

COPY

AMENDMENT TO PROPERTY LEASE

AJT MINING PROPERTIES, INC. and CITY & BOROUGH OF JUNEAU

THIS LEASE AMENDMENT is made this 28<sup>th</sup> day of February,

2013 between AJT MINING PROPERTIES, INC. (Lessor) and the CITY AND BOROUGH OF JUNEAU, a municipal corporation (Lessee).

WITNESSETH:

The following terms and conditions of the lease are amended to read:

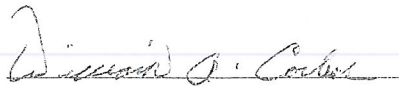
1. The term of this lease shall be extended five years, beginning on the 1<sup>st</sup> day of March, 2013, and ending the 29<sup>th</sup> day of February, 2018.

2. The terms and conditions of this lease shall remain the same, HOWEVER Lessor Provides Lessee authorization to respond to all trespass and eviction matters that may occur on The leased premise and are related to the operation of a public campground.


IN WITNESS WHEREOF, the parties have executed this lease amendment the 4 day of March 2013.

AJT MINING PROPERTIES, INC

THE CITY AND BOROUGH OF JUNEAU



Lessor



Lessee

MAR 05 2013

CBJ Manager's Office

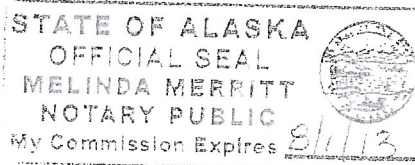
STATE OF ALASKA )

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FIRST JUDICIAL DISTRICT )

THIS CERTIFIES that on this 4<sup>th</sup> day of March 2013, before me, a Notary Public in and for the State of Alaska, personally appeared William A Corbus to me known and known to me to be the person whose name is subscribed to the foregoing instrument, and after being first duly sworn according to law he stated to me under oath that he is the President of AJT Mining Properties, Inc., a corporation organized under the laws of Alaska, that he has been authorized by said corporation to execute the foregoing instrument on its behalf and he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official seal the date and year in this certificate above written.



Melinda Merritt  
Notary Public for the State of Alaska  
My commission expires: 8/1/2013

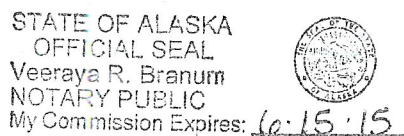
STATE OF ALASKA )

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FIRST JUDICIAL DISTRICT )

THIS CERTIFIES that on this 28 day of February 2013, before me, a Notary Public in and for the State of Alaska, personally appeared Rob Steele to me known and known to me to be the person whose name is subscribed to the foregoing instrument, and after being first duly sworn according to law he stated to me under oath that he is the City Manager of the City and Borough of Juneau, a municipal corporation organized under the laws of Alaska, that he has been authorized by said municipal corporation to execute the foregoing instrument on its behalf and he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official seal the date and year in this certificate above written.



Veeraya R. Branum  
Notary Public for the State of Alaska  
My commission expires: 6-15-2015

**AJT MINING PROPERTIES, INC.  
LEASE TO  
CITY AND BOROUGH OF JUNEAU**

THIS LEASE is by and between AJT Mining Properties, Inc., an Alaska domestic corporation, whose address is 5601 Tonsgard Court, Juneau, AK 99801 ("Lessor,") and the City and Borough of Juneau, Alaska, an Alaska municipal corporation, 155 S. Seward St., Juneau, AK 99801 ("Lessee.")

**WITNESSETH:**

1. **AUTHORITY.** This lease is entered into by the manager pursuant to the authority of the City and Borough of Juneau Code, Chapter 53.04.010 "Leases."
2. **LEASED PREMISES.** The Leased Premises is described as follows and is shown in Attachment A, attached and incorporated by this reference.

That portion of U.S. Mineral Survey No. 1027-A (Queen Lode Claim) within the Juneau Recording District, First Judicial District, State of Alaska, more particularly described as: Beginning at the most northerly corner of said U.S. Mineral Survey No. 1027-A (Queen Lode Claim); thence, southeasterly, along the northeast line of said Queen Lode Claim, 400.00 feet; thence, southwesterly, parallel with the northwest line of said Queen Lode Claim, 415 feet, more or less, to the northeast right-of-way line of Thane Road, also being Alaska Route No. F-095-4; thence, northwesterly, along said right-of-way line, 410 feet, more or less, to the northwest line of said Queen Lode Claim, also being the southeast line of U.S. Mineral Survey No. 1027-A, (Q Lode Claim); thence northeasterly, along said line, 380 feet, more or less, to the place of beginning.

Containing 3.7 Acres, more or less.

