

Mayor
James Kacsh

Council Members
Kristin Carpenter
Tim Joyce
David Allison
Bret Bradford
EJ Cheshier
David Reggiani
James Burton

City Manager
Randy Robertson

City Clerk
Susan Bourgeois

Deputy Clerk
Tina Hammer

Student Council
Sarah Hoepfner
Gabrielle Brown

**REGULAR COUNCIL MEETING
FEBRUARY 5, 2014 @ 7:30 PM
LIBRARY MEETING ROOM**



AGENDA

A. CALL TO ORDER

B. INVOCATION AND PLEDGE OF ALLEGIANCE

I pledge allegiance to the Flag of the United States of America, and to the republic for which it stands, one Nation under God, indivisible with liberty and justice for all.

C. ROLL CALL

Mayor James Kacsh, Council members Kristin Carpenter, Tim Joyce, David Allison, Bret Bradford, EJ Cheshier, David Reggiani and James Burton

D. APPROVAL OF REGULAR AGENDA..... (voice vote)

E. DISCLOSURES OF CONFLICTS OF INTEREST

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker

a. Steven Rothchild, PWSRCAC, update on dispersants..... **(page 1)**

b. Donald Kurz, regarding live video streaming of Council meetings

c. Joanie Behrends, regarding Alaska Shield exercise, 2014

2. Audience comments regarding agenda items..... (3 minutes per speaker)

3. Chairpersons and Representatives of Boards and Commissions (Harbor, HSB, Parks & Rec, P&Z, School Board)

4. Student Council Representative Report

G. APPROVAL OF CONSENT CALENDAR..... (roll call vote)

5. Ordinance 1113..... (page 13)

An ordinance of the City Council of the City of Cordova, Alaska, authorizing a lease for a portion of Lot 2, Block 7A, Tidewater Development Park, Plat 93-2, specifically a building known as the Prince William Sound Science Center and the south west 50 feet of the dock to the Prince William Sound Science and Technology Institute, an Alaska nonprofit corporation, doing business as Prince William Sound Science Center for the operation of the Prince William Sound Science Center – 2nd reading

6. Resolution 02-14-05..... (page 28)

A resolution of the City Council of the City of Cordova, Alaska, authorizing the appropriation from the general fund in the amount of \$42,000 to the Cordova Community Medical Center (CCMC) to fund the cost of Task 200 (final documents) phase of the CT scanner project at Cordova Community Medical Center

7. Resolution 02-14-06..... (page 30)

A resolution of the City Council of the City of Cordova, Alaska, authorizing the appropriation from the general fund in the amount of \$225,000 to the Cordova Community Medical Center (CCMC) to fund the cost of a CT scanner purchase and installation at Cordova Community Medical Center

8. Resolution 02-14-07..... (page 32)

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a sole source contract with Arctic Information Technology in accordance with the attached statement of work to provide network management through the TotalCare program for the City of Cordova for FY2014

9. Resolution 02-14-08..... (page 46)

A resolution of the City Council of the City of Cordova, Alaska, directing the City Clerk to prepare and publish a certified copy of the foreclosure list of delinquent real property taxes for the year 2013

10. Resolution 02-14-09..... (page 48)

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 10 year lease of property legally described as Lot 5, Block 1, South Fill Development Park Plat 85-9 with the North West Company (International) Inc.

11. Council concurrence of Mayor's appointment of the 2014 Election Board..... (page 61)
12. Record unexcused absences for Mayor Kacsh and Bradford from the January 15, 2014 Regular Meeting

H. APPROVAL OF MINUTES

13. Regular Meeting Minutes 1-15-14..... (page 62)

I. CONSIDERATION OF BIDS

J. REPORTS OF OFFICERS

14. Mayor's Report
15. Manager's Report
 a. City Lobbyist, **John Bitney**, Juneau Legislative update..... (page 66)
16. City Clerk's Report..... (page 69)
17. Staff Reports - 4Q 2013 Reports
 a. **Miriam Dunbar**, Library Director..... (page 70)
 b. **Paul Trumblee**, Fire Marshal, CVFD..... (page 72)
 c. **Tony Schinella**, Harbormaster..... (page 77)
 d. **Susie Herschleb**, Park & Recreation Director..... (page 78)
 e. **George Wintle**, Chief of Police (page 82)
 f. **Laura Cloward**, Information Services Director..... (page 88)
 g. **Cathy Sherman**, Museum Director..... (page 90)
 h. **Jon Stavig**, Finance Director..... (page 94)
 i. **Samantha Greenwood**, City Planner..... (page 98)

K. CORRESPONDENCE

18. Letter 01-15-14 from State DCCED in re Cordova Population determination 2013 (page 99)
19. Letter from 3rd grade of Ashford Academy to Mayor Kacsh..... (page 100)
20. Letter from Ketchikan Mayor in re lawsuit concerning school funding 01-22-14..... (page 101)

L. ORDINANCES AND RESOLUTIONS

21. Resolution 02-14-10..... (page 104)

A resolution of the City Council of the City of Cordova, Alaska, supporting NVE's proposal #333 to the Board of Fish to be heard at the statewide King and Tanner Crab Board of Fish meeting in Anchorage March 17-21, 2014 regarding a commercial Tanner Crab fishery in PWS

M. UNFINISHED BUSINESS

22. **Brian Wildrick** request for extension of Performance Deed of Trust on..... (voice vote)(page 106)
 Lot 8 Block 2 South Fill Development Park
23. **Joel Azure**, NVE performance deed of trust proposal..... (voice vote)(page 141)

N. NEW & MISCELLANEOUS BUSINESS

24. Bulk mailer re letter writing to legislators about Cordova Center funding..... (voice vote)(page 166)
25. Pending Agenda and Calendar..... (page 171)

O. AUDIENCE PARTICIPATION

P. COUNCIL COMMENTS

26. Council Comments

Q. EXECUTIVE SESSION

28. Attorney advice regarding City Performance Deeds of Trust - (materials under separate cover to Council)

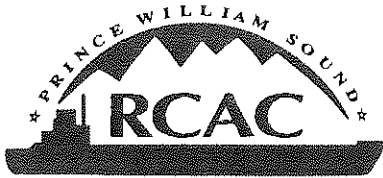
R. ADJOURNMENT

February 5-9, 2014 Cordova Ice Worm Festival "Only in Cordova"

Executive Sessions: Subjects which may be discussed are: (1) Matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government; (2) Subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion; (3) Matters which by law, municipal charter or code are required to be confidential; (4) Matters involving consideration of governmental records that by law are not subject to public disclosure.

If you have a disability that makes it difficult to attend city-sponsored functions, you may contact 424-6200 for assistance.

Full City Council agendas and packets available online at www.cityofcordova.net



Regional Citizens' Advisory Council / *"Citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers."*

In Anchorage:
In Valdez:

3709 Spenard Road / Suite 100 / Anchorage, Alaska 99503 / (907) 277-7222 / FAX (907) 277-4523
P.O. Box 3089 / 130 South Meals / Suite 202 / Valdez, Alaska 99686 / (907) 834-5000 / FAX (907) 835-5921

MEMBERS

November 11, 2013

Alaska State
Chamber of
Commerce

Dear Stakeholder,

Alaska Wilderness
Recreation & Tourism
Association

Changes to how dispersants are authorized for use during an oil spill are being proposed by the Alaska Regional Response Team (ARRT). The ARRT is a combination of federal, state and local agencies that share responsibilities for managing oil and chemical spill responses in Alaska.

Chugach Alaska
Corporation

To help you understand the issues, the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) has prepared two documents -

City of Cordova

- Overview of Changes to Oil Dispersant Guidelines for Alaska - provides a brief summary and analysis of the draft oil dispersant authorization plan contents.
- Discussion Points for Public Meetings - contains suggested discussion topics and questions that could be asked during public meetings based upon our initial analysis.

City of Homer

City of Kodiak

City of Seldovia

City of Seward

City of Valdez

The current version of the dispersant decision use document is named "Oil Dispersant Guidelines for Alaska," and the proposed new document will be renamed "Oil Dispersant Authorization Plan." For clarification, reference to the former document will be "guidelines" while reference to the new document will be "plan."

City of Whittier

Community of
Chenega Bay

What are dispersants?

Community of
Tatitlek

Chemical dispersants are substances applied to spilled oil with the goal of dispersing the oil into the water column rather than leaving it floating on the surface in a slick. The PWSRCAC has long had concerns about the use of chemical dispersants as an alternative spill response method. According to state and national policy, mechanical recovery (removing oil using equipment) takes priority over the use of dispersants. After years of promoting research and testing to increase knowledge about dispersants and the environmental consequences of their use, the council in 2006 adopted a position against the use of dispersants in the *Exxon Valdez* oil spill region (see our website: www.bit.ly/OilSpillDispersants). A short summary of issues regarding dispersants is included at the end of the attached discussion points.

Cordova District
Fishermen United

Kenai Peninsula
Borough

Kodiak Island
Borough

Kodiak Village Mayors
Association

Oil Spill Region
Environmental
Coalition

What are the dispersant guidelines and why do they exist?

The decision to use dispersants during an oil spill response must be made quickly as dispersants work best on freshly spilled oil. The current ARRT Dispersant Guidelines are meant to speed up the decision-making and approval process for dispersant use. The guidelines establish parameters for pre-authorization, which means that in some areas dispersants could be applied without consulting local governments or stakeholders.

Port Graham
Corporation

Prince William Sound
Aquaculture
Corporation

The proposed dispersant plan is available for review on the ARRT website: www.bit.ly/DraftDispersantsPlanARRT. This plan will replace the current guidelines for Alaska, which date back to 1989: www.bit.ly/AnnexFofCurrentGuidelines. These revisions were needed because there has been new scientific research and improvements in equipment over time.

The ARRT wants to hear from you.

The ARRT has asked for members of the public and stakeholder groups to review the draft Oil Dispersant Authorization Plan, and is providing opportunities for comment and discussion. The review process includes public meetings in the PWSRCAC region in Kodiak, Valdez and Anchorage in November. The public comment period runs from November 13, 2013 through February 14, 2014, and instructions on how to participate in this process are provided on the ARRT website: alaskarrrt.org.

Public meeting times and locations (in our area):

Anchorage – November 15, 2013

Public Meeting 1:00 pm to 5:00 pm
Federal Annex Building
222 West 7th and 8th Avenues
Anchorage, AK 99513

Kodiak – November 18, 2013

Public Meeting 1:00 pm to 5:00 pm
Koniag, Inc.
194 Alimaq Dr.
Kodiak, AK 99615

Valdez – November 20, 2013

Public Meeting 1:00 pm to 5:00pm
City Council Chamber
212 Chenega St.
Valdez, AK 99686

Note there are additional times for tribal consultation meetings. Please refer to the ARRT website (alaskarrrt.org) for more information on these meetings.

If you should have any questions or want to discuss this information further, please contact Joe Banta (banta@pwsrcac.org) or Mark Swanson (mark.swanson@pwsrcac.org). Other project managers are well informed and available to speak on this subject (check www.pwsrcac.org for a staff directory).

Sincerely,



Mark A. Swanson,
Executive Director

Overview of Changes to Oil Dispersant Guidelines for Alaska

In order to help stakeholders understand dispersant use issues, the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) has reviewed the draft Oil Dispersant Authorization Plan ("plan") and developed this summary to support member organization participation at the ARRT's public meetings. The proposed plan will replace the current Oil Dispersant Guidelines for Alaska.

1. Changes to preauthorization boundaries and terminology

The proposed Oil Dispersant Authorization Plan changes the boundaries where dispersant use is preauthorized (authorized before an oil spill happens).

