



Thursday, March 07, 2024  
5:30 PM

Location: Borough Assembly Chambers  
City Hall

**WORK SESSION (5:30 pm - 6:30 pm)**

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

**1. CALL TO ORDER**

**2. ROLL CALL**

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

a. 2-1-24 Port Commission Minutes

**4. AMENDMENTS TO THE AGENDA**

**5. CORRESPONDENCE**

**6. PERSONS TO BE HEARD**

**7. HARBORMASTER'S REPORT**

a. Harbor Master Report March 2024

**8. COMMISSIONER REPORTS**

**9. UNFINISHED BUSINESS**

a. Boat Launch Permit Discussion

**10. NEW BUSINESS**

a. 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 SHORT-TERM LEASE OF THE SHOP OUTLINED ON THE MAP

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

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

**11. NEXT AGENDA ITEMS**

**12. ADJOURN**

CITY AND BOROUGH OF WRANGELL, ALASKA  
ORDINANCE NO. 1050

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 14.05.025, GENERAL MOORAGE CONDITIONS AND RESTRICTIONS, OF TITLE 14, HARBOR AND PORT FACILITIES, OF THE WRANGELL MUNICIPAL CODE, TO ADD A NEW SUBSECTION REQUIRING MARINE VESSEL INSURANCE OR ALTERNATIVELY TO REQUIRE USERS TO PAY A MOORAGE SURCHARGE.

[The changes to the existing code are shown as follows: the words that are underlined are to be added and the words that are **[bolded and in brackets are to be deleted]**.]

SEC. 1. Action. The purpose of this ordinance is to amend Section 14.05.025 of Chapter 14.05, Moorage, of the Wrangell Municipal Code, to add a requirement that all vessels using the Wrangell Ports & Harbors carry marine insurance or incur a higher moorage rate.

SEC. 2. Amendment. Section 14.05.025 General moorage conditions and restrictions, is amended to include a new subsection as follows:

**14.05.025 General moorage conditions and restrictions.**

- A. Qualified Interest Required. Moorage may only be assigned to an applicant with a qualified interest in the vessel to which space is to be assigned.
- B. Marine Insurance Required. Prior to obtaining a reserved moorage assignment, the owner of a vessel must:
1. Provide the Harbormaster with proof of current marine insurance showing, at a minimum, the owner's name, information identifying the vessel, and the dates of insurance coverage; or
  2. Pay a non-refundable moorage surcharge ~~of \$5.00~~ per vessel foot per month. **Such fees shall be established by the assembly, by resolution. A public hearing of the assembly shall be required on the resolution that establishes fees and rates.** The funds collected from the moorage surcharge under this regulation will be used to pay for the unrecoverable costs attributable to vessel salvage and disposal activities in Borough harbor facilities. This surcharge does not constitute marine insurance.
- C[B]**. No Unpaid Charges. Moorage may only be assigned to an applicant who has no delinquent fees or unpaid fines.

D[C]. Use by Assigned Vessel Only. Reserved moorage space may only be used by the holder for the assigned vessel.

E[D]. No Assignment or Transfer. Moorage space shall not be assigned or transferred by the holder thereof and does not transfer with the sale or other disposition of the vessel except as provided in WMC 14.05.015(I). Moorage space shall not be involuntarily assigned or transferred by operation of law except as expressly provided in this title.

SEC. 3. Severability. If any provision of this ordinance, or any application thereof to any person or circumstances is held invalid, the remainder of this ordinance and the application to all other persons or circumstances shall not be affected thereby.

SEC. 4. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 5. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: \_\_\_\_\_, 2023

PASSED IN SECOND READING: \_\_\_\_\_, 2023

\_\_\_\_\_  
Patricia Gilbert, Borough Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, MMC, Borough Clerk

**Minutes of the Regular Wrangell Port Commission Meeting  
Held February 1, 2024**

Item a.

Chairman John Yeager called the Regular Port Commission meeting to order at 6:00 p.m. on February 1, 2024.

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 January 4, 2024.

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

**AMENDMENTS TO THE AGENDA**

- a. Adding Item E to New Business – reviewing RAISE Grant Harbor Basin Project Letter of Support from Port Commission.

**CORRESPONDENCE/PERSONS TO BE HEARD**

Chris Bunes – Introduced their business, Stik Built Homes LLC.

**HARBORMASTER'S REPORT**

- Harbormaster Miller went through the February Report he prepared.
- Chatham Electric has finished the wiring for the cameras and are making progress on the camera project.
- The Harbor is accepting letters of support from the community to include in the RAISE Grant Application.

**COMMISSIONER REPORTS**

- Morrison – none.
- Bunes – Appreciates the timing of the camera project, and mentioned a recent event that took place around her float house.
- Davies – none.
- Martin – none.
- Yeager – none.

UNFINISHED BUSINESS – none.

- Morrison asked about Insurance. Miller reported the Assembly is bringing it back to the Port Commission for the March 2024 meeting.

NEW BUSINESS –

**10a. ORDINANCE No. 1051 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING SECTION 14.09.042, USE OF PORT AND HARBOR DUMPSTERS, IN CHAPTER 14.09 PROHIBITED PRACTICES, IN THE WRANGELL MUNICIPAL CODE**

- Morrison suggested thorough public notice about this ordinance.
- Yeager suggested proper signage at port and harbor sites, newspaper and radio advertising.
- Bunes clarified whether this has specifically been in Wrangell Municipal Code before.

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

**10b. ORDINANCE No. 1052** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE MINOR OFFENSE FINE SCHEDULE IN CHAPTER 1.20, GENERAL PENALTY, OF THE WRANGELL MUNICIPAL CODE

- Bunes hopes this can be enforced, if/when necessary.

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

**10c. Resolution No. 02-024-1840** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ACCEPTING A GRANT IN THE AMOUNT OF \$22,500 FROM CLEAN VESSAL ACT GRANT FOR THE PUMPOUT STATION AT SHOEMAKER HARBOR Plus 25% (\$7500) HARBOR MATCH AND AUTHORIZING ITS EXPENDITURE

- Bunes clarified the dollar value of the pump.
- Morrison asked where exactly the pump will be located. Miller stated it will be near the middle of the loading zone.
- Bunes suggested signage showing all pump out locations in the harbor facilities.

***M/S: Bunes/Martin to approve the motion as presented. Motion approved unanimously by poll vote.***

#### **10d. Boat Launch Permit Discussion**

- Yeager and Bunes discussed that the simplest way to go about this would be to charge per permit.
- Bunes likes the incentivized annual stall discount.
- Davies agreed that a discounted permit for each annual stall would be fair.
- Miller will check with other harbors in the area and see what their procedure is.

#### **10e. RAISE Grant Harbor Basin Project Letter of Support from Port Commission**

- Davies read aloud the letter of support for Commissioners to review.
- Bunes suggested adding a section about the harbor basin being used for school & sports travel.
- Yeager suggested adding a section about the harbor basin being used for subsistence.

NEXT AGENDA ITEMS:

- Boat Launch Permit discussion
- Insurance

The next Regular meeting will be held on March 7, 2024.

The Regular Port Commission meeting was adjourned at 6:56 p.m.

## Harbormaster report March 2024

Anodes Project Update: Anodes continue to arrive in Wrangell and the contractor is still scheduled to arrive in Wrangell in the first week of April.

Security System update: There will be a delay of up to 6 weeks on this project. Some equipment to tie Shoemaker and Heritage to the office was overlooked and the contractor is submitting a changer order. This will be an additional cost of between \$40k to \$50k. This still keeps the project well under the grant award amount.

RAISE Grant Application update: With the collaborative efforts of Carol Rushmore, along with several state, federal agencies, and dedicated city staff members, our team successfully submitted the RAISE grant application on February 27, 2024. This achievement was the result of over 500 hours of hard work and dedication since the decision was made to pursue the grant opportunity on January 1, 2024.

The focus of our application is to secure funding to replace the Inner Harbor, Reliance float, and Standard Oil float facilities. These critical infrastructure projects are essential for supporting freight, passenger transportation, subsistence, and fishing in our community.

The RAISE Grant program is a vital initiative that supports communities nationwide in undertaking crucial transportation infrastructure projects. The program ensures equitable distribution of funds, with approximately half of the grants allocated to rural projects and the other half to urban projects. There is an additional \$15 million earmarked for projects in Areas of Persistent Poverty or Historically Disadvantaged Communities, with the potential for up to 100 percent federal cost share.

The successful submission of our RAISE grant application marks a significant milestone in our efforts to enhance transportation infrastructure in our community. We are grateful for the dedication and hard work of all team members involved in this endeavor and remain hopeful for a positive outcome that will benefit our community for years to come.

CVA grant: The pump out has been ordered and should arrive in Wrangell 3 weeks from now. This project will be completed this spring early summer.

Metal roofing was also ordered to reroof the Harbormaster office this summer when weather we get some sunny weather. This project will be completed by harbor staff. The building is just shy of 25 years old and the current asphalt shingles are starting to fail.

PND Condition Assessment Inner Harbor, Reliance float and Standard Oil float: Included in packet.

Wrangell Visitor Economy for 2024 included in packet provided by Rain Coast Data.





# WRANGELL HARBOR BASIN REVITALIZATION & TRANSPORTATION RESILIENCY CONDITION ASSESSMENT

FEBRUARY 23, 2024

242010.01

**PREPARED FOR:**



**CITY & BOROUGH OF WRANGELL**

PO Box 531

Wrangell, AK 99929

**PREPARED BY:**



ENGINEERS, INC.

**PND ENGINEERS, INC.**

9360 Glacier Hwy., Ste. 100

Juneau, AK 99801





**TABLE OF CONTENTS**

	Pages
<b>SECTION 1: EXECUTIVE SUMMARY .....</b>	<b>1</b>
<b>SECTION 2: INNER HARBOR .....</b>	<b>18</b>
<b>SECTION 3: RELIANCE HARBOR. ....</b>	<b>17</b>
<b>SECTION 4: STANDARD OIL HARBOR .....</b>	<b>17</b>



ENGINEERS, INC.

## SECTION 1: EXECUTIVE SUMMARY



## **EXECUTIVE SUMMARY**

The purpose of this document is to provide the City and Borough of Wrangell (CBW) with a general condition overview of three of its major harbor facilities within the Wrangell Harbors Basin to assist the CBW with evaluating and prioritizing the facilities in order to determine and secure long-term funding necessary for upgrades and improvements. Facility background information, observed conditions, recommendations, estimated remaining usable service life, and photo documentation for each of the three facilities is provided herein. Specific designs for repair or replacement work are not included in this report.

## **CONDITION ASSESSMENT**

The condition assessment field work was performed by PND Engineers, Inc. on February 2, 2024.

Three marine facilities owned and maintained by the City and Borough of Wrangell were included in this effort. The primary components of each facility were examined at both low tide and high tide to note deficiencies that affect function, service life, safety, and code compliance. The condition overview was limited to visual examination of primary structural components and utilities to document mechanical damage, rot, corrosion and other evidence of deterioration. Detailed inspections of the electrical systems, equipment and gear at each facility were not included in the scope of this inspection. No underwater or dive inspection was performed as part of this condition assessment.

Prior to field investigations, initial work tasks included the collection and review of available design documents, as-builts and construction records related to Wrangell's facilities. The drawings were used as base maps to organize and identify specific areas of each facility.

## **CONCLUSIONS**

Along with documentation of the condition assessment findings and recommendations, a remaining safe and usable service life for each facility was estimated. Within this report, the term 'safe and usable service life' is generally defined as the duration that a facility is fit to adequately and safely perform its intended purpose. In Southeast Alaska, 30 years is a common industry standard used for estimating the service life of new marine facilities without significant rehabilitation during their lifespan. However, with rigorous and consistent maintenance procedures, the service life of most marine facilities can be extended. Combined with the field assessments, the review and examination of facility background information including dates of construction, repairs/upgrades and additions produced an estimated remaining safe and usable service life for each facility. These, along with user demand of each facility and a general assessment of facility importance to the community will all be factors the CBW should consider in establishing priority and determining project budgets that are achievable with the assistance of federal and state grant funds.



ENGINEERS, INC.

## SECTION 2: INNER HARBOR CONDITION ASSESSMENT



## SECTION 2: INNER HARBOR

### BACKGROUND

Inner Harbor was designed by the State of Alaska, Department of Transportation and Public Facilities (AKDOT&PF), and has undergone several expansion and repair/replacement projects within its service life. The earliest project appears to have been in 1962 when the timber mainwalk floats were installed along with a timber trestle accessing the floats from Shakes Island. The existing finger floats, that remain in place today, were installed on the mainwalks a few years later in 1966. In 1973, the trestle access from Shakes Island was removed and the current approach dock and parking area were constructed. In 1980, the timber mainwalks were replaced and the finger floats that were constructed in 1966 were reattached to them and sediment in the basin at the outfall of a drainage ditch was removed. Around 2010, a new aluminum gangway and gangway landing float were installed.

The harbor uplands consist of a small asphalt parking area with space for approximately 26 vehicles. The majority of the parking area is owned by CBW but a small portion at the southeast corner of the lot is leased to them.

The marine structures at the facility consist of a 69-ft long x 12-ft wide timber pile supported approach dock. The dock support piles are creosote treated timber piles spaced at 17'-0" on-center spans and are given lateral stability with 3x8 timber cross bracing. The timber piles support 12x12 timber pile caps and 4x14 interior longitudinal stringers (6x14 exterior stringers), with 3x12 treated timber decking nailed to the stringers. The perimeter of the dock is lined with an 8x8 timber bullrail and a timber handrail system. At the seaward end of the dock are two steel pipe piles with a steel pile cap that support an 80-ft long ADA compliant aluminum gangway that lands on the moorage floats.

The timber main floats are typical of early AKDOT&PF design features and consist of creosote-treated 4x6 (interior) and 6x8 (exterior) stringers that run longitudinally the length of the float and are connected to creosote-treated 6x6 transverse sills. Polystyrene billets bear against the transverse sills and provide flotation for the structure. The stringers support pressure-treated 2x10 decking and the float exterior edges have full-length, pressure-treated 8x8 timber bullrail and 2x8 rub boards.

The finger floats are constructed similar to the mainwalk floats but with lighter duty (3x6) stringers and cleats in lieu of bullrail for vessel tie off points. Below the deck of the finger floats is a 2" diameter galvanized pipe torsion rod which is intended to laterally stabilize the floats.

### OBSERVATIONS

#### **APPROACH DOCK & GANGWAY:**

Overall, the approach dock is in fair condition, with the following conditions noted:

- **Timber Backwall** – The creosote preservative treatment on the timber fascia boards is wearing thin and some light mold is beginning to show on the timber. However, the boards appear to be in sound structural condition and are adequately retaining the fill behind them.
- **Timber Deck** – The timber deck appears to be in sound structural condition. In several locations the gap between deck boards is greater than ½" and is not ADA compliant. The orientation of the

deck boards longitudinal to foot traffic can become slippery when wet or covered with moss/mold.

- **Handrails** – The timber handrails and bullrail are in fair condition. There is some softening and rot at the shoreward end of the bullrail on both sides of the dock but it appears isolated to the end few inches of timber. The large openings (greater than 4”) between the timber handrails are not ADA compliant and could present a safety concern.
- **Pile Caps and Stringers** – The pile caps and stringers are in overall fair to good condition. The caps and stringers on the shoreward end of the dock are covered with mold and organics on the surface, which is an indication that the preservative treatment is reduced and there is no longer adequate protection against rot.
- **Cross Bracing** – The timber cross-bracing is in poor condition. Due to rot/deterioration and damage (splitting) within the inter-tidal zone, none of the cross bracing are currently connected, effective or providing their intended lateral support.
- **Timber Piles** – The creosote-treated timber piles are in overall fair to good condition. Creosote treatment is visible and the piles appear to be sound with no rot or decay found. Mussels and other marine growth were observed on the piles within the inter-tidal range.
- **Steel Piles** - The steel gangway support piles are in good condition. The galvanized coatings between the majority of the lower intertidal zone and pile top is sound and no significant corrosion was observed. Welded on anodes are installed on the piles and have a significant amount of remaining service life.
- **Gangway** – The overall condition of the aluminum gangway is good due to its relatively recent installation. The non-skid coating on the transition plate at the float end is worn and is no longer providing adequate traction for pedestrian traffic.

#### MOORAGE FLOATS:

- **Headwalk Float**
  - deteriorated deckboards throughout (several recently replaced) with greater than ½” gaps between boards
  - significantly rotten bullrail throughout
  - missing rubboards throughout
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Mainwalk Float A**
  - Large gap/trip hazard at connection to headwalk float
  - float listing and low freeboard (4”), submerged float stringers throughout
  - deteriorated deckboards throughout (several recently replaced) with greater than ½” gaps between boards
  - significantly rotten bullrail throughout
  - rotten float stringers throughout
  - significant listing at float end/vessel impact

- timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Mainwalk Float B**
  - deteriorated deckboards throughout (several recently replaced) with greater than ½” gaps between boards
  - significantly rotten bullrail throughout
  - rotten float stringers throughout
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **2’x17’ Finger Floats**
  - significant side to side float listing throughout with weak/unstable connections to main floats
  - several fingers on mainwalk B with excessively low freeboard (4”)
  - missing rubboards throughout
  - rotten timbers throughout
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **3’x32’ Finger Floats**
  - float to float connections worn throughout due to wave action/corrosion
  - several fingers with side to side listing issues
  - several fingers with low freeboard (4”) at float ends
  - two locations of significant damage/vessel impact on mainwalk B
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Timber Piles** – Overall, the timber moorage float piles are in fair condition. Heavily coated creosote treated timber piles without boreholes typically have long service lives in Alaska. Many of the piles are worn from rubbing against the pile hoops.
- **Harbor Basin** – A small drainage ditch on the northeast side of the parking area drains into the harbor basin approximately 100’ south of the gangway landing float. The ditch was relocated to its current alignment in 1973 when the uplands parking area was constructed and the basin was subsequently dredged in 1980 due to build up of sedimentation. Since then, the drainage has continued to deposit sediment that has now accumulated to a pile at approximately -2’ MLLW.

#### WATER, FIRE, ELECTRICAL & SUPPORT SYSTEMS:

- **Water System** – The harbor water system has a network of HDPE piping fitted with hose bibbs for patrons to connect garden hoses. The system appears to minimally serve the need for water, but it is our understanding that the water system in general requires regular maintenance to keep it functional. The system is not freeze protected (insulated or heat traced) and requires temperature actuated valves at the main ends to continuously circulate water throughout the

winter to keep sitting water in the standpipes from freezing. This condition likely comes at a cost of excess water use by the CBW and possibly some issues with Department of Environmental Conservation (DEC) compliance. Although an in-depth research into components of this system was not performed, it seems unlikely that all components consist of National Sanitation Foundation (NSF) certified materials for safe drinking water.

- **Fire Suppression System** – The 2” water main provides some fire suppression capacity and there are currently several large dry-chemical fire extinguishers mounted on the floats. The extinguishers are under cover in enclosed aluminum cabinets which are in good condition.
- **Electrical System** – There is overhead lighting on the floats and shore power is available to vessels in the larger slips. According to harbor staff the shore power pedestals require significant maintenance and replacement parts that are often difficult or no longer available to source for replacement. Due to height above the deck, the overhead lighting (mounted to the pile tops) makes it difficult to replace bulbs when compared to pole mounted lighting.

#### **SUMMARY AND REMAINING SERVICE LIFE:**

- **Float System** –Typical floating dock structures have an intended service life of around 30 years depending on the floats construction components, its installed environment, subjected use and client needs. Being installed in the 1960’s, and based on the observed deterioration throughout the harbor, the harbor float system has exceeded its intended design life and is in poor condition. The float system is at a point where it requires costly regular maintenance and inspections to identify the ongoing list of damaged and degrading materials that are adversely affecting the structural integrity and safe use of the facility. It is recommended that the CBW continue their efforts to evaluate alternatives for replacement of this public facility as soon as feasible.
- **Approach Dock** – The approach dock is currently functioning well and is generally in fair condition for the age of the facility. The primary concern of the structure is ADA compliancy due to deck and handrail issues and the deteriorated timber cross bracing. It is estimated that the approach dock has a remaining service life of approximately 10-20 years contingent upon installation of cross bracing and regular monitoring and maintenance of its condition.
- **Gangway** – The gangway is currently in good condition due to its relatively recent installation. It is recommended that that the transition plates have new non-skid coatings applied to them. It is estimated that the gangway has a remaining service life of approximately 20-30 years.
- **Harbor Basin** – The accumulation of sediment beneath the floats not only presents moorage and navigation issues at low tide, it causes sections of the float to ground while others don’t, in turn creating cantilevered spans in float timbers that far exceed their capacity. This situation is placing undue stress on float connections and causing damage to structural float members, ultimately leading to a reduced lifespan and diminished usability of the facility. It is recommended that the basin be dredged to remove accumulated sediment as soon as possible.

