 50ft of the Wrangell townsite zoned Waterfront Development with following restrictions:

1. If the property is affected by any marine service center, port, and/or harbor developments the lease shall effectively be terminated; and,
2. The lease for Lot 5, Block 7A terms shall not exceed five (5) years; and,
3. Either party shall have the right to terminate this lease upon providing written notice of the intent to terminate sixty (60) days before the date of termination.

SUMMARY STATEMENT MR. Jon Campbell, who has occupied a corner of the harbor Lot 5, Block 7A with his float house for approximately 40 years, has formally requested to lease a portion of Parcel 02-023-208, Lot 5. The purpose of this lease is to secure his float house. However, this matter has arisen due to a recent incident involving another float house on city tidelands that sank. This caused an unnecessary risk to the City and Borough of Wrangell. Fortunately, family members of the owner of the sunken float house assisted with the cleanup. Following this incident the Ports and Harbors was tasked with identifying any other structures and vessels of concern. To mitigate potential liability for the city, Jon received a letter instructing him to vacate the city tidelands. Currently, there are two alternatives: relocating the float house to one of the harbors or moving it to private tidelands within the borough.

Recently, the City and Borough of Wrangell applied for grant funding to improve the Wrangell Harbor Basin including the inner harbor float system which is adjacent to the property requested for lease. Although the impacts of the project on the property are not explicitly known at this time, it is possible that based on the scope of work this property will be utilized for staging fill and may be impacted by dredging in the harbor. The construction for harbor improvements will not take place for several years.

Staff Recommendation:

Staff does not recommend the approval of the request to lease Borough-owned tide lands by Jon Campbell for 21 years. If the commission chooses to approve the recommendation for the lease, staff suggests imposing conditions that restrict the lease term to a maximum of 5 years without any renewal option. This time frame would provide Mr. Jon Campbell with sufficient time to explore alternate housing options.

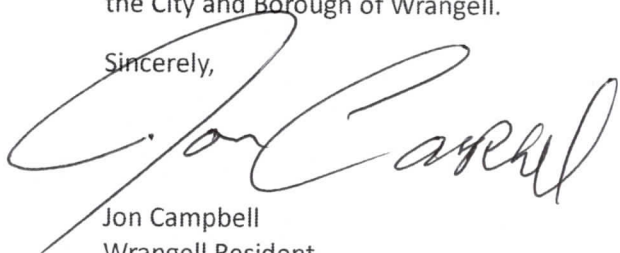
2/23/2024

To whom it may concern:

I, Jon Campbell, would like to request to lease a portion of tideland parcel 02-023-208, Block 7A, Lot 5, specifically a 50' by 50' portion of the said lot for the purpose of mooring my float house and using it as my primary residence. I would also request that the term of the lease be set a maximum of 21-years in conformance with the Wrangell Municipal Code.

I have kept my float house on this lot for over 40 years and I am making this request at the direction of the City and Borough of Wrangell.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Campbell". The signature is fluid and cursive, with a large loop at the beginning and a long tail extending to the right.

Jon Campbell
Wrangell Resident
PO Box 1767

305-0855

Item a.





CITY & BOROUGH OF WRANGELL
INCORPORATED MAY 30, 2008

Item a.

Economic Development Department

PO Box 531, Wrangell, AK 99929
Phone (907)-874-3902

Date: March 18th, 2024

To: Mason Villarma, Interim Borough Manager
Kim Lane, Borough Clerk
Assembly of the City and Borough of Wrangell

From: Kate Thomas, Economic Development Director

Subject: Request from Mr. Jon Campbell to lease Borough-owned tidelands identified as Lot 5, Block 7A, of the Wrangell Townsite, zoned Waterfront Development.

Attachments: 1.) Public Map of Property, 2.) Letter of Interest/Request, 3.) PZ Staff Report and minutes available on “Borough Calendar” (website)

On March 14th, 2024, the Planning and Zoning Commission reviewed Mr. Jon Campbell’s request to purchase Borough-owned real property. The requested lot is located adjacent to the Inner Harbor floats.

The Commission voted (2-to-1) to recommend the denial of Mr. Jon Campbell's request to lease Borough-owned tidelands identified as Lot 5, Block 7A, of the Wrangell Townsite, zoned Waterfront Development.

A review of the staff recommendation and recommended motion is shown below.

Staff Recommendation: Staff does not recommend approval of the request to lease Borough-owned tidelands by Jon Campbell. Alternatively, if the Commission wishes to approve the recommendation to approve the lease, staff recommend that conditions limit the lease term not to exceed five years with no options to renew. This would allow Mr. Campbell ample time to find an alternative living solution.

Recommended Motion: Move to recommend approval of a request from Mr. Jon Campbell to lease Borough-owned tidelands identified as Lot 5, Block 7A, of the Wrangell Townsite, zoned Waterfront Development with the following conditions:

1. If the property is affected by any marine service center, port, and/or harbor developments the lease shall effectively be terminated; and,
2. The lease for Lot 5, Block 7A terms shall not exceed five (5) years; and,
3. Either party shall have the right to terminate this lease upon providing written notice of the intent to terminate sixty (60) days before the date of termination.