Currently, Alaska is divided into three dispersant use zones:

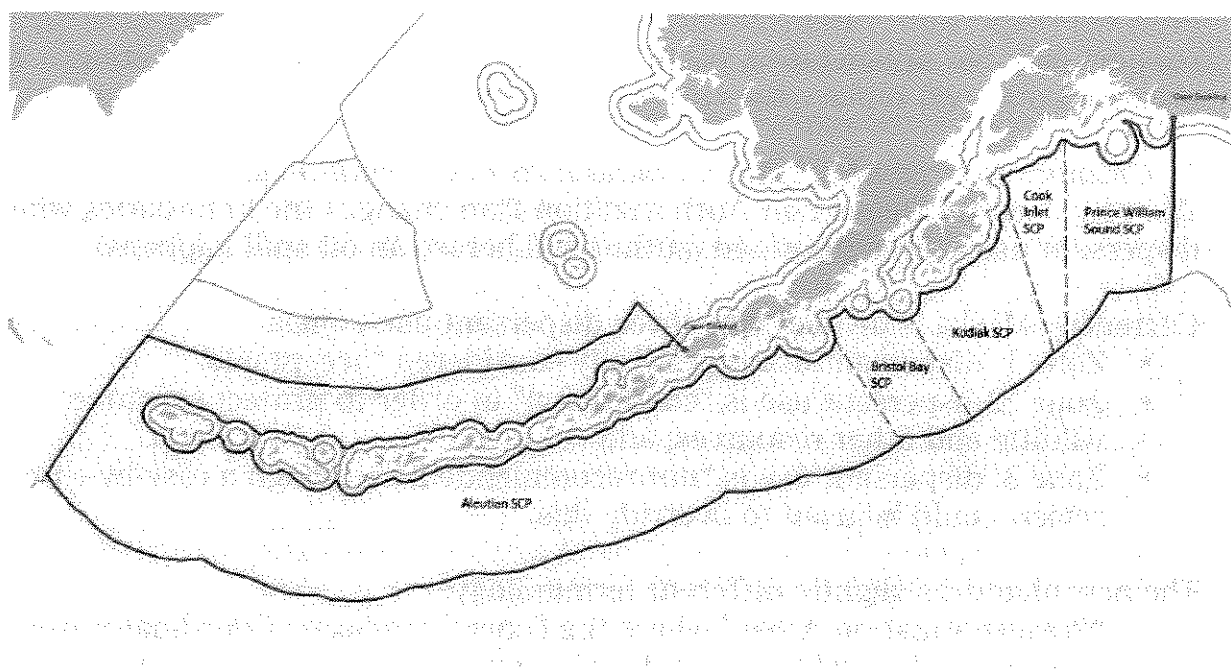
- Zone 1: dispersant use is generally considered "acceptable;"
- Zone 2: dispersant use is "conditional" in order to protect sensitive wildlife and other resources; and
- Zone 3: dispersant use is "not recommended," although a case-by-case review could be used to override this.

The new plan uses slightly different terminology:

- "Preauthorization Areas" where the Federal On-Scene Coordinator (the FOSC is the federal lead and decision-maker from the U.S. Coast Guard) can authorize dispersant use without additional review or input;
- "Undesignated Areas" where dispersant use would require case-by-case consideration by a group of government agencies; and
- "Dispersant Use Avoidance Areas" where dispersant use is generally discouraged, but where approval could still be granted based on a case-by-case consideration or under certain special circumstances (e.g. risk to human health).

The Preauthorization Area proposed in the new plan includes the area shown in Figure 1 (next page). Other federal and state agencies must approve this Preauthorization Area during this review process. Once the preauthorization is approved, the U.S. Coast Guard, as the FOSC, can make independent decisions about when dispersants can be used during an oil spill.

Figure 1: Preauthorization areas: closest to shore is state boundaries (in blue). For additional information on this diagram, see page F-9 of the draft plan: www.bit.ly/DraftDispersantsPlanARRT



The proposed plan provides a process for changing which locations are preauthorized for dispersant use. This process for changing preauthorization relies on existing Subarea Committees to review the Preauthorization Areas and make recommendations for any changes within the first 2 years after the Guidelines are finalized. Figure 1 above denotes the boundaries of the Subareas.

2. Limits to Preauthorization

There are some limitations placed on Preauthorization Areas. These are essentially special or extenuating circumstances under which dispersant use would be subject to case-by-case review. The special conditions include:

- When dispersant operations have been going on for more than 96 hours;
- Any time subsea (underwater) dispersants would be used;
- During times when certain types of monitoring are not operationally feasible; and
- Outside of daylight hours.

3. Establishment of Dispersant Use Policies and Decision-making Criteria

The draft Oil Dispersant Authorization Plan includes a number of statements about dispersant use policy. The plan states that dispersants are an alternative technology and that mechanical recovery (use of equipment to remove oil from the water) is the preferred option. However, the plan allows the lead agencies

to approve dispersant use for time sensitive reasons and without other agencies' approval under certain circumstances. Therefore, it is important that the framework established in this plan provide clear, unambiguous parameters.

The draft plan presents several criteria that help the lead agencies make decisions about using dispersants in marine waters:

- Criteria such as water depth, distance from shore, wind and currents, salinity, temperature, available response equipment, shoreline variations, sensitive habitats, sensitive species, historic properties, human use, and public and private facilities.
- The criteria identified are a mix of limits that can be measured and other subjective information. For example, 10 fathoms (60 feet) is identified as the minimum water depth, while the distance from shore specifies only that "an adequate buffer" be established. Temperature is discussed, but not there are no requirements for temperature to be measured.
- Decision-makers are instructed to consider whether using dispersants may "adversely impact" sensitive species, culturally or historically important properties, human use, or other special uses.
- Other specific conditions are established to limit dispersant use, such as minimum water depth (60 feet) and a minimum distance from swarming fish (1640 feet).
- Some general parameters are also established, such as the requirement that a test application be conducted on a "representative portion" of the oil slick to demonstrate potential effectiveness.

4. Stakeholder Input Process Changes

The authorization process includes a role for "appropriate stakeholder groups." The plan does not specify how these groups will be identified. However, the process for consultation with stakeholders and other agencies is improved compared to the current Oil Dispersant Guidelines for Alaska.

- Stakeholder involvement in dispersant use decision-making appears to be primarily informational.
- Stakeholder groups do not have a decision-making role in the proposed plan and in Preauthorization Areas, and
- Stakeholder groups may not be informed of dispersant use until after the fact.

5. Federal On-Scene Coordinator (FOSC) Autonomy

The draft guidelines provide the FOSC (the U.S. Coast Guard as the lead) with broad authority to make dispersant use decisions.

- In areas where preauthorization is approved, the FOSC can make unilateral decisions to allow dispersant use without any input.

- For “Undesignated Areas,” the FOSC is required to notify other state and federal agencies that act as natural resource trustees only “as appropriate” and “when practicable.”
- Stakeholder groups, tribes, and local governments have no role at all in this decision-making. If the spill is outside state waters (three miles from the shoreline), the state does not appear to have any role.
- The FOSC has expanded authority to authorize dispersant use without obtaining agreement from the Environmental Protection Agency, the state, or other trustee agencies “when, in the judgment of the FOSC, the use of the product is necessary to prevent or substantially reduce a hazard to human life.”

6. After-Action Reporting

The proposed plan requires the FOSC to complete a report after any dispersant application providing specific information.

- The after-action reports will be publicly available when completed, but there does not appear to be any mechanism for local or stakeholder input or review.

Summary

Dispersants can impact the health of marine resources that stakeholders depend on for their food, culture, and livelihoods. The proposed plan will set the stage for how local communities and stakeholders can influence how dispersants are used in a way that is consistent with local priorities and concerns. PWSRCAC encourages member organizations to attend the public meetings and provide feedback.

Links:

Draft Plan proposed by ARRT: www.bit.ly/DraftDispersantsPlanARRT

Current guidelines: www.bit.ly/AnnexFofCurrentGuidelines

Discussion Points for Public Meetings

The Alaska Regional Response Team (ARRT) recently published revised guidelines for how the use of dispersants during oil spill response will be authorized by federal and state authorities in Alaska. Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) has prepared this document to highlight issues and questions that our member organizations and other interested stakeholders may consider raising during upcoming public meetings in Kodiak, Valdez, and Anchorage during November, 2013.

Improvements to the 1989 Version

There are a number of ways that the 2013 Plan improves upon the 1989 Guidelines. These include:

- In the 2013 draft, there are no-preauthorization areas inside of 24 nautical miles (27 miles) from the coastline.
- The incident-specific requirements to consult with resources trustees (federal and sometimes state natural resource agencies) are more robust.
- The draft plan recognizes that seasonably variable conditions such as salinity, temperature, and mixing energy (waves and wind) can impact dispersant effectiveness, and they factor these into decision-making tools.
- The draft plan gives more consideration to potential impacts to maritime species and habitat, including endangered species.
- The draft plan contains more direct and explicit requirements for monitoring the effectiveness of dispersant applications using the federally-endorsed monitoring protocols - Special Monitoring of Applied Response Technologies (see page F-37 of the draft Plan for more about SMART: www.bit.ly/DraftDispersantsPlanARRT).
- A detailed after-action report is required any time dispersants are used.
- Dispersant activities are only allowed during daylight.

Issues for Consideration by Regional Stakeholders

The following issues were identified by PWSRCAC as potential concerns regarding the draft Plan contents.

1. Size and Extent of Preauthorization Area.

The pre-authorized dispersants use area is expansive and encompasses large areas of commercially important fish species.

- Are there examples from other parts of the U.S. of preauthorization areas this large?
- Have fishery management agencies considered the potential impacts?

Some of the areas included in the preauthorization zone may not have sufficient mixing depth (60 feet) for dispersant use.

- Has the ARRT ensured that there is at least 60 feet of depth throughout the preauthorization area?

There is a process in place under the draft Plan to allow resource trustees, tribes and stakeholders within each region (Subarea) to change the designation from Preauthorized to case-by-case approval. But the process identified in the Plan does not make it clear who will initiate or lead this process. A 2-year timeline is established for

this process to occur, but it is not clear what will happen if this process is not completed.

- Who will lead this process and ensure that each region has an opportunity to examine and change their Preauthorization areas based on local priorities?
- If change of designation is not completed within 24 months, does the pre-authorization remain?

The process proposed in the draft Plan allows amendments to the preauthorization area for 24 months following the adoption of the plan.

- Why not try to do this while the guidelines are still in draft form?
- If a spill occurs before the re-designations have been completed, is preauthorization allowed?

Even though the guidelines describe Dispersant Use Avoidance Areas, it appears that dispersants could still be approved for use in these areas on a case-by-case basis.

- Will there be any areas where dispersant use is banned? What is the mechanism to make such designations?

The concept of preauthorization suggests that dispersant use is acceptable under some circumstances. Dispersants do not remove oil from the environment.

- Does your organization or community have a position on dispersant use in your location? Is dispersants use acceptable?

The title of the document is “Oil Dispersant Authorization Plan.” This suggests across-the-board authorization is not consistent with statements in the draft Plan. The draft Plan affirms that dispersants are an alternative response technology that should only be used when mechanical recovery is not feasible or not effective.

- Should the document be retitled to “Dispersant Use Guidelines?”

2. Limits to Preauthorization

Preauthorization is no longer automatic when dispersant operations have been ongoing more than 96 hours, subsea dispersants are proposed, or Tier 2 and 3 SMART monitoring is not operationally feasible (see previous link for more information on SMART).

- Is the 96-hour time period from the spill occurrence or the time that the first dispersant operations are carried out?
- Does the ARRT envision using subsea dispersants in Alaska?
- How is “operational feasibility” defined?
- Are the SMART monitoring protocols finalized?

