

**CS FOR HOUSE BILL NO. 320(TRA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered: 3/29/00

Referred: Community and Regional Affairs, Finance

Sponsor(s): REPRESENTATIVE HARRIS

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act approving the application for and acceptance of a grant of certain  
2 federal land by the Alaska Railroad Corporation; approving the conveyance of the  
3 entire interest in land appurtenant to the Whittier DeLong Dock by the Alaska  
4 Railroad Corporation; relating to use and disposition of the Whittier DeLong Dock  
5 and associated land; and providing for an effective date."

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

7 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new  
8 section to read:

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

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

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

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

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

15 (b) Notwithstanding (c) - (h) of this section, the corporation and the City of Whittier  
 16 are directed and authorized to enter into reciprocal leases for the DeLong Dock and  
 17 appurtenant land and to enter into a management agreement to operate the DeLong Dock and  
 18 appurtenant land as a single unit consistent with the terms contained in the document entitled  
 19 "Management Terms for DeLong Dock" and signed by the corporation and the City of  
 20 Whittier. If the management agreement is not signed by both the corporation and the City of  
 21 Whittier within six months after the real property described in sec. 2 of this Act is conveyed  
 22 by the United States to the corporation, then the corporation and the City of Whittier shall  
 23 comply with (c) - (h) of this section.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3           TRANSFER OF CERTAIN STATE LAND AT WHITTIER. In the event that all or  
4 a portion of the land described in sec. 2837(b), Public Law 106-65, is transferred to the State  
5 of Alaska or an agency of the State of Alaska other than the Alaska Railroad Corporation, the  
6 State of Alaska shall expeditiously reconvey all land and improvements received under sec.  
7 2837(b) - (e), Public Law 106-65, to the City of Whittier.

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

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

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