Although it is not reflected in the staff report findings, the motion, or an amendment thereof, the Commission expressed concern regarding legal access to the tidelands lot requested by Mr. Campbell who does not own or lease any of the adjacent tidelands or uplands.

CITY AND BOROUGH OF WRANGELL, ALASKA

Item a.



1 inch = 35.456153 feet
Scale: 1/26/2024
16

Public Map



**DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY.
PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.**

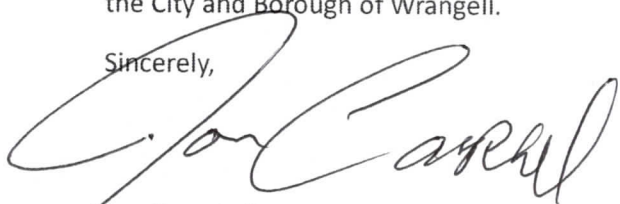
2/23/2024

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Sincerely,

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Jon Campbell
Wrangell Resident
PO Box 1767

305-0855

**CITY & BOROUGH OF WRANGELL, ALASKA
PORT COMMISSION AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	April 4, 2024
	<u>Agenda Section</u>	10

Approval of Lease to Trident Seafoods, A Portion of the old mill dock parcel 02-023-700, more specifically 20ft X 90ft northwest from the southernmost portion old mill dock including the approach nearest the Trident Seafood plant.

<u>SUBMITTED BY:</u>
Steve Miller, Port & Harbor Director

<u>FISCAL NOTE:</u>		
Expenditure Required: \$XXX Total		
FY 22: \$	FY 23: \$	FY24: \$
Amount Budgeted:		
	FY20 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Lease Request Trident Seafoods 2. Facility Lease Agreement. 3. Picture of proposed lease

RECOMMENDATION MOTION:
Move to Approve Lease to Trident Seafoods, A Portion of the old mill dock in parcel 02-023-700, more specifically 20ft x 90ft northwest from the southernmost portion old mill dock including the approach nearest the Trident Seafood plant.

SUMMARY STATEMENT: The proposed lease to Trident seafoods is for a portion of the old mill dock not used by the port except for winter storage of gear. This gives Trident Seafoods the opportunity to use this facility and fulfill their needs for dock

space during the busy salmon season. This is the same short term lease Trident and the City executed last season.



**WRANGELL MARINE SERVICE CENTER (WMSC)
FACILITY LEASE AGREEMENT**

This Lease is entered into on April 16th, 2024, by and between the City and Borough of Wrangell (hereinafter “Lessor”), a municipal corporation, and Trident Seafoods, Inc. (hereinafter “Lessee”), a business owner, doing business in the State of Alaska, for purpose of leasing borough-owned land in Wrangell. The parties hereby agree to the following conditions:

1. DURATION

This Lease shall be in effect for a three-month period, more specifically, from the date above until the 1st day of October, 2024.

2. LEASED PROPERTY

The property subject to this Lease is described as: A portion of the old mill dock in parcel 02-023-700, more specifically 20ft X 90ft northwest from the southernmost portion old mill dock including the approach nearest to the Trident Seafoods plant.

3. PERMISSIBLE USES

A. Lessee shall utilize the property only for the purpose of servicing the Trident tender fleet as well as loading boats with product excess for disposal. Accessory uses of the property are allowed if pre-approved in advance in writing by the Borough Assembly and/or Port Commission.

B. Lessee agrees to abide by all Federal, State, and local laws in the operation and maintenance of the permitted commercial activity.

C. The Lessor does not warrant that the property is suitable for the purposes sought. Lessee assumes all risks associated with the location of the leased premises.

4. CONDITIONS OF LEASING

A. Lease costs will be .104 cents per square foot (\$187.20 plus tax) a month plus any maintenance costs needing to be done to safely utilize the facility, not limited to but including replacing planks, missing bull rails, or any other structurally deficient components of the facility.

B. Vessels moored at the face of the dock will be charged a daily outside dock moorage fee in accordance with the Port and Harbor fee and rate schedule.

C. Lessee shall comply with all rules and yard Best Management Practices as set forth by the Harbor Department or Port Commission.

D. Lessee must sign and agree to fully comply with the WRANGELL MARINE SERVICE CENTER (WMSC) FACILITY USE AGREEMENT.

5. RENEWAL

A. The Lease may be renewed at the option of the Lessor upon written request by the Lessee within at least sixty (60) days of the expiration of the current term, provided that the Lessee is current in the payment of all fees, and that the Lessee has been compliant with all yard rules and all provisions of this agreement as determined by the Port Commission.

B. The terms and conditions of this Lease for each renewal term shall be identical with the original term except for the lease payment.

6. OPERATION AND MAINTENANCE

A. Lessee shall at all times provide sufficient personnel to operate and maintain the leased premises. Lessee shall keep and maintain the leased premises in good, clean, safe, and sanitary condition.

B. Items stored on the leased premises must be directly related to the commercial business operating on the property.

C. Lessee shall be responsible for any and all special assessments for public improvements which may be made against the leased premises during the term of this Lease or any option to renew by the Lessee.

D. Lessee shall pay all property taxes owed on the leased premises in accordance with the Wrangell Municipal Code. Lessee shall also collect and remit sales tax in accordance with Wrangell Municipal Code.