3. Establishment of Dispersant Use Policies and Decision-Making Criteria

There is a mix of quantitative and qualitative limits placed on dispersant applications, and they are scattered throughout the document. It would be useful to have a consolidated reference for these limits, and wherever possible, to provide more specificity. For limits that are tied to geographic location (such as water depth), it would be logical to change those areas to Dispersant Use Avoidance Areas.

- How will dispersant use decisions factor in issues such as sensitive species, historical properties, human use, etc.?

- Why are shoreline impacts discussed, when dispersants are not recommended for use near shore?
- Where does the recommendation for 500 meters from swarming fish come from? How would this be ensured, given the fact that swarming fish are constantly moving? What is the scientific basis? How are swarming fish identified?
- How is “adequate buffer” defined?
- Why are quantitative limits given for some factors but not others?
- How would wind speeds be measured, where, and by whom?
- How and where would salinity be established? To what depth?
- Why aren’t temperature cutoffs provided?

4. *New Stakeholder Input Process*

There is a “seat at the table” for stakeholder groups, but it is not entirely clear which stakeholder groups would be provided with an opportunity to participate, and it is not clear how stakeholder input will be addressed in decision-making.

- How will stakeholder groups be identified for inclusion in this process?
- How much input will stakeholders be able to provide?

5. *Federal On-Scene Coordinator (FOSC) Autonomy*

The FOSC (U.S. Coast Guard, lead federal agency for marine oil spills) has sole decision-making authority in preauthorization areas. There are notification requirements after-the-fact, but no requirements that the Coast Guard consult with other federal, state, or local agencies in making the decision to use dispersants in Preauthorization areas.

- Will the Coast Guard attempt to consult with other agencies if time or circumstances allow?

Tribal entities are not explicitly recognized as co-trustees of species used for subsistence or covered under the Marine Mammal Protection Act.

- To what degree will tribal entities be treated as co-trustees?

The FOSC has considerable discretion to bypass consultation requirements if “safety of human health” is at risk.

- Under what circumstances would dispersants reduce the risk to human health?
- What are the human health impacts of dispersants?
- Is the FOSC qualified to make these determinations?
- Does the local government have some authority related to protecting life and health during emergencies that should be considered?

There are a number of places when consultation requirements are described as “when feasible” or “as appropriate.”

- Clarify the factors that are meant to be considered in determining feasibility or appropriateness. Is this the FOSC’s discretion?

6. *After-Action Reporting*

The after-action report requirements provide an opportunity for public dissemination of the final report, but no clear process for public review or input.

- Will local or stakeholder groups have an opportunity to review or contribute to after action reports before they are finalized?

7. *Additional information*

- Below, please find “Why PWSRCAC Does not Support the use of Chemical Dispersants.” This short summary provides the council viewpoint and scientific basis for our concerns regarding dispersants use and their effects.
- Also please find in the following link draft comments by Pegasus Environmental Solutions on the draft Plan:
www.bit.ly/PegasusEnvironmentalSolutionsDraftComments. These comments focus on the potential effects of dispersant use on marine wildlife.
- Full Draft Plan proposed by ARRT: www.bit.ly/DraftDispersantsPlanARRT
- Current guidelines: www.bit.ly/AnnexFofCurrentGuidelines

WHY PWSRCAC DOES NOT SUPPORT THE USE OF CHEMICAL DISPERSANTS

OVERVIEW - In theory, chemical dispersants are supposed to do as their name implies: disperse surface oil into the water column, diluting it, preventing it from fouling shorelines, and speeding up the process by which bacterial action might, over time, render it harmless.

The Prince William Sound Regional Citizens' Advisory Council has concluded that its many years of research have failed to bear out the claims of dispersant proponents regarding dispersants effectiveness in our cold and seasonally low salinity waters. New research also reveals increasing concerns about low-level chronic toxic effects from oil and dispersed oil. For instance, toxic effects on pink salmon and herring embryos from low level hydrocarbon exposure include heart abnormalities that lead to permanent changes in heart anatomy and physiological performance.

Because of these concerns about whether dispersants actually work, as well as the toxic effect they have on sea life and interference with mechanical removal options, the council does not support the use of dispersants.

THE IMPORTANCE OF INDEPENDENT RESEARCH - Many of the council's concerns are based on the findings in *Oil Spill Dispersants - Efficacy and Effects (2005)*. This summary report was put together by the National Research Council (NRC). The NRC organized a broad group of researchers and experts called the "Committee on Understanding Oil Spill Dispersants: Efficacy and Effects" to write this report which can be found at: http://www.nap.edu/catalog.php?record_id=11283.

More recent government research on dispersants was conducted by the Government Accountability Office in 2012. Information from this report (*Oil Dispersants: Additional Research Needed, Particularly on Subsurface and Arctic Applications* (GAO-12-585 , May 30, 2012) can be found at: <http://www.gao.gov/products/GAO-12-585>.

The council thinks it is important that the study of dispersants and their effects are conducted independently. Many of the studies done to date have been sponsored by the oil industry and manufacturers of dispersants. This type of market-driven research adds the appearance of bias and advocacy for dispersant use. A neutral scientific investigation like the GAO report avoids these concerns.

ADDITIONAL INFORMATION

The following table lists common misconceptions about dispersants and provides scientific counter observations. These counter observations arise from our decades of research and may be helpful in understanding why the PWSRCAC does not support dispersants use in our region.

Arguments For Dispersants Use	Scientific Counter Observation
Dispersants drive oil into the water column permanently	<i>Oil spill dispersions can coalesce back into surface slicks over time so that much of the oil will resurface in 3 to 8 hours in situations with little or no mixing energy.</i>
Dispersants can assist in oil biodegradation	<i>Most studies show that dispersants suppress oil biodegradation.</i>
Chemically dispersed oil is no more toxic than naturally dispersed oil	<i>The use of chemical dispersants results in oil concentrations in the water that are at least 10 to 100 times greater than the concentration one would get without the use of chemical dispersants. This mixture is much more toxic to aquatic organisms.</i>
Dispersing oil slicks can save birds or mammals	<i>Studies haven't shown this, considerations include the fact that the oil is never 100% dispersed and the oil is spreading over a much greater surface area - increasing contact potential.</i>
Dispersants will prevent the formation of water-in-oil emulsions	<i>This hasn't been shown by peer-reviewed research.</i>
Dispersants can break water-in-oil emulsions	<i>Tests, as well as actual applications on the Exxon Valdez spill, have shown that this does not occur.</i>
Dispersants can be used in calm seas	<i>The effectiveness of dispersants in calm seas is very poor, waves or some source of mixing energy is needed for reasonable effectiveness. In calm seas, the dispersant will not stay with the oil, but will be washed away, so dispersants cannot be applied in hopes the seas will come up. Mechanical mixing energy can be applied, but may not be practical on a large scale.</i>
Dispersants mix dispersed oil throughout the water column	<i>Fresh water layering that is common in Prince William Sound region waters can halt dispersed oil at the salinity boundary which can be 1 to 2 meters in depth.</i>
Dispersants work in cold waters such as those in Prince William Sound and the Gulf of Alaska	<i>Most research on dispersant use in cold water shows that it does not work well. Some tests of dispersant effectiveness in cold marine waters that are often cited as successful are from closed volume tank tests. The PWSRCAC has expressed concerns about the validity of those tests. For example, initially dispersed oil that re-aggregated and resurfaced was not properly considered.</i>

INFORMATION ON THE WEB

More information on dispersants can be found on the council's webpage:
www.bit.ly/OilSpillDispersants.

Randy Robertson

From: Andrew Smallwood <andrewsmallwoodfc@gmail.com>
Sent: Wednesday, January 29, 2014 10:42 AM
To: Randy Robertson
Subject: Re: Update

Randy,
Always impressed when I see you out working in the field!

My board authorised us to accept the lease as proposed so that can go forward. I will get you that formally in the next few days.

The board also authorised us to make an offer on the new fill so we can discuss that when we meet.

When would be convenient?

Andrew

A MEMO FROM SUSAN BOURGEOIS, CMC, CITY CLERK

DATE: January 16, 2014
TO: Mayor and City Council
SUBJECT: Ordinance 1113

The following ordinance was on the agenda for first reading on December 4, 2014. After Council received information from the City Manager in executive session regarding his negotiations with the PWSSC on this lease, Council referred the ordinance to staff hoping to see it back when there was agreement to the terms they directed the City Manager to negotiate. On January 15, the ordinance was ready for a first reading although the PWSSC Board of Directors would be meeting on January 24 so that their final approval could be relayed to their executive director and then to the City Manager only timely enough for second reading. Council opted to make a slight change on January 15 by adding a fourth whereas that was in the body of the lease, into the body of the ordinance itself so that Council's intent was more clear. This edit was deemed not significant and therefore, the ordinance is fit for public hearing, second reading and final approval tonight at the February 5, 2014 meeting.

Recommended motion: Move to adopt Ordinance 1113.

Required action: Majority roll call vote.

**CITY OF CORDOVA, ALASKA
ORDINANCE 1113**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING A LEASE FOR A PORTION OF LOT 2, BLOCK 7A, TIDEWATER
DEVELOPMENT PARK, PLAT 93-2, SPECIFICALLY A BUILDING KNOWN AS THE
PRINCE WILLIAM SOUND SCIENCE CENTER AND THE SOUTH WEST 50 FEET OF
THE DOCK TO THE PRINCE WILLIAM SOUND SCIENCE AND TECHNOLOGY
INSTITUTE, AN ALASKA NONPROFIT CORPORATION, DOING BUSINESS AS
PRINCE WILLIAM SOUND SCIENCE CENTER FOR THE OPERATION OF THE
PRINCE WILLIAM SOUND SCIENCE CENTER**

WHEREAS, the City of Cordova and the Prince William Sound Science and Technology Institute d/b/a Prince William Sound Science Center have worked together to maintain the Prince William Sound Science Center located in Cordova, and operated by the Prince William Sound Science and Technology Institute, and both parties desire to enter the lease for eight years, effective January 1, 2014; and

WHEREAS, the Prince William Sound Science Center will be operated on a nonprofit basis; and

WHEREAS, it is in the public interest for the City of Cordova to make space available for the Prince William Sound Science Center under the terms and conditions provided in the lease referred to below.

WHEREAS, the Lessor intends to utilize this tract of land after the termination of this 8 year lease for expansion of the Cordova Small Boat Harbor facility.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cordova, Alaska, that

Section 1. Notwithstanding anything to the contrary in Cordova City Code Chapter 5.22, the Council of the City of Cordova hereby authorizes the lease to the Prince William Sound Science and Technology Institute d/b/a Prince William Sound Science Center for a term of eight years, for a portion of Lot 2, Block 7A, Tidewater Development Park, Plat 93-2, specifically a building known as the Prince William Sound Science Center and the South West 50 feet of the dock.

Section 2. The form and content of the Lease between the City and the Prince William Sound Science and Technology Institute d/b/a Prince William Sound Science Center hereby are in all respects authorized, approved and confirmed, and the City Manager is authorized, empowered and directed to execute and deliver the Lease to the Prince William Sound Science and Technology Institute d/b/a Prince William Sound Science Center on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as they shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting, and from and after the execution and delivery of said document, the City Manager is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply

with the provisions of the lease as executed.

Section 3. This ordinance shall be enacted in accordance with Section 2.13 of the Charter of the City of Cordova, Alaska, and published within ten (10) days after its passage.

Section 4. If one or more referendum petitions with signatures are properly filed within one (1) month after the passage and publication of this ordinance, the ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient or, if any such petition is found legal and sufficient, until the ordinance is approved in an election by a majority of the qualified voters, voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect 30 days after its passage and publication.