3. **TERM.** The term of this lease shall be for five years, effective March 1, 1999 through February 29, 2003 unless sooner terminated according to this lease. This term may be extended for an additional five years under the same terms and conditions at the option of Lessee.
4. **RENT.** The rent shall be one dollar and other valuable consideration for the entire term of this lease, receipt of which is acknowledged upon the execution of this document.
5. **USE OF PREMISES.** The leased premises shall be used by Lessee for the establishment of a campground for the public, no other use is allowed without prior written consent of Lessor.

The purpose of the campground is to provide campsites with proper facilities to the public for seasonal housing during the temperate months of the year. The primary purpose is not to provide a recreational opportunity to the public, but to serve an observed need for living accommodation. It is hoped that this will reduce or eliminate the undesirable effects caused by people camping on unimproved public and private property, both in the general area of the campground as well as elsewhere in the city and borough. The undesirable effects include a lack of sanitary facilities for human wastes, garbage and trash. In addition to the unsanitary conditions, such practices attract bears and other wildlife and are unpermitted by the private property owners.



Lessee's failure to operate or to provide for the operation of a campground during the summer months shall be considered a material breach of this agreement.

**6. SPECIAL CONDITIONS.** The following conditions apply to this lease:

**a. Campground Improvements.**

Lessee may make improvements at its own expense to the site to accomplish the approved use, including, but not limited to, grading, construction of a road, parking, common facilities and campsites.

**b. Electrical facilities located on leased premises.**

(1) Located on the leased premises are certain improvements used in the transmission of electrical power such as towers and aerial power lines and cables ("electrical facilities.") These electrical facilities are owned and operated by Alaska Electric Light & Power, Inc. (AEL&P) on the leased premises pursuant to the permission of Lessor. AEL&P is not a party to this agreement, but is a third party permittee of Lessor.

(2) Lessee takes the leased premises subject to the electrical facilities and all reasonably related future uses. Lessee shall allow AEL&P or other third party permittees of Lessor to enter the leased premises at any time to inspect, maintain or repair the electrical facilities located on or above the leased premises. Lessor shall require such third parties to make reasonable efforts to avoid conflict with Lessee's use of the leased premises.

(3) Lessor shall keep the electrical facilities located on and above the leased premises in good condition.

(4) The towers located on the leased premises provide support for and access to electrical lines. Although the towers are designed to deter easy access to the lines, and are posted with warning signs, it is not possible to prevent unpermitted access. Climbing on the towers or coming into contact with the related electrical facilities is extremely dangerous. Lessee takes the leased premises as is, and assumes the risk that persons on the leased premises might trespass on the towers or other electrical facilities and suffer damage to themselves, others, or damage the electrical facility, and releases the Lessor from liability for such damages.

(5) The indemnification provisions of section 6. h. of this lease shall apply to any claims against Lessor by a third party for damages relating to the electrical facilities so long as those facilities are maintained in good condition by Lessor or its permittees. This does not apply to Lessor's own employees or permittees.

**c. Assignment and subletting.**

No assignment or subletting of any of Lessee's interest shall be permitted. Any attempt to assign or sublet this lease shall be a material breach. However Lessee may permit another entity to construct, operate or manage the leased premises for the permitted uses.

**d. Property taxes.**

As partial consideration for this lease Lessee shall reimburse the Lessor upon receipt of an invoice for its pro-rata share of increased property taxes. The amount of reimbursement shall be determined using the 1998 assessed valuation of the property within which the Leased Premises is located as the baseline value, and the square acreage of the Leased Premises compared to the square acreage of the property being assessed shall determine Lessee's pro-rata share.

Lessee shall reimburse Lessor for any difference in property taxes due to an increase in valuation over the 1998 base value. This shall include increases in valuation due to Lessee's improvements to the leased premises or for any other reason.



**e. Termination for convenience.**

Lessor may terminate this lease for its own convenience without penalty. Written notice of termination shall be not less than 90 days in advance of the effective date, but if such notice is delivered after January of any calendar year, then it shall not be effective until the end of the operational year of the campground.

**f. Termination due to non-appropriation.**

As required by CBJ 53.04.010 this lease shall terminate on June 30th of any year during which the assembly of the City and Borough of Juneau fails to appropriate sufficient funds for the lease of the subject property during the following fiscal year. Such termination shall be without penalty.

**g. Relationship with third parties**

The rights and responsibilities of this agreement are between Lessor and Lessee. Each party to this agreement is responsible only to the other for the actions or omissions of their third party permittees which relate to a term or condition of this agreement.

**h. Indemnification.**

Lessee agrees to defend, indemnify, and save Lessor, its employees and insurers, with respect to any action, claim, or lawsuit arising out of the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, and without limitation as to any damages resulting from settlement, judgment, or verdict, and includes the award of any attorneys fees even if in excess of Alaska Civil Rule 82. The obligations of Lessee arise immediately upon notice to the Lessor of any action, claim, or lawsuit. Lessor agrees to provide Lessee written notice of any action, claim or lawsuit in a timely manner. This agreement applies, and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against Lessor.