E. Lessee shall promptly repair, rebuild, or restore the leased premises, facilities or surrounding property damaged or destroyed by any event whatsoever, with the exception of events caused by the act, error, or omissions of Borough employees, contractors or representatives, or by inherent condition of normal wear and tear.

F. Lessor may, at all reasonable times and without prior notice, enter upon and inspect the leased premises. If the Lessor demonstrates that the Lessee has failed to perform maintenance or repair work required under the Lease, and if the Lessee, after prior notice of the deficiencies, fails to correct the deficiency or to begin corrective action within a reasonable time, the Lessor may enter any part of the Leased premises and perform the necessary work. The Lessee shall reimburse the Lessor for all reasonable expenses incurred by this work.

7. INDEMNITY AND INSURANCE

A. Lessee shall defend, indemnify, and hold harmless the Lessor from any and all claims or actions for injuries or damages sustained by any person or property arising, or in connection with, or incident to the operation of the leased premises.

B. Lessee shall provide adequate liability property and personal injury damage insurance as described below. The insurance shall not contain any exclusion for pollution, environmental impairment, or nuisance. The Lessor shall be listed as an additional insured on this policy. Proof of such insurance shall be provided to the Lessor as a condition of entering into the Lease. Lessee must notify the Lessor thirty (30) days in advance of any cancellation or alteration of such insurance. Failure to maintain insurance as specifically described in this section shall constitute default by Lessee.

C. Lessee shall keep the leased premises insured at Lessee's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Lessee covenants that it shall maintain at all times and pay the premiums on such policy or policies of casualty insurance to the building and leased premises designated the Lessor as loss payee, said policy to be in such amount and contain such terms as shall be from time to time determined sufficient by the Lessor. Lessee shall furnish the Lessor with a copy of said policy and all amendments or modifications thereto.

D. INSURANCE REQUIREMENTS

The Lessee shall not commence with use of the City and Borough's facility/land until the Lessee has obtained the insurance required under this contract. All coverage shall be with insurance carriers licensed and admitted to do business in the State of Alaska. All coverage

shall be with carriers acceptable to the City and Borough of Wrangell. The required lines and limits of insurance are as follows:

1. **General Liability Insurance:** The User shall procure and maintain during the life of this agreement, General Liability Insurance on an “occurrence basis” with limits of liability not less than **\$ 1,000,000** per occurrence and/or aggregate combined single limit, personal injury, bodily injury and property damage.
2. **Motor Vehicle Liability Insurance:** The user shall procure and maintain during the life of this agreement, Motor Vehicle Liability Insurance, including applicable no fault coverages, with limits of liability of not less than \$1,000,000 per occurrence combined single limit. If the vehicle is a boom truck or is a boom truck combination, the policy must contain **LOAD/UNLOAD** coverage.
3. **Workers Compensation Insurance:** If the facility user has employees, they shall procure and maintain during the life of this agreement, Workers Compensation Insurance, including Employers’ Liability Coverage, in accordance with all applicable statutes of the State of Alaska.
4. **Additional Insured:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following shall be an Additional Insured:

The City and Borough of Wrangell, its elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof.

This coverage shall be primary to the Additional Insured’s, and not contributing with any other insurance or similar protection available to the Additional Insured’s, whether the other available coverage be primary, contributing or excess.

5. **Cancellation Notice:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following: “Sixty” (60) days advance written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Greg Meissner, Harbormaster, City and Borough of Wrangell, PO Box 531, Wrangell, AK 99929
6. **Proof of Insurance Coverage:** Prior to commencement of any seafood processing activities at the WMSC, the user shall provide the City and Borough of Wrangell with certificates of insurance and/or policies, acceptable to the City and Borough of Wrangell, for each of the insurance policies described above.

8. ENVIRONMENTAL INDEMNITY

A. Lessee acknowledges and agrees that environmental contamination may exist on or adjacent to the leased premises. Lessor has not made, and Lessee has not relied on, any representations as to the presence, absence, nature, or extent of any such environmental contamination by Lessor. Lessee hereby expressly assumes the risk that any such environmental contamination may cause loss of or damage to Lessee's real and personal property and improvements and may render the leased premises unfit for Lessee's purposes.

B. Lessee shall use, store, handle, and deal with all Environmental Substances (as defined below) in compliance with all Environmental Laws (as defined below). Lessee shall take prompt and responsible action to correct any noncompliance reported by Lessee or alleged by DEC or EPA with any requirements of any Environmental Law or any contamination or pollution caused

by a release (as defined below) of an Environmental Substance. Lessee shall obtain all necessary permits, licenses, and other authorizations issued pursuant to Environmental Laws required for Lessee to own or operate the leased premises. Operation of the leased premises shall be in compliance with any terms and/or conditions of such permits, license, and other authorizations. "Environmental Laws" means all federal, State, or local laws, statutes, ordinance, codes, rules, regulations, orders, decrees, and directives imposing liability or standards of conduct for or relating to the protection of health, safety, or the environment. "Environmental Substances" include without limitation any substance, material, waste, pollutants, contaminant or chemical, regardless of how it is referred to or defined, that is regulated in, or pursuant to, any Environmental Laws. "Release" includes an actual or potential discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage, or disposal which is or may be in breach of any Environmental Law, regardless of cause. "Lessee" includes Lessee, any subsidiaries of the Lessee, any partnership or joint ventures involving the Lessee, Lessee's agents, representatives, employees, invitees, or contractors or any agents, representatives, employees, invitees, or contractors of Lessee's subsidiaries, partnerships, or joint ventures.