1st reading: December 4, 2013 – was on agenda got referred to staff

Second 1st reading: January 15, 2014

2nd reading and public hearing: February 5, 2014

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014.

Jim Kacsh, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk

CITY OF CORDOVA
Cordova, Alaska

LEASE

THIS LEASE ("Lease") entered into by and between the **CITY OF CORDOVA**, an Alaska municipal corporation ("City"), and the **PRINCE WILLIAM SOUND SCIENCE AND TECHNOLOGY INSTITUTE**, an Alaska nonprofit corporation, doing business as Prince William Sound Science Center ("Lessee"), on ____ day of _____ 2013.

RECITALS

WHEREAS, City owns a tract of land and all improvements thereon in Cordova, Alaska;

WHEREAS, Lessee desires to lease a portion of that tract of land from City, and City desires to lease a portion of a tract of land to Lessee, on the terms and conditions set forth herein; and

WHEREAS, the Cordova City Council ("Council") has approved the Lease from City to Lessee in accordance with Cordova City Charter §5-17 and the Cordova Municipal Code Chapter 5.22 ("Code" or "CMC").

"WHEREAS, the Lessor intends to utilize this tract of land after the termination of this 8 year lease for expansion of the Cordova small boat harbor facility."

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto, it is agreed as follows:

1. LEASE OF PREMISES

The City hereby leases to Lessee that certain tract of land and the improvements located within the Cordova Recording District, Third Judicial District, State of Alaska, and within the City of Cordova, more particularly described as:

A portion of Lot 2, Block 7A, Tidewater Development Park, Plat 93-2, specifically a building known as the Prince William Sound Science Center and the South West 50 feet of the dock, as set forth in Exhibit A, incorporated herein by reference ("Premises").

2. LEASE TERM

A. Lease Term. The Lease Term shall be eight (8) years, commencing on **January 1, 2014** ("Commencement Date") and expiring on **December 31, 2021**, unless earlier terminated in accordance with the terms of this Lease.

B. Lease Termination The Lease may be terminated by either party at any time upon one hundred eighty (180) days written notice.

3. RENT

A. Base Rent. The monthly rent during the Lease Term shall be Six Hundred Fifty Dollars (\$650.00) ("Base Rent"). Base Rent is due on the first day of each calendar month during the Lease Term. Lessee shall pay Base Rent to the City in lawful money of the United States without abatement, deduction or set-off for any reason whatsoever, at the address provided for notice to the City set forth in Section 19.E of this Lease, or at any other place that the City may from time to time direct in writing. Base Rent shall be paid promptly when due without notice or demand therefor. The parties intend the Lease for Lot 2, Block 7A, Tidewater Development Park

Base Rent to be absolutely net to the City. All costs, expenses, and obligations of every kind and nature whatsoever in connection with or relating to the Premises shall be the obligation of, and shall be paid by, Lessee.

B. Additional Charges. Without limiting in any way Lessee's payment obligations, the City shall have the right, but not the obligation, at all times during the Lease term, to pay any charges levied or imposed upon the Premises that remain unpaid after the same have become due and payable, and the amount paid, plus the City's reasonable expenses, shall be Additional Rent due from Lessee to City, with interest thereon at the rate of ten percent (10%) per annum from the date of payment thereof by the City until repayment thereof by Lessee.

C. Late Penalty Provision. Rent not paid within ten (10) days after the due date shall be assessed a late charge of ten percent (10%) of the delinquent amount; such charge shall be considered liquidated damages and shall be due and payable as Additional Rent. In the event the late charge assessment above exceeds the maximum amount allowable by law, the amount assessed will be adjusted to the maximum amount allowable by law.

D. Security Deposit. Upon execution of this Lease, the City may require Lessee to deposit with the City an amount equal to two months' rent (the "Security Deposit"). The Security Deposit shall be held by the City as security for the faithful performance by Lessee of all of Lessee's obligations under this Lease. If Lessee fails to pay the Base Rent or a portion thereof, or otherwise defaults with respect to any provision of this Lease after notice and beyond the expiration of any applicable cure period, the City may use, apply, or retain all or any portion of the Security Deposit for:

- (i) the payment of any Rent, Additional Charges, or other sum in default;
- (ii) the payment of any other sum to which the City may become obligated by reason of Lessee's default; or
- (iii) to compensate the City for any loss or damage which the City may suffer thereby, including but not limited to any costs associated with moving and storage of Lessee's personal property (if any) remaining on the Premises beyond termination of the Lease.

The City may commingle the Security Deposit with funds held in the City's own accounts, including accounts in which the City keeps other security deposits. If Lessee performs all of its obligations under this Lease, the Security Deposit, or so much thereof as has not been used, applied, or retained by the City in accordance with this Section, shall be returned to Lessee, at the expiration of the Lease Term, and subject to Lessee relinquishing possession of the Premises, without payment of interest or other increment for its use, within 30 days after Lessee vacates the Premises.

4. USES AND CONDITION OF PREMISES

A. Authorized Uses. Use of the Premises shall be limited to Lessee's day to day operations and business. The Premises shall not, without the City's prior written consent, be used for any other purpose.

B. Repairs and Maintenance. Lessee must keep the interior of the building on the Premises in a neat and orderly state and the same condition as existed at the commencement of the Lease Term, reasonable wear and tear and damage by fire or other casualty excepted. Either party may, but neither party shall be required, to repair or maintain the foundation, pilings, roof, bearing walls, lines for general supply of electricity, water, sewer or other structural elements of the Premises.

C. Inspections. The City and its authorized representatives and agents shall have the right, but not the obligation, to enter the Premises at all reasonable times to inspect the use and condition of the Premises; to serve, post, or keep posted any notices required or allowed under the provisions of this Lease, including notices of non-responsibility for liens; and to do any act necessary for the safety or preservation of the Premises. The City shall not be liable in any manner for any inconvenience,

Lease for Lot 2, Block 7A, Tidewater Development Park

disturbance, loss of business, nuisance, or other damage arising out of the City's entry onto the Premises, except for damage resulting directly from the acts of the City or its authorized representatives or agents.

D. Compliance with Laws. Lessee shall maintain and repair the Premises in compliance with all applicable laws, regulations, ordinances, rules, orders, permits, licenses, and other authorizations. Lessee shall not use or permit the use of the Premises for any purpose prohibited by law or which would cause a cancellation or increase in premium of any insurance policy covering the Premises. Lessee shall not cause or permit any Hazardous Material (as defined in Section 8.B of this Lease) to be brought upon, kept, or used in, on or about the Premises except for such Hazardous Material as is necessary to conduct Lessee's authorized uses of the Premises. Any such Hazardous Material brought upon, kept, or used in, on, or about the Premises shall be used, kept, stored, and disposed of in a manner that complies with all environmental laws and regulations applicable to Hazardous Material. Lessee shall not cause or allow the release or discharge of any other materials or substances that are known to pose a hazard to the environment or human health.

E. Lessee's Acceptance of Premises. Lessee has inspected the Premises to its complete satisfaction and is familiar with its condition, and the City makes no representations or warranties with respect thereto, including but not limited to the condition of the Premises or its suitability or fitness for any use Lessee may make of the Premises. Lessee accepts the Premises AS IS, WHERE IS, WITH ALL FAULTS. No action or inaction by the Council, the City Manager, or any other officer, agent, or employee of the City relating to or in furtherance of the Lease shall be deemed to constitute an express or implied representation or warranty that the Premises, or any part thereof, is suitable or usable or any specific purpose whatsoever. Any such action or inaction shall be deemed to be and constitute performance of a discretionary policy and planning function only, and shall be immune and give no right of action as provided in Alaska Statute 09.65.070, or any amendment thereto.

F. Modifications and Alterations. The Lessee shall not modify or make structural alterations or changes to the Premises without the City's prior written consent, which shall not be unreasonably withheld.

5. ASSIGNMENTS AND SUBLETTING; SUBORDINATION

Lessee shall not assign or otherwise transfer this Lease or any interest herein or sublet the Premises or any portion thereof, or permit the occupancy of any part of the Premises by any other person or entity, without the City's prior written consent, which consent the City may withhold in its absolute discretion. The City shall not be required to subordinate this Lease or the City's interest in the Premises to the interest of any other person or entity.

6. OPERATIONS, MAINTENANCE, UTILITIES, TAXES AND ASSESSMENTS

Subject to the limitations stated in Section 4B, Lessee shall, at Lessee's sole cost and expense, be solely responsible for all operations, maintenance, utilities, taxes, and assessments on, for, and against the Premises. Lessee agrees to pay before delinquency all charges levied against the Premises, including: (i) electric, sewer, and water utility service; (ii) heating (iii) telephone, facsimile, and Internet service; (iv) trash collection (v) regular cleaning;; (vi) snow removal; (vii) insurance for all buildings, structures, equipment, and personal property on the Premises; (viii) property taxes; (ix) public improvements; and (x) license, excise fees, and occupation taxes covering the business conducted on the Premises.

7. LIENS

Lessee will suffer no lien or other encumbrance to attach to the Premises, including without limitation mechanic's or materialman's liens, sales tax liens under CMC § 5.40.125, or property tax liens under CMC § 5.36.260. If the City posts any notice of non-responsibility on the Premises, Lessee will ensure that the notice is maintained in a conspicuous place.

8. INDEMNIFICATION

A. General Indemnification. Lessee shall defend, indemnify, and hold the City and its authorized representatives, agents, officers, and employees harmless from and against any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorneys' fees, court costs, litigation expenses, and consultant and expert fees) resulting from, arising out of, or related to Lessee's occupation or use of the Premises or the occupation or use of the Premises by Lessee's employees, agents, servants, customers, contractors, subcontractors, sub-lessees, or invitees, including but not limited to all claims and demands arising out of any labor performed, materials furnished, or obligations incurred in connection with any improvements, repairs, or alterations constructed or made on the Premises and the cost of defending against such claims, including reasonable attorney fees. In the event that such a lien is recorded against the Premises, Lessee shall, at Lessee's sole expense within ninety (90) days after being served with written notice thereof, protect the City against said lien by filing a lien release bond or causing the release of such lien.

B. Environmental Indemnification. Lessee has had full opportunity to examine the Premises for the presence of any Hazardous Material (as hereafter defined) and accepts the Premises AS IS, WHERE IS, WITH ALL FAULTS. Lessee releases the City and its authorized representatives, agents, officers, and employees from any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorneys' fees, court costs, litigation expenses, and consultant and expert fees) arising during or after the Lease Term, that result from the use, keeping, storage, or disposal of Hazardous Material in, on or about the Premises by Lessee, or that arise out of or result from Lessee's occupancy or use of the Premises or the use or occupancy of the Premises by Lessee's employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees, or authorized representatives. This release includes, without limitation, any and all costs incurred due to any investigation of the Premises or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, or by law or regulation. Lessee agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Hazardous Material generated, kept or brought on the Premises by Lessee, its employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees or authorized representatives.

Lessee shall defend, indemnify, and hold the City and its authorized representatives, agents, officers, and employees harmless from and against any claims, demands, penalties, fines, judgments, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) of whatever kind or nature, known or unknown, contingent or otherwise, arising in whole or in part from or in any way related to (i) the presence, disposal, release, or threatened release of any such Hazardous Material which is on or from the Premises, soil, water, ground water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury or property damage arising out of or related to such Hazardous Material; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Material; and (iv) any violation of any laws applicable to such Hazardous Material; provided, however, that the acts giving rise to the claims, demands, penalties, fines, judgments, liabilities, settlements, damages, costs, or expenses arise in whole or in part from the use of, operations on, or activities on the Premises by Lessee or its employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees, or authorized representatives.