**i. Insurance.**

Lessee shall, during the entire term of this lease, keep in full force and effect a policy of public liability and property damage insurance with respect to Lessee's use of and operations at the Leased Premises. Lessee shall maintain insurance for not less than \$1,000,000 per occurrence. The policy shall name Lessor as an additional insured and shall contain a clause that the insurer will not cancel or change the insurance without first giving Lessor thirty-one days' prior written notice.

Lessee shall provide Lessor with a certificate of insurance on a form to be provided by the Lessor prior to the commencement date of this lease; or if this lease is signed subsequent to its commencement, then Lessee shall deliver the certificate of insurance to Lessor simultaneously with execution of this lease.

Lessee understands that Lessor carries no fire insurance on the Leased Premises or improvements located thereon belonging to Lessee, and that it is Lessee's obligation to obtain adequate fire insurance for protection of Lessee's buildings, fixtures, or personal property located on the Leased Premises.

**j. Efforts to prevent unpermitted camping on Lessor's surrounding property**

Lessee shall attempt to prevent people from camping on Lessor's properties surrounding the Leased Premises.

**7. GENERAL CONDITIONS.**

**a. Taxes, Assessments, and Liens.** During the term of this lease Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.



- b. **Easements.** Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.
- c. **Encumbrance of Parcel.** The Lessee shall not encumber or cloud the Lessor's title to the Leased Premises or enter into any lease, easement, or other obligation of the Lessor's title without the prior written consent of the Lessor; and any such act or omission, without the prior written consent of the Lessor, shall be void against the Lessor and may be considered a breach of this lease.
- d. **Valid Existing Rights.** This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.
- e. **Responsibility to Properly Locate on Leased Premises.** It shall be the responsibility of the Lessee to properly locate Lessee and Lessee's improvements on the Leased Premises and failure to so locate shall render the Lessee liable as provided by law.
- f. **Expiration of Lease.** Unless the lease is renewed or sooner terminated as provided herein, the lessee shall peaceably and quietly leave, surrender and yield up unto the lessor all of the leased land on the last day of the term of the lease.
- g. **Removal of improvements upon expiration or termination.** Lessee shall remove all improvements to the Leased premises upon the end of this lease. Lessee is not required to restore the premises to its original condition, and any improvements or fixtures that cannot be removed without damage to the real property may remain. Lessor is not required to pay Lessee for the value of any improvements to or on the premises at the end of the lease.
- h. **Inspection.** The lessee shall allow an authorized representative of the lessor to enter the leased land for inspection at any reasonable time.
- i. **Entire Agreement, Amendments.** This document excluding any words or paragraphs struck out and including any language added, in either case, initialed and dated by both parties and including exhibits contains the entire agreement between the parties, and may not be modified except in writing. There are no oral promises, representations, or warranties between the parties regarding any matter or thing connected with or related to the matters and things which are the subject of this lease.

IN WITNESS WHEREOF, the Lessor and Lessee agree and sign on the dates below. The persons signing below represent that they are authorized to execute this agreement on behalf of the parties named in this lease.

LESSOR: AJT Mining Properties, Inc.

Date: April 20, 1999

By: William A. Corbus  
William A. Corbus, President

LESSEE: City and Borough of Juneau, Alaska

Date: 4/23/99

By: David R. Palmer  
David R. Palmer, City Manager

Approved as to Form:  
Deborah R. Cramer  
City-Borough Attorney

Approved as to Content  
Steve Bellotti  
Lands & Resources

I:\LANDS\1999\Thane Campground RLS 9014 9017\1999-04-20 lease BRC AJT to city for campground final.wpd

State of Alaska

FIRST JUDICIAL DISTRICT

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THIS CERTIFIES that on this April 20, 1999, before me, a Notary Public in and for the State of Alaska, personally appeared WILLIAM A. CORBUS, to me known and known to me to be the person whose name is subscribed to the foregoing instrument, and after being first duly sworn according to law he stated to me under oath that he is the President and General Manager of AJT Mining Properties, Inc., a corporation organized under the laws of Alaska, that he has been authorized by said corporation to execute the foregoing instrument on its behalf and he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official seal the day and year in this certificate above written.

*Janet B. Sanbei*  
Notary Public for the State of Alaska  
My commission expires: 6/7/00

STATE OF ALASKA

FIRST JUDICIAL DISTRICT

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THIS CERTIFIES that on this \_\_\_\_\_, 1999, before me, a Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_, to me known and known to me to be the person whose name is subscribed to the foregoing instrument, and after being first duly sworn according to law he stated to me under oath that he is the \_\_\_\_\_ of the City and Borough of Juneau, a municipal corporation organized under the laws of Alaska, that he has been authorized by said municipal corporation to execute the foregoing instrument on its behalf and he executed the same freely and voluntarily as the free act and deed of said entity.

WITNESS my hand and official seal the day and year in this certificate above written.

Notary Public for the State of Alaska  
My commission expires: