MEMORANDUM OF UNDERSTANDING
between

ALASKA MENTAL HEALTH TRUST AUTHORITY,
through the ALASKA MENTAL HEALTH TRUST LAND OFFICE
and the DEPARTMENT OF HEALTH AND SOCIAL SERVICES

This **MEMORANDUM OF UNDERSTANDING** (MOU) is entered into this 23rd day of October, 2014, by and among the Alaska Mental Health Trust Authority (the Trust), a public corporation within the Alaska Department of Revenue (AS 47.30.011 et seq.), acting by and through the State of Alaska, Department of Natural Resources (DNR), Alaska Mental Health Trust Land Office (TLO), pursuant to AS 37.14.009, AS 38.05.801 and 11 AAC 99 and the Department of Health and Social Services (DHSS). In instances hereinafter whereby the TLO and the DHSS are referred to collectively, they will be referred to as the "Parties". The effective date of this MOU is the date of the last signature entered.

Properties

A portion of the North (N1/2) one-half of the Southwest quarter (SW1/4) one-quarter of Section 28, Township 13 North, Range 3 West, Seward Meridian lying south of Providence Drive, north of 40th Avenue and east of Lake Otis Parkway. More specifically, the tracts as annotated Tract D-1 (MYC) and Tract C-2 (TLO) on Attachment A.

BACKGROUND

The tract as occupied by Department of Health and Social Services (Tract D-1) and the vacant tract as owned by Alaska Mental Health Trust Authority (Tract C-2) were originally deeded to the Trust via the U.S. Bureau of Land Management Patent #1193003 with a recorded date of March 9, 1959, and re-recorded by the State of Alaska Department of Natural Resources Division of Mining, Land and Water on February 28, 2006 as captured by Recorded Document #2006-012408-0. The land currently occupied by Department of Health and Social Services' McLaughlin Youth Center, and described as Tract D-1 was transferred to the Department of Natural Resources and made available for occupancy by the Department of Health and Social Services via an Interagency Land Management Transfer (ILMT) executed June 12, 1964 and included in the abstract for Alaska Division of Lands Case ADL 23699. The ILMT was amended (replaced) by an Interagency Land Management Assignment (ILMA) recorded on December 12, 2004, documented as Alaska Division of Lands as Case ADL 228366 and enumerated as Recorded Document #2004-096340-0 (reference http://int.dnr.alaska.gov/projects/las/).

PURPOSE

The purpose of this Memorandum of Understanding is twofold:

1.) The TLO seeks a utility easement from the Department of Natural Resources, to serve a future real estate improvement to Tract C-2, which includes the installation of approximately 400 feet of sewer line originating on Tract 2B (Trust property), terminating at the approximate northeast corner of Tract C-2, and including approximately 220 feet of sewer line which, resultant to the proposed alignment, will transit (MYC/DHSS) Tract D-1. This is a property improvement aimed at enhancing the value of the Trust's real estate holding (Tract C-2) with the eventual intent to support further development of this parcel. The proposed improvement is consistent with the TLO's mission of protecting and enhancing the value of Trust lands. The nature of and timeframe for a future development are not known at this time, and

2.) For TLO to acknowledge DHSS' occupancies of Tracts C-1 and D-1 as being both secure and private in nature. Furthermore, it is understood by the TLO that a certain level of privacy is necessary to support the operational objectives of DHSS (McLaughlin Youth Center & Alaska Psychiatric Institute). In exchange for the granting of the easement, DHSS has requested that for future development scenarios proposed for Tract C-2, TLO ensure the security and privacy needs of DHSS for Tract C-1 and Tract D-1 be considered in the design for any proposed development(s). Specific elements of design discussed include situating building footprints to front 40th Avenue as well as the potential incorporation of vegetative buffers/vegetative screening such that sight lines are obstructed in an effort to preserve the privacy of the operations on Tract C-1 and Tract D-1 to a reasonable extent. Furthermore, TLO understands the area of greatest sensitivity for McLaughlin Youth Center to be the cottages located in the southwest quadrant of the Tract D-1 and the west façade of Alaska Psychiatric Institute (API) located on the west half of Tract C-1. Lastly, it should be noted that in calendar year 2012 the TLO completed a massive cut of material from Tract C-2, removing approximately 70,000 cubic yards of fill from the site. At the highest point the cut lowered the ground elevation by approximately 40 feet in height. During this effort a large berm (6'-12' in height) was formed along much of the north edge of the property. The berm includes vegetation, which now serves to create a "privacy barrier" between Tract C-2 and Tract D-1.