As used in this Lease, "Hazardous Material" means any substance which is toxic, ignitable, reactive, or corrosive or which is regulated by any federal, state, or local law or regulation, as now in force or as hereafter may be amended from time to time, relating to the protection of human health or the environment, as well as any judgments, orders, injunctions, awards, decrees, covenants, conditions, or other restrictions or standards relating to the same. Hazardous Material includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" under any such law or regulation.

9. INSURANCE

Lessee shall procure and maintain, at Lessee's sole cost and expense, the following insurance policies with a reputable insurance company or companies satisfactory to the City:

(1) Commercial general liability insurance in respect of the Premises and the conduct of Lessee's business and operations, naming the City as an additional insured, with minimum limits of liability of One Million Dollars (\$1,000,000.00) per accident or occurrence for bodily injury and death, and property damage for each occurrence;

(2) Property insurance, insuring against loss or damage by fire and such other risks as are customarily included in the broad form of extended coverage, in an amount of coverage not less than the replacement value of the improvements on the Premises, if any, and on such terms as are satisfactory to the City;

(3) Personal property insurance covering Lessee's trade fixtures, furnishings, equipment, and other items of personal property of Lessee located on the Premises; and

(4) Workers compensation insurance, and such other insurance as is required by law.

All insurance required under this Lease shall contain an endorsement requiring thirty (30) days' advance written notice to the City before cancellation or change in the coverage, scope, or amount of any policy. Prior to commencement of the Lease term, Lessee shall provide the City with proof of the insurance required by this Section 9.

10. REMOVAL OF PROPERTY

Upon expiration or earlier termination of this Lease, at the option of the City, Lessee shall remove from the Premises, at Lessee's sole expense, all property Lessee has placed or caused to be placed on the Premises. Lessee shall repair any damage to the Premises caused by such removal and return the Premises as near as possible to its original condition as existed before such installation or improvement. All below surface installations, including pilings driven by Lessee or otherwise, shall become the property of the City upon this Lease's termination. All Lessee property that is not promptly removed by Lessee pursuant to the City's request and in any event within ninety (90) days of the date of expiration or termination of this Lease may be removed, sold, destroyed, or otherwise disposed of in any manner deemed appropriate by the City, all at Lessee's sole expense. Lessee hereby agrees to pay the City for such reasonable net expenses incurred by the Lessor. Notwithstanding any provision to the contrary in this Lease, all petroleum, fuel, or chemical storage tanks installed in or on the Premises during the Lease Term shall remain the property of the Lessee and, upon expiration or earlier termination of the Lease and upon request of the City, Lessee shall remove any and all such tanks and any and all contaminated soil and other materials from the Premises, all at Lessee's sole expense.

11. DEFAULT AND REMEDIES

A. Default. The occurrence of any of the following shall constitute a default and a breach of this Lease by the Lessee:

(i) The failure to make payment when due of any installment of Base Rent, Additional Charges, or of any other sum herein specified to be paid by the Lessee;

(ii) The failure to pay any taxes or assessments due from the Lessee to the City and in any way related to this Lease, the Premises, any improvements, or the Lessee's activities or business conducted thereon, including but not limited to any real property, personal property, or sales taxes;

(iii) An assignment for the benefit of Lessee's creditors or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee a bankrupt, or for extending the time for payment, adjustment, or satisfaction of Lessee's liabilities, or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency, unless the assignment or proceeding, and all consequent orders, adjudications, custodies, and supervision are dismissed, vacated, or otherwise permanently stated or terminated within thirty (30) days after the assignment, filing or other initial event;

(iv) The appointment of a receiver or a debtor-in-possession to take possession of the Premises (or any portion thereof) or of Lessee's interest in the leasehold estate (or any portion thereof) or of Lessee's operations on the Premises (or any portion thereof) by reason of Lessee's insolvency;

(v) The abandonment or vacation of the Premises or any portion thereof;

(vi) Execution, levy, or attachment on Lessee's interest in this Lease or the Premises, or any portion thereof;

(vii) The breach or violation of any statutes, laws, regulations, rules, or ordinances of any kind applicable to Lessee's use or occupancy of the Premises; or

(viii) The failure to observe or perform any covenant, promise, agreement, obligation, or condition set forth in this Lease, other than the payment of rent, if such failure shall not be cured within ten (10) days after written notice has been given to Lessee. Notices given under this subsection shall specify the alleged breach and the applicable Lease provision and demand that the Lessee perform according to the terms of the Lease. No such notice shall be deemed a forfeiture or termination of this Lease unless the City expressly makes such election in the notice.

B. Remedies. If the Lessee breaches any provision of this Lease, in addition to all other rights and remedies the City has at law or in equity, the City may do one or more of the following:

(i) Distrain for rent due any of Lessee's personal property which comes into the City's possession. This remedy shall include the right of the City to dispose of Lessee's personal property in a commercially reasonable manner. Lessee agrees that compliance with the procedures set forth in the Alaska Uniform Commercial Code with respect to the sale of property shall be a commercially reasonable disposal.

(ii) Re-enter the Premises, take possession thereof, and remove all property from the Premises. The property may be removed and stored at Lessee's expense, all without service of notice or resort to legal process, which Lessee waives, and without the City becoming liable for any damage that may result unless the loss or damage is caused by the City's negligence in the removal or storage of the property. No re-entry by the City shall be deemed an acceptance of surrender of this Lease. No provision of this Lease shall be construed as an assumption by the City of a duty to re-enter and re-let the Premises upon Lessee's default. If Lessee does not immediately surrender possession of the Premises after termination by the City and upon demand by the City, the City may forthwith enter into and upon and repossess the Premises and expel Lessee without being deemed guilty in any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or breach of covenant;

(iii) Declare this Lease terminated;

(iv) Recover, whether this Lease is terminated or not, reasonable attorney's fees and all other expenses incurred by the City by reason of the default or breach by Lessee;

(v) Recover an amount to be due immediately upon breach equal to the sum of all Base Rentent, Additional Charges, and other payments for which Lessee is obligated under the Lease;

- (vi) Recover the costs of performing any duty of Lessee in this Lease;
- (vii) Collect any and all rents due or to become due from sublessees or other occupants of the Premises.

12. SUBSIDENCE

The City shall not be responsible for any washout, subsidence, avulsion, settling, or reliction to the Premises, or for any injury caused thereby to Lessee's or any sublessee's property, or that of any other person. The City is not obligated to replace, refill, or improve any part of the Premises during Lessee's occupancy in the event of such washout, subsidence, avulsion, settling, or reliction. Lessee shall not be responsible for any such event, and shall not be required to repair any damage resulting therefrom.

13. VACATION BY LESSEE

Upon the expiration or sooner termination of this Lease, Lessee shall peaceably vacate the Premises and the Premises shall be returned to the City by Lessee together with any alterations, additions, or improvements made after the Commencement Date, unless the City requests that they be removed from the Premises. Upon such vacation, Lessee shall remove from the Premises any items of personal property brought on to the Premises. Any such property not removed from the Premises within thirty (30) days of the expiration or termination of this Lease shall become the property of the City at no cost or charge to the City, and may be removed, sold, destroyed, or otherwise disposed of in any manner deemed appropriate by the City, all at Lessee's sole expense. Lessee hereby agrees to pay the City for such expenses.

14. RESERVATION OF RIGHTS

The City reserves the right to designate and grant rights-of-way and utility easements across the Premises without compensation to Lessee or any other party, including the right of ingress and egress to and from the Premises for the construction, operation, and maintenance of utilities and access, provided that Lessee shall be compensated for the taking or destruction of any improvements on the Premises. Lessee shall be responsible for requesting a rental adjustment to reflect any reduction in the value of the Premises.

15. SIGNS

No signs or other advertising symbols, canopies, or awnings shall be attached to or painted on or within the Premises without first obtaining the City Manager's approval; provided, however, that this prohibition shall not apply to standard, directional, informational, and identification signs of two square feet or less in size. At the termination of this Lease, or sooner, all such signs, advertising matter, symbols, canopies, or awnings, attached or painted by Lessee shall be removed from the Premises by Lessee at its own expense, and Lessee shall repair any damage or injury to the Premises, and correct any unsightly conditions caused by the maintenance or removal of said signs.

16. HOLDING OVER

If Lessee, with the City's written consent, remains in possession of the Premises after the expiration or termination of the Lease Term for any cause, or after the date in any notice given by the City to Lessee terminating this Lease, such holding over shall be deemed a tenancy from month to month at the same rental amount applicable immediately prior to such expiration or termination, subject to adjustment in accordance with CMC § 5.22.040(c) or such successor provision of the code then in effect, and shall be terminable on 30 days' written notice given at any time by either party. All other provisions of this Lease except those pertaining to term and rent shall apply to the month-to-month tenancy. If Lessee holds over without the City's express written consent, Lessee is deemed to be a Lessee at sufferance and

may be removed through a forcible entry and detainer proceeding without service on Lessee of a notice to quit.

17. EMINENT DOMAIN

If the whole or any part of the Premises shall be taken for any public or quasi-public use, under any statute or by right of eminent domain or private purchase in lieu thereof by a public body vested with the power of eminent domain, then the following provisions shall be operative.

A. Total Taking. If the Premises are totally taken by condemnation, this Lease shall terminate.

B. Partial Taking. If the Premises are partially taken by condemnation, and the remaining space is suitable for Lessee's uses, then this Lease shall continue and the rent as specified in Section 3 above shall be abated in a proportion equal to the ratio that the portion of the Premises taken bears to the total Premises leased hereunder.

C. Award. Upon condemnation, the parties shall share in the award to the extent that their interests, respectively, are depreciated, damaged, or destroyed by the condemnation.

18. COSTS

Lessee shall be liable to and shall pay the City for the fees and costs incurred by the City in connection with the preparation, operation, and enforcement of this Lease.

19. MISCELLANEOUS

A. Time Is of the Essence. Time is of the essence of this Lease and of each provision hereof.

B. Entire Agreement. This Lease represents the entire agreement between the parties with respect to the subject matter hereof, and may not be amended except in writing executed by the City and Lessee.

C. Governing Law and Venue. This Lease shall be subject to the provisions of the Code now or hereafter in effect. This Lease shall be governed by and construed in accordance with Alaska law and any action arising under this Lease shall be brought in a court of competent jurisdiction in Cordova, Alaska.

D. Relationship of Parties. Nothing in this Lease shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between Lessee and the City. Neither the method of computation of rent, nor any other provisions contained in this Lease, nor any acts of the parties shall be deemed to create any relationship between the City and Lessee other than the relationship of Lessee and landlord.

E. Notice. All notices hereunder may be hand-delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

TO CITY:

**City of Cordova
Attn: City Manager
P.O. Box 1210
Cordova, Alaska 99574**

TO LESSEE:

**Prince William Sound Science & Technology
Institute, d/b/a Prince William Sound Science
Center
Attn: President
P.O. Box 705**

Cordova, Alaska 99574

or to such other respective addresses as either party hereto may hereafter from time to time designate in advance in writing to the other party. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the U.S. Post Office shall be conclusive evidence of the date of mailing. If hand-delivered, notice shall be deemed to have been made at the time of delivery.

F. Captions. Captions herein are for convenience and reference and shall not be used in construing the provisions of this Lease.

G. No Waiver of Breach. No failure by the City to insist upon the strict performance of any term, covenant, or condition of this Lease, or to exercise any right or remedy upon a breach thereof, shall constitute a waiver of any such breach or of such term, covenant, or condition. No waiver of any breach shall effect or alter this Lease, but each and every term, covenant, and condition of this Lease shall continue in full force and effect with respect to any other existing or subsequent breach.

H. Survival. No expiration or termination of this Lease shall expire or terminate any liability or obligation to perform which arose prior to the termination or expiration.