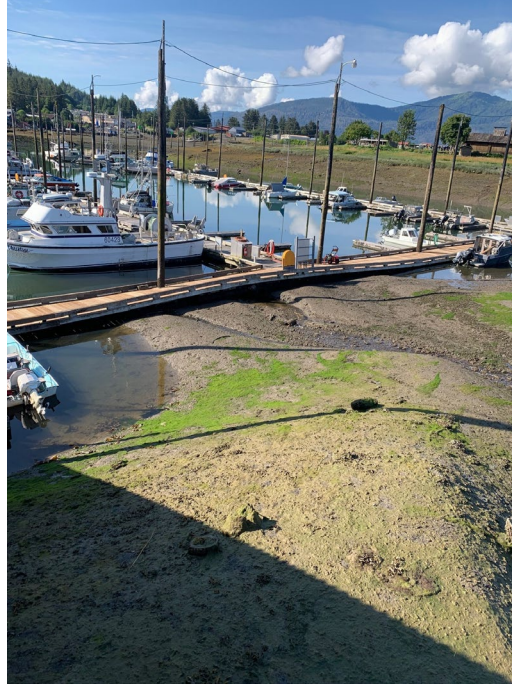




**Photo 1.** Uplands parking area



**Photo 2.** Drainage ditch



**Photo 3.** Floats grounded at low tide/sediment build up



**Photo 4.** Topside of approach dock



**Photo 5.** Profile of approach dock/broken cross bracing



**Photo 6.** Timber backwall, stringers, pile cap



**Photo 7.** Overview of gangway



**Photo 8.** Overview of headwalk



**Photo 9.** Typical split/rotten headwalk bullrail



**Photo 10.** Trip hazard at float to float connection



**Photo 11.** Rotten bullrail on mainwalk A



**Photo 12.** Typical rotten bullrail end on mainwalk A



**Photo 13.** Damaged deckboard/trip hazard



**Photo 14.** Typical moss/organics/plant growth on float timbers



**Photo 15.** Typical 2'x17' finger float condition



**Photo 16.** Loss of finger flotation at float end





**Photo 17.** Significant 32' finger float damage



**Photo 18.** Missing float rubboard/listing issues



**Photo 19.** Submerged float timbers/leeching creosote/organic growth/worn pile



**Photo 20.** Excessively low float freeboard (5")



**Photo 21.** Damaged float/no pile restraint/rotten timbers



**Photo 22.** Damaged finger float end



**Photo 23.** Submerged float timbers



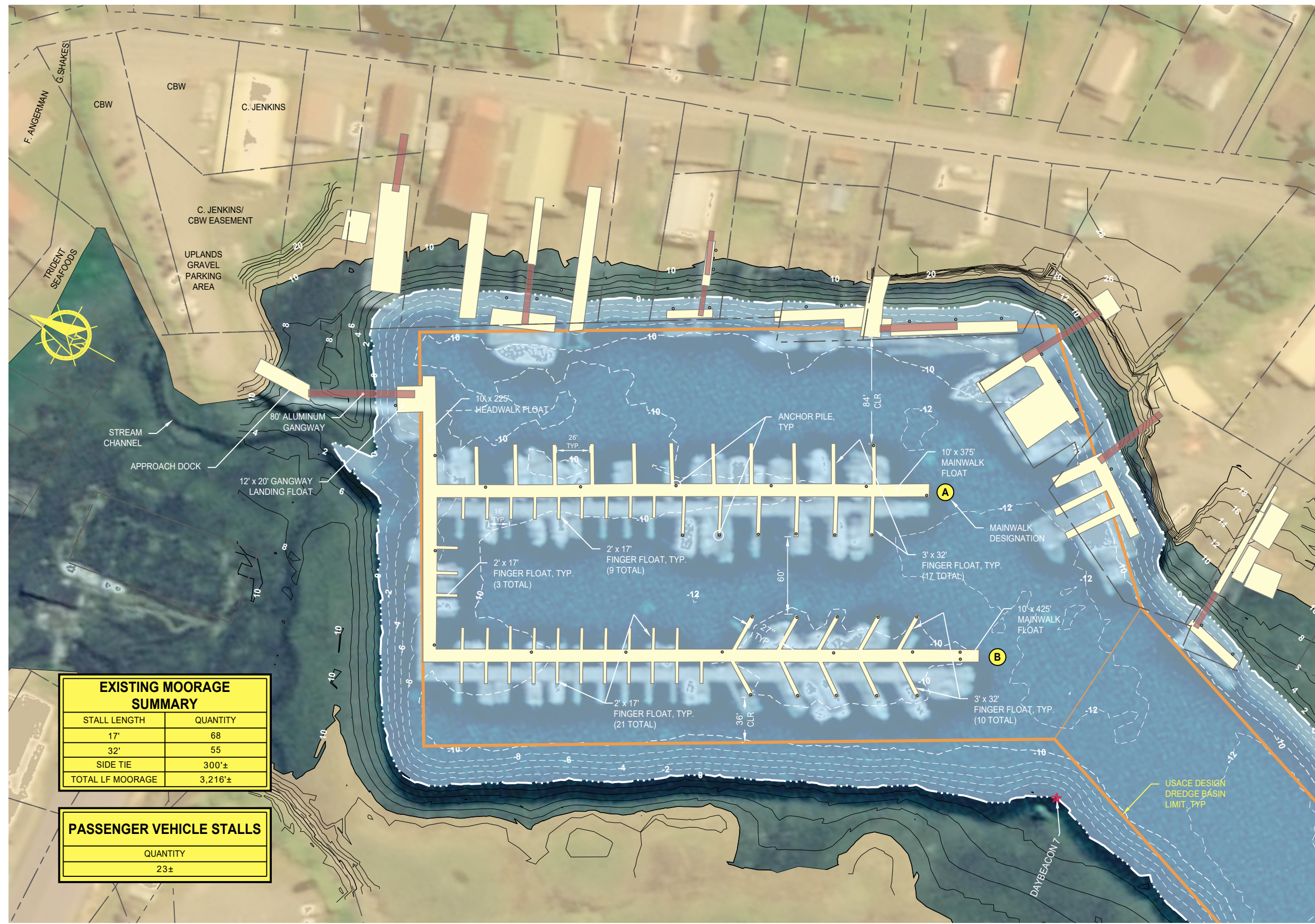
**Photo 24.** Typical fire extinguisher in cabinet



**Photo 25.** Typical shore power and water pedestal



**Photo 26.** Running water at end of water mainline



EXISTING MOORAGE SUMMARY	
STALL LENGTH	QUANTITY
17'	68
32'	55
SIDE TIE	300'±
TOTAL LF MOORAGE	3,216'±

PASSENGER VEHICLE STALLS	
QUANTITY	
23±	

REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

**PND ENGINEERS, INC.**

9360 Glacier Highway Ste 100  
Juneau, Alaska 99801  
Phone: 907-586-2093  
Fax: 907-586-2099  
www.pndengineers.com

DESIGN: BMI    CHECKED: -  
DRAWN: PJD    APPROVED: -

SCALE: SCALE IN FEET  
0    40    80 FT.

**CONCEPT**

DATE: 2/09/24

CITY & BOROUGH OF WRANGELL  
**WRANGELL HARBOR BASIN REVITALIZATION & TRANSPORTATION RESILIENCY**

SHEET TITLE: **INNER HARBOR EXISTING CONDITIONS**

PND PROJECT NO.: 242010    C.A.N. NO.: AECC250

**3**





## SECTION 3: RELIANCE HARBOR CONDITION ASSESSMENT



### **SECTION 3: RELIANCE HARBOR**

#### **BACKGROUND**

Reliance Harbor was designed by the State of Alaska, Department of Transportation and Public Facilities (AKDOT&PF), however, the original date of design and the construction of the original facility is unknown and it is apparent that the facility has undergone several expansion and repair/replacement projects within its service life. The earliest available design drawings from the AKDOT&PF are from a timber float replacement project which occurred in 1962. A large float replacement project occurred in 1974 which makes up the majority of floats that are currently in place. Around 2010, a new aluminum gangway and gangway landing float were installed and the portion of headwalk float which also serves as a breakwater float was replaced.

The marine structures at the facility consist of a large vehicular rated pile supported dock that supports the gangway leading to the float. The pile supported dock was not observed under the scope of this condition assessment.

The timber main floats are typical of early AKDOT&PF design features and consist of creosote-treated 4x6 (interior) and 6x8 (exterior) stringers that run longitudinally the length of the float and are connected to creosote-treated 6x6 transverse sills. Polystyrene billets bear against the transverse sills and provide flotation for the structure. The stringers support pressure-treated 2x10 decking and the float exterior edges have full-length, pressure-treated 8x8 timber bullrail and 2x8 rub boards.

The gangway landing float and breakwater float are similar to the mainwalks but constructed with heavier glulam timber members.

#### **OBSERVATIONS**

##### **GANGWAY:**

- **Gangway** – The overall condition of the aluminum gangway is good due to its relatively recent installation. The non-skid coating on the transition plate at the float end is worn and is no longer providing adequate traction for pedestrian traffic.

##### **MOORAGE FLOATS:**

- **Breakwater Float**
  - separation between float to float splice connections due to wave action
  - damaged bullrail east side due to vessel impact/bow rubbing during wave action
  - sections of missing rubboard
- **Headwalk Float**
  - worn/split/damaged decking throughout. Greater than ½” gaps between deck boards at several locations. Deckboards actively being replaced throughout.
  - rotten longitudinal float stringers throughout



- sections of missing rubboard
- timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- damage to float timbers at end of float/vessel impact
- **Mainwalk Float A**
  - end pile hoop submerged due to loss of freeboard, heavily corroded.
  - worn/split/damaged decking throughout. Greater than ½" gaps between deck boards at several locations.
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Mainwalk Float B**
  - missing (due to complete corrosion) pile hoop at float end
  - entire main float relying on bolted connection to headwalk, inadequate connection for mooring loads. Bolted connection to headwalk corroded/reduced cross section.
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Mainwalk Float C**
  - missing (due to complete corrosion) pile hoop at float end
  - missing (due to complete corrosion) pile hoop at float mid-point
  - entire main float relying on bolted connection to headwalk, inadequate connection for mooring loads. Bolted connection to headwalk corroded/reduced cross section.
  - rotten float stringers at pile hoop damage
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Mainwalk Float D**
  - missing (due to complete corrosion) pile hoop at float end
  - submerged/corroded pile hoop at float mid-point
  - bolted connection to headwalk corroded/reduced cross section.
  - Rotten float stringers at pile hoop impact damage
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Mainwalk Float E**
  - missing (due to complete corrosion/impact) pile hoop at float end
  - significant float damage at pile hoop at float mid-point
  - main float relying on bolted connection to headwalk, inadequate connection for mooring loads. Bolted connection to headwalk corroded/reduced cross section.
  - rotten float stringers at pile hoop damage

- low float freeboard (5") near connection to headwalk, loss of flotation
  - timbers with minimal remaining treatment throughout; organics, grass, algae present throughout
- **Timber Piles** – Overall, the timber moorage float piles are in fair condition. The tops of several piles have small plants growing from them indicating rot on their exposed tops. Several piles are worn due to rubbing against pile hoops. One pile between mainwalk C and D has a significant lean likely due to hard vessel impact on the float at that location.
  - **Steel Piles** – Portions of the steel mooring piles on the breakwater float are visible in the tidal zone are in good condition with galvanized coatings remaining. Submerged portions of the pile were not observed but according to harbor staff anodes were installed on the piles during their initial installation.

#### **WATER, FIRE, ELECTRICAL & SUPPORT SYSTEMS:**

- **Water System** – The harbor water system has a network of HDPE piping fitted with hose bibbs for patrons to connect garden hoses. The system appears to minimally serve the need for water, but it is our understanding that the water system in general requires regular maintenance to keep it functional. The system is not freeze protected (insulated or heat traced) and requires temperature actuated valves at the main ends to continuously circulate water throughout the winter to keep sitting water in the standpipes from freezing. This condition likely comes at a cost of excess water use by the CBW and possibly some issues with Department of Environmental Conservation (DEC) compliance. Although an in-depth research into components of this system was not performed, it seems unlikely that all components consist of National Sanitation Foundation (NSF) certified materials for safe drinking water.
- **Fire Suppression System** – There is no fire suppression standpipe system on the floats, however, there are currently several large dry-chemical fire extinguishers mounted on the floats. The extinguishers are under cover in enclosed aluminum cabinets which are in good condition.
- **Electrical System** – Around 2010, a significant harbor electrical upgrade project was performed which included replacement of main distribution panels and conductor feeds to the harbor as well as upgrading the harbor lighting from pile mounted to pole mounted. The shore power pedestals on the breakwater float were also upgraded at this time, however, the remainder and majority of the harbor shore power pedestals were not upgraded, and according to harbor staff continue to require significant maintenance and replacement parts that are often difficult or no longer available to source.

#### **SUMMARY AND REMAINING SERVICE LIFE:**

- **Float System** – Typical floating dock structures have an intended service life of around 30 years depending on the floats construction components, its installed environment, subjected use and client needs. Being installed in the 1970's, and based on the observed deterioration, the majority of the harbor float system has exceeded its intended design life and is in poor condition. The breakwater floats are in considerably better condition and have some remaining service life, however, it may likely be cost effective and prudent to plan for their replacement with any upcoming major harbor upgrade. The float system is at a point where it requires costly regular maintenance and inspections to identify the ongoing list of damaged and degrading materials that are adversely affecting the structural integrity of the facility. Significant corrosion and damage to pile hoops throughout the harbor has resulted in several mainwalks which are not adequately

anchored and are at risk of separating from their connection to the headwalk. It is recommended that the CBW continue their efforts to evaluate alternatives for replacement of this public facility as soon as feasible.

- **Gangway** – The gangway is currently in good condition due to its relatively recent installation. It is recommended that that the transition plates have new non-skid coatings applied to them. It is estimated that the gangway has a remaining service life of approximately 20-30 years.



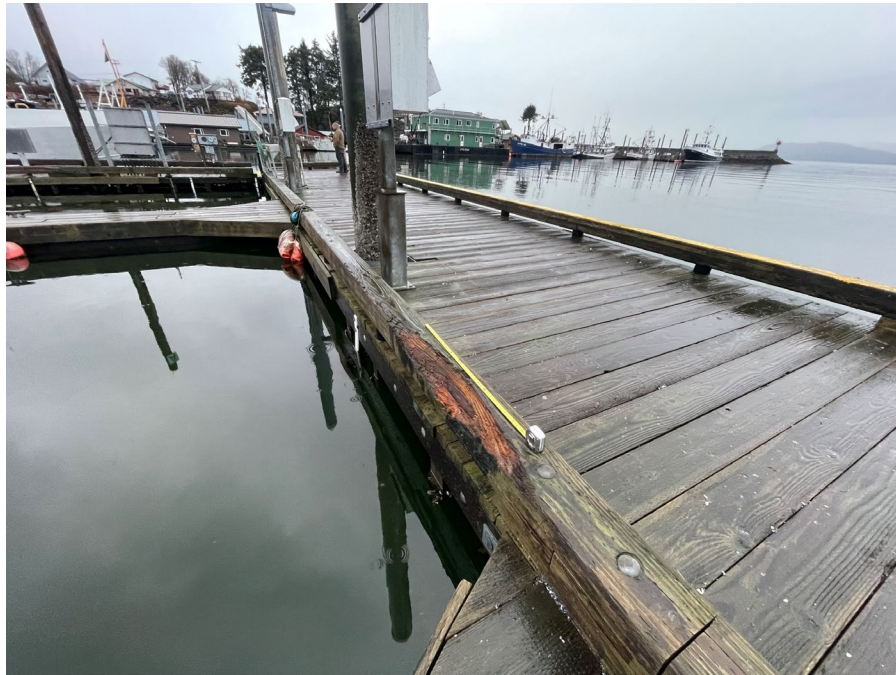
**Photo 1.** Overview of gangway/breakwater float



**Photo 2.** Overview of breakwater float/2010 electrical improvements



**Photo 3.** Damaged float to float connection splice



**Photo 4.** Worn bullrail from vessel impact



**Photo 5.** Overview of headwalk float



**Photo 6.** Typical large gap between deckboards



**Photo 7.** Typical worn/corroded mainwalk connection bolt



**Photo 8.** Overview of headwalk float



**Photo 9.** Worn pile/rubbing/organic growth



**Photo 10.** Mainwalk B, missing pile hoop





**Photo 11.** Corroded/missing pile hoop mainwalk A



**Photo 12.** Mainwalk E, low (5") freeboard, float listing



**Photo 13.** Submerged/corroded pile hoop, mainwalk A



**Photo 14.** Typical moss/organics/plant growth on float timbers



**Photo 15.** Corroded/missing pile hoop mainwalk C



**Photo 16.** Damaged float timbers/pile hoop mainwalk D



**Photo 17.** Loose/damaged rubboard/low freeboard



**Photo 18.** Listing finger float



**Photo 19.** Corroded/missing pile hoop mainwalk E



**Photo 20.** Damaged timbers at end of headwalk float



**Photo 21.** Rotten float stringers



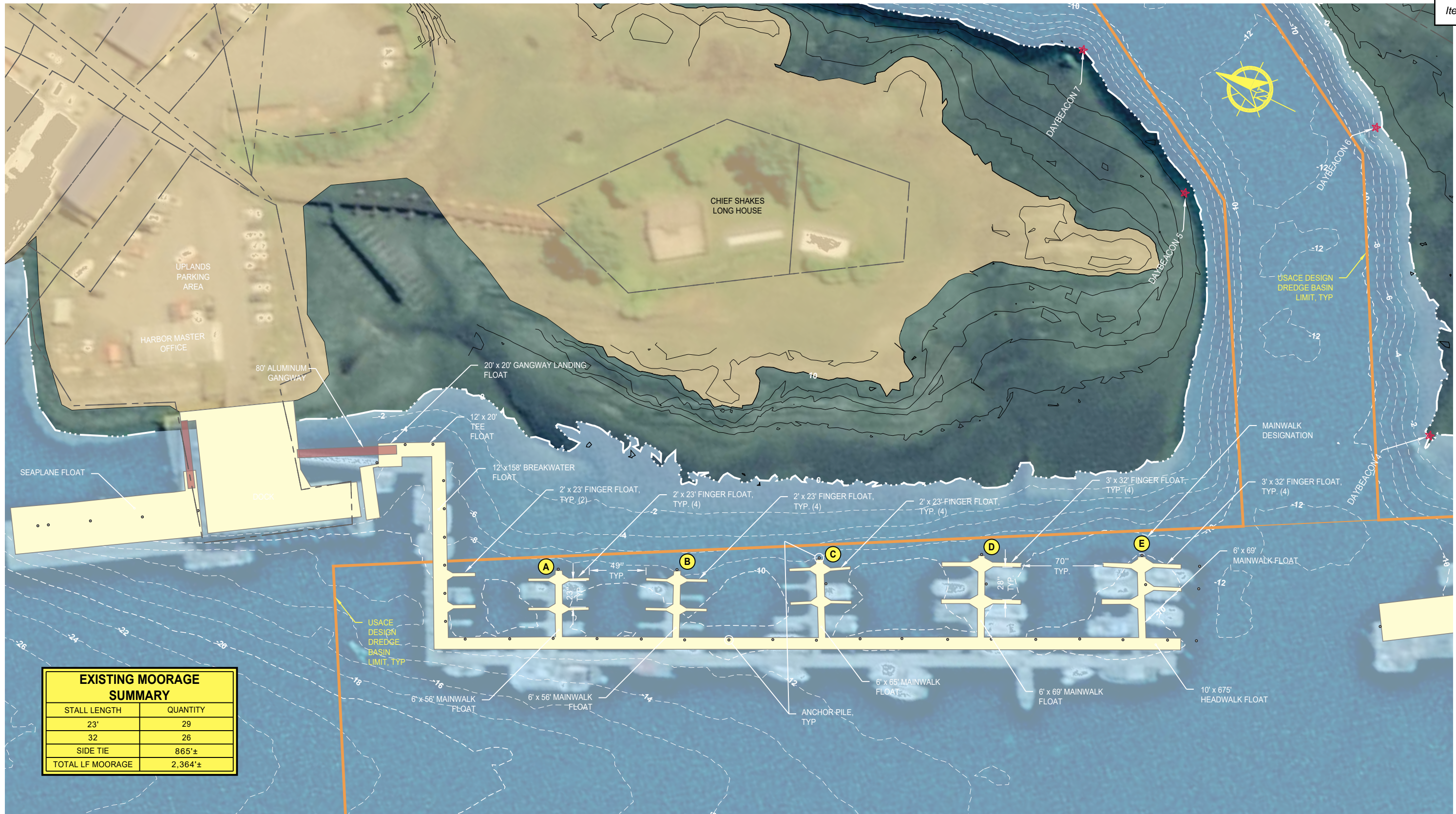
**Photo 22.** Typical headwalk shore power pedestal



**Photo 23.** Typical water pedestal



**Photo 24.** Typical mainwalk electrical pedestal



EXISTING MOORAGE SUMMARY	
STALL LENGTH	QUANTITY
23'	29
32'	26
SIDE TIE	865'±
TOTAL LF MOORAGE	2,364'±

REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

**P | N | D**  
ENGINEERS, INC.

9360 Glacier Highway Ste 100  
Juneau, Alaska 99801  
Phone: 907-586-2093  
Fax: 907-586-2099  
www.pndengineers.com

DESIGN: BMI    CHECKED: -  
DRAWN: PJD    APPROVED: -

SCALE IN FEET  
0    40    80 FT.

**CONCEPT**

DATE: 2/09/24

CITY & BOROUGH OF WRANGELL  
**WRANGELL HARBOR BASIN  
REVITALIZATION &  
TRANSPORTATION RESILIENCY**

SHEET TITLE:  
**RELIANCE HARBOR  
EXISTING CONDITIONS**

PND PROJECT NO.: 242010    C.A.N. NO.: AECC250





## SECTION 4: STANDARD OIL HARBOR CONDITION ASSESSMENT



## SECTION 4: STANDARD OIL HARBOR

### BACKGROUND

Standard Oil Harbor was designed by the State of Alaska, Department of Transportation and Public Facilities (AKDOT&PF), however, the original date of design and the construction of the facility is unknown and it is apparent that the facility has undergone several expansion and repair/replacement projects within its service life. The timber moorage system consists of floats from several different vintages. It's believed that the existing mainwalk floats, along with the approach dock, were installed sometime in the 1960's or before, as their construction details are indicative of the design style of float used by AKDOT&PF during that vintage. The finger floats are of more recent construction and appear to have been installed sometime around the 1990's. The 80' long aluminum gangway and gangway landing float were installed sometime around 2010.

The harbor uplands consist of a small gravel parking area with space for approximately 16 vehicles. The parking area is leased to the CBW.

