

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AUTHORIZING THE BOROUGH MANAGER TO ENTER INTO A LONG-TERM MANAGEMENT AGREEMENT FOR A PERIOD OF 25 YEARS WITH ALASKA SAILING CLUB, INC. FOR PURPOSE OF MANAGEMENT AND USE OF BOROUGH LAND (MSB006789).

AGENDA OF: MARCH 15, 2022

ASSEMBLY ACTION:

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER: MB

Route To:	Department/Individual	Initials	Remarks
	Originator	MSC	
	Recreation and Library Manager	ML	
	Community Development Director	EP	
	Finance Director	OF	
	Borough Attorney	AS	
	Borough Clerk	JAM 3/7/22	(Signature)

ATTACHMENT (S) : Fiscal Note: YES \_\_\_ NO X  
 Exhibit A Vicinity Map (1 pp)  
 Public Use Easement Plat No. 92-50 (1 pp)  
 Management Agreement (14 pp)  
 Ordinance Serial No. 22-023 (2 pp)

**SUMMARY STATEMENT:**

The Alaska Sailing Club, Inc. (the Club) is a domestic nonprofit corporation who has managed and utilized a 1.6 acre portion of Borough land under an authorized Borough Permit since 2013. Permits are temporary in nature and the Club desires a more permanent solution to continue Club activities. Staff is recommending approval by the Borough Assembly allowing the manager to enter into a long-term agreement in accordance with MSB 23.10.060.

Under the current Permit, the Club has been using the Borough land for purpose of public parking and events for education and outreach activities related to water and boating safety, sailing classes, community events on Big Lake, and occasional limited overnight camping during some of the Club sponsored events. They own property adjacent to the Borough land which includes improvements such as a clubhouse, several small condos, and associated appurtenances, but there is not adequate area within their private property for sponsored events or public parking, which is what the current permitted area on Borough land has provided.

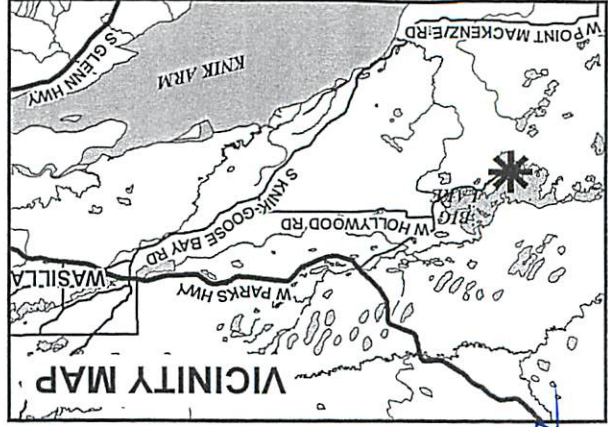
The Club desires to continue working with the public, youth groups, Wounded Warriors, and similar programs on a long-term basis and have been good stewards of the Borough land, to include shoreline restoration with ADF&G which has been a model for similar projects and volunteer resources.

The proposed management agreement area is defined as a portion of Block 5 lying north of the Public Use Easement, South Big Lake Alaska Subdivision, according to Plat No. 92-50 and Plat No. 66-4 (respectively), located in the Palmer Recording District, and is the same footprint as the current permitted area. The proposed management area is located next to the Big Lake boat launch and public parking which comprises the remainder of Block 5. The area does not impede nor conflict with existing public use of the boat launch or public parking. The Club has worked in partnership with Borough Recreation Services since 2013 to ensure both the public boat launch and the Club's permitted area are kept in a safe and clean manner.

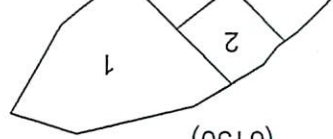
MSB 23.10.160 provides that the manager may in accordance with Title 23 and adopted procedures enter into an agreement for the purpose of managing borough-owned real property. The period covered by any management agreement shall not exceed a period longer than five years unless otherwise approved by the assembly by ordinance.

**RECOMMENDATION OF ADMINISTRATION:**

Matanuska-Susitna Borough Assembly authorizing the Borough Manager to enter into a long-term management agreement for a period of 25 years with Alaska Sailing Club, Inc. for purpose of management and use of Borough land.

