

**LETTER OF INTENT
BETWEEN THE
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
AND
GOLDBELT INC.**

Cascade Point Ferry Terminal (Conceptual)

Project No.: SSHWY00213

Introduction

With this Letter of Intent (LOI) the Alaska Department of Transportation and Public Facilities (DOT&PF) and Goldbelt Inc. mutually agree to engage in good faith discussions to determine the feasibility and suitability of developing a leased ferry terminal at Cascade Point in Berners Bay that will fulfill the needs and the budget of the Alaska Marine Highway System (AMHS).

Background

AMHS wishes to increase efficiency and reduce operating costs of the Alaska Class Ferries, whose intended area of operation is Lynn Canal. In its report of October 2, 2020, the AMHS Reshaping Work Group (Work Group) estimated that a ferry terminal at Cascade Point would reduce Juneau-Haines and Juneau-Skagway one way sailing by about 30 miles and 2.1 hours. The Work Group concluded that this reduction would enable use of a 12-hour dayboat to service the route, thereby reducing ferry operating cost and enhancing route revenue. Consequently, it recommended that DOT&PF include a ferry terminal at Cascade Point in its operational and capital planning. DOT&PF has elected to pursue this recommendation.

The shoreline of Lynn Canal is remote, undeveloped, and largely roadless. Favorable sites for a ferry terminal are limited. To achieve the efficiencies stated by the Work Group, a new terminal must be close enough to Haines/Skagway to reduce the ferry's run time to 12 hours or less. Yet, the closer the DOT&PF locates the terminal to Haines/Skagway, the greater certain costs, *e.g.*, land clearing, new road construction, road maintenance, etc.

Cascade Point may provide a favorable site for a ferry terminal. However, further investigation and discussions with the property owner, Goldbelt Inc., are necessary before the DOT&PF can determine the feasibility and suitability of a leased terminal at Cascade Point.

Purpose

The purpose of this LOI is to express the general intent of the DOT&PF and Goldbelt, Inc. to determine the feasibility and suitability of Cascade Point as the site of a leased ferry terminal.

Each Party will use good faith efforts to advance this goal. However, this LOI does not obligate either Party to enter an ensuing lease or contract.

Responsibilities

As discussions progress, the Parties will amend this LOI to identify specific tasks to be performed and the Parties respective responsibilities. Yet, as an initial matter, the Parties anticipate that informed development of the ferry terminal concept will require consideration of topics that will likely include, but not limited to:

- Identification of DOT&PF needs, requirements, and standards for the ferry terminal
- Investigation/research/analysis concerning:
 - Civil and geotechnical engineering
 - Vessel navigability and safety
 - Facility design and construction
 - Supporting infrastructure, *e.g.* utilities, potable water, vessel fueling, etc.
 - Project delivery methods
 - Environmental matters
 - Regulatory permitting
 - Scheduling
 - Financial information, *e.g.*, property appraisal, cost analysis, etc.

As discussions progress, the Parties will update this LOI to document allocation of responsibilities between the Parties.

Authority

Alaska Statue 19.65.030 authorizes the DOT&PF to select a location and enter into a land lease or facility lease agreement for an AMHS ferry terminal facility for the purpose of loading and unloading of passengers and vehicles.

Contemplated Terminal Location

Cascade Point, Berners Bay, Alaska, as depicted on the attached exhibit A

- A. Uplands and uplands right-of-way, and
- B. Alaska Tideland Survey 1654, located within Section 32, Township 36 South, Range 63 East, and Section 1, Township 37 South, Range 63 East, Copper River Meridian.

Duration

This LOI shall become effective on the date of the last signature through December 31, 2021 and may be extended by mutual agreement.

Contacts

For DOT&PF:

Rob Carpenter, Deputy Commissioner

(907) 465-3906

rob.carpenter@alaska.gov

For Goldbelt Inc:

McHugh Pierre, President & CEO

(907) 790-1430

mchugh.pierre@goldbelt.com

The undersigned agree to the terms of this Letter of Intent:

State of Alaska,
Department of Transportation and
Public Facilities

Dated: 4/7/21

By: 
Rob Carpenter
Deputy Commissioner

Goldbelt Inc.

Dated: 4.7.21

By: 
McHugh Pierre
CEO