The marine structures at the facility consist of a 110-ft long x 6-ft wide timber pile supported approach dock. The dock support piles are creosote treated timber piles spaced at 17'-0" on-center spans and are given lateral stability with 3x8 timber cross bracing. The timber piles support 12x12 timber pile caps and 3x10 longitudinal stringers, with 2x12 treated timber decking nailed to the stringers. The perimeter of the dock is lined with a timber handrail system. At the seaward end of the dock are two steel pipe piles with a steel pile cap that support an 80-ft long ADA compliant aluminum gangway that lands on the moorage floats.

The timber main floats are typical of early AKDOT&PF design features and consist of creosote-treated 4x6 (interior) and 6x8 (exterior) stringers that run longitudinally the length of the float and are connected to creosote-treated 6x6 transverse sills. Polystyrene billets bear against the transverse sills and provide flotation for the structure. The stringers support pressure-treated 2x10 decking and the float exterior edges have full-length, pressure-treated 8x8 timber bullrail and 2x8 rub boards. The finger floats are of more recent era but constructed similar to the mainwalk floats and with lighter duty (3x6) stringers.

### OBSERVATIONS

#### **APPROACH DOCK & GANGWAY:**

Overall, the approach dock is in fair condition, with the following conditions noted:

- **Timber Backwall** – The creosote treated timber backwall appears to be in sound structural condition and adequately retaining the fill behind it.
- **Timber Deck** – The timber deck appears to have been recently replaced (within 10-15 years) and is in sound structural condition.
- **Handrails** – The timber handrails and bullrail are in good condition and have been recently replaced (within 5-10 years). The large openings (greater than 4") between the timber handrails are not ADA compliant and could present a safety concern.

- **Pile Caps and Stringers** – The pile caps and stringers are in overall fair to good condition. The stringers and caps are coated in thick creosote which has prolonged their service life.
- **Cross Bracing** – The timber cross-bracing is in poor condition. Due to rot/deterioration and damage (splitting) within the inter-tidal zone, approximately 30% of the cross bracing are currently disconnected, not effective or providing their intended lateral support.
- **Timber Piles** – The creosote-treated timber piles are in overall fair to good condition. Creosote treatment is visible and the piles appear to be sound with no rot or decay found. Mussels and other marine growth were observed on the shoreward piles within the inter-tidal range.
- **Steel Piles** - The steel gangway support piles are in good condition. The galvanized coatings between the majority of the lower intertidal zone and pile top is sound and no significant corrosion was observed. Welded on anodes are installed on the piles and have a significant amount of remaining service life.
- **Gangway** – The overall condition of the aluminum gangway is good due to its relatively recent installation. The non-skid coating on the transition plate at the float end is worn and is no longer providing adequate traction for pedestrian traffic.

#### MOORAGE FLOATS:

- **Headwalk Float**
  - float listing and low freeboard (4"), submerged float stringers throughout
  - deteriorated deckboards throughout (several recently replaced) with greater than ½" gaps between boards
  - nail heads sticking above deck boards (trip hazards)
  - rotten bullrail throughout
  - rotten float stringers throughout
  - vessel impact damage at float end/rotten float stringers
  - large portions of missing rubboards
  - vertical trip hazard at float to float connections
  - no remaining timber treatment throughout/vegetation/organics on float timbers
- **3'x17' Finger Floats**
  - significant side to side float listing
  - rotten float stringers
  - missing rubboards
- **5'x50' Finger Floats**
  - float to float connections worn throughout due to wave action/corrosion
  - side to side listing on several float units

- **Timber Piles** – Overall, the timber moorage float piles are in fair condition. Several small tress are growing out of the pile tops indicating rot in the exposed pile top. Many of the piles are worn from rubbing against the pile hoops.

#### **WATER, FIRE, ELECTRICAL & SUPPORT SYSTEMS:**

- **Water System** – The harbor water system has a network of HDPE piping fitted with hose bibbs for patrons to connect garden hoses. The system appears to minimally serve the need for water, but it is our understanding that the water system in general requires regular maintenance to keep it functional. The system is not freeze protected (insulated or heat traced) and requires temperature actuated valves at the main ends to continuously circulate water throughout the winter to keep sitting water in the standpipes from freezing. This condition likely comes at a cost of excess water use by the CBW and possibly some issues with Department of Environmental Conservation (DEC) compliance. Although an in-depth research into components of this system was not performed, it seems unlikely that all components consist of National Sanitation Foundation (NSF) certified materials for safe drinking water.
- **Fire Suppression System** – There is no fire suppression standpipe system on the floats, however, there are currently several large dry-chemical fire extinguishers mounted on the floats. The extinguishers are under cover in enclosed aluminum cabinets which are in good condition.
- **Electrical System** – There is overhead lighting on the floats and shore power is available to vessels in the larger slips. Due to height above the deck, the overhead lighting (mounted to the pile tops) makes it difficult to replace bulbs when compared to pole mounted lighting. Around 2010, a significant harbor electrical upgrade project was performed which included replacement of main distribution panels and conduit feeds to the harbor as well as upgrading the shore power pedestals.

#### **SUMMARY AND REMAINING SERVICE LIFE:**

- **Float System** –The condition of the timber moorage floats vary primarily due to the amount of time that different elements have been in service. Typical floating dock structures have an intended service life of around 30 years depending on the floats construction components, its installed environment, subjected use and client needs. With mainwalk floats being installed in the 1960's or before, and based on the observed deterioration throughout, they have exceeded their intended design life and are in poor condition. While the 5'x50 finger floats are in considerably better condition and have some remaining service life, it would likely be cost effective and prudent to plan for their replacement with any upcoming major harbor upgrade. The float system is at a point where it requires costly regular maintenance and inspections to identify the ongoing list of damaged and degrading materials that are adversely affecting the structural integrity and safe use of the facility. It is recommended that the CBW continue their efforts to evaluate alternatives for replacement of this public facility as soon as feasible.
- **Approach Dock** – The approach dock is currently functioning well and is generally in fair condition for the age of the facility. The primary concern of the structure is ADA compliancy due to handrail issues and the deteriorated timber cross bracing. It is estimated that the approach dock has a remaining service life of approximately 10-20 years contingent upon installation of cross bracing and regular monitoring and maintenance of its condition.

- **Gangway** – The gangway is currently in good condition due to its relatively recent installation. It is recommended that that the transition plates have new non-skid coatings applied to them. It is estimated that the gangway has a remaining service life of approximately 20-30 years.



**Photo 1.** Overview of parking area



**Photo 2.** Overview of approach dock



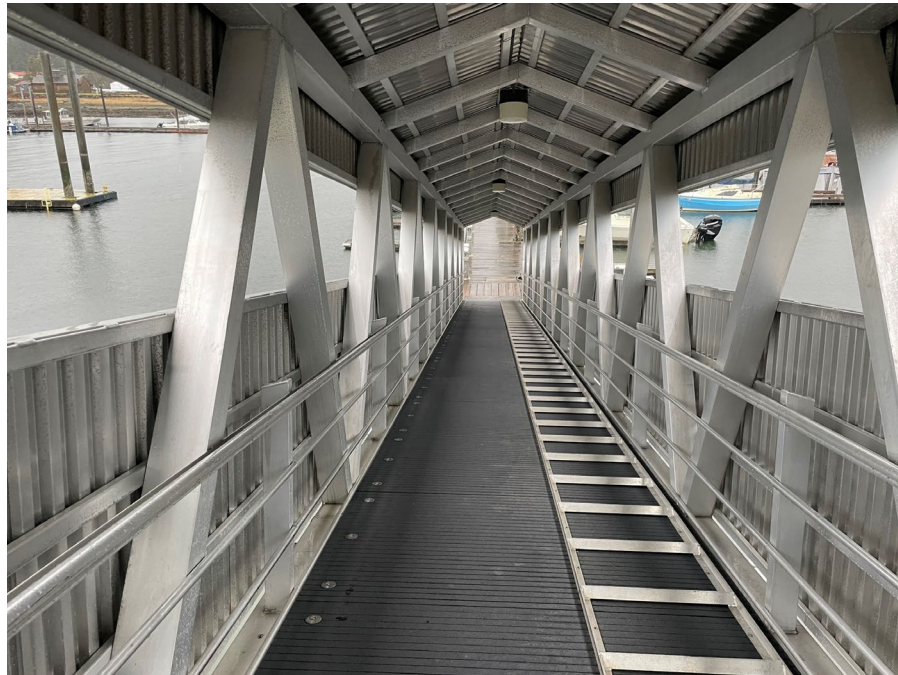
**Photo 3.** Topside of approach dock/large gap between handrails



**Photo 4.** Profile of approach dock and gangway



**Photo 5.** Damaged approach dock cross bracing



**Photo 6.** Interior of aluminum gangway





**Photo 7.** Overview of main float



**Photo 8.** Worn pile/float rubbing



**Photo 9.** Damaged 2'x17' finger float



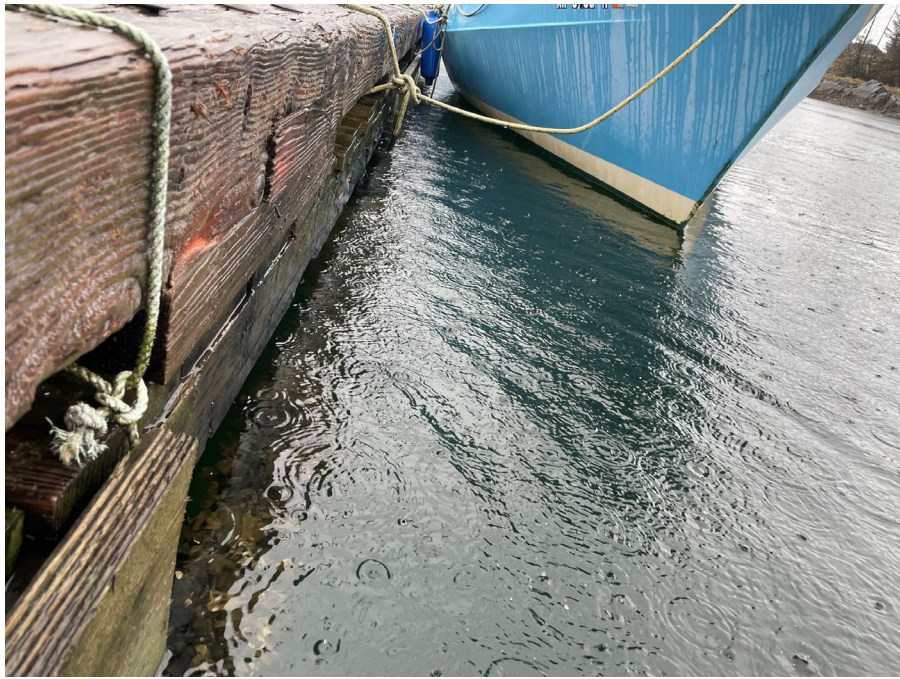
**Photo 10.** Listing 2'x17' finger float/rotten stringer



**Photo 11.** Trip hazard at float to float connection/damaged connection



**Photo 12.** Typical rotten bullrail



**Photo 13.** Missing rubboard sections



**Photo 14.** Several nails protruding up from decking, indicating rotten stringers beneath



**Photo 15.** Overview of mainwalk float



**Photo 16.** Damaged float to float splice connection



**Photo 17.** Typical rotten bullrail end



**Photo 18.** Listing finger float



**Photo 19.** Listing finger float



**Photo 20.** Corroded pile hoop



**Photo 21.** Rotten float stringers



**Photo 22.** Pile rubbing on float/bullrail

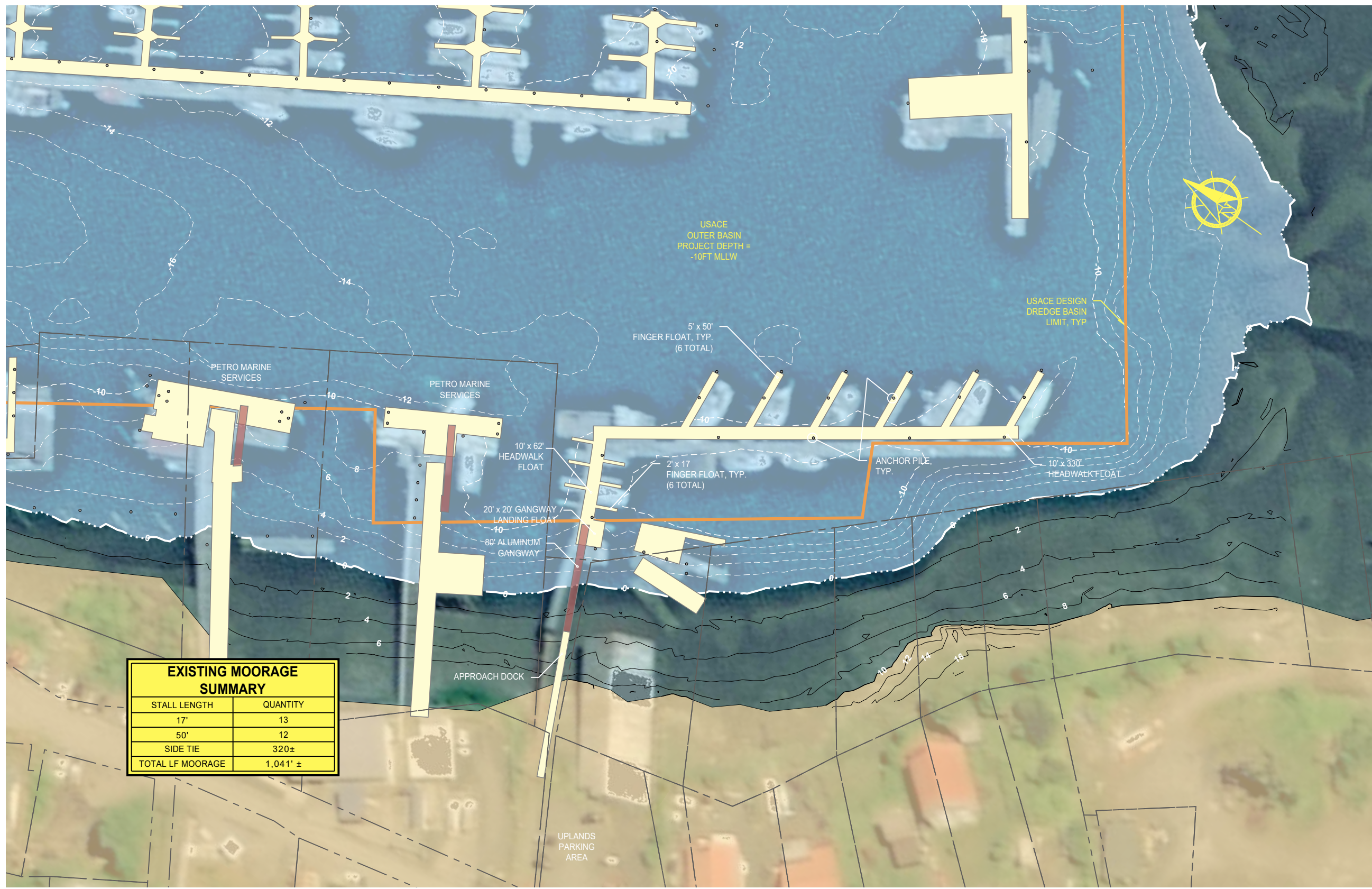




**Photo 23.** Overhead lighting/small tree growing on pile top



**Photo 24.** Typical mainwalk water pedestal



EXISTING MOORAGE SUMMARY	
STALL LENGTH	QUANTITY
17'	13
50'	12
SIDE TIE	320±
TOTAL LF MOORAGE	1,041' ±

REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

**PND**  
ENGINEERS, INC.

9360 Glacier Highway Ste 100  
Juneau, Alaska 99801  
Phone: 907-586-2093  
Fax: 907-586-2099  
www.pndengineers.com

DESIGN: BMI    CHECKED: -  
DRAWN: PJD    APPROVED: -

SCALE: SCALE IN FEET  
0      40      80 FT.

**CONCEPT**

DATE: 2/09/24

CITY & BOROUGH OF WRANGELL  
**WRANGELL HARBOR BASIN  
REVITALIZATION &  
TRANSPORTATION RESILIENCY**

SHEET TITLE:  
**STANDARD OIL HARBOR  
EXISTING CONDITIONS**

PND PROJECT NO.:242010    C.A.N. NO.:AECC250



# Wrangell Visitor Economy 2024

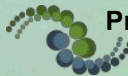
Prepared for

City and Borough of  
Wrangell



February 2024

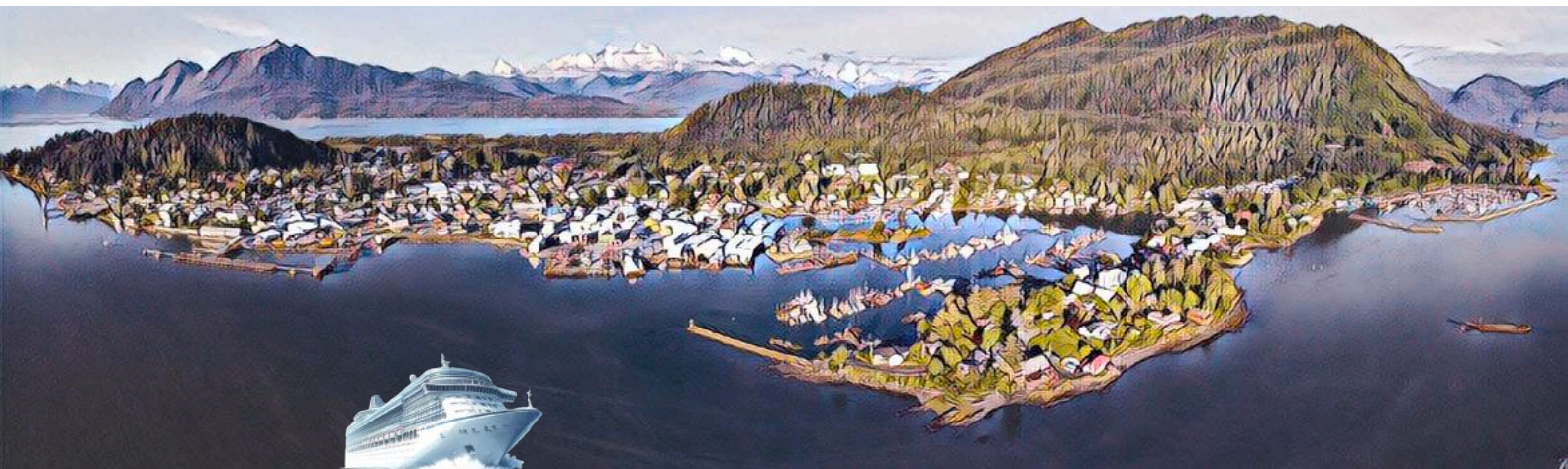
Prepared by  
Rain Coast Data



# Table of Contents

---

<b>WRANGELL VISITOR ECONOMY SUMMARY</b> .....	<b>1</b>
<b>OVERVIEW OF TOURISM IN WRANGELL</b> .....	<b>2</b>
<b>VISITOR EMPLOYMENT</b> .....	<b>3</b>
ANNUAL VISITOR INDUSTRY EMPLOYMENT 2013-2022 .....	4
<b>CHANGE IN THE VISITOR INDUSTRY</b> .....	<b>5</b>
TOTAL PASSENGER ARRIVALS .....	5
TOTAL TOURIST ARRIVALS (AS A SUBSET OF PASSENGER ARRIVALS) .....	6
Summer Tourists by Mode of Arrival .....	7
<b>SUMMER VISITATION AND SPENDING ANALYSIS</b> .....	<b>8</b>
<b>CRUISE PASSENGERS</b> .....	<b>10</b>
SMALL CRUISE SHIPS .....	13
MID-SIZED CRUISE SHIPS .....	13
LARGE CRUISE SHIPS .....	13
<b>AIR PASSENGERS</b> .....	<b>14</b>
<b>FERRY PASSENGERS</b> .....	<b>15</b>
<b>HOTELS AND BED AND BREAKFASTS</b> .....	<b>17</b>
Short-Term Airbnb and Vrbo Rentals .....	18
<b>ANAN, STIKINE, LECONTE TOURS ANALYSIS</b> .....	<b>19</b>
ANAN WILDLIFE OBSERVATORY .....	19
STIKINE RIVER, LECONTE GLACIER TOUR ANALYSIS .....	20
<b>2023 BUSINESS CLIMATE SURVEY</b> .....	<b>21</b>
WRANGELL TOURISM LEADERS .....	21



## Wrangell Visitor Economy Summary

Wrangell's tourism sector has fully recovered from the pandemic. The 2023 tourism season looked a lot like 2019. Wrangell's 2024 season is expected to be its biggest in terms of visitor volume since 2005 as large cruise ships return to the community. The community is expected to attract 27,800 to 34,700 air, cruise, yacht, and ferry tourists, depending on how full the cruises ships are.

**Tourism Employment and Earnings Trends:** Despite changes to the number and types of annual tourists, the Wrangell visitor sector has a relatively stable average just over of 100 annualized jobs. On an annual basis, the visitor sector is responsible for 10% of all local jobs, and 7% of workforce earnings. In 2022, the sector accounted for 105 annual average jobs with associated workforce earnings of \$3.3 million. Early projections indicate a small amount of job growth in 2023.

**105**  
Annual average  
Wrangell tourism  
jobs

**Cruise Projections:** In 2024, Wrangell is scheduled to receive 122 port calls from 21 ships. This year's schedule, for the first time in 19 years, includes large cruise ships. If ships run at full capacity, 31,427 cruise ship passengers would visit the community, a 6% capacity increase from 2023. However, in 2023 ships ran at 78% full, on average, and it is difficult to project how that might change in 2024. Wrangell welcomed just under 23,000 cruise passengers in 2023. Cruise passengers are expected to make up 90% of the community's tourists in 2024.

**6%**  
Projected  
increase in cruise  
ship passenger  
capacity in  
2024

**Total Tourist Arrival and Spending:** In 2023, based on an analysis of city sales tax reports and passenger data, visitors spent \$5.1 to \$5.2 million in Wrangell. Current projections are for 34,700 Wrangell tourists in 2024; however if ships do not run full, those numbers could be smaller. Visitors are likely to spend between \$5.5 and \$6.5 million in Wrangell during the summer of 2024, depending on ship passenger capacity levels.

**\$5.2  
million**  
tourist spending  
in Wrangell in  
2023

**Visitors by Ferry:** The number of ferry passengers traveling to Wrangell has been on the decline since the 1990s, but service cuts have been remarkably steep in the past decade, from more than 7,000 disembarking passengers in 2013 to just over 1,200 in 2022. While once a focus of Wrangell's tourism sector, ferry traffic is no longer a significant part of the local visitor economy. While some support may be on its way through the federal infrastructure bill, the Alaska Marine Highway System currently lacks sufficient crew and vessels to provide more service to Wrangell. Passenger service dropped an additional 19% in 2023, and is expected to account for 0.6% of all tourists in 2024.

**-19%**  
Decrease in ferry  
passengers in  
2022-2023

## Overview of Tourism in Wrangell

In the summer of 2023, more than 26,000 tourists visited Wrangell. In 2024, large cruise ships will be part of the Wrangell’s tourism economy for the first time since 2005, with nearly 35,000 tourists expected if the ships are full. Wrangell is scheduled to receive four visits from large cruise ships (ships with 1,300 passengers or more) in 2024.

Wrangell is a distinct and attractive visitor destination. Its unique “working waterfront” district sets Wrangell apart from the souvenir and diamond-centric shops found elsewhere in the region. Nestled at the edge of Wrangell Island, near the Stikine River’s mouth, the community is steeped in rich wildlife, cultural heritage, and historical significance.

In the early 2000s, Wrangell experienced a brief surge in large cruise ship visits. However, in the last two decades the Wrangell tourism sector has focused on accommodating ferry passengers, smaller cruise ships, and other more independent tourists. This model is changing. Large cruise ships are returning to the community, while deep cuts to Wrangell’s ferry service reduced ferry-based independent tourism by 89% over the last decade.

In addition to its working waterfront, Wrangell has unique opportunities for nature-based tours and wildlife viewing. The most popular visitor destination is Anan Creek, known for its world-class bear viewing. However, admission to the site is carefully managed by the Forest Service, and the number of visitors is limited, with prime bear viewing limited to July and August. Other unique visitor activities in Wrangell include visits to the Stikine-Leconte Wilderness, Chief Shakes Island, and Petroglyph Beach State Historic Park, which has the highest concentration of rock engravings in Southeast Alaska.

In order to fully capture the economic benefits of Wrangell’s changing visitor composition,

Wrangell’s focus on higher-end, limited-entry boutique tourism would need to shift. Development of new types of shore



excursions that can be marketed to ships with higher passenger numbers represents both a challenge and an opportunity for Wrangell in 2024.

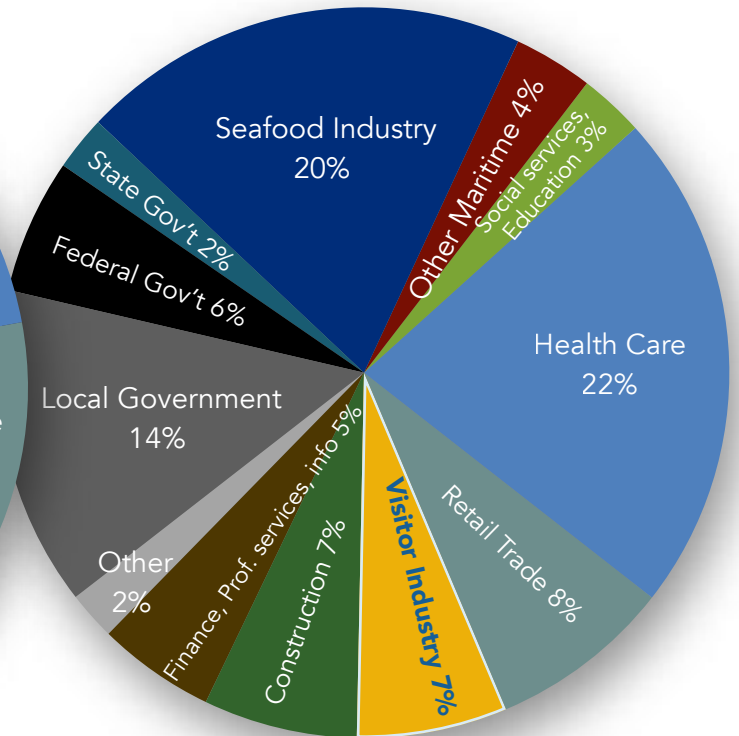
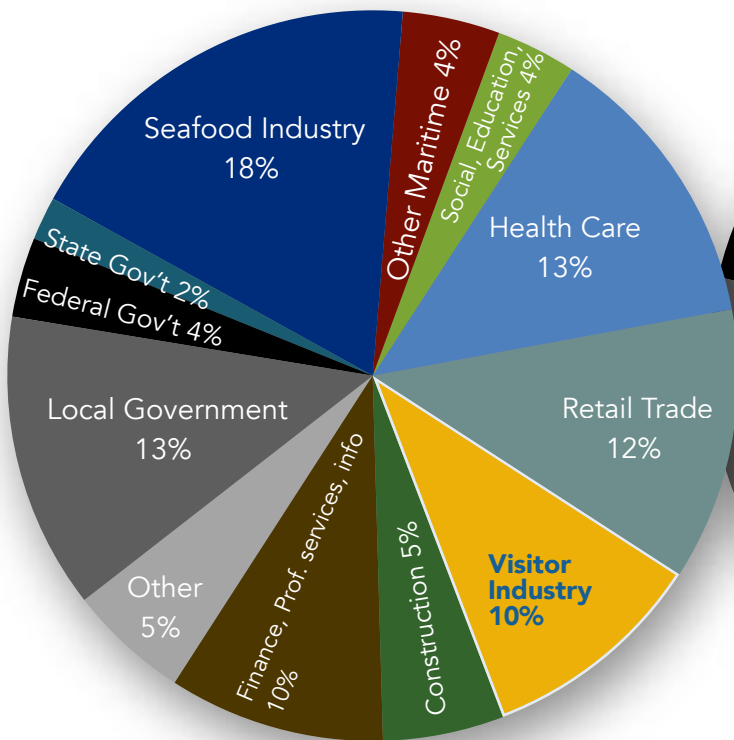


## Visitor Employment

Wrangell had 1,045 year-round equivalent jobs and nearly \$50 million in workforce earnings in 2022. All four quarters of 2023 data is not yet available. In 2022, visitor industry employment made up 10% of all private sector employment in Wrangell, accounting for 105 annual average jobs with associated workforce earnings of \$3.3 million.<sup>1</sup> The visitor industry accounted for 7% of total Wrangell workforce earnings in 2022. Early data shows that Wrangell’s tourism sector grew in 2023.

Annualized **Jobs**  
**1,045 Total Jobs**  
**105 Visitor Sector Jobs**

Employment **Earnings**  
**Total Earnings \$50 million**  
**Visitor Sector \$3.3 million**



Wrangell’s visitor sector is smaller than the region as a whole; the Southeast Alaska visitor industry represented 15% of all jobs and 9% of all employment earnings in 2022.

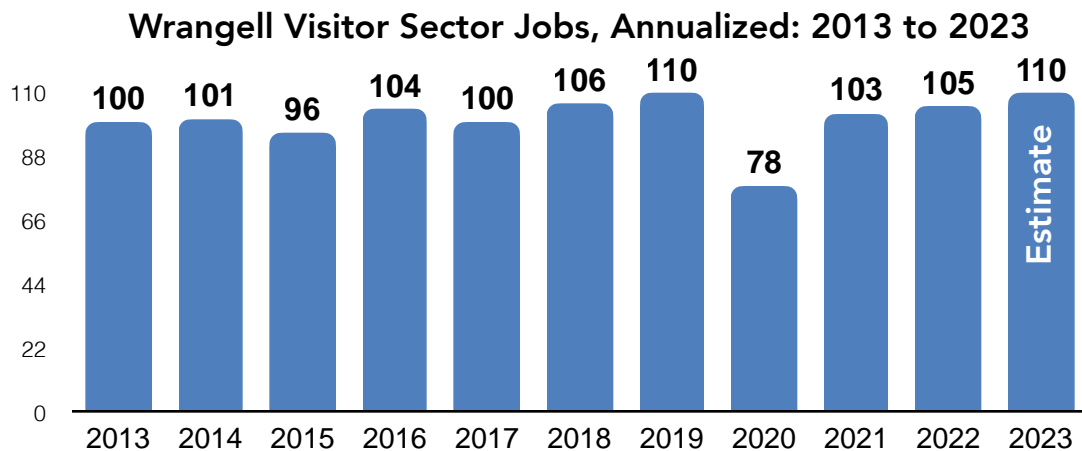
<sup>1</sup> **Sources:** Alaska Department of Labor Employment & Wage data; US Census Nonemployer (self-employment) Statistics. **Notes:** Due to data confidentiality, some figures are estimates by Rain Coast Data, based on all available inputs. Since annual average employment measures monthly jobs on an annual basis, a visitor industry job that lasts three months counts as one-quarter of an annual average job. Therefore total people employed by the visitor industry last year is a much higher number. 2022 data is not yet fully available.

## Annual Visitor Industry Employment 2013-2022

Visitor sector employment in Wrangell has been remarkably steady (with the exception of pandemic year 2020) at just over 100 annualized jobs since 2013. While peak worker count is significantly higher, using an annualized count (year-round equivalent job analysis) allows tourism jobs to be compared across sectors, and is a better way of making annual comparisons. Although 2023 data is not yet available, it is expected to be the highest employment year for tourism on record, with a handful of more jobs than in 2022.

Total workforce earnings have increased over time. The average visitor sector wage increased by 41% between 2014 and 2022, while total workforce earnings in that sector increased by 47%.

	Year 2014	Year 2017	Year 2018	Year 2019	Year 2021	Year 2022	% Change 2014-2022
Average Visitor Industry Wage	\$22,227	\$24,066	\$27,259	\$31,955	\$30,961	\$31,293	41%
Total Visitor Industry Employment	101	100	106	110	103	105	4%
Total Visitor Industry Workforce Earnings	\$2.24 million	\$2.40 million	\$2.89 million	\$3.52 million	\$3.19 million	\$3.29 million	47%



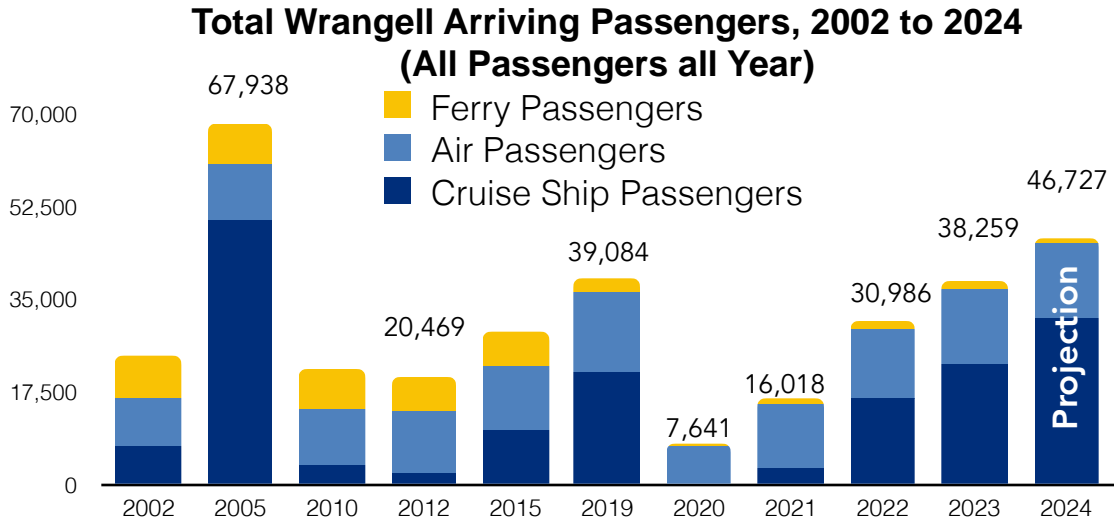
**Note:** Annualized employment (or year-round employment) tracks total workers each month of the year, sums the monthly total, and divides that number by twelve. **Source:** Alaska Department of Labor and US Census Nonemployer (self-employment). **Note:** 2023 data is only currently available through June.



# Change in the Visitor Industry

## Total Passenger Arrivals

In 2024, 46,727 passengers of all types — including locals returning home from travel, and those visiting for work — are expected to arrive in Wrangell. Approximately 69% of these were traditional tourists in 2023. But while the visitor sector primarily serves tourists, it also serves all travelers, and thus encompasses all hotel, restaurants, travel industry workers, and all arriving passengers.



In 2023, arriving passenger numbers were 23% higher than 2022 numbers, but remained just under 2019 levels. 2024 is expected to be Wrangell’s biggest visitor year since 2005. Passenger arrivals peaked in 2005 with nearly 68,000 passenger arrivals when large cruise ships visited the community. Between 2013 and 2019, total visitation gradually increased, before dropping to less than 8,000 total arriving passengers due to the pandemic.

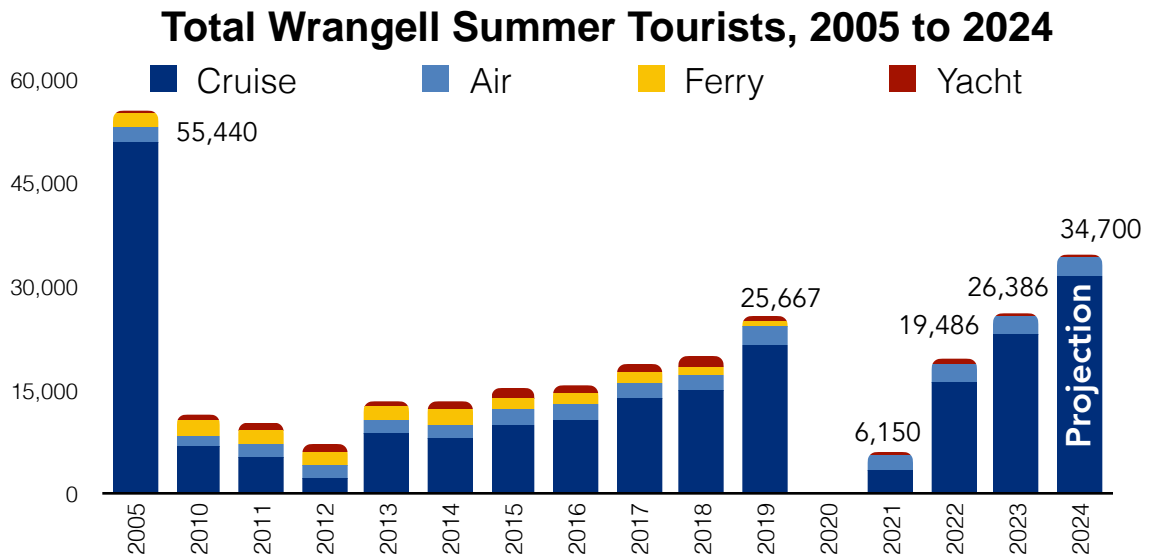
## Wrangell Passenger Arrivals

Total Air, Cruise, Ferry Passenger Arrivals	2019	2020	2021	2022	2023	2024 Projection	Change 2022-2023
Cruise Ship Passengers	21,540	-	3,350	16,126	22,966	31,427	42%
Air Passengers	14,637	7,367	11,897	13,347	14,060	14,100	5%
Alaska Marine Highway System	2,907	274	771	1,513	1,233	1,200	-19%
<b>Total Passenger Arrivals in Wrangell (via Air, Cruise, Ferry)</b>	<b>39,084</b>	<b>7,641</b>	<b>16,018</b>	<b>30,986</b>	<b>38,259</b>	<b>46,727</b>	<b>23%</b>

**Note:** Cruise passenger 2024 estimate is based on 100% capacity, despite 2023 ships coming in at an average 78% full. Assuming a lower capacity figure would decrease the 2024 cruise projections to 24,500 expected cruise passengers.

## Total Tourist Arrivals (as a subset of passenger arrivals)

The previous section analyzed all arriving passengers (tourists, workers, locals) in Wrangell - in this section we look at tourist arrivals only.



In 2024, Wrangell is projected to host 34,700 tourists in the community (assuming ships are at full capacity). It will be Wrangell’s biggest tourism year since since 2005, and is the first time large cruise ships have been scheduled to visit Wrangell since that time.<sup>2</sup> Wrangell receives tourists from cruise ships, airplanes, ferries, and yachts.<sup>3</sup>

Wrangell has developed a boutique visitors sector, supporting approximately 100 annualized jobs - a number that does not change much over time. Tourism industry in Wrangell has long focused on Anan. Because the number of people allowed to visit Anan each year is capped by Forest Service permits, and the season for Anan is quite limited, tourism growth in Wrangell has been partially capped as well. The community had focused on ferry tourism—visitors who would spend multiple days and nights in the community, taking several high-end tours—but reduced and unattractive ferry schedules due to budget cuts have all but eliminated ferry tourism. Wrangell’s current challenge is how to monetize growth once the boutique tours are fully booked.

<sup>2</sup> In September 2022 the 1,918-passenger Holland America Noordam made a single visit to Wrangell. It was not on the original schedule.

<sup>3</sup> Due to non-uniform counting, a more in-depth yacht analysis was excluded from this edition of the Wrangell Visitor Economy.

## Estimate Summer Tourists to Wrangell 2010-2024

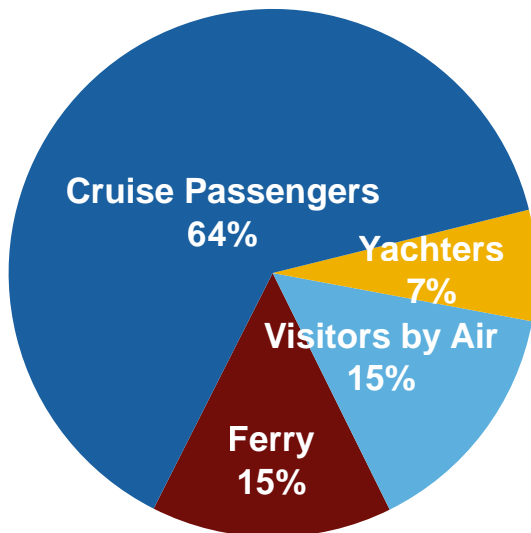
Summer Visitors to Wrangell	2010	2014	2022	2023	2024 est.	% Change 2010-2023	% Change 2022-2023
<b>Total Visitors</b>	<b>11,907</b>	<b>13,256</b>	<b>19,486</b>	<b>26,231</b>	<b>34,702</b>	<b>128%</b>	<b>35%</b>
Cruise	6,779	8,096	16,126	22,966	31,427	239%	42%
Yachters*	960	1,052	462	375	400	-61%	-19%
Air	1,768	2,008	2,618	2,670	2,650	51%	2%
Ferry	2,000	2,100	280	220	225	-89%	-21%

**Air:** US Bureau of Transportation Statistics RITA arriving passengers. **Cruise Passengers:** Cruise Line Agencies of Alaska. Small cruise ship schedules with research regarding total capacity. **Alaska Marine Highway System:** Annual Traffic Volume Reports and direct data request. **\*Yacht** counts provided by City and Borough of Wrangell. Due to a change in the counting process, these figures are no longer comparable to past years. "Summer tourists" are calculated in a variety of ways. All yacht and cruise passengers are considered "tourists." Air and ferry passengers are calculated by subtracting October to April average passenger arrivals from monthly summer passenger arrivals. From this number total seafood processing workers in Wrangell per summer is subtracted.

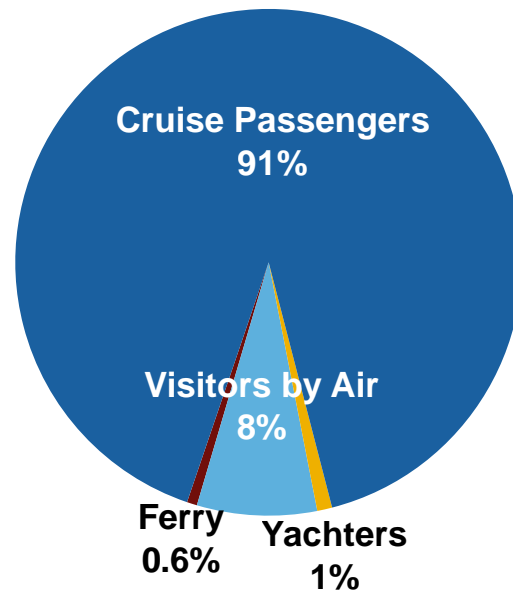
### Summer Tourists by Mode of Arrival

In 2024, 90% of all tourists are expected to arrive via cruise ship, while 8% will arrive by air. Yachter arrivals may be higher than the 1% projected, due to data limitations. Based on current ferry schedules, less than 1% of all tourists will arrive via ferry. In 2013, two-thirds of all tourists were from cruise ships.

Summer Tourists by Mode of Arrival in Wrangell 2013



Summer Tourists by Mode of Arrival in Wrangell 2024



## Summer Visitation and Spending Analysis

In 2023, summer tourists spent just over \$5 million in the Wrangell economy. Visitor spending analysis was conducted two ways for 2023. First, a full accounting of visitor spending was conducted using City and Borough of Wrangell sales tax receipts for businesses serving visitors. Total sales tax receipts for winter months were subtracted from summer months to determine “visitor spending.” Using this analysis, Wrangell’s summer visitors spent \$5.1 million in 2023.

### Total Summer Tourist Spending, 2023

Summer Spending by Visitors by Category	2023
<b>Total estimated summer tourist spending</b>	<b>\$5,116,591</b>
Excursions and Transportation	\$1,763,176
Food, Beverages	\$2,029,268
Retail Spending	\$737,667
Hotel (includes hotel restaurants)	\$1,901,754

Note that Wrangell has a sales tax cap of \$3,000 that applies both to goods and services, so that some sales may have been missed by this analysis if they were over \$3,000.

