

**LEASE AMENDMENT NO. 2**  
**CITY OF VALDEZ**  
**AND**  
**CROWLEY FUELS, LLC**

THIS LEASE AMENDMENT NO. 2 is made between the City of Valdez, a municipal corporation organized under the laws of the State of Alaska whose address is P.O. Box 307, Valdez, Alaska 99686 is hereinafter referred to as LESSOR, and, Crowley Fuels, LLC, whose address is 201 Arctic Slope Avenue., Anchorage, Alaska 99518 hereinafter referred to as LESSEE.

WHEREAS, the City of Valdez entered into a lease for an 8,400 square foot portion of USS 495 Tidelands, with Max and Betty Wells in 2001 for seventeen (17) years, commencing on December 1, 2001 and ending the last day of November, 2018 with an additional six (6), five (5) year options to renew; and

WHEREAS, Valdez City Council approved an assignment of leasehold interest from the Estate of Betty J. Wells to Crowley Fuels LLC; and

WHEREAS, the lease is set to expire the last day of November, 2018 with an additional six (6), five (5) year options to renew; and

WHEREAS, Crowley Fuels, LLC has approached Community Development staff with intention to exercise the first of six (6), five (5) year renewal options; and

WHEREAS, Valdez Municipal Code 4.08.100 states that the LESSEE "shall be required to pay for any and all survey, appraisal or other costs incurred in connection with the application and lease process."

NOW, THEREFORE, LESSOR and LESSEE agree as follows:

Section 1. The City Council of the City of Valdez, Alaska authorizes Amendment No. 2 to the Lease with Crowley Fuels, LLC for an 8,400 square foot portion of USS 495 Tidelands and authorizes the City Manager or her designee to negotiate said lease renewal exercising lease renewal option one (1) of six (6).

Section 2. Paragraph 1.05 of the lease dated December 11th, 2001 between the City of Valdez and Crowley Fuels, LLC for approximately 8,400 square feet of USS 495 Tidelands is amended as follows:

"The LESSEE is responsible for paying the cost of appraisal of the Property for the purposes of determining fair rental value."

Section 3. All other terms, covenants, and conditions of said lease, and amendments, shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of this September 18<sup>th</sup>, 2018

LESSEE:

CROWLEY FUELS, LLC  
An Alaskan Corporation

By: \_\_\_\_\_  
Richard W. Meidel

Vice President, General Manager

LESSOR:

CITY OF VALDEZ, ALASKA

By: \_\_\_\_\_  
Jeremy O'Neil, Mayor

ATTEST:

\_\_\_\_\_  
Sheri L. Pierce, MMC, City Clerk

APPROVED AS TO FORM:

BRENA, BELL AND CLARKSON  
Attorneys for City of Valdez

By: \_\_\_\_\_  
Jon Wakeland