



Port of Juneau

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

May 3rd, 2023

Jeff Duvernay
Harri Commercial Marine
c/o Harri Plumbing & Heating
809 W. 12th Street
Juneau, AK 99801

RE: Downtown Boatyard Lease

Dear Jeff,

As you know, I have been working on the University of Alaska lease for over three years now. Although an extension has not yet been executed. It appears the University will be willing to provide a four-year extension to CBJ at less than the appraised fair market lease rent, which is \$230,400. Most likely, UA will accept \$100K/year with CBJ providing significant "Educational Benefits" in consideration for less than fair market less rent.

CBJ Law has opined that Harri Commercial Marine (HCM) can elect to exercise a concurrent extension under [53.20.100 - Preference privilege](#). I request your intentions to whether you will be seeking a one-time, four-year extension for the HCM Downtown Boatyard? The extension will be predicated with the following requirements:

1. Docks & Harbor sub-lease with HCM must be at fair market value; however, the Assembly has the authority to reduce the FMV and may be willing to do so in this particular instance, if recommended by the Docks & Harbors Board. The appraisal, dated December 31st, 2020, would suggest the leased boatyard property and easement FMV is in excess of \$120K/year.
2. Docks & Harbor would require you update all necessary ADEC/EPA boatyard permits, including Multi-Sector General Permit and SWPPP (Storm Water Pollution Prevention Plan).
3. An agreement to the value and condition of the 35-ton Travel Lift and pier, in ownership by UA.

Please let me know at your earliest convenient whether you intend to request a one-time, four year extension for the HCM Downtown Boatyard.

Sincerely,

Carl J. Uchytel
Carl Uchytel, P.E.
Port Director