C. Lessee acknowledges and agrees that the creation, use, handling, storage, release, and disposal of waste, garbage, pollutants, and toxic or hazardous substances, and the investigation, remediation, and clean-up of environmental contamination, are governed by a wide variety of Environmental Laws. Lessee shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances and Environmental Substances and shall take all practicable measures to minimize the quantity and toxicity of hazardous substances and Environmental Substances used, handled, or stored on the leased premises.

D. Lessee shall defend, indemnify, and hold harmless Lessor from and against all claims, including nuisance described in 9 of this Lease, liabilities, suits, obligations, fines, judgments and penalties (and any other expenses, including attorneys' fees and other costs of litigation, raised, sought, or imposed by third parties in connection with Lessee's violation of any Environmental Laws or in connection with Lessee's creation, use, handling, storage, release, or disposal of any waste, garbage, pollutants, or toxic or hazardous substances (regardless of whether such creation, use, handling, storage, release, or disposal violated an Environmental Law) on the leased premises or in connection with Lessee's use of the leased premises or by any persons or entity associated with the Lessee as outlined in paragraph 8.B above.

E. Nothing in this Lease alters any obligation Lessor or Lessee may have to investigate, remediate, or clean up any environmental contamination that may exist on the leased premises.

9. WASTE AND NUISANCE PROHIBITED

During the term of this Lease, Lessee shall comply with all federal, State, and local laws affecting the leased premises, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title to the leased premises. Lessee shall not commit, or suffer to be committed, any waste on the leased premises, or any nuisance. Lessee shall not operate the leased premises in any manner which might constitute a nuisance.

10. ABANDONMENT OF LEASED PREMISES

Lessee shall not vacate or abandon the leased premises at any time during the term of this Lease. If Lessee shall abandon, vacate, or surrender the leased premises, or be dispossessed by process of law or otherwise, any personal property belonging to Lessee and left on the leased premises shall be deemed to be abandoned, and at the option of the Lessor, the personal property shall become the property of the Lessor, except such property as may be encumbered to the Lessor. Lessee agrees to defend, indemnify, and hold harmless the Lessor for any harm, damage, or injury to person or property, alleged to arise out of the actions of the Lessee in vacating or abandoning the leased premises, and as to any harm, damage, or injury to person or property arising out of the condition of the property at the time of vacating or abandoning the leased premises.

11. LIENS

Except with respect to activities for which Lessor is responsible, Lessee shall pay all claims for work done on and for services rendered or material furnished to the leased premises, and shall keep the leased premises free from any liens. If Lessee fails to pay such claims or to discharge any lien, the Lessor may do so and collect the cost as additional rent. Any amount so added shall bear interest at the highest legal rate as allowed by law from the date of payment by the Lessor. Any amount paid by the Lessor on behalf of the Lessee shall be payable on demand. Such action by the Lessor shall not constitute a waiver of any right or remedy which the Lessor may have on account of Lessee's default.

12. LESSOR'S RIGHTS UNDER THIS LEASE

A. The Lessor may sue periodically to recover damages during the period corresponding to the remainder of the Lease term, and no action for damages shall bar a later action for damages subsequently accruing.

B. If Lessee fails to perform any obligation under this Lease, the Lessor shall have the option to do so after twenty (20) days written notice to Lessee. All of the Lessor's expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the highest legal rate of interest allowed by law from the date of payment by the Lessor. Such action by the Lessor shall not waive any other remedies available to the Lessor because of the default.

C. All remedies in this Lease shall be in addition to and shall not exclude any other remedy available to the Lessor under any applicable law.

D.

13. GOVERNING LAW

The laws of the State of Alaska shall govern the construction and interpretation of this Lease. The Superior Court for the State of Alaska, First Judicial District at Wrangell, Alaska, shall be the exclusive court for jurisdiction and venue of any and all actions of any kind and any nature arising out of or related to this Lease. The parties agree that trial of any action filed shall be in Wrangell, Alaska.

14. DEFAULT

If the Lessor determines that the provisions of the Lease are not being met and attempts to resolve the dispute in a reasonable manner are unsuccessful, written notice shall be given to the Lessee stating the nature of the deficiency and the necessary corrective action. Lessee shall either take immediate corrective action or respond to the Lessor within ten (10) calendar days stating the reason for the noncompliance and a schedule for compliance. If the Lessor determines that this

response is unacceptable, the Lessor shall give Lessee written notice of default and the Lease is terminated. Lessee shall have a reasonable amount of time to remove all personal property. If the personal property is not removed within the time stated in the notice of default, the Lessor may take possession of the property.

15. TERMINATION

Each party shall have the right to terminate this Lease upon providing written notice of the intent to terminate sixty (60) days prior to the date of termination.