I. Partial Invalidity. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

J. Successors and Assigns. The terms, covenants, and conditions in this Lease shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the City and Lessee.

K. Estoppel Certificates. Either party shall at any time and from time to time, upon not less than ten (10) days' prior written request by the other party, execute, acknowledge, and deliver to such party a statement certifying that this Lease is unamended and in full force and effect (or, if there has been any amendment, that the same is in full force and effect as amended and stating the amendments); that there are no defaults existing (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the rent and other charges have been paid in advance.

L. Recordation of Lease. The parties agree that this Lease shall not be recorded, but upon the request of either party, the other party will join the requesting party in executing a memorandum of lease in a form suitable for recording, and each party agrees that such memorandum shall be prepared and recorded at the requesting party's expense.

M. Authority. Lessee represents that Lessee is a nonprofit corporation duly organized, validly existing, and in good standing under the laws of the State of Alaska, and is duly authorized to do business in the State of Alaska, and that Lessee has all necessary power and is duly authorized to enter into this Lease and to carry out the obligations of Lessee hereunder. Prior to executing this Lease, the City may request that Lessee provide the City with a resolution of Lessee's Board of Directors authorizing Lessee to enter into this Lease and to carry out its obligations hereunder as set forth above, and authorizing and directing the officer of Lessee whose name and signature appear at the end of this Lease to execute this Lease on Lessee's behalf.

N. No Third Party Beneficiaries. Nothing in this Lease shall be interpreted or construed to create any rights or benefits to any parties not signatories or successors or permitted assigns of signatories to this Lease.

O. Interpretation. The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not for or against the City or Lessee as both City and Lessee have had the assistance of attorneys in drafting and reviewing this Lease.

P. Counterparts. This Lease may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

Q. Attorneys' Fees. In the event that the City shall bring any suit or action to enforce this Lease or any term or provision hereof, and shall prevail in such suit or action, Lessee agrees that Lessee shall pay the City's attorneys' fees, costs, and expenses incurred in connection with such suit or action.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed on the date first noted above.

CITY:

CITY OF CORDOVA
an Alaska municipal corporation

Dated: _____

By: _____
Its: City Manager

Attest: _____
City Clerk

LESSEE:

**PRINCE WILLIAM SOUND SCIENCE AND
TECHNOLOGY INSTITUTE**
an Alaska nonprofit corporation d/b/a Prince William
Sound Science Center

Dated: _____

By: _____
Its: _____

Exhibit A
Diagram of Premises

DRAFT



Memorandum

To: Cordova City Council
From: Theresa Carté, CCMC Administrator
Date: January 22, 2014
Re: CT Scanner Resolution to fund Task 200: Final Documents

CCMC has budgeted this year for the CT Scanner to be operational in November 2014. The budget includes both the planned revenue from the additional services we will be providing and the expenses associated with its use.

In order to be ready as quickly as possible to begin renovations and installation, we need to continue the work on the Architectural and Engineering Design process. We completed Task 100, Concept Design in July 2013. The next step is the Final Documents.

The Spark Design, LLC team will coordinate the completion of the construction documents package. The Final Documents will be prepared for a design-bid-build delivery. The package will consist of drawings and specifications. Cordova Community Medical Center/City of Cordova will provide Division 00 and Division 01 of the specification for bidding and construction contract purposes to support this work.

We would like the City Council to approve the payment for this next step in the CT Scanner project.

Requested Motion: I move to approve the “CT Scanner Resolution to fund Task 200: Final Documents to Spark Design, LLC”

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-14-05**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE APPROPRIATION FROM THE GENERAL FUND IN THE
AMOUNT OF \$42,000 TO THE CORDOVA COMMUNITY MEDICAL CENTER
(CCMC) TO FUND THE COST OF TASK 200 (FINAL DOCUMENTS) PHASE OF THE
CT SCANNER PROJECT AT CORDOVA COMMUNITY MEDICAL CENTER**

WHEREAS, The City Council and the City of Cordova Community Medical Center (CCMC) have had several discussions concerning the need to procure a CT scanner; and

WHEREAS, the purchase and installation of a CT scanner at Cordova Community Medical Center would benefit the citizens of Cordova through increase diagnostic capability that could allow patients to receive treatment in Cordova and reduce the need to leave Cordova for services; and

WHEREAS, the installation of a CT scanner requires careful planning including professional design services for building modifications and cost estimates necessary to the installation of a major item of specialized equipment in an active health facility; and

WHEREAS, Spark Design, LLC has been contracted to provide the Design Services for the CCMC CT scanner project; and

WHEREAS, Sparks Design, LLC has completed Task 100 Concept Design and it is time to complete Task 200 Final Documents;

NOW, THEREFORE BE IT RESOLVED, the City of Cordova will provide \$42,000 for payment to Spark Alaska, LLC for the completion of Task 200 Final Documents for the CCMC CT Scanner project.

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014.

James Kacsh, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk



Memorandum

To: Cordova City Council
From: Theresa Carté, CCMC Administrator
Date: January 22, 2014
Re: Resolution of support for CT Scanner

CCMC has followed the City of Cordova's request to pursue grant funding in the purchase and installation of the CT Scanner. We are working with Rasmuson, Murdock, and USDA to acquire approximately \$675,000 in support of this project. The City of Cordova has already received \$50,000 grant money from Providence Health & Services Alaska in support of the CT Scanner. The total amount we are pursuing from grants is \$725,000.

As part of the Rasmuson Foundation's grant application, they require that the City produce evidence of their in kind support for the CT Scanner project. This must be done before the application due date in April. They request this in an amount that is half of what we are asking them to contribute or the amount to make up the difference in cost of the project, whichever is greater. We are asking Rasmuson for \$375,000, which means half of that amount would be \$187,500. In this case, the amount that the City of Cordova needs to commit to the project is \$225,000 which is the difference between the approximated total grant support (\$725,000) and the total estimated project cost (\$950,000).

We would like the City Council to approve the resolution demonstrating the City of Cordova's commitment of \$225,000 to be paid during the course of this project. The money does not need to be spent now; this is a commitment to spend, when necessary, in support of the project.

Requested Motion: I move to approve the "Resolution of support for CT Scanner"

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-14-06**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE APPROPRIATION FROM THE GENERAL FUND IN THE
AMOUNT OF \$225,000 TO THE CORDOVA COMMUNITY MEDICAL CENTER
(CCMC) TO FUND THE COST OF A CT SCANNER PURCHASE AND
INSTALLATION AT CORDOVA COMMUNITY MEDICAL CENTER**

WHEREAS, the City of Cordova and Cordova Community Medical Center have been discussing the Cordova Community Medical Center purchasing a CT scanner; and

WHEREAS, the purchase and installation of a CT scanner at Cordova Community Medical Center would benefit the citizens of Cordova through increase diagnostic capability that could allow patients to receive treatment in Cordova and reduce the need to leave Cordova for services; and

WHEREAS, the installation of a CT scanner requires careful planning including concept drawings and projected cost for the purchase and installation; and

WHEREAS, the success of the project receiving grant funding requires a financial commitment from the City of Cordova.

NOW, THEREFORE BE IT RESOLVED, the City of Cordova will provide \$225,000 in capital funds to support the planning, purchase, and installation of a CT scanner at Cordova Community Medical Center.

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014.

James Kacsh, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk



CITY OF CORDOVA

Office of City Manager

City of Cordova
602 Railroad Ave.
P.O. Box 1210
Cordova, Alaska 99574
Phone: (907) 424-6200
Fax: (907) 424-6000
Email: citymanager@cityofcordova.net
Web: www.cityofcordova.net

TO: City Council, Mayor
FROM: Randy Robertson, City Manager
DATE: January 28, 2014
RE: Arctic Information Technology, Inc. (Arctic IT) TotalCare Statement of Work

Paragraph 5.12.150 of the Cordova Municipal Code states:

A. The city may procure supplies, services or construction without competition where the city manager determines in writing that one of the following circumstances applies:

- 1. Supplies, services or construction that reasonably meet the city's requirements are available from only one vendor;*
- 2. The supplies, services or construction have a uniform price wherever purchased;*
- 3. The supplies, services or construction may be purchased from or through another governmental unit at a price lower than that obtainable from private vendors;*
- 4. The price of the supplies, services or construction is fixed by a regulatory authority; or*
- 5. The contract is for professional services that the council by resolution determines to procure without formal competition.***

B. The award of any contract under this section shall be subject to prior council approval in accordance with [Section 5.12.040](#)

In accordance with subparagraph 5 of the above, I wish to invite the City Council to authorize entering into a sole source contract with Arctic IT, of Anchorage, Alaska, to perform TotalCare managed information technology services and associated work as set forth in the attached Statement of Work (Exhibit A). Rationale for the sole source contract for the following reason: The contract is for professional services, and for nearly a decade the City of Cordova has had a professional services relationship with Arctic IT for information management and technical services; As the developer and installer of Cordova's IT systems, Arctic IT has intimate knowledge of the city's overarching IT architecture along with its capabilities, concerns and capacity; The leadership and technicians of Arctic IT have proven themselves reliable, cost-conscious partners as the city's systems mature and expand; No one within the city staff who supports this recommendation has any known financial, social or business relationships with Arctic IT; The overall cost for services (NTE: \$86k) is well within those incurred in prior years based on incremental growth within Cordova's IT systems and expanded services requested; The recommendation for sole source is for this fiscal year only. Subject to the status of the projected relocation of the Cordova City Hall, Museum and Library to the Cordova Center, the staff will generate and advertise a request for proposals to open market for IT services. Over the last six (6) months, contact has already been made with several local, statewide and regional IT service providers regarding bidding of Cordova Center IT services.

A summary of the nature and quantity of the performance the city shall receive is set forth in the attached Scope of Work (Exhibit A).

The time for performance is monthly services at the stated rates through December 2014. As noted above, The City of Cordova will be issuing an RFI for technology services for the Cordova Center followed by an IT services RFP subject to the status of relocating to the Cordova Center.

Recommended action: Voice Vote.

I move to approve Resolution 02-14-07.

Thank you,

Randy Robertson, City Manager

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-14-07**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE CITY MANAGER TO ENTER INTO A SOLE SOURCE CONTRACT
WITH ARCTIC INFORMATION TECHNOLOGY IN ACCORDANCE WITH THE
ATTACHED STATEMENT OF WORK TO PROVIDE NETWORK MANAGEMENT
THROUGH THE TOTALCARE PROGRAM FOR THE CITY OF CORDOVA FOR FY2014**

WHEREAS, Arctic Information Technology (AIT) has provided information technology support services for the City of Cordova since 2006; and

WHEREAS, AIT has an in-depth understanding of the City's aging IT infrastructure and hardware and the challenges associated with maintaining operations, security, and backup processes in that environment; and

WHEREAS, AIT's current agreement with the City of Cordova will expire on December 31, 2014, and AIT has submitted an amendment, as attached, that reduces the previously agreed-to costs in recognition of the City's efforts to update the aging system as reflected in the approved FY2014 budget; and

WHEREAS, the City of Cordova intends to submit a Request for Proposals during FY2014 for network management services for FY2015 and incorporate the result of said process into the City Council's 2015 budget process and has made an effort to notify those companies that have expressed an interest in such RFP of the City's intention; and

WHEREAS, pursuant to Section 5.12.150A of the Cordova Municipal Code, the City Manager has determined in writing that, due to AIT's long history with the City, their specific knowledge of the City's technology systems, software requirements, and support infrastructure, and TotalCare's proactive security and systems monitoring practices, critical to support an aging infrastructure, the City Council agrees by passing this resolution that this professional services contract with Arctic Information Technology should be procured without formal competition.