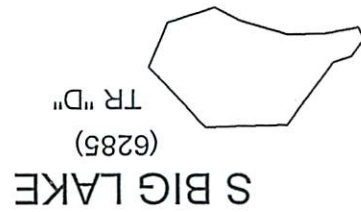


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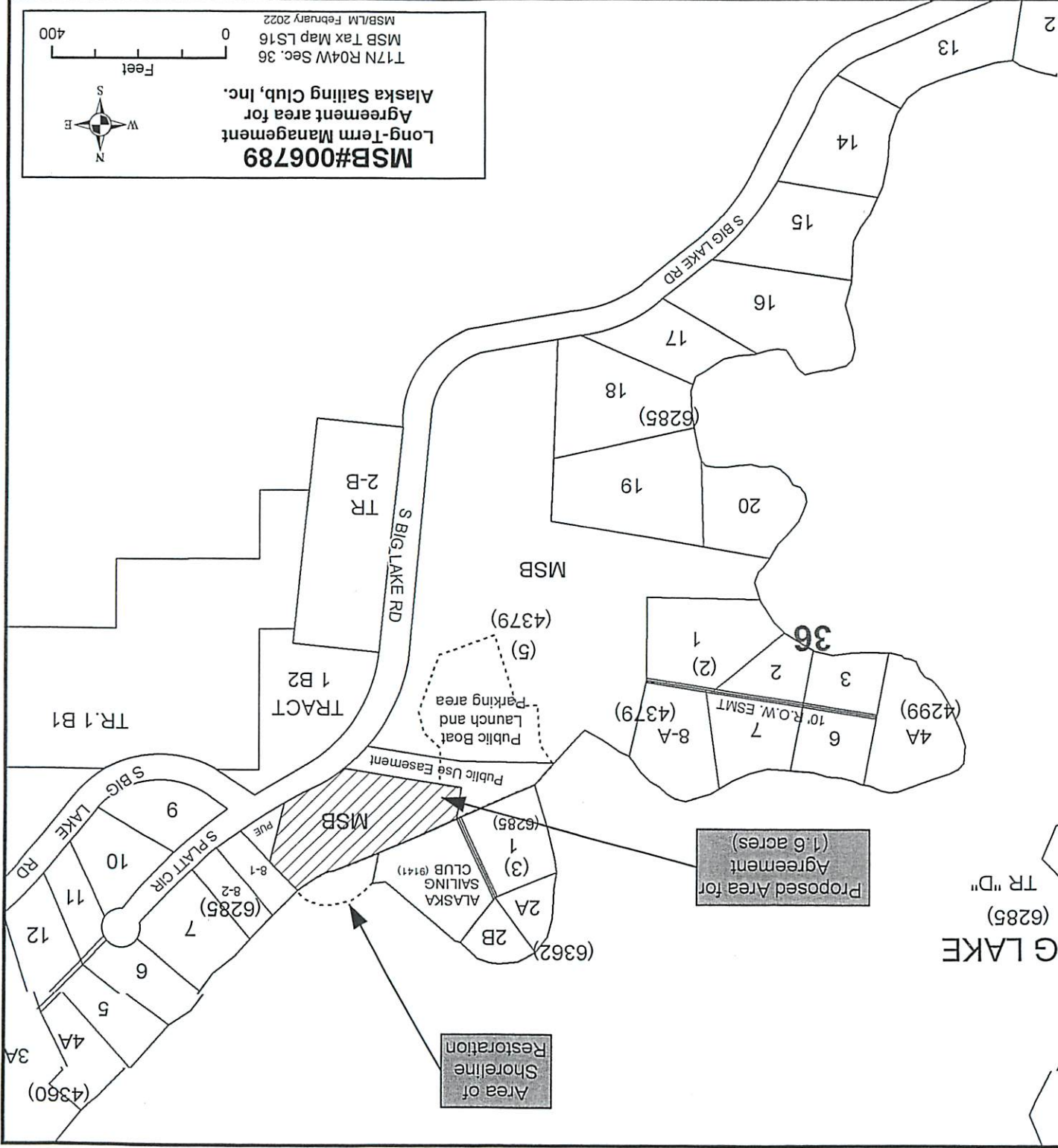
HOYT-WOLF IS.  
 (6150)

S BIG LAKE  
 TR "C"  
 (6285)



S BIG LAKE  
 TR "D"  
 (6285)

EXHIBIT A



Proposed Area for Agreement  
 (1.6 acres)

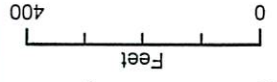
Area of Shoreline Restoration

Public Boat Launch and Parking area

Public Use Easement

**MSB#006789**  
 Long-Term Management Agreement area for Alaska Sailing Club, Inc.

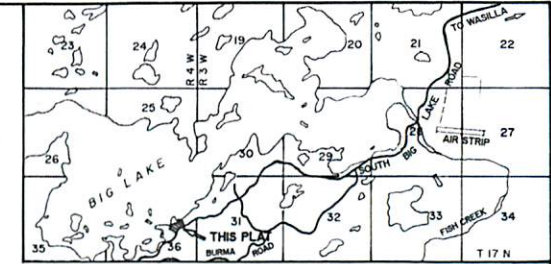
T17N R04W Sec. 36  
 MSB Tax Map LS16  
 MSB/LM February 2022





**NOTES...**

1. THERE MAY BE FEDERAL, STATE AND LOCAL REQUIREMENTS GOVERNING LAND USE. IT IS THE RESPONSIBILITY OF THE INDIVIDUAL PARCEL OWNER TO OBTAIN A DETERMINATION WHETHER SUCH REQUIREMENTS APPLY TO THE DEVELOPMENT OF THE PARCELS SHOWN HEREON.
2. THIS PLAT DOES NOT CONSTITUTE A SUBDIVISION.
3. NO INDIVIDUAL WATER SUPPLY SYSTEM OR SEWAGE DISPOSAL SYSTEM SHALL BE PERMITTED ON ANY LOT UNLESS SUCH SYSTEM IS LOCATED, CONSTRUCTED AND EQUIPPED IN ACCORDANCE WITH THE REQUIREMENTS, STANDARDS AND RECOMMENDATIONS OF THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION, WHICH GOVERN THOSE SYSTEMS.
4. THIS PUBLIC USE EASEMENT TO BIG LAKE IS NOTED PURSUANT TO AS 38.05.127. THIS EASEMENT MAY NOT BE VACATED EXCEPT UNDER THE AUTHORITY OF AS 38.05.127(d) 1991.
5. FOR USE RESTRICTIONS FOR BLOCK 5 SEE BOOK 0484, PAGE 697, PALMER RECORDING DISTRICT, PALMER, ALASKA



**CERTIFICATE of OWNERSHIP and DEDICATION...**

I (WE) HEREBY CERTIFY THAT I (AM) (WE ARE) THE OWNER(S) OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I (WE) HEREBY ADOPT THIS PLAT OF PUBLIC USE EASEMENT BY (MY) (OUR) FREE CONSENT.

*Donald L. Moore* 30 July 1992  
 DONALD L. MOORE DATE  
 BOROUGH MANAGER  
 FOR THE MATANUSKA-SUSITNA BOROUGH  
 350 E. DAHLIA, PALMER, AK 99645

**NOTARY'S ACKNOWLEDGEMENT...**

SUBSCRIBED AND SWORN TO BEFORE ME THIS  
 30<sup>th</sup> DAY OF JULY, 1992  
 FOR DONALD L. MOORE



**PLANNING DIRECTOR'S CERTIFICATE...**

I CERTIFY THAT THE P.U. ESMT. PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE REGULATIONS OF THE MATANUSKA-SUSITNA BOROUGH, AND THAT THE PLAT HAS BEEN APPROVED BY THE PLATTING BOARD/BOARD OF ADJUSTMENTS AND APPEALS BY PLAT RESOLUTION NO. 92-22, DATED 4-16-1992, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE RECORDER IN THE PALMER RECORDING DISTRICT.

*John Duff* 7/30/92  
 PLANNING DIRECTOR DATE  
 ATTEST: *Marilyn McSweeney*  
 PLATTING CLERK

**CERTIFICATE of PAYMENT of TAXES...**

I HEREBY CERTIFY THAT ALL CURRENT TAXES AND SPECIAL ASSESSMENTS THROUGH June 31, 1992, AGAINST THE PROPERTY HEREON HAVE BEEN PAID.

*J. Moore* 7/30/92  
 BOROUGH TAX COLLECTION OFFICIAL DATE

**A.D.E.C. WASTEWATER DISPOSAL...**

WASTEWATER TREATMENT AND DISPOSAL SYSTEMS MUST MEET THE REGULATORY REQUIREMENTS OF THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION.

THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION APPROVES THIS SUBDIVISION FOR PLATTING.

*Paul E. Pind* District Supervisor 7/30/92  
 NAME AND TITLE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION APPROVING OFFICIAL DATE

**SURVEYOR'S CERTIFICATE...**

I HEREBY CERTIFY THAT I AM A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF ALASKA AND THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, AND THAT THE MONUMENTS SHOWN THEREON ACTUALLY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONAL AND OTHER DETAILS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



DATE July 29, 1992

CURVE DATA						
NO.	DELTA	RADIUS	LENGTH	CHORD	TANG.	CHORD BEARING
(REC) 1.	53° 29' 56"	411.97'	384.67'	370.85'	207.65'	N 32° 26' 00" E
(MEAS) 1.	53° 28' 38"	411.97'	384.51'	370.71'	207.55'	" " " (NT)
2.	40° 42' 47"	411.97'	292.74'	286.62'	152.86'	N 26° 03' 04" E (NT)
3.	11° 27' 14"	411.97'	82.36'	82.22'	41.32'	N 52° 08' 03" E (NT)
4.	1° 18' 38"	411.97'	9.42'	9.42'	4.71'	N 58° 31' 00" E (NT)

92-50  
 RECORDED FILED 20  
 PALMER REG. DIST.  
 DATE 9/3 1992  
 TIME 10:14 A.M.  
 Documented by [Signature]  
 MATANUSKA-SUSITNA BOROUGH  
 350 E. DAHLIA AVENUE  
 PALMER, ALASKA 99645

OK 92-023  
 In 92-047

- LEGEND**
- FOUND 1/2" COPPERWELD ROD W/ 1-1/2" CAP
  - ⊕ SET 27"x 2-1/2" MAGNETIZED ALUMINUM MON. W/ 2-1/2" ALUMINUM CAP
  - SET 5/8" x 24" REBAR W/ 2" ALUMINUM CAP
  - ⊙ FOUND 3/4" IRON PIPE
  - FOUND 3/4" REBAR
  - FOUND 5/8" REBAR
  - FOUND TACK IN ROOF OF GARAGE
  - (R) RECORD PER PLAT NR 63-33/NR 66-4
  - (M) MEASURED DATA THIS SURVEY
  - (C) CALCULATED DATA THIS SURVEY
  - (NT) NONTANGENTIAL
  - P.U.E. PUBLIC USE EASEMENT

**MANAGEMENT AGREEMENT  
BETWEEN  
MATANUSKA-SUSITNA BOROUGH  
AND  
ALASKA SAILING CLUB, INC.**

This Management Agreement (hereinafter called "Agreement") is made and entered into on \_\_\_\_\_ by and between the MATANUSKA-SUSITNA BOROUGH, a municipal corporation organized and existing under the laws of the State of Alaska (hereinafter called the "Borough") and the ALASKA SAILING CLUB, INC. a domestic non-profit corporation (hereinafter called the "Club").

Whereas, the Club desires to move from a short-term Permit to a long-term Management Agreement for the Borough-owned land to conduct public education and outreach activities related to water and boating safety, sailing classes, community events on Big Lake, and occasional limited overnight camping during Club sponsored events; and

Whereas, the Matanuska-Susitna Borough Assembly adopted Ordinance 22-XXX on \_\_\_\_\_ authorizing the borough manager to enter into a long-term agreement with the Club for the purposes of managing borough-owned land for the purposes stated above, pursuant to the terms and conditions of this Agreement, and subject to valid existing rights.

Now therefore, in consideration of the covenants and agreements contained herein, the Borough and Club agree as follows:

Section 1. Description of property.

The Club does hereby agree to manage and maintain the borough-owned land within the real property described as:

That portion of land located within Block 5, South Big Lake Alaska Subdivision, Plat No. 66-4, lying north of the Public Use Easement recorded September 3, 1992 as Plat No. 92-50, Palmer Recording District, Third Judicial District, State of Alaska, as depicted and shown in Exhibit A attached hereto.

Section 2. Term.

This Agreement shall be for a term of twenty-five (25) years, effective from \_\_\_\_\_ to \_\_\_\_\_, wherein the Club shall perform those services described herein for the full term subject to Section 26 (Termination).

Section 3. Purpose.

This Agreement describes the Club's obligations for management and maintenance of the borough-owned real property described herein.

OR 22-023  
JM 22-047



A. The Club shall manage and maintain the property for a Club purpose through the term of this Agreement based on the provisions as set forth in Section 6. It is the intent of both parties that the Club shall be responsible for the management and maintenance of the property area, including the details necessary to maintain the area in a clean, safe, and sanitary manner.

B. The Club's management of the borough-owned land shall not be for profit.

Section 4. Independent of the Borough.

The Club shall perform its obligations hereunder independent of the Borough. The Borough may administer this Agreement and monitor the Club's compliance with this Agreement but shall not supervise or otherwise direct the Club except to provide recommendations and to act on requests to approve or deny certain activities pursuant to the Agreement.

Section 5. Utilities and Other Services.

The Club shall pay all costs of installation and service of utilities, if any, and other utility necessary, and all costs to maintain and operate said services for the term of the Agreement.

Section 6. Management.

It is the responsibility of the Club to initiate and secure all sources of funding to manage the property for Club activities. The approval of this Agreement by the Borough does not include approval of any funding from the Borough. The following specific conditions are also incorporated into the development and management of the property:

- A. Club shall be responsible for all uses within the property.
- B. Temporary overnight use on the borough land within the property may be authorized by the Club.
- C. Clearing within the extents of the property, if needed, may only be authorized by the Borough.

Section 7. Alterations, Improvements and Capital Improvements.

Any major alterations and improvements which are of a permanent nature must be approved by the Borough in advance of work being started. The Borough will require review and acceptance of any construction and/or fixtures as part of the process for approval.

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Section 8. Warranty of Work.

The Club expressly warrants that all materials used in construction, repairs and maintenance of the property, if any, will be of good quality and that all workmanship will meet accepted codes and standards of the trade.

The Club shall undertake to correct any workmanship or defect in materials found by the Borough which may constitute a breach of the Agreement.

Section 9. Use and Operation.

Use and Operation of the property shall be for the Club's activities. Commercial use of the property is prohibited.

Section 10. Annual Reports.