16. NOTICE

All notices and requests concerning this lease shall be in writing and addressed as follows:

Lessee: Trident Seafoods, Inc.
5503 Shilshole Ave NW, Seattle, WA 98107

Lessor: City and Borough of Wrangell
P.O. Box 531, Wrangell, AK 99929

17. MISCELLANEOUS

A. This lease cannot be assigned without prior written consent of the other party.

B. The failure of either party at any time to enforce a provision of this lease shall in no way constitute a waiver of the provision, nor in any way affect the validity of the lease or any part of the lease, or any right of the party thereafter to enforce each and every provision hereof.

C. If any term of this lease is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remaining provisions of the lease shall be valid and binding upon the parties.

D. The provisions of this lease are and will be for the benefit of the Lessor and Lessee only and are not for the benefit of any third party, no third party shall have the right to enforce the provisions of this lease.

The Lessee acknowledges that the Lessee has read and understands the terms of this lease and has had the opportunity to review this lease with counsel of his/her choice and is executing this lease of his/her own free will.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the duly authorized representative(s) signing below.

Date: _____, 2024

City and Borough of Wrangell, Alaska
Lessor

By:

By:

Patricia Gilbert
Borough Mayor

Mason Villarma
Interim Borough Manager

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by **Patricia Gilbert & Mason Villarma**, Borough Mayor & Interim Borough Manager, respectively, of the City and Borough of Wrangell, Alaska, an Alaska home rule municipal corporation, on behalf of the corporation.

Notary Public for Alaska
Commission expires: _____

Date: _____, 20__

dba _____

Lessee

By _____
NAME

Title

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____.

Notary Public for Alaska
Commission expires: _____



TRIDENT SEAFOODS CORPORATION

Item a.

641 Shakes Street, P.O. Box 908, Wrangell, AK 99929
(907) 874-3346 • Fax: (907) 874-3035

To Whom It May Concern,

This letter is to formally request a lease from the City and Borough of Wrangell for a portion of the old mill dock in parcel 02-023-700. More specifically 90 feet northwest from the southernmost portion of the old mill dock and 20 feet of width, including the approach nearest to the Trident Seafoods Plant.

With this lease we shall utilize the property for servicing the Trident tender fleet as well as loading vessels with excess product for disposal or for transport to other facilities.

If you have any questions or concerns, please contact me.

Thank you,

Phillip Mach

Plant Manager

Trident Seafoods – Wrangell

**CITY & BOROUGH OF WRANGELL, ALASKA
PORT COMMISSION AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	April 4, 2024
	<u>Agenda Section</u>	10

DISCUSSION AND POSSIBLE MOTION TO APPROVE 10 YEAR LEASE REQUESTED BY JEFF GRANNUM PENINSULA SEAFOODS FOR LOT #1 MILL DOCK

SUBMITTED BY:

Steve Miller, Port & Harbor Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 22: \$	FY 23: \$	FY24: \$
Amount Budgeted:		
	FY20 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

Reviews/Approvals/Recommendations

<input checked="" type="checkbox"/>	Port Commission
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. 10-year Lease Request by Peninsula Seafoods 2. Current Lease Agreement.

Discussion and possible motion

Move to Approve 10 Year lease requested by Jeff Grannum Peninsula Seafoods for Lot #1 MILL DOCK

OR

Move to Approve long term lease Request by Jeff Grannum Peninsula Seafoods extending it for an additional 5 years effectively granting Peninsula Seafoods an 8-year lease starting from June 30th, 2024 and ending June 30th, 2032.

SUMMARY STATEMENT: Over the years there have been several requests for longer-term leases in the Marine Service Center (MSC). However, these requests were consistently denied. In an effort to secure funding a support letter was written for lenders, but it does not necessarily reflect the specific reason behind Peninsula Seafoods' request for a long-term lease.

During the last meeting there was the question why Peninsula Seafoods currently holds a three-year term lease instead of a five-year lease. The reason for this three-year term is that all leases in the MSC are set to renew July 1st, 2027. This coordinated renewal timing allows for better management of the various leases within the MSC.

Staff recommendation is if the port commission agrees to a longer-term lease for Peninsula Seafoods it should be extended by 5 years, effectively granting Peninsula Seafoods an 8-year lease starting from June 30th, 2024. This adjustment will still align all MSC leases to renew in the year 2032. At that time Peninsula Seafoods can request to extend the lease.

**WRANGELL MARINE SERVICE CENTER (WMSC)
FACILITY LEASE AGREEMENT
ASSIGNMENT OF LEASE**

By Assignment, this Lease is entered into on January 25 2024, by and between the City and Borough of Wrangell (hereinafter “Lessor”), a municipal corporation, and Wind and Tide LLC, dba Peninsula Seafoods, (hereinafter “Lessee”), a business owner, doing business in the State of Alaska, for purpose of leasing borough-owned land in Wrangell. The parties hereby agree to the following conditions:

1. DURATION

This Lease shall be in effect from the date above until the 30th day of June, 2027.

2. LEASED PROPERTY

The property subject to this Lease is described as: Mill Dock, Lot #1 (7,460 sq. ft.).

