CS FOR HOUSE BILL NO. 320(FIN) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 4/10/00
Offered: 4/8/00

Sponsor(s): REPRESENTATIVE HARRIS

A BILL

FOR AN ACT ENTITLED

1 "An Act approving the application for and acceptance of a grant of certain federal land by the Alaska Railroad Corporation; approving the conveyance of the entire interest in land appurtenant to the Whittier DeLong Dock by the Alaska Railroad Corporation; relating to use and disposition of the Whittier DeLong Dock and associated land; prohibiting the Alaska Railroad Corporation and the City of Whittier from granting any special right, privilege, or preference to a third party to provide management services for the DeLong Dock; providing that contracts for management of the DeLong Dock by a third party shall be awarded only under competitive procurement procedures established by the Alaska Railroad Corporation and the City of Whittier; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

HB0320d

New Text Underlined [DELETED TEXT BRACKETED]
* Section 1. The uncodified law of the State of Alaska is amended by adding a new section to read:

  FINDINGS. The legislature finds that the Whittier DeLong Dock and the associated land are required for essential railroad purposes and that the acquisition of the dock and associated land by the Alaska Railroad Corporation is in the best interests of the state.

* Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to read:

  APPROVAL. The legislature authorizes the Alaska Railroad Corporation to apply for and to accept a grant of a parcel of real property in Whittier, consisting of approximately 6.13 acres and the appurtenant facility known as the DeLong Dock, from the federal government under terms of sec. 2837(b) - (e), Public Law 106-65. This section constitutes approval for the Alaska Railroad Corporation to apply for and to accept a grant of federal land within a municipality in accordance with AS 42.40.285(5).

* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to read:

  USE AND DISPOSITION OF THE WHITTIER DELONG DOCK AND ASSOCIATED LAND. (a) Within three months after the conveyance of the real property described in sec. 2 of this Act from the United States to the Alaska Railroad Corporation, the corporation shall reconvey ownership of the uplands, tidelands, and submerged lands to the City of Whittier. The corporation shall retain ownership of the DeLong Dock and the railroad tracks and rail bed located on the uplands.

  (b) Notwithstanding (c) - (h) of this section, the corporation and the City of Whittier are directed and authorized to enter into reciprocal leases for the DeLong Dock and appurtenant land and to enter into a management agreement to operate the DeLong Dock and appurtenant land as a single unit consistent to the extent possible with the terms contained in the document entitled "Management Terms for DeLong Dock" and signed by the corporation and the City of Whittier in March of 2000. Neither the corporation nor the City of Whittier may grant any special right, privilege, or preference to a third party to provide management services at the DeLong Dock. A contract for management of the DeLong Dock by a third party shall be awarded only under competitive procurement procedures established by both parties in accordance with applicable state law. If the management agreement is not signed
by both the corporation and the City of Whittier within six months after the real property
described in sec. 2 of this Act is conveyed by the United States to the corporation, then the
corporation and the City of Whittier shall comply with (c) - (h) of this section.

(c) In exchange for ownership of the land described in (a) of this section, the City of
Whittier shall

(1) subdivide the land into two parcels that are separated by the centerline of
the DeLong Dock;

(2) grant a lease to the parcel of land north of the centerline of the DeLong
Dock to the corporation.

(d) The corporation shall grant a lease to that portion of the DeLong Dock south of
the centerline of the dock to the City of Whittier.

(e) The leases described in (c) and (d) of this section must include the following
provisions:

(1) each lease must be for a minimum term of 20 years;

(2) the rental rate for each lease is $1.00 a year;

(3) the corporation shall have rail access to the dock, and the City of Whittier
shall have a usable road to lands at and beyond the dock;

(4) neither the corporation nor the City of Whittier may be required by the
lease to indemnify the other party for its own actions or the actions of a contractor,
subcontractor, or sublessee; liability of the parties shall be governed by the tort law of the
State of Alaska;

(5) the corporation and the City of Whittier may assign or sublease its interest
in the lease without the approval of the other party;

(6) the corporation and the City of Whittier shall agree to diligently work
together in good faith to resolve disputes and to collaborate with each other in developing a
management agreement for operation of the DeLong Dock facility with the goal of operating
the facility as a single entity for economic development purposes;

(7) the leases may not be subject to termination for a breach of a lease;

(8) the leases may be amended by mutual agreement of the corporation and
the City of Whittier.

(f) The corporation and the City of Whittier shall expeditiously and in good faith
undertake and complete the transactions described in this section under the terms and conditions set out in this section and under such other terms and conditions as are mutually satisfactory.

(g) Pending the completion of the transactions described in this section, the corporation and the City of Whittier shall enter into an interim agreement for the use of the Whittier DeLong Dock and associated land consistent with the provisions of this section.

(h) During the five-year period beginning on the date that the real property described in sec. 2 of this Act is conveyed from the United States to the corporation, the property shall be used for economic development of the Whittier and Prince William Sound areas, including freight transportation, tourism, boat moorage for day cruiser or large ocean-going cruise ships, fishing and fish processing, and other uses.

* Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSFER OF CERTAIN STATE LAND AT WHITTIER. In the event that all or a portion of the land described in sec. 2837(b), Public Law 106-65, is transferred to the State of Alaska or an agency of the State of Alaska other than the Alaska Railroad Corporation, the State of Alaska shall expeditiously reconvey all land and improvements received under sec. 2837(b) - (e), Public Law 106-65, to the City of Whittier.

* Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to read:

APPROVAL. The legislature authorizes the Alaska Railroad Corporation to transfer its entire interest in the land described in sec. 3(a) of this Act in accordance with sec. 3 of this Act. This section constitutes legislative approval for the corporation to convey its entire interest in that land under AS 42.40.285(1).

* Sec. 6. This Act takes effect immediately under AS 01.10.070(c).