The Club shall submit annually on the anniversary of the date of this Agreement for the term of this Agreement the following:

- A. A summary of any additional improvements completed during the year, if any.
- B. Updated insurance policy as required under the terms of this Agreement.
- C. A request for approval by the Borough of proposed improvements or alterations, proposed to be accomplished in the upcoming year, to include how the various tasks will be performed, if so required.
- A. Updated contact information of the Club's representatives, to include updated phone number and address if representatives have changed.

Section 11. Waste and Injury of Property.

The Club, its elected and appointed officers, agents, volunteers, board members, members, employees, subcontractors, or anyone directly or indirectly employed by them, shall not commit waste upon or injury to the property or improvements thereon, or allow third parties to commit such waste or injury. The Club shall be liable for all damage and repair costs during the term of this Agreement.

Section 12. Rights-of-Way.

Authority to grant or issue permits for easements and right-of-way is retained by the Borough.

OR 22-023  
IM 22-047



Section 13. Assignment.

The Club may not assign any interest in this Agreement to any person or entity. In the event the Club assigns, or proposes to assign any part of its interest in this Agreement without the Borough's consent, the Borough shall have the right to immediately terminate this Agreement without any liability whatsoever to the Borough.

Section 14. Ownership of Improvements.

Any improvements attached to the land will remain with the land and become the property of the Borough upon expiration or termination of this Agreement.

Section 15. Permits, Laws, and Taxes.

All activities authorized under this Agreement shall be conducted in compliance with applicable federal and state constitutions, federal, state, and local laws, regulations, and orders of governmental authorities having jurisdiction over the property in effect during the term of this Agreement. The Club agrees to obtain any necessary approvals and obtain all permits or written authorization required by the applicable laws, rules, and regulations from governing authorities, which includes but is not limited to flood hazard area development permits for any excavation, fill, gravel work, or development proposed.

Section 16. Alcoholic Beverages.

There shall be no sale, service, or consumption of alcoholic beverages allowed on the property except as specifically authorized in writing by the borough manager.

Section 17. Non-Discrimination.

The Club shall not discriminate against any person on the basis of race, religion, age, color, national origin, marital status, physical handicap, or status as a disabled veteran or veteran of the Vietnam era.

Section 18. Inspection of Premises.

Borough employees or representatives may at any time enter and inspect the borough-owned property and improvements. Any unsatisfactory maintenance, work/services performed or not performed, as the case may be, shall be remedied within a period established by the Borough. Such unsatisfactory maintenance or incomplete work shall be based upon the performance standard of workmanship and materials designated in Section 8, and as set forth in the Borough approved plan for improvements.

Section 19. Fuel Storage/Hazardous Material.

The storage of petroleum or toxic chemicals is prohibited on the property. Spills or contamination on the property will be controlled and recovered immediately by the Club at their



sole expense, and reported to the Borough, and shall also be reported to the State of Alaska, Department of Environmental Conservation as required. Nothing herein shall prohibit or prevent the Club from seeking recovery of its expenses for such control and recovery from the responsible party.

Section 20. Safety.

The Club is responsible for the safety of all persons entering the property including, but not limited to, it's elected and appointed official, officers, agents, employees, contractors, vendors, members, volunteers, pedestrians, invitees, or any other person(s) on the premises.

Section 21. Defense and Indemnification.

The Club agrees to indemnify, defend, and hold harmless the Borough, its elected and appointed officers, agents, and employees from any and all claims, demands, civil suits, or liability of any nature, kind, or character, including costs, expenses, and attorney's fees for or on account of any and all legal actions or claims of any character. The Club shall be responsible under this clause for any and all legal actions, or claims of any character resulting from injuries, death, economic loss, damages, violation of statutes, ordinances, constitutions or other laws, rules or regulation, deprivation of constitutional rights, contractual claims or any other kind of loss, tangible or intangible, sustained by any person, or property arising from the Club or the Club's elected and appointed official, officers, agents, employees, partners, attorney, suppliers, visitors, whether invited or not, licensees, guests, and subcontractors performance or failure to perform this Agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by the Borough or its agents which are said to have contributed to the losses, failures, violations, or damage.

If any portion of this clause is voided by law or a court of competent jurisdiction the remainder of the clause and Agreement shall remain enforceable.

Section 22. Insurance.

Insurance requirements are contained in Exhibit B of this Agreement. The Club shall annually provide a Certificate of Insurance naming the Borough as additionally insured.

It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of the Agreement to create in the public or any member thereof a third party benefit hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement.

Section 23. Severability.

If any section or clause of the Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of the Agreement shall remain in full force and effect.

Section 24. Jurisdiction: Choice of Law.

The interpretation and enforcement of the Agreement shall be governed by the laws of the State of Alaska. Any civil action arising from this Agreement shall be brought in the Alaska Superior Court, Third Judicial District of Palmer.

Section 25. Interpretation and Enforcement.

This Agreement has been jointly drafted by the parties. It shall be construed according to the fair intent of the language as a whole, not for or against any party. The titles of sections in this Agreement are not to be construed as limitations or definitions but are for identification purposes only.

Section 26. Termination.

The Borough or the Club may terminate this Agreement for their convenience thirty (30) days after notice of termination to the other party.

This Agreement may also be terminated by the Borough for any of the following reasons:

- A. Failure to comply with the terms and conditions of the Agreement, and if the breach is curable, failure to remedy any default in performance within thirty (30) days of written notice.
- B. Failure to actively maintain the property or use it for the described purposes for the period of time of the management term.
- C. Abandonment of the property, which shall include failure to carry out necessary management, maintenance or repairs to the property area.

Termination under this Section shall be by notice in writing stating the reason for termination and shall be effective thirty (30) days from the date of the notice. Any appeal must be written and formally presented to the borough manager within ten (10) days of receipt of notice.

Section 27. Cause beyond control.

In the event the Club is prevented by a cause or causes beyond its control from performing any obligation of the Agreement, nonperformance resulting from such cause or causes, shall not be deemed to be a breach of this Agreement which will render the Club liable for damages or give rights to the termination of the Agreement for cause. However, if and when such cause or causes cease to prevent performance, the Club shall exercise all reasonable diligence to resume and complete performance of the obligation with the least possible delay. The phrase "cause or causes beyond control," as used in this section, means any one or more of the following causes which are not attributable to the fault or negligence of the Club and which



prevent the performance of the Club: fire, explosions, acts of God, war, order or law of duly constituted authorities, and other major uncontrollable and unavoidable events, all of the foregoing which must actually prevent the Club from performing the terms of the Agreement as set forth herein. Events, which are particular to the Club, and would not prevent another group of entity from performing, including, but not limited to, financial difficulties, are not causes beyond the control of the Club. The Borough will determine whether the event preventing the Club from performing constitutes a cause beyond the Club's control.

Section 28. Modifications.

The parties may mutually agree to modify the terms of the Agreement. All modifications to the Agreement shall be incorporated by written amendments to the Agreement and be executed by both parties.

Section 29. Contract Administration.

The Matanuska-Susitna Borough, Community Development, Land and Resource Management Division will be the representative of the Borough administering this Agreement.

Reports, insurance certificates, permits, proposals, and plans for the property, and other daily management issues under this Agreement, shall be submitted by the Club to the Matanuska-Susitna Borough, Land and Resource Management Division Asset Manager, 350 E. Dahlia Avenue, Palmer, Alaska 99645.

It will be the responsibility of the Land and Resource Management Division to transmit reports and to seek any borough approvals required under the Agreement.

Section 30. Understanding.

The Club acknowledges it has read and understands the terms of the Agreement, has had the opportunity to review the same with counsel of its choice, and is executing the Agreement of its own free will and as authorized by its laws.

Section 31. Notice.

All written notices required to enforce, modify, or terminate this Agreement shall be sent to the parties as follows:

Matanuska-Susitna Borough  
Land and Resource Management Division  
350 E. Dahlia Avenue  
Palmer, Alaska 99645

Alaska Sailing Club, Inc.  
P.O. Box 92554  
Anchorage, Alaska 99509-2554

Section 32. Management Fee.

No management fees will be paid by either party to this Agreement.

Section 33. No Waiver.

That no assent, expressed or implied, by the Borough to any breach of any Club covenants shall be deemed to be waiver of any succeeding breach of the same covenant, nor shall any forbearance by the Borough to seek a remedy for any breach of the Club be deemed a waiver by the Borough of the rights of remedies with respect to such breach.

Section 34. Integration

This Agreement and all appendices and amendments hereto embody the entire Agreement of the parties relating to the services to be provided hereunder. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto.

INWITNESS WHEREOF, the parties hereto executed this Agreement.

ALASKA SAILING CLUB, INC:

\_\_\_\_\_  
Geoffrey L. Wright, President

ACKNOWLEDGEMENT

STATE OF ALASKA            )  
  ) ss.  
Third Judicial District        )

On \_\_\_\_\_, 2022, Geoffrey L. Wright, President of the Alaska Sailing Club, Inc., who is personally known to me, appeared and acknowledge to me that he signed the Agreement on behalf of the corporation.

*(SEAL)*

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

OR 22-023  
#M 22-047



MATANUSKA-SUSITNA BOROUGH:

\_\_\_\_\_  
Michael Brown, Borough Manager

ACKNOWLEDGEMENT

STATE OF ALASKA        )  
                                  ) ss.  
Third Judicial District    )

On \_\_\_\_\_, 2022, Michael Brown, Manager of the Matanuska-Susitna Borough, who is personally known to me, appeared and acknowledge to me that he signed the Agreement on behalf of the municipal corporation.

*(SEAL)*

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

OR 22-023  
#m22-047

**EXHIBIT A**

S BIG LAKE (6285)  
TR "C"

HOYT-WOLF IS. (6150)

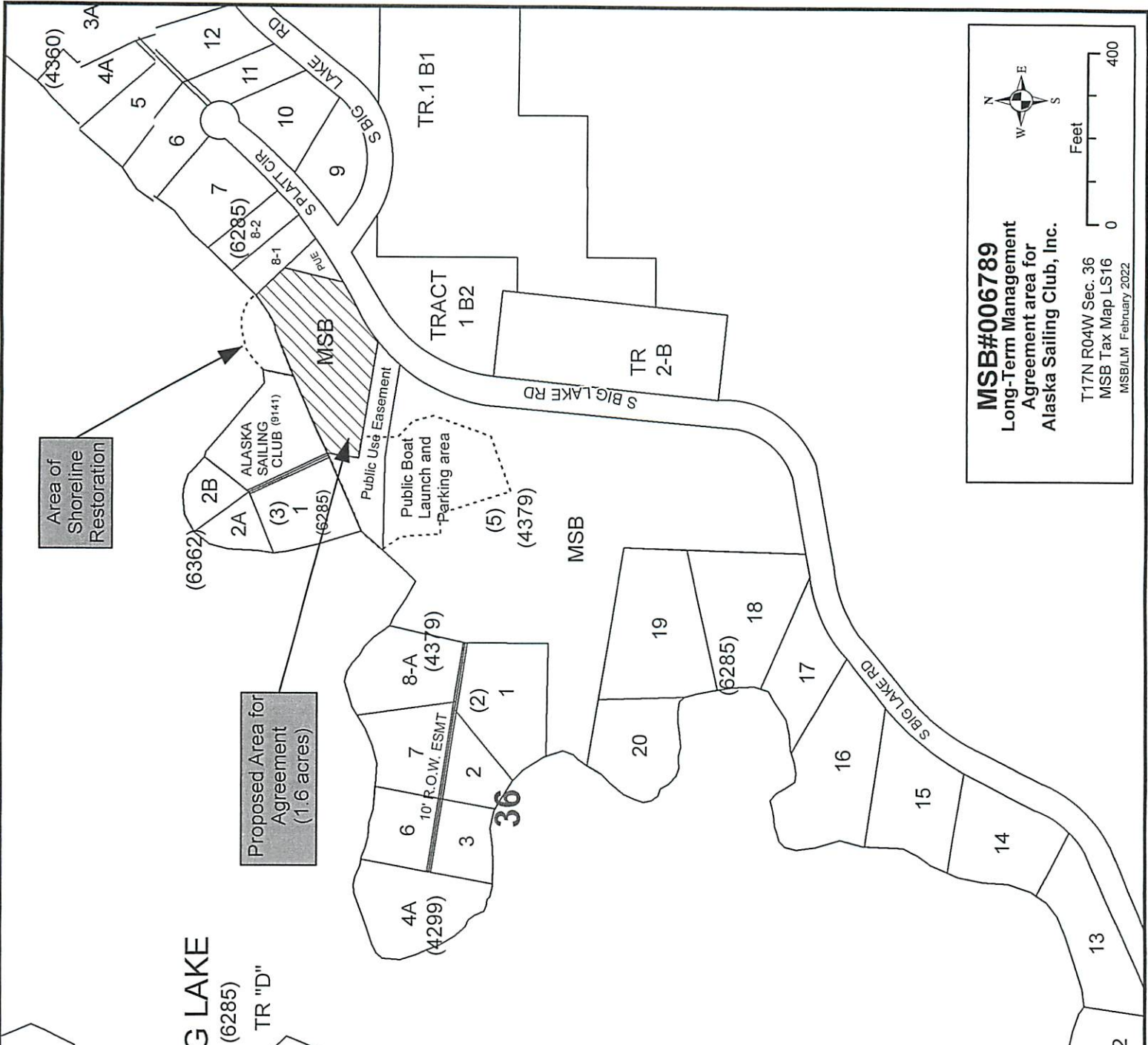
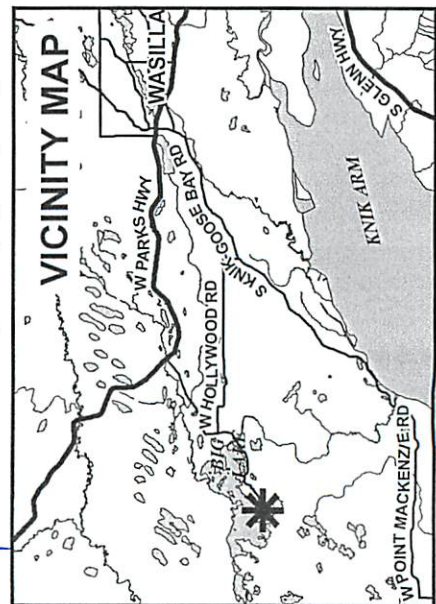
S BIG LAKE (6285)  
TR "D"

Area of Shoreline Restoration

Proposed Area for Agreement (1.6 acres)

**MSB#006789**  
Long-Term Management Agreement area for Alaska Sailing Club, Inc.

T17N R04W Sec. 36  
MSB Tax Map LS16  
MSB/LM, February 2022



*Handwritten notes:*  
470-2204  
470-2203



## EXHIBIT B

### INSURANCE (Lessee/Permittee/Manager)

It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of the Agreement to create in the public or any member thereof a third party benefit hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement.