3. PERMISSIBLE USES

A. Lessee shall utilize the property only for the purpose to Purchase, Procure, Pack and Ship Crab, Shrimp, Salmon, Halibut and Bottom fish as well as servicing the local fishing fleet in Wrangell with bait and ice.

Accessory uses of the property are allowed if pre-approved in advance in writing by the Borough Assembly and/or Port Commission.

B. Lessee agrees to abide by all Federal, State, and local laws in the operation and maintenance of the permitted commercial activity.

C. The Lessor does not warrant that the property is suitable for the purposes sought. Lessee assumes all risks associated with the location of the leased premises.

4. CONDITIONS OF LEASING

A. Lease payments shall 0.104 x the total square footage (stated below) and payable in advance on the 1st day of each month for FY 2022 (July 1, 2022 – June 30, 2023) and shall increase at a rate of 2% each FY thereafter as follows:

July 1, 2022 - June 30, 2023	\$775.84	each month
July 1, 2023 - June 30, 2024	\$791.36	each month
July 1, 2024 - June 30, 2025	\$807.18	each month
July 1, 2025 - June 30, 2026	\$823.33	each month
July 1, 2026 - June 30, 2027	\$839.79	each month

B. Lessee shall comply with all rules and yard Best Management Practices as set forth by the Harbor Department or Port Commission.

C. Lessee must sign and agree to fully comply with the WRANGELL MARINE SERVICE CENTER (WMSC) FACILITY USE AGREEMENT.

D. Lessee acknowledges Lessor is in the process of determining new Marine Service Center insurance requirements and the lease will be amended during the current term to comply with new standards.

5. RENEWAL

A. The Lease may be renewed at the option of the Lessor upon written request by the Lessee within at least sixty (60) days of the expiration of the current term, provided that the Lessee is current in the payment of all fees, and that the Lessee has been compliant with all yard rules and all provisions of this agreement as determined by the Port Commission.

B. The Lessor retains the right to renegotiate the terms and conditions, including lease payments, of this Lease for each renewal term.

6. OPERATION AND MAINTENANCE

A. Lessee shall at all times provide sufficient personnel to operate and maintain the leased premises. Lessee shall keep and maintain the leased premises in good, clean, safe, and sanitary condition.

B. Items stored on the leased premises must be directly related to the commercial business operating on the property.

C. Lessee shall be responsible for any and all special assessments for public improvements which may be made against the leased premises during the term of this Lease or any option to renew by the Lessee.

D. Lessee shall pay all property taxes owed on the leased premises in accordance with the Wrangell Municipal Code. Lessee shall also collect and remit sales tax in accordance with Wrangell Municipal Code.

E. Lessee shall promptly repair, rebuild, or restore the leased premises, facilities or surrounding property damaged or destroyed by any event whatsoever, except for events caused by the act, error, or omissions of Borough employees, contractors or representatives, or by inherent condition of normal wear and tear.

F. Lessor may, at all reasonable times and without prior notice, enter upon and inspect the leased premises. If the Lessor demonstrates that the Lessee has failed to perform maintenance or repair work required under the Lease, and if the Lessee, after prior notice of the deficiencies, fails to correct the deficiency or to begin corrective action within a reasonable time, the Lessor may enter any part of the Leased premises and perform the necessary work. The Lessee shall reimburse the Lessor for all reasonable expenses incurred by this work.

7. INDEMNITY AND INSURANCE

A. Lessee shall defend, indemnify, and hold harmless the Lessor from any and all claims or actions for injuries or damages sustained by any person or property arising, or in connection with, or incident to the operation of the leased premises.

B. Lessee shall provide adequate liability property and personal injury damage insurance as described below. The insurance shall not contain any exclusion for pollution, environmental impairment, or nuisance. The Lessor shall be listed as an additional insured on this policy. Proof of such insurance shall be provided to the Lessor as a condition of entering into the Lease. Lessee must notify the Lessor thirty (30) days in advance of any cancellation or alteration of such insurance. Failure to maintain insurance as specifically described in this section shall constitute default by Lessee.

C. Lessee shall keep the leased premises insured at Lessee's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Lessee covenants that it shall always maintain and pay the premiums on such policy or policies of casualty insurance to the building and leased premises designated the Lessor as loss payee, said policy to be in such amount and contain such terms as shall be from time to time determined sufficient by the Lessor. Lessee shall furnish the Lessor with a copy of said policy and all amendments or modifications thereto.

D. INSURANCE REQUIREMENTS

The Lessee shall not commence with use of the City and Borough's facility/land until the Lessee has obtained the insurance required under this contract. All coverage shall be with insurance carriers licensed and admitted doing business in the State of Alaska. All coverage shall be with carriers acceptable to the City and Borough of Wrangell. The required lines and limits of insurance are as follows:

1. **General Liability Insurance:** The User shall procure and maintain during the life of this agreement, General Liability Insurance on an "occurrence basis" with limits of liability not less than **\$1,000,000** per occurrence and/or aggregate combined single limit, personal injury, bodily injury, and property damage.
2. **Motor Vehicle Liability Insurance:** The user shall procure and maintain during the life of this agreement, Motor Vehicle Liability Insurance, including applicable no-fault coverages, with limits of liability of not less than \$1,000,000 per occurrence combined single limit. If the vehicle is a boom truck or is a boom truck combination, the policy must contain **LOAD/UNLOAD** coverage.
3. **Workers Compensation Insurance:** If the facility user has employees, they shall procure and maintain during the life of this agreement, Workers Compensation Insurance, including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Alaska.
4. **Additional Insured:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following shall be an Additional Insured:

The City and Borough of Wrangell, its elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof.