NOW, THEREFORE BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, hereby authorizes the City Manager to enter into a sole source contract with Arctic Information Technology for TotalCare network management services for fiscal year 2014.

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014.

James Kacsh, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk



Statement of Work

This Statement of Work ("SOW") is an addendum to the Arctic Information Technology, Inc. (AIT) Master Services Agreement. AIT and City of Cordova (Client), intending to be legally bound, hereby amend the Master Services Agreement as follows:

The terms of this Addendum are incorporated by reference into and made a part of the Master Services Agreement as if fully set forth therein. This Addendum amends the Master Services Agreement and to the extent this Addendum directly or indirectly conflicts with the Master Services Agreement, this Addendum shall control and supersede. Except for the amendments set forth in this Addendum, the terms and conditions of the Master Services Agreement remain unchanged and in full force and effect. This Addendum and the Master Services Agreement shall collectively constitute the entire understanding between the parties with regard to the subject matter addressed herein, and revokes and supersedes all prior or simultaneous representations, discussions, negotiations, whether written or oral with regard thereto. No amendment, change, waiver, or discharge of any obligation or term hereof shall be valid unless in writing signed by both parties.

1. Definitions

The definitions and references provided below are used throughout this SOW and serve to help AIT and our Client to understand the various services being provided as part of this SOW and those services that may be provided by AIT to Client under a different SOW to implement a specific technology by our professional services team.

- 1.1. PCs** are computers such as desktop and laptop personal computers that are regularly accessed and used by individuals or users within the Client's business.
- 1.2. Critical Error** is an error that occurs when Primary Functionality of the Client IT System is inaccessible, unusable, inoperative or degraded or retarded to such an extent that Client operation is materially adversely affected and there is no Work Around or such System crashes or locks up or there is data loss or corruption.
- 1.3. Desktop Support ("DS")** is the process of supporting a Client employee computer system on site to resolve a reported issue that either cannot be addressed remotely or that requires some component of the computer to be replaced or maintained.
- 1.4. Device** is network equipment including but not limited to routers, switches, firewalls, and wireless access points.
- 1.5. Downtime** means that the Client IT System is inaccessible for fifteen (15) consecutive minutes or more, excluding (a) normal maintenance that is routinely scheduled pursuant to Section 2.9.1 of this SOW for purposes of updates to the Client IT System, (b) downtime caused by malfunction of Client's or a third party's software or hardware, network service provider or Internet outages described in Section 2.9.2 or by Client's negligence or misuse of the Client IT System; (c) security shutdowns undertaken pursuant to Section 2.9.3; and (d) downtime arising out of Force Majeure events described in MSA.
- 1.6. Help Desk ("HD")** is remote end user technical support and resolution for Client staff operating system and business application issues.
- 1.7. High Error** is an error that occurs when (i) a Primary Functionality of the Client IT System is inaccessible, unusable, inoperative or degraded or retarded to such an extent that Client operation is materially adversely affected but a reasonable Work Around exists; or (ii) a Secondary Functionality of the Client IT System is inaccessible, unusable or inoperative and there is no Work Around.
- 1.8. Line-of-Business Applications ("LOB")** are software applications that provide specific functionality for a Client or type of business; e.g. accounting software, design software, or other industry specific software not widely used among multiple business types or communities.

- 1.9. Low Error** is an error that occurs when there is an issue of minimal impact to a Secondary Functionality of the Client IT System.
- 1.10. Maintenance** is comprised of the installation of updates, patches and other periodic tasks performed on Client systems.
- 1.11. Managed Services** (“MS”) is the remote management and care of Client computers, servers, operating systems, network devices, and supported business applications including the monitoring of these systems for availability and performance characteristics. The guiding principle of a managed service is to return what was working yesterday to its previous state if the system should fail.
- 1.12. Medium Error** is an error that occurs when a Secondary Functionality of the Client IT System is inaccessible, unusable, inoperative or degraded or retarded to such an extent that the Client operation is materially adversely affected but a reasonable Work Around exists.
- 1.13. Network Operations Center** (“NOC”) is the facility where AIT provides remote monitoring and management of Client network and systems infrastructure.
- 1.14. Patch Management** is defined as the remote installation of manufacturer recommended operating systems service packs and hot fixes to Client server(s) and workstation(s) computers on a regular defined schedule or as needed based on recommendations from the product manufacturer.
- 1.15. Primary Functionality** means the ability of the Client to access and use the full functionality of the Client IT System and without which, the Client IT System is inaccessible, unusable, inoperative or degraded or retarded to such an extent that Client operation is materially adversely affected.
- 1.16. Professional Services** (“PS”) is the engagement of a company such as AIT to upgrade and/or implement a new system, network, service, application or business process.
- 1.17. Project Management** (“PM”) management activities related to scheduling resources, providing quarterly business reviews, and defining the specific functions necessary to maintain adequate level of communication between AIT and Client.
- 1.18. Secondary Functionality** means functionality which supports the Primary Functionality of the Client IT System and failure of which results in an inability to access and use partial functionality of the Client IT System.
- 1.19. Servers** are computer systems operating in the Client's business, operating either physically or virtually, that provide shared access, functionality or storage for PCs via a network connection.
- 1.20. Technical Support** means all of the services described in this Scope of Work.
- 1.21. Unscheduled Downtime** means Downtime resulting from a Critical Error.
- 1.22. Update** means to apply a patch or fix to hardware or software or its supporting data. This includes fixing security vulnerabilities and other bugs and improving the usability or performance.
- 1.23. Upgrade** means the replacement of a hardware, software or firmware with a newer or better version of the same product in order to bring the system up to date or to improve its characteristics.
- 1.24. Work Around** means a temporary resolution that restores the service and operation of the Client IT System to some reasonable level of functionality even if it is not possible to provide full functionality with the resolution.

2. Services

The services outlined below, as indicated, will be provided to the Client during the Term of this SOW and at the rates detailed in the compensation section of this document. Projects and/or services deemed to be outside the scope of this SOW will be billable to the Client at the rates established in MSA.

2.1. Onboarding Process

A systems and network discovery project will be conducted by AIT to ascertain the configuration and state of the existing network, network security and systems infrastructure in comparison to best practices; the discovery process will be used to identify and document Client goals relative to their computer network including known areas of concern.

The final deliverable of this work effort will be an executive level report that includes documentation of the Client network and systems infrastructure including a recommended plan to make necessary systems, network and/or network security improvements based upon any risks identified by AIT during the onboarding process.

The data gathered during the discovery project will be converted to documentation to be used for the future management of the Client computer environment and stored within the AIT portal; the data may include items such as system configuration, logical network diagrams, physical network diagrams, network addressing information, and server configuration work sheets.

AIT will provide to Client communication templates that the Client may use to announce AIT as a provider of support services to their employees.

2.2. Systems and Network Monitoring

Arctic Information Technology will install the "TotalCare" agent on each Windows system within the Client network to enable the collection and analysis of Client owned servers, server operating systems, server applications, workstations and other Devices identified as being critical to the Client business including those applications that are used to maintain aspects of the Client servers which may include data protection software and centralized anti-virus as a few examples.

AIT will conduct testing to validate that Client PCs, Servers, and Devices are monitored. Upon completion of this testing, AIT will notify Client that monitoring systems are in place and NOC will provide the following services as part of the monthly monitoring fees:

- 2.2.1. NOC will proactively monitor PCs, Servers, and Devices on the Client network that are critical to the Client's business and resolve those alerts reported by the "TotalCare" agent to the NOC.
- 2.2.2. NOC will review the alerts and ascertain the best approach to resolve alerts based on the nature of the alert and assess the impact to Client business.
- 2.2.3. NOC will notify Client of failures that affect the availability of a PC, Server, or Device on the Client network and/or result in the inability of Client employees to work or access Client systems.
- 2.2.4. NOC will dispatch personnel to Client facility as necessary to resolve alerts.
- 2.2.5. NOC personnel will conduct regularly scheduled maintenance of PCs, Servers, and Devices covered under this SOW including the installation of manufacturer recommended operating system patches.

2.3. Systems and Network Operations

AIT will conduct routine maintenance on Client owned servers and server operating systems including manual review of data protection systems; this may include updates provided by the hardware manufacturer or operating system service packs and hot fixes that are not suited for remote installation by the NOC.

AIT will perform analysis on Client network server(s) being monitored by the NOC to understand trends in the data and make recommendations to the Client as necessary relative to changes needed in the systems and/or network infrastructure to resolve ongoing issues reported by the NOC.

2.4. Help Desk

AIT staff will create trouble tickets for Client employees in the Client support portal and track all relevant information relating to the support case. AIT shall also provide on-line tracking of support request on issues relating to the Client IT System through a website. AIT will also provide an emergency number providing 24-

hour response for logging support issues that are identified as Critical Errors or High Errors. Client may designate up to 3 personnel who will be authorized to use the 24-hour response service.

AIT will use its best efforts to resolve the Client employee problems as expeditiously as possible. AIT will utilize remote support tools to assist Client employees whenever possible rather than dispatching personnel to Client site. Client trouble tickets that cannot be resolved remotely will be escalated to AIT personnel for onsite resolution at AIT's discretion.

2.5. Limitation of Support

TotalCare by AIT is a service that is meant to support common business applications, devices, and operating systems. Client may have specific line-of-business applications, hardware or IT services that AIT, at its discretion, may not support under this SOW due to lack of familiarity, lack of manufacture support or requirement for specific skill, training or certification. Unsupported applications, hardware and services will be documented as part of the onboarding process and may include software installed by the Client, with or without AIT's knowledge, after the Client's support service has commenced.

AIT shall have no obligation to provide support services for any software or hardware unknown to AIT. Further, AIT shall have no obligation to support any defect or failure of the Client IT System caused by the improper use of the Client IT System by Client or unauthorized personnel of Client, but will nevertheless use all reasonable efforts to provide the same if requested by Client, subject the terms for "As Requested" services in the MSA.

2.6. Updates

AIT shall periodically install updates to supported software and hardware at no additional cost to Client. For the avoidance of doubt, installation of upgrades, feature enhancements and other modifications or extensions to software or hardware are subject to additional charge in accordance with the terms for "As Requested" services in the MSA.

2.7. Desktop Support

AIT will provide Client with on-site desktop support services in Anchorage without costs for travel time. Client systems outside of Anchorage will be supported via on-site support as negotiated with Client, subject to travel time and expenses as called for in the MSA, or the PC may be transported to AIT's office in Anchorage at the Client's expense.

Circumstances may impact the delivery of this service; e.g., hardware related problems that require procurement of replacement equipment, inability of AIT to contact the employee reporting problem, or research is necessary to resolve the problem.

2.8. Status Reports

AIT will conduct regular meetings with Client appointed contact on a mutually agreed upon schedule to provide Client insight into the status of their operational systems and network infrastructure; AIT will provide Client with reports on user requests, progress on implementation of improvements required as part of initial discovery, and insight into technology products that may improve Client business operations.

2.9. Service Level Objectives

- 2.9.1. Scheduled Maintenance. AIT shall provide at least 24 hours advance notice for any scheduled maintenance that results in system restarts or other interruptions to service. AIT will make all reasonable efforts to schedule such maintenance between the hours of 5:00 PM Alaska Time and 8:00 AM Alaska Time. It is understood by the parties that the number of scheduled maintenance occurrences will be kept to a minimum and within acceptable levels under industry standards, but that AIT may be required to perform more scheduled maintenance as necessary to meet requirements set forth by software, hardware, and other third party service vendors. AIT shall not be liable for Downtime resulting from the installation of patches or updates provided by the software or hardware vendor.
- 2.9.2. Network Service Provider; Internet Outages and Other Events. AIT shall not be liable for Downtime resulting from network service provider outages, Internet outages or any other events or occurrences that are outside the reasonable control of AIT. Client acknowledges that AIT does not and cannot control the flow of data to or from AIT's network, the Client's network, and the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties.