A secondary analysis was conducted using estimates of how many days each type of visitor stayed, depending on mode, and how much spending per person occurred per spending category. Using this version, Wrangell tourists spent an estimated \$5.2 million in the summer of 2023.

### Summer Tourists by Mode of Arrival and Expenditures in Wrangell 2023 Estimates

	2023	Total Estimated Summer Visitor Spending 2023	Total Estimated Spending Per Passenger
<b>Total Tourists</b>	<b>26,231</b>	<b>\$5,236,472</b>	<b>\$200</b>
Cruise Passengers	22,966	\$3,490,832	\$152
Visitors by Air	2,670	\$1,516,560	\$568
Yachters	375	\$138,000	\$368
Ferry	220	\$91,080	\$414

Note that actual spending is lower than the original projections for two reasons: 1) Ships overall numbers were 78% of expected passenger capacity; and 2) Spending per cruise ship passenger was reduced from the previous model, as there was less access to high end excursions per passenger.

If this secondary analysis is applied to 2024 projections, it is estimated that tourists will spend approximately \$6.5 million in the Wrangell economy this year, based on 100% capacity of cruise ships.

### Summer Tourists by Mode of Arrival and Expenditures in Wrangell 2024 Projections

	2024	Total Estimated Summer Visitor Spending 2024	Total Estimated Spending Per Passenger
<b>Total Tourist Projections</b>	<b>34,702</b>	<b>\$6,522,454</b>	<b>\$188</b>
Cruise Passengers	31,427	\$4,776,904	\$152
Visitors by Air	2,650	\$1,505,200	\$568
Yachters	400	\$147,200	\$368
Ferry	225	\$93,150	\$414

Using a more conservative analysis, based on 78% cruise capacity, estimates that tourists will spend approximately \$5.5 million in Wrangell in 2024.

### Summer Tourists by Mode of Arrival and Expenditures in Wrangell 2024 Projections 78% Cruise Capacity

	2024	Total Estimated Summer Visitor Spending 2024	Total Estimated Spending Per Passenger
<b>Total Tourist Projections</b>	<b>27,788</b>	<b>\$5,471,535</b>	<b>\$197</b>
Cruise Passengers	24,513	\$3,725,985	\$152
Visitors by Air	2,650	\$1,505,200	\$568
Yachters	400	\$147,200	\$368
Ferry	225	\$93,150	\$414

Note: Analysis assumes fewer cruise ship passengers than the 100% capacity figures.

## Cruise Passengers

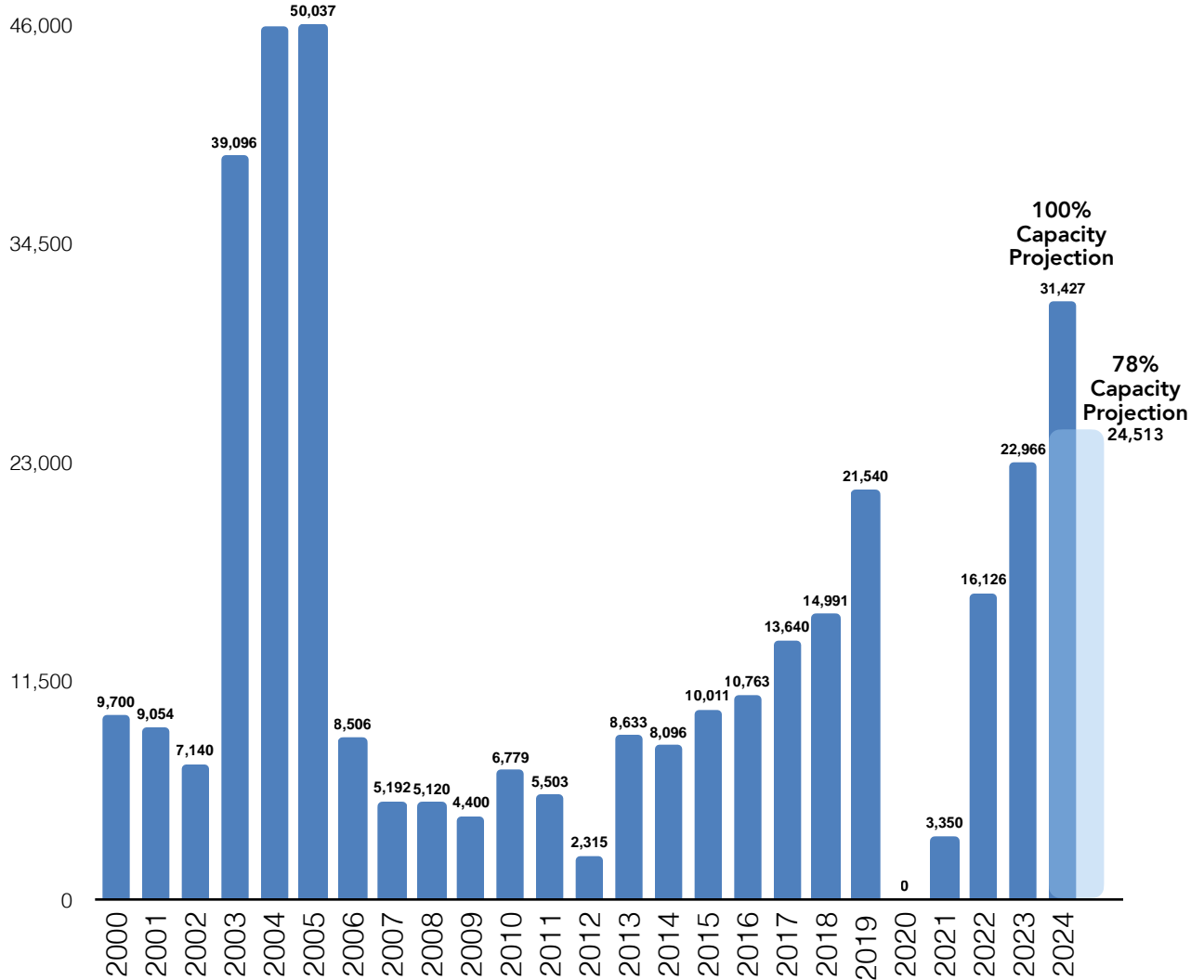
Southeast Alaska cruise passenger arrivals hit a new regional record in 2023 of 1.65 million cruise passengers, surpassing the previous 2019 record by 24%. Wrangell's cruise numbers, which had been steadily climbing pre pandemic, saw a similar number of cruise passengers in 2023 compared to 2019. Despite a forecast of nearly 30,000 cruise ship passengers in 2023, Wrangell received 22,966 cruise ship visitors due to ships running at 78% average passenger capacity for the season. Despite not being at full capacity, 2023 was Wrangell's biggest cruise passenger year since 2005.

### Cruise Ship Passengers 2023

2023 Ships	Passenger Capacity	Total Visitors	% Capacity
<b>Small Ships</b>	<b>4,879</b>	<b>4,237</b>	<b>87%</b>
Alaskan Dream ships	1,831	1,831	assumed 100%
NG Sea Bird	558	486	87%
NG Sea Lion	620	540	87%
American Constellation	1,870	1,380	assume 74%
<b>Mid-Sized Ships</b>	<b>24,631</b>	<b>18,729</b>	<b>76%</b>
Ocean Victory	2,800	1,688	60%
Seabourn Odyssey	5,400	4,620	86%
Silver Whisper	3,056	2,694	88%
Star Breeze	2,496	1,946	78%
Roald Amundsen	3,710	1,676	45%
Regatta	4,104	3,824	93%
Hanseatic Nature	1,060	782	assume 74%
Viking Orion	930	901	97%
Fridtjof Nansen	530	301	57%
Scenic Eclipse	228	112	49%
Seabourn Venture	317	185	58%
<b>Grand Total</b>	<b>29,510</b>	<b>22,966</b>	<b>78%</b>

**Source:** Cruise Line Agencies of Alaska; McKinley Research Group, LLC; City and Borough of Wrangell. **Note:** Arriving passenger numbers were not available for Alaskan Dream, American Constellation, or Hanseatic Nature. A 100% capacity number was used in place of actual data for Alaskan Dream ships, while 74% was used for American Constellation and Hanseatic Nature.

### Total Cruise Passengers in Wrangell 2000-2024



Source: Cruise Line Agencies of Alaska; City and Borough of Wrangell. Projections are for 100% capacity. Ships in Southeast Alaska in 2021 and 2022 were not full, and vacancy percentages were applied to estimates for arriving vessels in Wrangell during those years for mid-sized vessels. Photo below by Cyni Cray.



In 2024, Wrangell is expected to have 122 port calls from 31,427 passengers, if all ships are entirely full. This represents a 6% capacity increase over 2023. If ships are at 78% capacity, as they were in 2023, the community would host just over 24,500 cruise passengers.

### Cruise Ship Projections 2024

2024 Ships	Port Calls	Passenger Capacity	Total Visitors
<b>Small Ships</b>	<b>76</b>		<b>5,543</b>
Alaskan Dream	17	40	680
Baranof Dream	15	49	735
NG Sea Bird	10	62	620
NG Sea Lion	6	62	372
Kruzof Explorer	6	12	72
Admiralty Dream	5	54	270
Chichagof Dream	1	74	74
American Constellation	16	170	2,720
<b>Mid-Sized Ships</b>	<b>42</b>		<b>17,598</b>
Ocean Victory	14	200	2,800
Seabourn Odyssey	8	450	3,600
Silver Shadow	1	382	382
Silver Muse	4	596	2,384
Roald Amundsen	7	530	3,710
Regatta	3	684	2,052
Hanseatic Spirit	2	230	460
Viking Orion	1	930	930
Fridtjof Nansen	1	530	530
Seven Seas Explorer	1	750	750
<b>Large-Ships</b>	<b>4</b>		<b>8,286</b>
Nieuw Amsterdam	1	2,160	2,160
Queen Elizabeth	2	2,081	4,162
Westerdam	1	1,964	1,964
<b>Grand Total</b>	<b>122</b>		<b>31,427</b>

Cruise Line Agencies of Alaska; City and Borough of Wrangell.

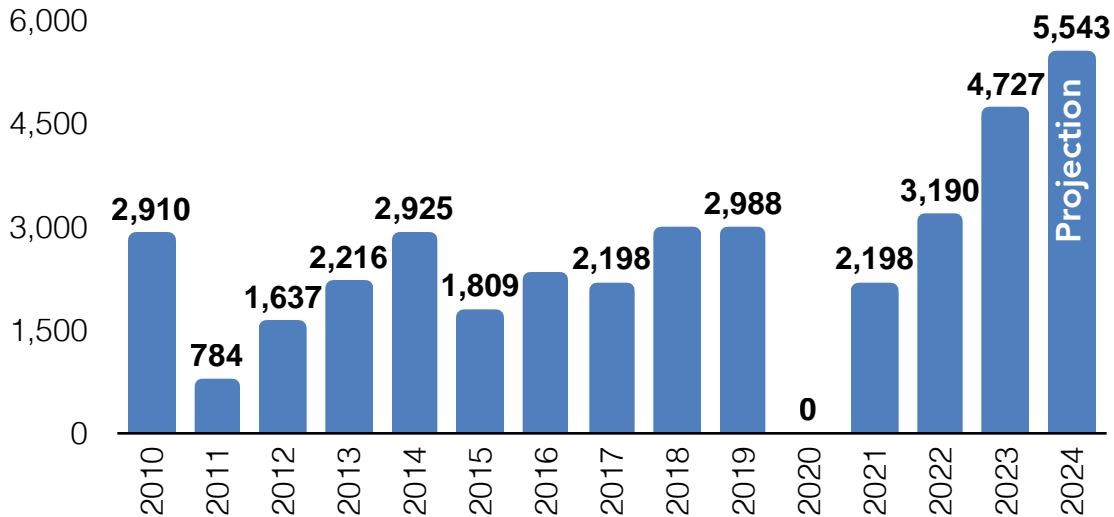
For the purpose of this analysis, small cruise ships include those with 30 to 199 passengers per vessel; mid-sized cruise ships includes those with 200 to 1,299 passengers per vessel; and large ships have 1,300 passengers or more.



### Small Cruise Ships

In 2024, 8 small cruise ships with an average capacity of 65 passengers are expected to make 76 port calls, potentially bringing 5,543 passengers to Wrangell if the ships are full. This represents a 17% increase in the total number of visitors on small cruise ships compared to 2023.

Wrangell Small Cruise Capacity 2010 to 2024



**Note:** For consistency, 2021 capacity numbers are included for small cruise ships, although actual travelers were likely lower. For the purposes of this analysis, small cruise ships are defined as those with 30 to 199 passengers per vessel.

Wrangell's small cruise ship sector experienced disruptions in 2010 when Cruise West ceased operations at the end of the summer season, and again during the pandemic years of 2020 and 2021.

### Mid-Sized Cruise Ships

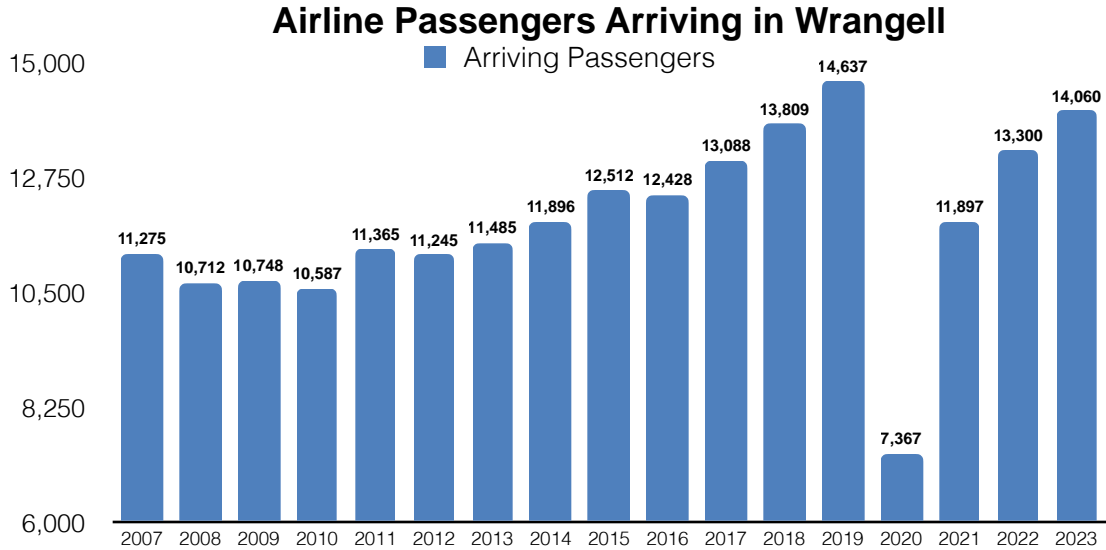
In 2024, 10 mid-sized cruise ships with an average capacity of 500 passengers are expected to make 42 port calls, potentially bringing 17,598 passengers to Wrangell if the ships are full.

### Large Cruise Ships

The first large cruise ships since 2005 are on the cruise schedule for Wrangell in 2024. Three ships, Nieuw Amsterdam, Queen Elizabeth, and Westerdam are scheduled to make 4 combined port calls. At full capacity, they would bring a combined 8,286 visitors. Norwegian Cruise Line made stops in Wrangell starting in 2003, but ceased operations after 2005. At the time they said that the community did not have sufficient capacity to provide visitor programming for a 2,000-passenger vessel. The large cruise ship Noordam made an unscheduled visit to Wrangell in September 2022.

## Air Passengers<sup>4</sup>

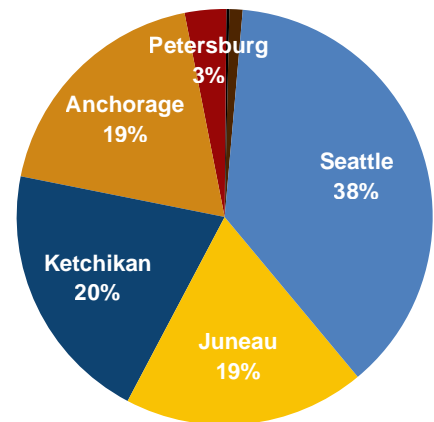
The number of air passengers arriving in Wrangell gradually increased through 2019. Passenger traffic fell steeply, and then rebounded strongly following the 2020 pandemic. Further growth occurred in 2023 as Trident Seafoods restarted local operations. In 2023, an estimated 14,060 air passengers arrived in Wrangell, a 6% increase over 2022 levels.



To estimate how many of these summer travelers were tourists (rather than locals traveling home or people traveling to work in Wrangell), average off-season monthly travel numbers were subtracted from high-season monthly travel numbers, along with summer labor estimates. Approximately 2,700 summer air travelers are estimated to have visited Wrangell for the purpose of recreation in 2023.

Looking at a full year of passenger data, the greatest percentage of passengers arrived in Wrangell via Seattle (38%), while a fifth of passengers arrived from each of the following locations: Ketchikan, Juneau, and Anchorage.

Passengers Disembarkments in Wrangell by City 2022

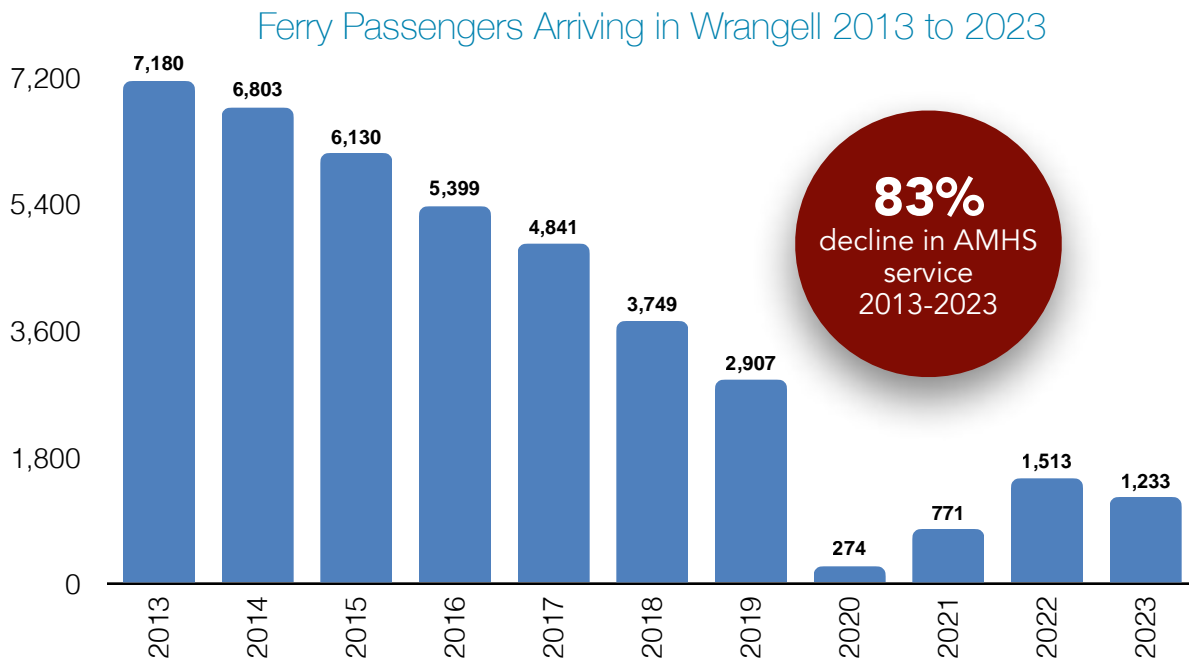


<sup>4</sup> Bureau of Transportation Statistics T-100 Market data. Photo of jet leaving Wrangell by Carol Rushmore.

## Ferry Passengers<sup>5</sup>

In 2023, just over 1,200 Alaska Marine Highway (AMHS) ferry passengers arrived in Wrangell. Just over half of these arrived during the summer (May through September).

Since 2013, the number of passengers disembarking in Wrangell has decreased by 83%: a nearly six-fold decrease. In 2023, the number of passengers disembarking decreased by an additional 19% from the already very low 2022 numbers — due to service cuts and reduced sailings.



AMHS has been hit hard by state budget reductions, yet Wrangell has been disproportionately impacted by service and port call cuts. Visitor-focused businesses built around serving ferry passengers have been further impacted by the unreliability of ferry services.

The pandemic decimated already diminished ferry service, yet Wrangell service levels fell again in 2023. In 2024, the state reports that it lacks the crew needed to operate the Kennicott, while the Matanuska remains indefinitely out of service due to disrepair, leaving Wrangell with summer weekly service from a single vessel - again. For Wrangell this meant 87 port calls in 2023, down from more than four times as many port calls in 2014.

<sup>5</sup> Alaska Marine Highway System Annual Traffic Volume Reports. Direct data requests.

## Ferry Passenger Arrivals

Year	Total Arriving Ferry Passengers	Summer Tourist Passengers (Estimated)
2023	1,233	225
2022	1,513	280
2021	771	143
2020	274	NA
2019	2,907	815
2018	3,749	961
2017	4,841	1,364
2016	5,399	1,365
2013	7,180	2,010
<b>Change 2013-2023</b>	<b>-83%</b>	<b>-89%</b>

While the full schedule for 2024 will not be published until April, currently it appears that the service level for Wrangell for 2024 will be similar to 2023.

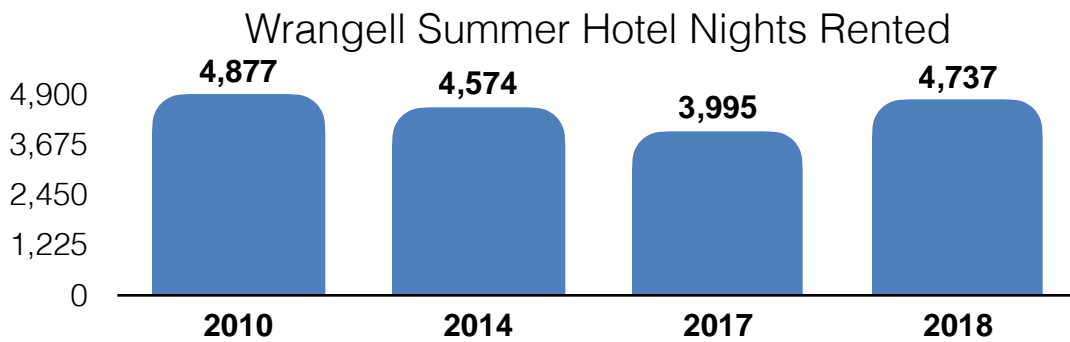


The MV Malaspina leaving Wrangell for the last time, in the Wrangell Narrows

## Hotels and Bed and Breakfasts

Previous analysis has shown that Wrangell summer visitors use an average of 4,500 hotel room nights, although room tracking is currently unavailable.

In 2023, Wrangell had 13 overnight accommodation businesses, with 69 total rooms.<sup>6</sup>



### Traditional Wrangell Overnight Rentals Inventory by Rooms/Units

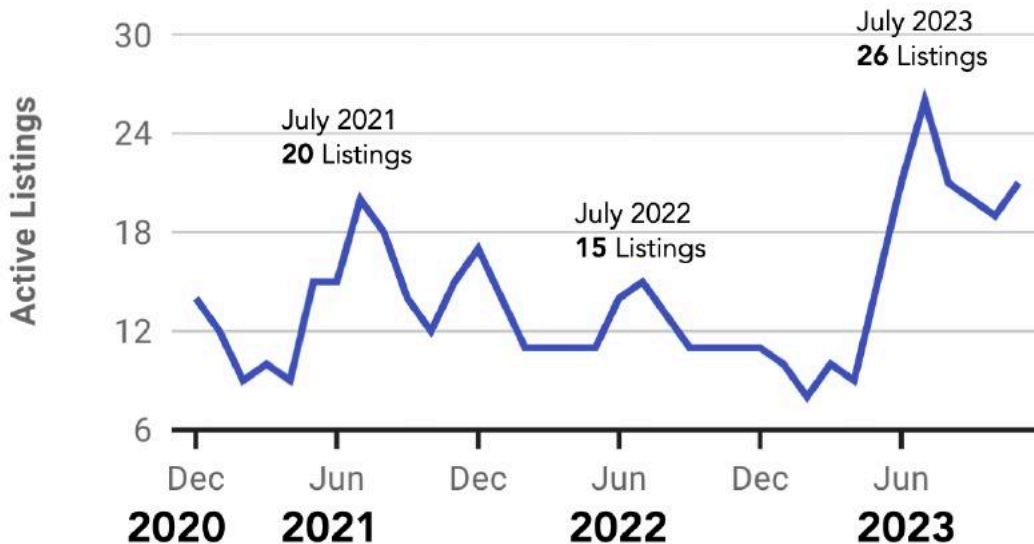
	2012		2018		2023
Ava's B & B	1	Ava's B & B	1	Apartment in Wrangell	3
Alaskan Sourdough Lodge	16	Armstrong Rents	3	A Suite Spot	5
Beaver Connections	2	Dockside Wrangell	1	ARED LLC	2
Benitz B&B	2	Grand View B & B	3	Forget Me Not	3
Diamond C Hotel/Thunderbird	6	Heritage Harbor	3	Grand View B&B	3
Fennimore's B & B	6	Little Bitty Getaway,	1	Heritage Harbor	3
Grand View B & B	3	Off the Hook	2	Mt. Dewey Sunset B&B	2
John Taylor	1	H14	2	Northstar Reflections	1
Mt. Dewey Guesthouse	1	Rooney's Roost B & B	6	Reeves Guesthouse	2
Rooney's Roost B & B	6	Stikine Inn	34	Reliance Harbor Front	2
Stikine Inn	34	Tans Place	1	Stikine Inn	34
Zimovia B & B	2	Squawking Raven	2	Vacation Rental	1
<b>Total Rooms</b>	<b>80</b>	Extended Stay	8	Extended Stay	8
		Zimovia B & B	2	<b>Total Rooms</b>	<b>69</b>
		<b>Total Rooms</b>	<b>69</b>		

<sup>6</sup> Despite ten 2018 accommodation establishments closing by 2023, Wrangell had the same number of available rooms as in 2018 as in 2023. The 2018 businesses that closed include Ava's B&B, Armstrong Rents, Little Bitty, Off the Hook, H14, Rooney's Roost, Tans Place, the Squawking Raven, and Zimovia B&B. The Cedar House Inn, formerly known as Alaskan Sourdough Lodge, both opened and closed in 2023. It is an 18-room facility, although just a portion of those had been available for rent. It has been reopened as the Alaska Sourdough Lodge in 2023, and will be operating at a higher room count in 2024.

### Short-Term Airbnb and Vrbo Rentals

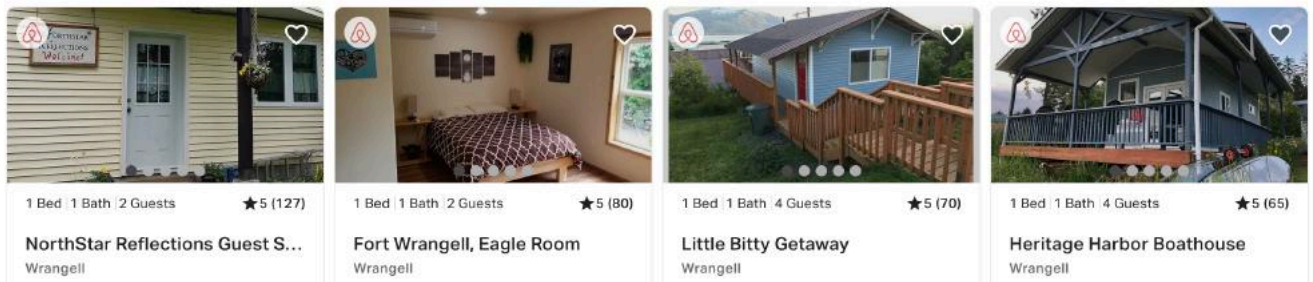
Additional rooms from non-traditional establishment are also available in Wrangell. Using data from AirDNA, a company that tracks Vrbo and Airbnb data, it is clear that short-term rental usage has become more popular. Use of short-term rentals, like Airbnb and Vrbo, have risen from 20 peak listing in the summer of 2021 to 26 active listings in the summer of 2023. The average price per night in 2023 was \$192 per night - a number that increased to \$347 per night in July, although properties range from \$81 to \$1,200 per night (prices include cleaning fees, local taxes, and agency fees). The listings included 14 rooms which are likely already part of Wrangell’s traditional room rental inventory, along with 12 “entire homes.” The average occupancy rate of these short-term rentals was 80% in July and 19% in October, for an annual average occupancy rate of 39%.

#### Wrangell Short-Term Rentals, 2020-2023



Source: AirDNA, Wrangell market analysis

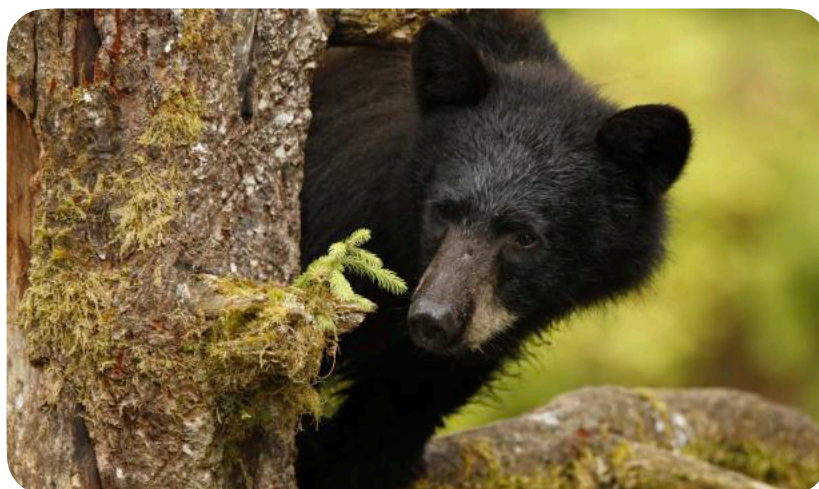
The majority of Wrangell’s short-term housing listings offered availability on a seasonal basis only. The listings include everything from boats, traditional inns, to luxury homes. The average length of stay in 2023 was 3 days.



## Anan, Stikine, LeConte Tours Analysis

### Anan Wildlife Observatory

The most important visitor attraction in Wrangell is Anan. Anan Creek is a historic Tlingit Native fishing site located on the mainland on the south end of Wrangell Island. The area has the largest pink salmon run in Southeast Alaska, attracting large numbers of black and brown bears during July and August. The



Anan Wildlife Observatory is managed by the Wrangell District of the US Forest Service, Tongass National Forest and is only accessible by boat or plane. There is a half-mile trail leading to a new observation deck, strategically allowing visitors to view bears while they fish for salmon in cascading waterfalls. During peak season, which is July 5 through August 25, visitors can only visit with a US Forest Service permit. There is a high demand for the daily passes. A significant allotment change means more Wrangell tourists can visit Anna than in previous years. Admission to the site is managed by the Forest Service. The number of visitors is limited to 60 commercially guided and 12 independent visitors a day. Passes are not required outside of the peak season. In 2023, 2,905 visitors went to Anan, including 2,357 that were commercially guided and 548 were independent or unguided visitors — a record number. A new permit system — aimed at better allocating under-utilized permits while maintaining the overall allowable number visitor permits — along with good weather and new infrastructure were credited for the increase. Not all visitors access Anan via Wrangell.

Combining the total spending by independent visitors to Anan, as well as cruise visitors who partake in Anan bear viewing, the total estimated economic impact of Anan bear viewing in Wrangell was \$1.9 million in the summer of 2017, meaning that more than a third (36%) of all summer tourism-related spending in Wrangell was made by travelers who visited Anan on a guided trip. 84% of the total economic impact of Anan visitors in Wrangell was due to independent travelers, while cruise passengers contributed 16% of the larger economic value realized by the attraction.



### **Stikine River, LeConte Glacier Tour Analysis**

There are two additional water-based tours that are very popular in Wrangell. These are the Stikine River and the LeConte Glacier.

**Stikine River:** Wrangell is known for being the gateway to the Stikine River, a name that translates to “the great river” in Tlingit. The Stikine extends 400 miles from headwaters in British Columbia to its mouth near Wrangell and encompasses 27,200 acres of delta flats. Local operators provide jet boat tours, which are the most popular way to access the Stikine River. There is a wealth of history and unique geological elements, as well as spectacular scenery and wildlife opportunities. The Stikine River and tributaries comprise the Stikine-Leconte Wilderness area. For the more advanced adventurer, canoes, kayaks, and rafts are available locally.

**LeConte Glacier:** The LeConte Glacier is North America’s southernmost tidewater glacier and is part of a massive glacial system that stretches 120 miles. It resides in a 12-mile-long fjord at the head of LeConte Bay, approximately 20 miles from the mouth of the Stikine River. It is an active, advancing glacier with frequent calving. Shakes Glacier on the Stikine River is part of the same glacial icefield. Tours are generally via jet boat and take about four hours.





## 2023 Business Climate Survey

### Wrangell Tourism Leaders

Each year Southeast Conference conducts a regional business climate survey in order to track Southeast Alaska business confidence. In the spring of 2023 a total of 16 Wrangell business owners and operators responded to the survey, representing a total workforce of 74. (A new survey will be conducted in March of 2024).

In the spring of 2023, Wrangell tourism business leaders were asked to describe their economic outlooks in their own words. These comments were primarily regarding their expectations of the 2023 season:

- *Increased visitation by ships is achieved by **extending the season**, adding in stops in April, May, September and October. The **revenue from those months is minimal and we often operate at a loss**. Staffing is difficult at best with most seasonal staff back in school. Given the lack of ferry service, the number of independent visitors is down. This affects not only us, but our entire community. Those visitors that do come have a difficult time finding lodging, but that issue will sort itself out by private industry. We could expand our job base and opportunities by having better transportation access to our community. We could also expand if there were more accessible recreation opportunities for both visitors and staff. For example, more hiking trails with camping opportunities, or even maintaining the current trails. Better USFS or State cabins that are accessible without needing specialized equipment or knowledge.*
- *Concerns over raising costs to operate. **AMHS** not being upgraded. Feeling fearful of the economy and potential travelers.*
- ***Fishing guides** have to contend with less fish, more rules, and less reason to want to fish under these conditions.*
- ***King salmon closures** means that we can't fish close to Wrangell for kings. Guides have to run more than 50 miles. There used to be 5 charters, but now there are two left. We were famous for our kings, which is why people came here for fishing charters, so the lack of kings has changed the visitor season.*
- ***Fuel costs** including electricity and the cost of shipping has impacted businesses in a substantial manner. The cost of food rises every month. We are being squeezed to death by State and Federal rules and policies.*

- **High shipping costs and little ferry service** is driving me out of business.
- I think that despite all the spin, the overall outlook will be stable. More ships but on **the shoulder seasons actually create less of a margin; expense without revenue.**
- **Longer-term rentals are in high demand**, especially among new hospital staff with either temporary or with longer contracts.
- Tourism in 2023 shows **signs of growth** for this season, primarily in the increase in the number of small to mid sized cruise ship stops. The number of **independent travelers decreased significantly** in 2017 with the break down & de-funding of the Alaska Marine Highway System. It came to a halt during COVID. It has not seemed to return to the strength independent visitor travel was in 2015. Other industries seem to be struggling in various areas from a good workforce base to hire from, cost of material to produce a product, cost of good sold, shipping costs, consumers having enough cashflow & income to create strong customer demand.
- **Very much a growth sector** however I am concerned about too many ships spoiling what makes Alaska so special. As I have generally been a proponent of industry regulating itself I am mixed in my feelings on how to manage this for the good of businesses that rely on ship passengers AND passenger and non ship passenger experience, including non industry locals. **Disgruntled non tourism industry locals need to be heard** because if ignored it only makes the situation worse. We must protect ourselves from becoming a "theme park", fake, atmosphere. How to do that is far beyond my skill set.
- We expect to see **increased cruise ship stops.**
- Although the number of visitors, based on increased cruise ship activity, is predicted to increase, these are **based on capacity** of each ship multiplied by the number of visits.

## Boat Launch Rates Comparison

### Wrangell:

- Daily \$12.00
- Annual With Stall \$28.00
- Annual without Stall \$55.00

### Petersburg:

- Daily \$15
- Annual \$50
- Each additional annual permit \$25

### Ketchikan:

- Daily \$10
- Annual Recreational \$69.60
- Commercial \$534.75
- Upon payment of the permit fee, the harbormaster shall issue a boat launch ramp permit to be attached to the boat owner's trailer on the driver's side of the boat trailer winch post or the boat trailer tongue. Upon payment of the permit fee, the harbormaster shall issue a boat launch ramp permit to be attached to the owner's vehicle/vessel on the driver's side rear window. Boat owners who have annual reserved moorage at the Ketchikan Boat Harbor shall, upon request, be given annual use permits at no cost for the launching or removal of the boat moored in the harbor. The boat owner shall affix the permit to the boat trailer as provided herein.

### Sitka:

- Daily \$10
- Annual \$75
- Each additional permit is full price (\$75)

### Juneau:

- Daily Recreation \$18.53
- Annual Recreation \$111.25
- Daily Commercial \$37.08
- Annual Commercial \$309.00
- MULTIPLE TRAILER OWNERS: After purchasing your first Annual Recreational Launch Permit, you may visit any CBJ Harbor Office to purchase up to 2 additional decals for \$5.00 each plus tax. Please note that you MUST provide a valid driver's license and current registrations for all trailers (or vehicles in the case of non-trailerred vessels) with the same owner name and address on all documents. After paying full price for the 4th decal, the 5th and 6th would also be available at \$5.00 each plus tax.

**Craig:**

- Daily \$5
- Annual \$35 per permit, per trailer
- Annual Commercial \$250.00

**Kodiak:**

- Daily \$10
- Annual \$132.50
- Annual stall holders and personal boats of persons 65+ years of age are exempt from boat launch fees

**Haines:**

- \$60.00 first trailer per year \$30.00 each for second, third, & fourth trailers per year (same owner) with proof of ownership
- Daily \$15

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	March 7 <sup>th</sup> , 2024
	<u>Agenda Section</u>	<b>10</b>

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 SHORT-TERM LEASE OF THE SHOP OUTLINED ON THE MAP

SUBMITTED BY:

Steve Miller, Port Director

FISCAL NOTE:

<b>Expenditure Required:</b> \$XXX Total		
FY 21: \$	FY 22: \$	FY23: \$
<b>Amount Budgeted:</b>		
	FY22 \$XXX	
<b>Account Number(s):</b>		
	XXXXX XXX XXXX	
<b>Account Name(s):</b>		
	Enter Text Here	
<b>Unencumbered Balance(s) (prior to expenditure):</b>		
	\$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. Letter requesting long term Lease 2 Picture of Requested property 3. Current lease agreement 4. Previous short term agreement

**RECOMMENDATION MOTION:**  
Move to recommend approval of lease Agreement for Channel Construction property located at the 5 mile sawmill location.

**SUMMARY STATEMENT:** Channel Construction Inc.is requesting to lease a portion of the former mill site surrounding the barge landing area on the southern end of the property.

The purpose of the lease would be to continue to utilize the area for scrap metal recycling. Their preference would be to enter into a long-term lease with the City to develop on-shore support services and additional fill for the business. They are also proposing to build two large shops, 40'X80'.



## Wrangell Sawmill Lease Proposal

### **Proposal 1:**

Channel proposes a 5 to 10-year lease on the Southern end of property as shown on the map to add to its current lease at the sawmill property, increasing the area from 2 acres to approximately 6 acres. This additional area would mainly be utilized as a storage location for equipment. If the Borough agrees to allow Channel to operate on this part of the property, Channel will invest at its own expense in improvements to this part of the property, including the following:

- Construction of two 80'x40' shop buildings
- Improving the highway access with crushed aggregate
- Improving the barge landing and expanding the rock fill. Channel would acquire a CoE permit, at its own expense.

As part of this proposal, Channel would request permission from the City and Borough of Wrangell to make these improvements and prior to this work occurring, an estimate would be submitted for its costs. Channel would ask that these improvements are credited towards a potential lease payment.

### **Proposal 2:**

Channel proposes a short-term lease of the current shop building shown on the map along with additional space around the shop totaling approximately one acre for a minimum of one year, with an option to renew for a second year. Channel would make light improvements to the building to make it suitable for its use until a new shop building is constructed on the Southern side of the property. This shop building would be used as a temporary parts storage area and workspace for repairs to construction equipment.

Respectfully,

A handwritten signature in black ink, appearing to be "M. J. [unclear]", written in a cursive style.

## FIRST AMENDMENT TO SHORT TERM LEASE AGREEMENT

This First Amendment to Short Term Lease Agreement (hereinafter "Amendment") is made and entered into between **THE CITY AND BOROUGH OF WRANGELL, ALASKA** (hereinafter "CBW"), whose address is P.O. Box 531, Wrangell, Alaska 99929, and **CHANNEL CONSTRUCTION, INC.** (hereinafter "CCI"), whose address is P.O. Box 33359, Juneau, Alaska 99803 (collectively, the "Parties"), effective this 23<sup>rd</sup> day of May, 2023 (the "Effective Date").

### RECITALS

**WHEREAS**, CBW owns the site of the old Buhler sawmill site at 6-mile Zimovia Highway (the "Property"); and

**WHEREAS**, in the Short Term Lease Agreement dated February 7, 2023 (the "Lease"), CBW leased a two-acre portion of the Property to CCI, more particularly described and shown on Exhibit A attached to and by reference incorporated into the Lease (the "Leased Premises");

**WHEREAS**, the Parties agreed in the Lease that CCI's use of the Leased Premises would be limited to temporarily storing scrap materials and to later transporting those materials to another location for processing;

**WHEREAS**, CCI has requested to amend the Lease to allow it to process and recycle barges on the Leased Premises;

**WHEREAS**, CBW has agreed to this amendment on the condition that CCI provide a report from an independent environmental consultant certifying that any barge to be processed has been inspected and does not contain any hazardous materials or hazardous waste; and

**WHEREAS**, the Parties agree that following the expiration of the Lease Term, CCI's tenancy will continue on a month to month basis and that the Lease will henceforth be terminable upon 120 days' written notice;

**NOW, THEREFORE**, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:



## AGREEMENT

The Parties incorporate by reference and agree to the accuracy of the above Recitals and further agree as follows:

Section 4 of the Lease is amended as follows:

4. **Use of Leased Premises.** CCI may temporarily store scrap materials on the Leased Premises during the term of the Lease. So long as such scrap materials are drained of all fluids including anti-freeze, and so long as batteries and tires are removed, CCI may also accept scrap materials from the CBW general public and CBW for storage.

CCI may process and recycle scrap materials from barges on the Leased Premises. Prior to processing or recycling a barge on the Leased Premises, CCI shall provide to CBW a written report from an independent environmental consultant certifying that any barge to be processed has been inspected and does not contain any hazardous materials or hazardous waste. For the purposes of this section, “does not contain any hazardous materials or hazardous waste” means that all fluids have been drained and there is no hazardous waste, asbestos, lead paint, oil, petroleum products, batteries, or other regulated hazardous waste present.

CCI shall use the Leased Premises only for the purposes set forth above and no other purpose or purposes. CCI may construct temporary structures which are consistent with such permitted uses. It is expressly understood by the Parties that no provision of this Lease is intended to authorize CCI to operate a permanent scrap metal recycling or storage business on the Property.

Section 7 of the Lease is amended as follows:

7. **Holding Over.** CCI’s continuing in possession of the Leased Premises after the expiration or earlier termination of the Lease Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, CCI’s continued possession of the Leased Premises after the end of the Lease Term will be a tenancy from month to month, terminable upon 120 days written notice by either party at any time, at a monthly rent equal to the monthly rent in effect at the end of the Lease Term, subject to all other terms of this Lease.