This coverage shall be primary to the Additional Insured's, and not contributing with any other insurance or similar protection available to the Additional Insured's, whether the other available coverage be primary, contributing or excess.

5. **Cancellation Notice:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following: "Sixty" (60) days advance written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Steve Miller, Port & Harbor Director, City and Borough of Wrangell, PO Box 531, Wrangell, AK 99929
6. **Proof of Insurance Coverage:** Prior to commencement of any seafood processing activities at the WMSC, the user shall provide the City and Borough of Wrangell

with certificates of insurance and/or policies, acceptable to the City and Borough of Wrangell, for each of the insurance policies described above.

8. ENVIRONMENTAL INDEMNITY

A. Lessee acknowledges and agrees that environmental contamination may exist on or adjacent to the leased premises. Lessor has not made, and Lessee has not relied on, any representations as to the presence, absence, nature, or extent of any such environmental contamination by Lessor. Lessee hereby expressly assumes the risk that any such environmental contamination may cause loss of or damage to Lessee's real and personal property and improvements and may render the leased premises unfit for Lessee's purposes.

B. Lessee shall use, store, handle, and deal with all Environmental Substances (as defined below) in compliance with all Environmental Laws (as defined below). Lessee shall take prompt and responsible action to correct any noncompliance reported by Lessee or alleged by DEC or EPA with any requirements of any Environmental Law or any contamination or pollution caused by a release (as defined below) of an Environmental Substance. Lessee shall obtain all necessary permits, licenses, and other authorizations issued pursuant to Environmental Laws required for Lessee to own or operate the leased premises. Operation of the leased premises shall be in compliance with any terms and/or conditions of such permits, license, and other authorizations. "Environmental Laws" means all federal, State, or local laws, statutes, ordinance, codes, rules, regulations, orders, decrees, and directives imposing liability or standards of conduct for or relating to the protection of health, safety, or the environment. "Environmental Substances" include without limitation any substance, material, waste, pollutants, contaminant or chemical, regardless of how it is referred to or defined, that is regulated in, or pursuant to, any Environmental Laws. "Release" includes an actual or potential discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage, or disposal which is or may be in breach of any Environmental Law, regardless of cause. "Lessee" includes Lessee, any subsidiaries of the Lessee, any partnership or joint ventures involving the Lessee, Lessee's agents, representatives, employees, invitees, or contractors or any agents, representatives, employees, invitees, or contractors of Lessee's subsidiaries, partnerships, or joint ventures.

C. Lessee acknowledges and agrees that the creation, use, handling, storage, release, and disposal of waste, garbage, pollutants, and toxic or hazardous substances, and the investigation, remediation, and clean-up of environmental contamination, are governed by a wide variety of Environmental Laws. Lessee shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances and Environmental Substances and shall take all practicable measures to minimize the quantity and toxicity of hazardous substances and Environmental Substances used, handled, or stored on the leased premises.

D. Lessee shall defend, indemnify, and hold harmless Lessor from and against all claims, including nuisance described in 9 of this Lease, liabilities, suits, obligations, fines, judgments and penalties (and any other expenses, including attorneys' fees and other costs of litigation, raised, sought, or imposed by third parties in connection with Lessee's violation of any Environmental Laws or in connection with Lessee's creation, use, handling, storage, release, or disposal of any waste, garbage, pollutants, or toxic or hazardous substances (regardless of whether such creation, use, handling, storage, release, or disposal violated an Environmental Law) on the leased premises or in connection with Lessee's use of the leased premises or by any persons or entity associated with the Lessee as outlined in paragraph 8.B above.

E. Nothing in this Lease alters any obligation Lessor or Lessee may have to investigate, remediate, or clean up any environmental contamination that may exist on the leased premises.

9. WASTE AND NUISANCE PROHIBITED

During the term of this Lease, Lessee shall comply with all federal, State, and local laws affecting the leased premises, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title to the leased premises. Lessee shall not commit, or suffer to be committed, any waste on the leased premises, or any nuisance. Lessee shall not operate the leased premises in any manner which might constitute a nuisance.

10. ABANDONMENT OF LEASED PREMISES

Lessee shall not vacate or abandon the leased premises at any time during the term of this Lease. If Lessee shall abandon, vacate, or surrender the leased premises, or be dispossessed by process of law or otherwise, any personal property belonging to Lessee and left on the leased premises shall be deemed to be abandoned, and at the option of the Lessor, the personal property shall become the property of the Lessor, except such property as may be encumbered to the Lessor. Lessee agrees to defend, indemnify, and hold harmless the Lessor for any harm, damage, or injury to person or property, alleged to arise out of the actions of the Lessee in vacating or abandoning the leased premises, and as to any harm, damage, or injury to person or property arising out of the condition of the property at the time of vacating or abandoning the leased premises.