PREAMBLE

WHEREAS, TLO has authority for management, development, and operations conducted within Tract C-2 Property on behalf of The Trust; and

WHEREAS, TLO proposes to develop Tract C-2 property as an eventual commercial development; and

WHEREAS, MYC/DHSS is the land occupant of the adjoining tract annotated as Tract D-1 and API/DHSS is the land occupant of the Tract C-1;

NOW THEREFORE, in consideration of the mutual objectives and covenants set forth herein, the sufficiency of which is acknowledged, the TLO and the DHSS agree to the below listed stipulations.

A. Obligations of the TLO:

1. The TLO will consult with Anchorage Waste Water Utility (AWWU) to confirm the proposed easement is assumable by AWWU, and will gain formal consent from AWWU.
2. The TLO will file the application for easement with the Department of Natural Resources, and will assume all direct costs associative to the granting of the easement.
3. The TLO will assume all direct costs associative to the construction of the sewer line. For any existing vegetation disrupted on DHSS (McLaughlin Youth Center (MYC)) property, the TLO will replant in similar kind, quantity and configuration. Per site evaluation, it is understood that a small number of existing birch and spruce trees (estimated to be less than 12 in total) may be displaced. In the absence of these trees, and while any replanted trees grow back, sight lines to MYC are still buffered by trees existing within the MYC fence line. Displacement of existing vegetation is contingent on means and methods for the sewer line install (trench box versus open trench). The TLO will pursue the least intrusive method of construction practical for the scope to be completed.
4. For future development on Tract C-2, the TLO will apprize DHSS of accepted development proposal and design progress thereof. The TLO will solicit input from DHSS respective to design in an effort to achieve a mutually agreeable development that serves to promote and protect the current operational objectives of the Parties.
5. The TLO will bear the cost of vegetative screening only deemed essential to protecting the operational objectives of DHSS. Dependent on the nature of future proposed developments, the review of privacy screening may require due diligence evaluation from a third-party privacy consultant mutually agreeable to both Parties.

B. Obligations of the DHSS:

1. The DHSS will provide a Letter of Non-objection for the portion of the easement to occupy Tract D-1 (approximately 220’ in length and variable in width, but not exceeding 30’ – see Attachment B).

C. The Parties Obligations and Agreements

1. This MOU does not obligate any Party to act contrary to applicable laws, regulations, policies and procedures. The Parties specifically recognize that any proposed development plan must limit or prevent to a reasonable extent, the visual sight lines or intrusion of public view into areas of DHSS campuses where occupants are entitled to confidentiality as regulated by State Statute. Any changes to the MYC fire lane will also be thoroughly evaluated and approved by the appropriate authorities.
2. Individuals signing below are properly authorized to commit themselves and their organizations to the actions proved for herein, as contained by the terms and conditions of this MOU.

3. This MOU may be executed in counterparts.
4. This MOU can be modified upon written consent of the Parties.
5. Others may become party to the MOU upon written consent of the Parties.
6. The MOU will not be effective until executed by each of the original parties to the MOU. The MOU expires five years from the date of final execution with an option for extension to be exercised prior to the expiration date and by all Parties signatory to the MOU at that time.
7. The MOU is null and void should the TLO, through any circumstances, fail to secure the utility easement required for the Sewer Line, or experience unforeseen circumstances that prevent the sewer line installation within the easement (etc. subsurface obstructions).
8. Notices regarding actions under this MOU will be sent to those for each party signatory to the MOU.

AGREED:

By: _____ Date: 10.23.14
Marcie Menefee, Executive Director
Alaska Mental Health Trust Land Office

By: _____ for S. Efird Date: 10/21/14
Sana Efird, Assistant Commissioner
Department of Health and Social Services

Attachments:

Attachment A – Approximate Location for Proposed Tract C-2 Sewer Utility Installation

Attachment B – Approximate Extents for Proposed Tract C-2 Sewer Utility Installation

Attachment C – Location Map for Proposed Tract C-2 Sewer Utility Installation