**Further Amendments**

Except as expressly modified herein, the provisions of the Lease shall remain in full force and effect. In case of any conflict between the Lease and this Amendment, the provisions of this Amendment control. Neither the Lease nor this Amendment may be further amended except as provided in the Lease. This Amendment, together with the non-conflicting provisions of the Lease, constitutes the entire agreement between the Parties, superseding all previous and contemporaneous written and oral understandings, between the Parties with respect to this matter.

**Execution in Counterparts**

This Amendment may be executed in counterparts, each of which shall be an original, but such counterparts shall together constitute one and the same Amendment.

The Parties, intending to be legally bound, have executed this Amendment as of the effective date.

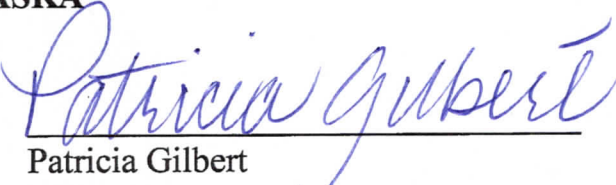
**IN WITNESS WHEREOF**, the Parties have executed this Amendment.

**CHANNEL CONSTRUCTION, INC.**

By:   
William R. Tonsgard

Its: President

**CITY AND BOROUGH OF WRANGELL  
ALASKA**

By:   
Patricia Gilbert

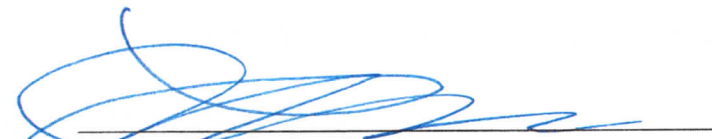
Its: Mayor

**ACKNOWLEDGEMENTS**

STATE OF ALASKA )  
 ) ss  
FIRST JUDICIAL DISTRICT )

**THIS IS TO CERTIFY** that on the 5<sup>th</sup> day of May, 2023, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **WILLIAM R. TONGARD**, President of CHANNEL CONSTRUCTION, INC., to me known and known to me to be the identical individual described herein and who executed the within and foregoing **FIRST AMENDMENT TO SHORT TERM LEASE AGREEMENT** as President of Channel Construction, Inc., and he acknowledged to me that he signed the same in the name of and for and on behalf of said corporation, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.

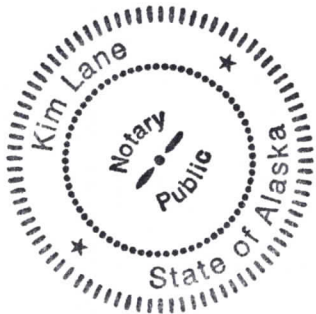
  
\_\_\_\_\_  
Notary Public for Alaska  
My commission expires: 2-15-2026

NOTARY PUBLIC  
TAMMY R MEACHEM  
STATE OF ALASKA  
My Commission Expires February 15, 2026

STATE OF ALASKA )  
 ) ss  
FIRST JUDICIAL DISTRICT )

**THIS IS TO CERTIFY** that on the 23<sup>rd</sup> day of May, 2023, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **Patricia Gilbert**, Mayor of THE CITY AND BOROUGH OF WRANGELL ALASKA, to me known and known to me to be the identical individuals described herein and who executed the within and foregoing **FIRST AMENDMENT TO SHORT TERM LEASE AGREEMENT** as Mayor of the City and Borough of Wrangell, Alaska, and she acknowledged to me that she signed the same in the name of and for and on behalf of said City and Borough, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.



*Kim Lane*

Notary Public for Alaska

My commission expires: 7-27-25

**CITY & BOROUGH OF WRANGELL, ALASKA  
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 23, 2023
	<u>Agenda Section</u>	<b>13</b>

Approval of the Modification to the Channel Construction Leased Lot at the 6 mile property to provide 120 days lease termination notice and allowing the scrapping of barges with an environmental report certifying they are free of hazardous materials and waste

SUBMITTED BY:  
  
Jeff Good, Borough Manager

FISCAL NOTE:

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

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Lease Modification for Channel Construction

**RECOMMENDATION MOTION:**  
Move to Approve the Modification to the Channel Construction Leased Lot at the 6 mile property to provide 120 days lease termination notice and allowing the scrapping of barges with an environmental report certifying they are free of hazardous materials and waste.

**SUMMARY STATEMENT:**  
Short Term Lease Agreement dated February 7, 2023 (the "Lease"), CBW leased a two-acre portion of the Property to CCI;

The Parties agreed in the Lease that CCI's use of the Leased Premises would be limited to temporarily storing scrap materials and to later transporting those materials to another location for processing; CCI has requested to amend the Lease to allow it to process and recycle barges on the Leased Premises and also requested 120 day lease termination notice to give them time to vacate the property if needed. CBW has agreed to this amendment on the condition that CCI provide a report from an independent environmental consultant certifying that any barge to be processed has been inspected and does not contain any hazardous materials or hazardous waste.

**FIRST AMENDMENT TO SHORT TERM LEASE AGREEMENT**

This First Amendment to Short Term Lease Agreement (hereinafter “Amendment”) is made and entered into between **THE CITY AND BOROUGH OF WRANGELL, ALASKA** (hereinafter “CBW”), whose address is P.O. Box 531, Wrangell, Alaska 99929, and **CHANNEL CONSTRUCTION, INC.** (hereinafter “CCI”), whose address is P.O. Box 33359, Juneau, Alaska 99803 (collectively, the “Parties”), effective this \_\_\_\_\_ day of May, 2023 (the “Effective Date”).

**RECITALS**

**WHEREAS**, CBW owns the site of the old Buhler sawmill site at 6-mile Zimovia Highway (the "Property"); and

**WHEREAS**, in the Short Term Lease Agreement dated February 7, 2023 (the “Lease”), CBW leased a two-acre portion of the Property to CCI, more particularly described and shown on Exhibit A attached to and by reference incorporated into the Lease (the “Leased Premises”);

**WHEREAS**, the Parties agreed in the Lease that CCI’s use of the Leased Premises would be limited to temporarily storing scrap materials and to later transporting those materials to another location for processing;

**WHEREAS**, CCI has requested to amend the Lease to allow it to process and recycle barges on the Leased Premises;

**WHEREAS**, CBW has agreed to this amendment on the condition that CCI provide a report from an independent environmental consultant certifying that any barge to be processed has been inspected and does not contain any hazardous materials or hazardous waste; and

**WHEREAS**, the Parties agree that following the expiration of the Lease Term, CCI’s tenancy will continue on a month to month basis and that the Lease will henceforth be terminable upon 120 days’ written notice;

**NOW, THEREFORE**, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

## AGREEMENT

The Parties incorporate by reference and agree to the accuracy of the above Recitals and further agree as follows:

Section 4 of the Lease is amended as follows:

4. **Use of Leased Premises.** CCI may temporarily store scrap materials on the Leased Premises during the term of the Lease. So long as such scrap materials are drained of all fluids including anti-freeze, and so long as batteries and tires are removed, CCI may also accept scrap materials from the CBW general public and CBW for storage.

CCI may process and recycle scrap materials from barges on the Leased Premises. Prior to processing or recycling a barge on the Leased Premises, CCI shall provide to CBW a written report from an independent environmental consultant certifying that any barge to be processed has been inspected and does not contain any hazardous materials or hazardous waste. For the purposes of this section, “does not contain any hazardous materials or hazardous waste” means that all fluids have been drained and there is no hazardous waste, asbestos, lead paint, oil, petroleum products, batteries, or other regulated hazardous waste present.

CCI shall use the Leased Premises only for the purposes set forth above and no other purpose or purposes. CCI may construct temporary structures which are consistent with such permitted uses. It is expressly understood by the Parties that no provision of this Lease is intended to authorize CCI to operate a permanent scrap metal recycling or storage business on the Property.

Section 7 of the Lease is amended as follows:

7. **Holding Over.** CCI’s continuing in possession of the Leased Premises after the expiration or earlier termination of the Lease Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, CCI’s continued possession of the Leased Premises after the end of the Lease Term will be a tenancy from month to month, terminable upon 120 days written notice by either party at any time, at a monthly rent equal to the monthly rent in effect at the end of the Lease Term, subject to all other terms of this Lease.



**Further Amendments**

Except as expressly modified herein, the provisions of the Lease shall remain in full force and effect. In case of any conflict between the Lease and this Amendment, the provisions of this Amendment control. Neither the Lease nor this Amendment may be further amended except as provided in the Lease. This Amendment, together with the non-conflicting provisions of the Lease, constitutes the entire agreement between the Parties, superseding all previous and contemporaneous written and oral understandings, between the Parties with respect to this matter.

**Execution in Counterparts**

This Amendment may be executed in counterparts, each of which shall be an original, but such counterparts shall together constitute one and the same Amendment.

The Parties, intending to be legally bound, have executed this Amendment as of the effective date.

**IN WITNESS WHEREOF**, the Parties have executed this A m e n d m e n t .

**CHANNEL CONSTRUCTION, INC.**

By: \_\_\_\_\_  
William R. Tonsgard

Its: President \_\_\_\_\_

**CITY AND BOROUGH OF WRANGELL  
ALASKA**

By: \_\_\_\_\_  
Patricia Gilbert

Its: Mayor \_\_\_\_\_

**ACKNOWLEDGEMENTS**

STATE OF ALASKA )  
 ) ss  
FIRST JUDICIAL DISTRICT )

**THIS IS TO CERTIFY** that on the \_\_ day of May, 2023, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **WILLIAM R. TONSGARD**, President of CHANNEL CONSTRUCTION, INC., to me known and known to me to be the identical individual described herein and who executed the within and foregoing **FIRST AMENDMENT TO SHORT TERM LEASE AGREEMENT** as President of Channel Construction, Inc., and he acknowledged to me that he signed the same in the name of and for and on behalf of said corporation, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public for Alaska  
My commission expires: \_\_\_\_\_

STATE OF ALASKA                    )  
  ) ss  
FIRST JUDICIAL DISTRICT        )

**THIS IS TO CERTIFY** that on the \_\_\_\_ day of May, 2023, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **Patricia Gilbert**, Mayor of THE CITY AND BOROUGH OF WRANGELL ALASKA, to me known and known to me to be the identical individuals described herein and who executed the within and foregoing **FIRST AMENDMENT TO SHORT TERM LEASE AGREEMENT** as Mayor of the City and Borough of Wrangell, Alaska, and she acknowledged to me that she signed the same in the name of and for and on behalf of said City and Borough, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.



**GIVEN UNDER MY HAND** and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public for Alaska  
My commission expires: \_\_\_\_\_

# CCI / TL Shop

Write a description for your map.

## Legend

-  Long Term Shop, Equipment Storage and Item a. g
-  Short Term Shop Area



## SHORT TERM LEASE AGREEMENT

This Short Term Lease Agreement (hereinafter “Lease”) is made and entered into between **THE CITY AND BOROUGH OF WRANGELL, ALASKA** (hereinafter “CBW” or “Landlord”), whose address is P.O. Box 531, Wrangell, Alaska 99929, and **CHANNEL CONSTRUCTION, INC.** (hereinafter “CCI” or “Tenant”), whose address is P.O. Box 33359, Juneau, Alaska 99803, effective this \_\_\_\_\_ day of January, 2023 (the “Effective Date”).

### RECITALS

**WHEREAS**, CBW owns the site of the old Buhler sawmill site at 6-mile Zimovia Highway, more particularly described and shown on Exhibit A attached to and by this reference incorporated into this Lease (the "Property"); and

**WHEREAS**, CCI intends to temporarily store scrap materials on the two acre portion of the Property drawn on Exhibit A (the “Leased Premises”) and to later transport those materials to another location for processing; and

**WHEREAS**, CBW intends to develop a long-term economic development plan (“LTEDP”) for the Property and any activities being conducted on the Property must be in accord with the LTEDP and any associated land use requirements; and,

**WHEREAS**, Wrangell Municipal Code Chapter 16.08 authorizes CBW to lease CBW-owned tidelands; and

**WHEREAS**, The CBW Planning and Zoning Commission and CBW Port Commission have approved CCI’s lease application, and documentation related to those approvals are attached hereto as Exhibit B;

**NOW, THEREFORE**, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

1. **Grant of Leased Premises.** Under the terms and conditions set forth herein, CBW leases to CCI, and CCI rents from CBW, the Leased Premises. A legal description of the Property and a depiction of two acre portion thereof constituting the Leased Premises is shown on Exhibit A.

2. **Length of Term.** The term of this Lease shall be for one hundred and

twenty (120) days following the Effective Date (the “Lease Term”).

3. **Rent.** The monthly rent during the term of this Lease shall be due and payable by CCI in equal monthly installments of \$1000, plus sales and all other taxes CBW is authorized or obligated to collect on such transactions, to be paid to the CBW Finance Director or his representative on or before the close of business on the first day of each month for the previous month’s usage, without any prior demand therefor.

4. **Use of Leased Premises.** CCI may temporarily store scrap materials on the Leased Premises during the term of the Lease. So long as such scrap materials are drained of all fluids including anti-freeze, and so long as batteries and tires are removed, CCI may also accept scrap materials from the CBW general public and CBW for storage. CCI shall use the Leased Premises only for the purposes set forth above and no other purpose or purposes. CCI may construct temporary structures which are consistent with such permitted use. It is expressly understood by the parties that no provision of this Lease is intended to authorize CCI to operate a permanent scrap metal recycling or storage business on the Property.

5. **Subletting and Assignment.** CCI will not assign or encumber this Lease, in whole or in part, or sublet all or any part of the Leased Premises. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operations of law.

6. **Surrender of Possession.** Upon the expiration or earlier termination of the Lease Term, unless CCI and CBW have entered into a new lease for the Leased Premises commencing upon the termination of the Lease Term, CCI shall promptly and peaceably surrender the Leased Premises in as good order and condition as at the commencement of the Lease Term and at CCI's sole cost shall remove from the Property all stored scrap materials and all of CCI's buildings, equipment, and structures.

7. **Holding Over.** CCI’s continuing in possession of the Leased Premises after the expiration or earlier termination of the Lease Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, CCI’s continued possession of the Leased Premises after the end of the Lease Term will be a tenancy from month to month, terminable upon 30 days written notice by either party at any time, at a monthly rental equal to ~~150% of~~ the monthly rent in effect at the end of the Lease Term, subject to all other terms of this Lease.

~~For good cause, CBW may waive all or part of the increase in monthly rent during the holdover period. Notwithstanding the above, the holdover period may not exceed three months following the Lease Term.~~

8. **Work Practices.** CCI shall conduct its work on the Property in accordance with the Recycling Industry Operating Standard, and in compliance with all applicable laws and regulations.

9. **Force Majeure.** The parties shall not be deemed in default with respect to the performance of any of the terms, conditions and covenants of this Lease if the same shall be due to any act of God, any strike, lockout, earthquake, civil commotions or disturbances, invasion, rebellion, hostilities, military or usurped power, or sabotage.

10. **Inspection, Ingress, and Egress.** CBW reserves the right of ingress to and egress from the Property and the Leased Premises. CBW reserves the right to enter any part of the Property and the Leased Premises, including buildings or structures, for the purpose of inspection or environmental testing at any time. Except in the case of an emergency, all such inspections and environmental testing will be coordinated with CCI to minimize interference with its activities.

11. **Insurance.** CCI shall, at CCI's sole cost, keep in force during the term of this Lease and any holdover period the following insurance policies:

a. A policy of commercial general liability insurance covering property damage and liability for personal injury occurring on or about the Property, with limits in the amount of at least One Million Dollars (\$1,000,000) per occurrence for injuries to or death of any person.

b. Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than One Million Dollars (\$1,000,000) per person, One Million Dollars (\$1,000,000) per occurrence. Where applicable, coverage for all federal acts (i.e. U.S. Longshoremen and Harbor Worker's Compensation and Jones Acts) shall also be included. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of CBW.

c. A policy of site-specific pollution liability insurance specifically covering CCI's activities on the Property in the amount of at least One Million Dollars (\$1,000,000) per occurrence.

Copies of all insurance policies and a certificate of insurance with respect to each policy shall be delivered to CBW upon CCI taking occupancy of the Leased Premises and if there are any changes to the policies such changes shall be promptly provided to CBW. CBW shall be designated as an Additional Insured on each and every insurance policy by an endorsement to each policy. Copies of such endorsements shall be furnished to CBW promptly with respect to each insurance policy.

12. **Prior Environmental Contamination and Surviving Obligations.**

The parties understand that environmental contamination has existed on the Property prior to CBW's ownership. Pursuant to a duly executed Prospective Purchaser Agreement between CBW and the Alaska Department of Environmental Conservation (hereinafter "ADEC"), CBW is immune from action by ADEC for hazardous material as defined below existing prior to the purchase. The parties understand that any commingling of new hazardous waste with preexisting waste may expose both CBW and CCI to liability for pre-existing waste. Considering that environmental liability for hazardous waste release can be long lasting, the parties agree all the following Environmental and indemnification obligations shall survive the Lease Term.

13. **Environmental Protection and Safety.**

a. **Hazardous Substances.** The words "Hazardous Substances" are used in their very broadest sense and refer to materials that, because of their quantity, concentration or physical, chemical, or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. "Hazardous Substances" include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

b. **Environmental Laws.** The words "Environmental Laws" mean all federal, state and local statutes, regulations, ordinances, and requirements, now or hereafter in effect, pertaining to environmental protection, contamination or cleanup, including without limitation (i) the Federal Water Pollution Control Act (33 U.S.C. §1251 et. seq.); (ii) the Federal Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et. seq.); (iii) the Federal Comprehensive Environmental



Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601 et. seq.); (iv) the Hazardous Materials Transportation act, 49 U.S.C. Section 5101, et seq.; (v) Alaska Environmental Conservation Act, Alaska Stat. §46.03.010 et seq.; (vi) Alaska Water Pollution Control and Waste Disposal Act, Alaska Stat. §46.03.050 et seq.; (vii) Alaska Oil and Hazardous Substance Pollution Control Act, Alaska Stat. §46.04.010 et seq.; (viii) Alaska Hazardous Substance Release Control Act, Alaska Stat. §46.09.010 et seq.; and (ix) Prohibited Acts and Penalties, Alaska Stat. §46.03.710 et seq., all as now or hereafter amended.

c. CCI shall immediately notify CBW upon becoming aware of any of the following: (i) any spill, release or disposal of a Hazardous Substance on any of the Property, or in connection with any of its operations if such spill, release or disposal must be reported to any governmental authority under applicable Environmental Laws; (ii) any material contamination, or imminent threat of contamination, of the Property by Hazardous Substances, or any violation of Environmental Laws in connection with the Property operations conducted on the Property; (iii) any order, notice of violation, fine or penalty or other similar action by any governmental authority relating to Hazardous Substances or Environmental Laws and the Property or the operations conducted on the Property; and (iv) any judicial or administrative investigation or proceeding relating to Hazardous Substances or Environmental Laws and to the Property or the operations conducted on the Property.

d. CBW reserves the right to inspect and investigate the Property and operations thereon at any time and from time to time, and CCI shall cooperate fully with CBW in such inspection and investigations. If CBW at any time has reasonable cause to believe that CCI or any occupants of the Property are not complying with all applicable Environmental Laws or with the requirements of this Lease or that a material spill, release or disposal of Hazardous Substances has occurred on or under the Property, CBW may require CCI to furnish CBW at CCI's expense an environmental audit or a site assessment with respect to the matters of concern to CBW. Such audit or assessment shall be performed by a qualified consultant approved by CBW. Any inspections or tests made by CBW shall be for CBW's purposes only and shall not be construed to create any responsibility or liability on the part of CBW to CCI or to any other person or entity.

e. CCI shall be responsible for removing any Hazardous Substances from the Property following the termination of this Lease and shall clean up the Property to the standard required by law or regulation, environmental or otherwise, and to the reasonable satisfaction of CBW; provided that CBW's approval of a Property cleanup plan shall first be obtained.

f. To ensure prior contamination is not disturbed, CCI shall under no circumstances drill, dig, or otherwise disturb soil or any locale that CBW has identified as contaminated. CCI shall not transport any soil from the Property without CBW's permission.

g. CCI agrees that it will not store any Hazardous Substances on the Property. CCI further agrees to ensure that all fluids are drained from vehicles or other scrap materials before they are stored on the Property.

h. If Hazardous Substances introduced to the Property by CCI cause or result in residual contamination of the Property CCI shall be responsible for any such residual damage to the Property resulting therefrom.

i. CCI shall, at its sole cost and expense, dispose of all refuse resulting from its use of the Property, including garbage and food of any kind, by disposing all such materials not consumed on Property off-site or in a permitted landfill.

#### 14. **Indemnification.**

a. CCI shall indemnify, defend, and hold CBW, its agents, and employees harmless from and against any and all liability, loss, suit, claim, judgment, fine, demand, damage, penalty, property damage, or personal injury of whatever kind, including sums paid in settlements of claims, attorney fees, consultant fees, expert fees, or costs incurred arising from or connected with this Lease, CCI's use or occupation of the Property, CCI's operations, or any act or omission by CCI, its agents, contractors, employees, customers, associates, invitees, or licensees. CCI shall give CBW reasonable notice of any such claims or actions.

b. Without limiting the foregoing, this indemnification obligation includes the payment of all costs of any investigation of site conditions, or any cleanup, abatement, remediation, removal, or restorative work required by this Lease, or by any federal, state, or local governmental agency with appropriate jurisdiction because of Hazardous Substances present in the soil or groundwater on or under the Property or other affected properties incurred, arising from, or connected with this Lease, CCI's use or occupation of the Property, CCI's operations, or any act or omission by CCI, its agents, contractors, employees, customers, associates, invitees or licensees.

#### 15. **Events of Default.** Each of the following shall constitute an event of

default under this Lease:

a. The failure of CCI to pay monthly rent or any other sum of money due under this Lease within ten (10) days after the date such payment is due.

b. The failure of CCI to perform or observe any covenant or condition of this Lease, other than a default in the payment of money described in the preceding subsection (a), which is not cured within thirty (30) days after notice thereof from CBW to CCI, unless the default is of a kind that cannot be cured within such 30-day period, in which case no event of default shall be declared so long as CCI shall commence the curing of the default within such 30 day period and thereafter shall diligently and continuously prosecute the curing of same.

c. The use of the Leased Premises or buildings and improvements thereon for purposes other than those permitted herein, to which CBW has not given its written consent.

d. The commencement of a case under any chapter of the federal Bankruptcy Code by or against CCI, or the filing of a voluntary or involuntary petition proposing the adjudication of CCI as bankrupt or insolvent, or the reorganization of CCI, or an arrangement by CCI with its creditors, unless the petition is filed or case commenced by a party other than CCI and is withdrawn or dismissed within ninety (90) days after the date of its filing.

e. The admission in writing by CCI of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of CCI, unless such appointment shall be vacated within ten (10) days after its entry; CCI making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of CCI.

16. **Landlord's Remedies.** Upon the occurrence of an event default, CBW has all of the following remedies, all in addition to any other remedies that CBW may have at law or in equity:

a. CBW may terminate this Lease by written notice to CCI, upon which termination CCI shall immediately surrender possession of the Leased Premises, vacate the Leased Premises, and deliver possession of the Leased Premises to CBW. CCI hereby makes a present grant to CBW of a full, free and irrevocable license to enter into and upon the Leased Premises, in the event CBW terminates this Lease

in accordance with this subsection (a), and to repossess the Leased Premises, to expel or remove CCI and any others who may be occupying or within the Leased Premises, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing CBW's right to rent or any other right given to CBW hereunder or by operation of law.

b. CBW may by written notice declare CCI's right to possession of the Leased Premises terminated without terminating this Lease. CCI hereby makes a present grant to CBW of a full, free and irrevocable license to enter into and upon the Leased Premises, in the event CBW terminates CCI's right of possession in accordance with this subsection (b), and to repossess the Leased Premises, to expel or remove CCI and any others who may be occupying or within the Leased Premises, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing CBW's right to rent or any other right given to CBW hereunder or by operation of law.

c. CBW may recover from CCI, with or without terminating this Lease, actual attorney's fees and other expenses incurred by CBW by reason of CCI's default.

17. **Waiver.** The failure of either party to insist upon the strict performance of any provision of this Lease, or to exercise any right, power or remedy consequent upon a breach thereof, shall not constitute a waiver by said party of any such provision, breach or subsequent breach of the same, or any other provision. All rights and remedies of the parties hereunder, or otherwise available at law or in equity, are cumulative.

18. **Compliance with Laws.** Tenant's improvement and use of the Leased Premises shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the CBW Zoning Code, all applicable building codes, and orders of any governmental authorities having jurisdiction under any environmental law, now or hereafter in effect. CCI is responsible for obtaining any and all permits or easements necessary to access the Leased Premises from the Zimovia Highway.

19. **Modification.** This Lease may only be modified or amended by a

document in writing, executed by CCI and CBW.

20. **Time of Essence.** Time is of the essence of each provision of this Lease.

21. **Parties Interested Herein.** Nothing in this Lease, express or implied, is intended or shall be construed to give to any person or entity other than CBW and CCI any right, remedy or claim, legal or equitable, under or by reason of this Lease. The covenants, stipulations and agreements contained in this Lease are and shall be for the sole and exclusive benefit of CBW and CCI, and their permitted successors and assigns.

22. **Addresses for Notices.** All notices, demands and requests from CCI to CBW shall be given to CBW at the following address:

Borough Manager  
City and Borough of Wrangell  
P.O. Box 531  
Wrangell, Alaska 99929  
jgood@wrangell.com

All notices, demands or requests from CBW to CCI shall be given to CCI at the following address:

Channel Construction, Inc.  
Attn: William Tonsgard, Jr.  
P.O. Box 33359,  
Juneau, AK 99803  
Email: [Insert W. Tonsgard email address]

Each party may, from time to time, designate a different address or different agent for service of process by giving written notice given to the other party.

23. **Interpretation.** Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Lease. The language in this Lease shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

24. **Attorney's Fees.**

a. If CBW is involuntarily made a party to any litigation concerning this Lease or the Property by reason of any act or omission of CCI, or if CBW is made a party to any litigation brought by or against CCI without any fault on the part of CBW, then CCI shall pay the amounts reasonably incurred and expended by CBW, including the reasonable fees of CBW's agents and attorneys and all expenses incurred in defense of such litigation.

b. In the event of litigation between CBW and CCI concerning enforcement of any right or obligation under this Lease, the non-prevailing party shall reimburse the prevailing party for attorney's fees pursuant to Alaska Rule of Civil Procedure 82.

25. **Governing Law and Venue.** This Lease will be governed by, construed and enforced in accordance with, the laws of the State of Alaska and the City and Borough of Wrangell. Any action or suit arising between the parties in relation to or in connection with this Lease, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the First Judicial District at Wrangell.

26. **Severability/Binding Effect.** If any provision of this Lease, or any application thereof, shall be invalid or unenforceable, the remainder of this Lease and any other applications of such provision shall not be affected thereby. This Lease shall be binding upon and inure to the benefit of the parties' heirs, executors, other legal representatives, successors and assigns.

27. **Execution in Counterparts.** This Lease may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

28. **Entirety of Lease.** This Lease constitutes the entire and integrated agreement between CBW and CCI concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of CBW shall bind CBW or be enforceable by CCI unless specifically set forth in this Lease.

29. **Effective Date.** The Effective Date of this Lease is the date that it is executed by the parties following approval of the Lease by the CBW Assembly pursuant to Wrangell Municipal Code 16.08.100.

IN WITNESS WHEREOF, the parties have executed this Lease.

**CHANNEL CONSTRUCTION, INC.**

By: \_\_\_\_\_  
William R. Tonsgard

Its: President \_\_\_\_\_

**CITY AND BOROUGH OF WRANGELL  
ALASKA**

By: \_\_\_\_\_  
Jeff Good

Its: Manager \_\_\_\_\_

**ACKNOWLEDGEMENTS**

STATE OF ALASKA )  
 ) ss  
FIRST JUDICIAL DISTRICT )

**THIS IS TO CERTIFY** that on the day of January, 2023, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **WILLIAM R. TONGARD**, President of CHANNEL CONSTRUCTION, INC., to me known and known to me to be the identical individual described herein and who executed the within and foregoing **SHORT TERM LEASE AGREEMENT** as President of Channel Construction, Inc., and he acknowledged to me that he signed the same in the name of and for and on behalf of said corporation, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public for Alaska  
My commission expires: \_\_\_\_\_



STATE OF ALASKA )  
 ) ss  
FIRST JUDICIAL DISTRICT )

**THIS IS TO CERTIFY** that on the day of January, 2023, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **JEFF GOOD**, Manager of THE CITY AND BOROUGH OF WRANGELL ALASKA, to me known and known to me to be the identical individuals described herein and who executed the within and foregoing **SHORT TERM LEASE AGREEMENT** as Manager of the City and Borough of Wrangell, Alaska, and he acknowledged to me that he signed the same in the name of and for and on behalf of said City and Borough, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public for Alaska  
My commission expires: \_\_\_\_\_

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	February 1st, 2024
	<u>Agenda Section</u>	<b>10</b>

JON CAMPBELL REQEUST FOR 21 YEAR TIDELAND LEASE OF A 50'x50' PORTION OF PARCELL 02-023-208 LOT 5

SUBMITTED BY:

Steve Miller, Port Director

FISCAL NOTE:

<b>Expenditure Required:</b> \$XXX Total		
FY 21: \$	FY 22: \$	FY23: \$
<b>Amount Budgeted:</b>		
	FY22 \$XXX	
<b>Account Number(s):</b>		
	XXXXX XXX XXXX	
<b>Account Name(s):</b>		
	Enter Text Here	
<b>Unencumbered Balance(s) (prior to expenditure):</b>		
	\$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 Parcel 02 0023 208 Lot 5 4. Tide land lease ordinance

Staff does not Recommend leasing this property.

**RECOMMENDATION MOTION:**  
Move to recommend JON CAMPBELL REQEUST FOR 21 YEAR TIDELAND LEASE OF A 50'x50' PORTION OF PARCELL 02-023-208 LOT 5

**SUMMARY STATEMENT** Jon Campbell, who has occupied a corner of the harbor 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, leading to a messy

situation. Fortunately, family members of the owner of the sunken float house assisted with the cleanup. To mitigate potential liability for the city, Jon received a letter instructing him to vacate the tidelands. Currently, there are two alternatives: relocating the float house to one of the harbors or moving it to private tidelands within the borough. Additionally, the future use of these tidelands includes plans for filling and expanding the marine service center.

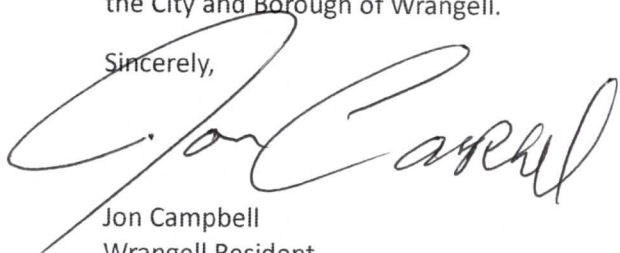
2/23/2024

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 initial "J" and "C".

Jon Campbell  
Wrangell Resident  
PO Box 1767

305-0855

Item b.

Dave Miller Shop



City Property



Cambell float house



126

(1 of 2)



**Parcel Number: 02-023-208**

Parcel	02-023-208
Last Name	
First Name	
Business	CITY AND BOROUGH OF WRANGELL
Block	7A
Lot	5
Plat	
Street Address	
Mill Rate	12.75



### **16.08.010 Scope.**

This chapter pertains to the leasing of borough-owned tidelands and to the responsibilities of the borough manager and borough assembly with respect thereto. The intent of this chapter is to ensure equitable leasing of borough-owned tidelands in such manner as will encourage development for its highest and best use in the borough. All tidelands to which the borough holds title, or to which the borough may become entitled, may be leased as provided in this chapter. [[Ord. 990](#) § 2, 2021.]

### **16.08.020 Definitions.**

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

“Borough tidelands” means all those lands which are periodically covered by tidal waters between the elevations of mean high and mean low tides, together with such additional lands as may be conveyed by the state to the borough as tidelands.

“Fair rental value” means the rent computed from the appraised fair market value of the land, and such term shall mean the highest price, described in terms of money for which the property would rent, if exposed for rent for a reasonable time in the open market, with an owner willing but not forced to rent and a renter willing but not forced to rent, both being fully informed of all the purposes for which the property is best adapted or could be used.

“Lease” means a surface lease issued or held pursuant to this chapter and any other ordinances of the borough.

“Regulations” means the leasing regulations of this chapter as well as other pertinent regulations promulgated by the borough. [[Ord. 990](#) § 2, 2021.]

### **16.08.030 Applications.**

A. A person seeking a lease for borough-owned tidelands (or submerged lands) shall file an application with the borough clerk’s office. A nonrefundable processing fee of \$100.00 shall be paid to the borough at the time of filing. Applications for tidelands leases shall be submitted to the planning and zoning and port commissions before being presented to the borough assembly for consideration.

B. Along with the application for lease of tidelands, a development plan must be submitted for review by the planning and zoning and port commissions.



1. Development Plan. A development plan that includes and is consistent with plans required by other agencies involved in the development process. The development plan shall include:

- a. A description of the proposed use for the tidelands, submerged land, and adjacent uplands; and
- b. A description of the improvements that will be placed on the tidelands, submerged land, and adjacent uplands; and
- c. The dates by which construction will begin and will be completed; and
- d. The estimated cost of the improvements that will be placed on the tidelands, submerged lands, and adjacent uplands; and
- e. A description of the effects that the proposed use of the tidelands, submerged lands, and adjacent uplands will have on public streets, public facilities, public services, public utilities, traffic, and parking. The description shall include a plan for mitigating adverse effects on streets, public facilities, public services, public utilities, traffic congestion, and parking, and a plan for paying the costs thereof; and
- f. The names and addresses of the owners, officers, and proposed managers.

The development plan shall describe how the applicant will fulfill the terms of any permits or approvals required by the City and Borough of Wrangell. The applicant shall provide such additional information, including designs and specifications, as the planning and zoning and port commissions may request. The planning and zoning and port commissions may require the applicant to amend its development plan. All fees associated with the lease shall be paid by the applicant. Such fees include but are not limited to an application fee, survey, assessment, public notices, and recording fees. [[Ord. 990](#) § 2, 2021.]

### **16.08.040 Appraisal – Required improvements.**

A. No tidelands shall be leased, or a renewal lease issued therefor, unless the same has been appraised within six months prior to the date fixed for beginning of the term of the lease or renewal lease. No land shall be leased for an annual rent less than six percent of the appraised value of the land and any improvements thereon owned by the borough.

B. Upon the filing of an application for a lease of a parcel of classified tidelands and the deposit of the costs estimated by the borough clerk, the borough assessor shall cause the tract, and any improvements thereon owned by the borough, to be appraised at their fair market value. If the borough assessor is unable to provide an appraisal, the services of a professional appraiser licensed in the state of Alaska may be used. The appraisal shall be transmitted by the assessor or appraiser to the assembly which shall review the same and determine the appraised value of

the tract and improvements thereon owned by the borough. Facilities for supplying utility services shall not be considered as such improvements. The assembly shall determine the annual rental as six percent of the appraised value and shall determine any limitations, reservations, requirements, or special conditions to be included in the lease.

C. Each lease shall contain a requirement that the lessee construct improvements suitable for the use of which the land is classified of a specified minimum value within two years from the date of the lease and that a Corps of Engineers permit shall be obtained prior to construction when required. Improvements in the limited context of the tidelands leasing provisions may include a parking lot with fill or surfacing, drainage, ingress and egress as the assembly shall require. The applicant shall be notified of the amount of the minimum annual rental and the value of the improvements required to be constructed thereon. [[Ord. 990](#) § 2, 2021.]

### **16.08.050 Fair rental value to be used for leases – Exceptions.**

Except as otherwise stated in this chapter, no tidelands of the borough shall be leased for less than the fair rental value thereof. Notwithstanding the preceding provisions, the borough may lease tidelands for less than the fair rental value to any state or federal agency, nonprofit organization, or new industries, as defined in AS [29.10.132](#), if such lease is determined by the borough assembly to be fair and proper and in the best interest of the public. The determination of the fair rental value of tidelands, as determined by the borough assembly, shall be conclusive in the absence of fraud. [[Ord. 990](#) § 2, 2021.]

### **16.08.060 Notice of publication.**

Once the planning and zoning and port commissions have both taken action on the application to go before the borough assembly, the borough clerk will cause a notice of tidelands lease application to be published for three consecutive weeks before final action of the borough assembly to approve or reject the tidelands lease. The publication shall be published in the newspaper at least two times, with the final publication at least one week prior to the final action on the application. The notice shall identify the applicant, the location of the proposed lease, and the proposed use. The notice shall state that anyone wishing to protest the lease must file a written protest with the borough clerk not later than a date identified in the notice. Such protest shall be in writing and shall state all reasons for the protest. Failure to timely protest as required by this subsection shall constitute a waiver of any right to lease or use the location and shall waive any right to contest the awarding of the lease. No sooner than one week after the date set for receipt of protests, the borough manager shall submit to the borough assembly a report and recommendation on each protest timely received by the borough. No lease shall be approved by the assembly until the borough manager's report has been submitted to the assembly.

Additionally, the borough clerk shall mail notice to the owners, as shown on the borough tax rolls, of upland property within a radius of at least 1,200 feet of the shore-side boundary of the

tidelands or submerged lands to be leased. Such notice will not be sent to the applicant if the applicant is the owner of some of the upland property. [[Ord. 990](#) § 2, 2021.]

### **16.08.070 Terms of leases – Renewal periods.**

Leases under this chapter may be issued for a maximum initial period of 21 years, and may provide for not more than six, five-year renewal options. The assembly will approve or reject the negotiated lease. No rights to new leases or new use of tidelands or submerged lands may arise until the assembly approves a final written lease. Nothing in this chapter requires the borough assembly to accept any lease. [[Ord. 990](#) § 2, 2021.]

### **16.08.080 Leases to be by negotiation.**

Leases may be negotiated by the borough manager or their designee with any person making application for the lease of tidelands, but no lease shall be consummated and executed until the borough assembly has satisfied itself that the lease of such property is in the long range interest of the borough, that such lease has been negotiated fairly and impartially and without favoritism and that the terms of the lease adequately protect the borough, including the receipt of an annual rental reflecting the true value of the premises leased. [[Ord. 990](#) § 2, 2021.]

### **16.08.090 Right of borough assembly to reject lease proposal.**

The borough assembly shall be under no obligation to accept any lease proposal but shall evaluate all proposals under the criteria set forth in this chapter and accept or reject leases based on such evaluations. [[Ord. 990](#) § 2, 2021.]

### **16.08.100 Approval of leases.**

All leases of borough-owned tidelands shall be submitted for the approval of the borough attorney as to legal sufficiency and to form and to the borough assembly for determination as to whether or not the lease should be issued. The decision to lease property shall be made by motion duly passed in regular or special session of borough assembly. In determining whether or not a lease should be issued both the planning and zoning and port commissions shall take action on a recommendation, the reports of which shall accompany the request that goes to the borough assembly for consideration. If the borough assembly finds additional information is required, the borough assembly may consult with the planning and zoning or port commission as to the advisability of any particular lease. [[Ord. 990](#) § 2, 2021.]

### **16.08.110 Payment of annual rentals.**

Annual rental in amounts up to and including \$250.00 shall be paid on an annual basis. Annual rentals in amounts exceeding \$250.00 shall be paid in annual, quarterly, or monthly

installments as provided for in the lease. All rentals shall be paid in advance. [[Ord. 990](#) § 2, 2021.]

### **16.08.120 Adjustment of annual rental.**

All leases shall stipulate that the annual rental payment shall be subject to adjustment on the fifth anniversary of the date of the lease and each fifth anniversary date thereafter. All adjusted rates shall be computed at six percent of the fair market value of the land and improvements owned by the borough and leased thereunder. Such value shall be determined by an appraisal made by the borough assessor, or private appraiser, and determined by the assembly as provided in WMC [16.08.040](#). [[Ord. 990](#) § 2, 2021.]

### **16.08.130 Utilization of leased property.**

Leases shall be utilized solely for the purposes within the scope of the lease. Development for other use without the express consent of the borough assembly shall constitute a violation of the lease. The borough assembly shall require a development plan to be submitted and followed by the lessee. Failure to develop the land consistent with the development plan constitutes grounds for cancellation of the lease at the option of the borough assembly. [[Ord. 990](#) § 2, 2021.]

### **16.08.140 Subleasing and assignment of leases.**

No lessee of city tidelands shall sublease or assign their lease or any interest therein without the prior written consent of the borough assembly. Consent to sublease or assign shall not be unreasonably withheld, but shall be granted in all cases, where the borough assembly finds that the assignment or sublease will not be detrimental to the interest of the borough in the development of borough tidelands. [[Ord. 990](#) § 2, 2021.]

### **16.08.150 Modification of leases.**

No lease under this chapter may be modified orally or in any manner other than by a lease amendment approved by the borough assembly and signed by all parties thereto or their respective successors in interest. [[Ord. 990](#) § 2, 2021.]

### **16.08.160 Cancellation or forfeiture of leases – Generally.**

A. Leases in good standing may be canceled in whole or in part at any time upon written agreement between the lessee and the borough.

B. If the lease should be terminated because of any breach by the lessee, as provided in this chapter, the annual rental payment last made by the lessee shall be forfeited and retained by the lessor.

C. A lease may be canceled if the leased premises are used for any unlawful purpose.

D. If the lessee shall be in default in the performance, observance, or conditions of any of the lease terms, covenants, or stipulations thereto, or of valid regulations enforced, the borough manager may immediately take appropriate action, including but not limited to cancellation of the lease. No improvements may be removed during any time the lessee is in default. [[Ord. 990](#) § 2, 2021.]

### **16.08.170 Preference rights to release.**

A lessee under this chapter, under an existing lease, shall upon expiration of the lease be allowed a preference right to release those lands previously leased by them, if all of the factors are substantially equivalent, unless it shall be determined by the borough that the renewal of such lease is not in the best interest of the borough. [[Ord. 990](#) § 2, 2021.]

### **16.08.180 Removal or reversion of improvements upon termination of lease.**

Improvements owned by a lessee on borough tidelands shall be removed by him or her within 60 days after termination of the lease for any cause; provided, that such removal will not cause injury or damage to the land; and that the borough manager may extend the time for removing such improvements in cases where hardship is shown. The retiring lessee may, with the consent of the borough manager, sell their improvement to the succeeding lessee. [[Ord. 990](#) § 2, 2021.]

### **16.08.190 Giving of notices and demands.**

Any notice or demand which must be given under the terms of a lease under this chapter may be given, in writing, by registered or certified mail addressed to the other party at the address shown on the lease. Notice shall be deemed given when deposited in the United States postal receptacle. [[Ord. 990](#) § 2, 2021.]

### **16.08.200 Compliance with regulations.**

The lessee shall comply with all regulations or ordinances which any proper public authority shall promulgate for the promotion of sanitation and fire protection and shall comply with all building and zoning codes. The lessee's premises shall be opened for inspection by authorized representatives of the borough at all reasonable times. [[Ord. 990](#) § 2, 2021.]

### **16.08.210 Reservation of rights-of-way.**

The borough expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the borough to do so. The lessee whose land such

easements cross shall be entitled to damages for all improvements destroyed or damaged.  
[[Ord. 990](#) § 2, 2021.]

Item c.

Sumner



Peninsula



Jeff Grannum  
Peninsula Seafoods  
C 503-758-4956  
[Grannum@peninsulaseafood.com](mailto: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 the create n 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](mailto:Grannum@peninsulaseafood.com)