11. LIENS

Except with respect to activities for which Lessor is responsible, Lessee shall pay all claims for work done on and for services rendered or material furnished to the leased premises, and shall keep the leased premises free from any liens. If Lessee fails to pay such claims or to discharge any lien, the Lessor may do so and collect the cost as additional rent. Any amount so added shall bear interest at the highest legal rate as allowed by law from the date of payment by the Lessor. Any amount paid by the Lessor on behalf of the Lessee shall be payable on demand. Such action by the Lessor shall not constitute a waiver of any right or remedy which the Lessor may have on account of Lessee's default.

12. LESSOR'S RIGHTS UNDER THIS LEASE

A. The Lessor may sue periodically to recover damages during the period corresponding to the remainder of the Lease term, and no action for damages shall bar a later action for damages subsequently accruing.

B. If Lessee fails to perform any obligation under this Lease, the Lessor shall have the option to do so after twenty (20) days written notice to Lessee. All of the Lessor's expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the highest legal rate of interest allowed by law from the date of payment by the Lessor. Such action by the Lessor shall not waive any other remedies available to the Lessor because of the default.

C. All remedies in this Lease shall be in addition to and shall not exclude any other remedy available to the Lessor under any applicable law.

13. GOVERNING LAW

The laws of the State of Alaska shall govern the construction and interpretation of this Lease. The Superior Court for the State of Alaska, First Judicial District at Wrangell, Alaska, shall be the exclusive court for jurisdiction and venue of any and all actions of any kind and any nature arising out of or related to this Lease. The parties agree that trial of any action filed shall be in Wrangell, Alaska.

14. DEFAULT

If the Lessor determines that the provisions of the Lease are not being met and attempts to resolve the dispute in a reasonable manner are unsuccessful, written notice shall be given to the Lessee stating the nature of the deficiency and the necessary corrective action. Lessee shall either take immediate corrective action or respond to the Lessor within ten (10) calendar days stating the reason for the noncompliance and a schedule for compliance. If the Lessor determines that this response is unacceptable, the Lessor shall give Lessee written notice of default and the Lease is terminated. Lessee shall have a reasonable amount of time to remove all personal property. If the personal property is not removed within the time stated in the notice of default, the Lessor may take possession of the property.

15. TERMINATION

Each party shall have the right to terminate this Lease upon providing written notice of the intent to terminate sixty (60) days prior to the date of termination.

16. NOTICE

All notices and requests concerning this lease shall be in writing and addressed as follows:

Lessee: Wind and Tide LLC, dba Peninsula Seafoods
 Jeff Grannum
 PO Box 2109
 Port Angeles, WA 98362

Lessor: City and Borough of Wrangell
 P.O. Box 531, Wrangell, AK 99929

17. MISCELLANEOUS

A. This lease cannot be assigned without prior written consent of Lessor and the other party.

B. The failure of either party at any time to enforce a provision of this lease shall in no way constitute a waiver of the provision, nor in any way affect the validity of the lease or any part of the lease, or any right of the party thereafter to enforce each and every provision hereof.

C. If any term of this lease is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remaining provisions of the lease shall be valid and binding upon the parties.

D. The provisions of this lease are and will be for the benefit of the Lessor and Lessee only and are not for the benefit of any third party, no third party shall have the right to enforce the provisions of this lease.

The Lessee acknowledges that the Lessee has read and understands the terms of this lease and has had the opportunity to review this lease with counsel of his/her choice and is executing this lease of his/her own free will.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the duly authorized representative(s) signing below.

Date: 1-25, 2024

City and Borough of Wrangell, Alaska
Lessor

By: Patricia Gilbert, Borough Mayor By: Mason Villarma, Interim Borough Manager

Patricia Gilbert
Patricia Gilbert
Borough Mayor

Mason F. Villarma
Mason Villarma
Interim Borough Manager

The foregoing instrument was acknowledged before me this 25th day of January 2024, by **Patricia Gilbert & Mason Villarma**, Borough Mayor & Interim Borough Manager, respectively, of the City and Borough of Wrangell, Alaska, an Alaska home rule municipal corporation, on behalf of the corporation.

Hein Lane
Notary Public for Alaska
Commission expires: 7-27-25

Date: 1-25, 2024

Jeff Grannum of:
Wind and Tide LLC, dba Peninsula Seafoods
Lessee

By Jeff Grannum
Name: _____
owner
Title: _____

The foregoing instrument was acknowledged before me this 25 day of January, 2024 by

Notary Public for _____

Commission expires: _____

Jeff Grannum

Peninsula Seafoods

C 503-758-4956

Grannum@peninsulaseafood.com

Steve

I am requesting an increase of the lease agreement for Lot 1# Mill Dock to 10 year increments. The purpose of my request is for expansion into a permanent structure that would be used for Seafood processing. It would create an opportunity for my business to grow, creating jobs and expanding markets for the fishing community. My intent is to create an operation that would run nearly 12 months out of the year. Please consider my thoughts and advise how/if we can move forward.

Additionally can you send me a map of the area that we are currently lease? (Peninsula and Sumner Straits)

Thank you,

Jeff Grannum

Jeff Grannum

Peninsula Seafoods

C 503-758-4956

Grannum@peninsulaseafood.com