It is highly recommended that the Lessee/Permittee/Manager confer with their respective insurance companies or brokers to determine if their insurance program complies with the Borough's Insurance requirements.

The Lessee/Permittee/Manager shall procure and maintain the following insurance:

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services office form number CG 0001 (Edition 1/96) covering Commercial General Liability.
2. Insurance Services office form number CA 0001 (Edition 6/92) covering Automobile Liability, symbol 1 "any auto."
3. Worker's Compensation insurance as required by the State of Alaska and Employers Liability Insurance.

B. Minimum Limits of Insurance

Lessee/Permittee/Manager shall maintain limits no less than:

1. General Liability:

\$1,000,000 combined single limit per occurrence for bodily injury, property damage, personal injury and advertising injury. The general aggregate limit shall be \$1,000,000. The general aggregate limits shall apply separately to each project.

General liability insurance shall be maintained in effect throughout the term of the Agreement.

If the general liability insurance is written on a claim made form, the Lessee/Permittee/Manager shall provide insurance for a period of two years after termination or expiration of this Agreement. The policy(s) shall evidence a retroactive date, no later than the beginning of this Agreement.

2. Auto Liability:

\$1,000,000 combined single limit per accident for bodily injury and property damage.

3. Worker's Compensation and Employers Liability:

Worker's Compensation shall be statutory as required by the State of Alaska. Employer's liability shall be endorsed to the following minimum limits:

Bodily injury by Accident -	\$100,000 each accident
Bodily injury by Disease -	\$100,000 each employee
Bodily injury by Disease -	\$500,000 policy limit

4. Excess Liability:

In order to meet the required minimum limits of insurance it is permissible for the Lessee/Permittee/Manager to combine an excess liability or umbrella policy with the general liability, auto liability or employer's liability. In the instance where the Lessee/ Permittee/ Manager purchases an excess liability or umbrella policy the occurrence limit and the aggregate limit may be of the same amount.

C. Deductibles and Self-Insured Retention

Prior to work commencing, any deductible or self-insured retention must be declared and approved by the Borough. Lessee/Permittee/Manager may be requested to demonstrate how the deductible or self-insured retention will be funded in the event of a claim. At the option of the Borough, the Lessee/Permittee/Manager shall reduce or eliminate such deductibles or self-insured retention as respects the Borough, its officers, officials, employees and volunteers; or the Lessee/Permittee/Manager shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability, Automobile Liability

- a. The Borough, its Administrator, officers, officials, employees and volunteers shall be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Lessee/Permittee/Manager; products and completed operations of the Lessee/Permittee/Manager premises owned, occupied or used by the Lessee/ Permittee/ Manager or automobiles owned, leased, hired or borrowed by the Lessee/Permittee/Manager. The coverage shall contain no special limitation on the scope of protection afforded to the Borough, its Administrator, officers, officials, employees, and volunteers.
- b. The Lessee/Permittee/Manager's insurance coverage shall be primary insurance as respects the Borough, its Administrator, officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Borough, it's Administrator, officers, officials, employees, and volunteers shall be excess of the Lessee/Permittee/Manager insurance and shall not contribute to it.
- c. The Lessee/Permittee/Manager insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Worker's Compensation and Employer's Liability

The insurer shall agree to waive all rights of subrogation against the Borough, its Administrator, officers, officials, employees, and volunteers for losses arising from work performed by the Lessee/Permittee/Manager or any subcontractor of the Lessee/Permittee/Manager in relation to this Agreement.

3. All Insurance

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after 30 days prior written notice for nonpayment of premium or fraud on the part of the Lessee/Permittee/Manager or 60 days prior written notice for any other reason by certified mail, return receipt requested, has been given to the Borough. Such notice shall be mailed by the Lessee/Permittee/Manager to the attention of the Borough's Land Management Officer.



E. Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of no less than A-VII.

F. Verification of Coverage

Lessee/Permittee/Manager shall furnish the Borough with certificates of insurance and with certified copies of all endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms acceptable to the Borough. All certificates are to be received and approved by the Borough before work commences. The Borough reserves the rights to require complete, certified copies of all required insurance policies, at any time.

G. Subcontractors and Sublessee's

Lessee/Permittee/Manager shall include all subcontractors and sublessees as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor and sublessees. All coverage for subcontractors and sublessees shall be subject to all requirements stated herein.

H. Lapse in Insurance Coverage

A lapse in insurance coverage, any change that restricts, reduces insurance provided, or changes name of insured without Borough approval is a material breach of this agreement, which shall result in immediate termination of the agreement.