- 2.9.3. Security Shut-Downs. AIT may choose, at its sole discretion, but when possible in consultation with the Client, to interrupt or shut down service of the Client IT System due to circumstances reasonably believed by AIT to be a significant threat to the normal operation of the Client IT System, the AIT facility, or access to or integrity of Client data, in each case that are outside AIT's control. In the event of such an interruption or shutdown, AIT will return Client IT System to normal operation as soon as reasonably possible. AIT will use security measures at least equal to prevailing industry standards and as agreed upon and paid for by the Client, including, without limitation, firewall protection and backup copies of data.
- 2.9.4. Hardware Replacement. AIT will not be liable for any delays in response or resolution of any error in the Client IT System that affects the Primary Functionality or Secondary Functionality due to the failure of a hardware manufacturer to provide hardware replacement parts or services. AIT will make a reasonable effort to provide a Work Around. If the hardware vendor is not able to fulfill its obligations in a timely manner and where that failure extends the response and resolution times, AIT and Client may agree to an alternate solution to resolve the hardware failure subject to additional charge in accordance with the terms for "As Requested" services in the MSA. In the event that the Client does not maintain current warranties and service contracts on any hardware covered by this Statement of Work, AIT shall not be obligated to provide support for the affected hardware.
- 2.9.5. Software Errors, Failures, and Malfunctions. In the event that an error occurs with the Client software, AIT will not be liable for any delays in response or resolution as the result of a failure by the software vendor to provide a fix, update, correction, patch, information, Work Around or other resolution to the software error. AIT will make a reasonable effort to work with the software vendor to investigate the problem and only for software supported by AIT. Any additional support for custom software or unsupported software, regardless of the critical nature of the software to the Primary Functionality and Secondary Functionality, may be provided subject to additional charge in accordance with the terms for "As Requested" services in the MSA. In the event that the Client does not maintain current warranties and service contracts on any software covered by this Statement of Work, AIT shall not be obligated to provide support for the affected software.

2.10. Priority Levels; Response and Resolution.

Upon notification of an issue, AIT shall categorize all issues according to the priority levels set forth in this Section 2.10. For each reported issue, AIT shall respond according to the response and resolution times set forth in this Section 2.10.

- 2.10.1. Critical Errors (Emergency). AIT shall work diligently to identify the problem and will provide an estimated correction time for a Critical Error within 2 hours of notification. AIT will make reasonable accommodation to communicate the problem to Client and will begin implementation of a fix or a Work Around as soon as reasonably possible. Any Unscheduled Downtime shall be categorized as a Critical Error.
- 2.10.2. High Errors (Quick). AIT shall work diligently to identify the problem and will provide an estimated correction time for a High Error within 4 hours of notification. AIT will make reasonable accommodation to communicate the problem to Client and AIT will begin implementation of a fix or a Work Around as soon as reasonably possible. Any Unscheduled Downtime shall be categorized as a Critical Error.
- 2.10.3. Medium Errors (Normal). AIT shall work diligently to identify the problem and will provide an estimated correction time for a Medium Error within one (1) business day of notification. AIT will make reasonable accommodation to communicate the problem to Client and AIT will begin implementation of a fix or a Work Around as soon as reasonably possible. Any Unscheduled Downtime shall be categorized as a Critical Error.
- 2.10.4. Low Errors (Scheduled Maintenance). AIT shall work diligently to identify the problem and will provide an estimated correction time for a Low Error within three (3) business days of notification. AIT will make reasonable accommodation to communicate the problem to Client and AIT will begin implementation of a fix or a Work Around in the next Scheduled Downtime of the Client IT System.

3. Relationship Management

Our mutual success is driven by our ability to effectively work with each Client in a manner more akin to a partnership rather than a traditional vendor. To this end, we recommend that the Client appoint an executive level sponsor and operational contact to support the initial implementation and ongoing management of the relationship between AIT and the Client. Client may appoint a single individual to act as both the sponsor and operational contact if the two roles cannot be filled by different individuals within Client's organization.

3.1. Client Executive Sponsor

The following is the name and contact information of the Client appointed Executive Sponsor:

Name:	
Office:	
Mobile	
Email:	
Address:	

3.2. Client Operational Contact(s)

The following is the name and contact information of the Client appointed operational contact(s):

Name:	
Office:	
Mobile	
Email:	
Address:	

3.3. Client Billing Contact(s)

The following is the name and contact information of the Client appointed billing contact(s):

Name:	
Office:	
Mobile	
Email:	
Address:	

4. Assumptions

Client acknowledges that the success of AIT may be affected by certain actions by Client. AIT is entering into this SOW based on the following assumptions:

- 4.1.** Client will communicate to their staff the managed services relationship with AIT utilizing communications templates provided by AIT. Client will direct all employees to utilize AIT provided support systems, including the Client support portal, AIT help desk telephone number, and remote assistance tools used in our support processes.
- 4.2.** Client will provide AIT personnel administrative access to devices and systems on the network during initial discovery and documentation phases.

- 4.3.** Client will provide AIT with a means of remote access to the corporate network and/or systems during the course of the project to enable AIT to provide remote support. In the event that Client does not have the ability to enable remote support, Client approves AIT making any required network changes to facilitate remote access to the corporate network.
- 4.4.** Client will ensure that AIT personnel will have access to parking, office space, and telephone when at Client facilities.
- 4.5.** Client will not make changes to the network or attached systems without approval of AIT personnel assigned to the Client account.
- 4.6.** Client will ensure that Client resources are available during the course of the agreement for periodic status meetings as scheduled by AIT account manager. AIT may at times require access to additional Client personnel during the course of the managed services agreement. Access to these resources will be coordinated by the assigned Client operational contact.
- 4.7.** Client understands that AIT will make best efforts and recommendations in regards to data protection technologies but cannot affect the manufacturers product from a warranty perspective or guarantee that it will be free of bugs or defects; the recoverability of data in the event of failure is subject to integrity of the media, success of backup procedures, and other factors outside the control of AIT; AIT makes no warranty that Client will be able to restore data as a result of AIT recommendations.
- 4.8.** Client will make available all existing documentation relating to the systems, network, and/or applications currently deployed on the Client network that may be affected during the course of the services agreement.
- 4.9.** Client and AIT will work collectively to ensure that long term network support goals established in the discovery process are put in place on a schedule that meets both Client and AIT expectations.
- 4.10.** Client will keep all Devices and software under manufacturer support, and/or software maintenance and support, during the term of this agreement to ensure that AIT personnel have access to required hardware components and/or application/operating system releases to resolve alerts.

5. Terms

5.1. Term

The initial term of this SOW is twelve months. Services will commence on the go-live date established and mutually agreed upon during the Onboarding Process.

5.2. Renewal

This SOW will automatically renew for an additional twelve months if not cancelled by Client or AIT. The term of this Agreement and Client's rights to use the services contained herein, shall continue unless Client notifies AIT in writing, giving at least 60 days' notice to terminate the service. AIT may terminate the service after notifying Client in writing at least 60 days prior to termination.

6. Payment and Fees

- 6.1.** Services are billed in advance automatically. AIT shall invoice Client for services by the 20th day of each month or the subsequent business day at AIT's rates set forth below the subsequent month. Charges shall either be debited directly from Client's bank via automated clearing house (ACH) transfer or charged to a credit card (VISA or MasterCard), as indicated below.

Recurring Payments:

☐ ACH Transfer (automatic monthly debit)
(3% Discount Applies)

(Client initial)

☐ Credit Card (automatic monthly credit)

(Client initial)

- 6.2.** ACH payments that are returned for non-sufficient funds and declined credit card charges will subject to a \$35.00 service fee per attempt.
- 6.3.** Services provided between the go-live date and the 20th day of the subsequent month shall be prorated for the actual number of days the service is used based upon the number of days in the month that the service

starts. The setup fee and any prorated amount shall be debited or charged, per 6.1 above, along with the first month recurring charges.

- 6.4.** The table below lists the monthly recurring charges (MRC) and other costs associated with the services called for in this SOW. Billed quantities will be reviewed on an ongoing basis and adjusted monthly and applied to the next recurring invoice. Client must inform AIT of any services to be removed from the agreement by the 15th day of each month or the subsequent business day in order to adjust quantities.

Fees Debited via ACH

Description	Qty	MRC	Amount
PCs	57	\$ 85.00	\$ 4,845.00
Servers	5	\$ 179.00	\$ 895.00
Sub-total			\$ 5,740.00
Pre-Paid Travel for QTR Visit			\$ 1,400.00
Monthly Recurring Charge Debited via ACH			\$ 7,140.00
One-Time Setup Fee			\$ -

OR

Fees Charged to Credit Card

Description	Qty	MRC	Amount
PCs	57	\$ 87.50	\$ 4,987.50
Servers	5	\$ 184.50	\$ 922.50
Sub-total			\$ 5,910.00
Monthly Base Charge			\$ 1,443.50
Monthly Recurring Charge via Credit Card			\$ 7,353.50
One-Time Setup Fee			\$ -

7. Authorization

- 7.1.** The representative executing this SOW on behalf of their respective companies represents that he/she is duly authorized to enter into this Agreement on its behalf, and each promises to indemnify and hold the other harmless from any and all costs and damages, including attorney's fees, incurred by reason of a lack of such authority.
- 7.2.** By the signatures of their duly authorized representatives below, Client and AIT accept and approve this SOW.

City of Cordova

Arctic Information Technology, Inc.

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date



Why TotalCare?

TotalCare by Arctic IT is a flat-rate, managed service that dramatically reduces the financial risk associated with the management of IT. What does that mean? In the past, businesses accepted all the financial risks associated with network outages and issues. IT providers were engaged only when there were problems – in short, providers profited from your IT pain.

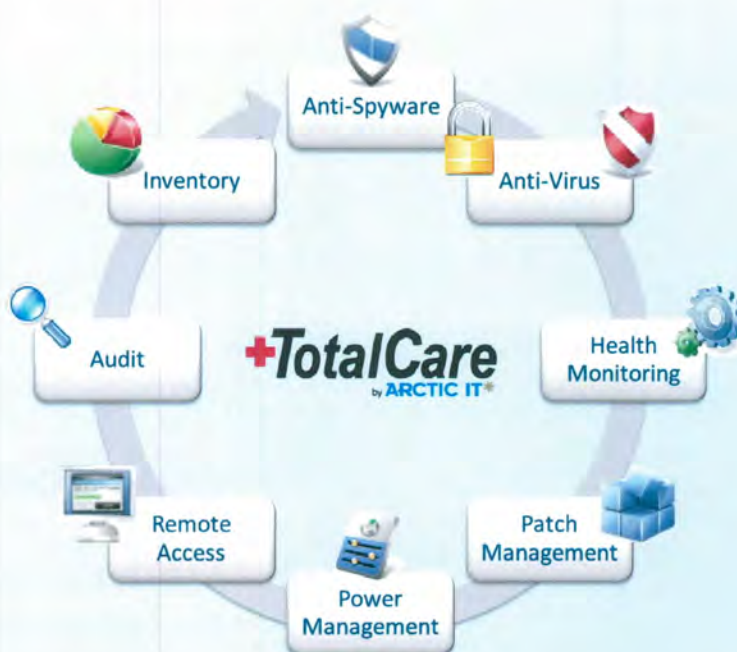
In contrast, the **TotalCare** model shifts the financial risk and responsibilities associated with managing your environment to us – your managed service provider. Instead of our success being tied to things breaking and needing repair, we will only succeed when your network continues to operate as it is supposed to. Irrespective of how much time and energy we must invest in your computers and network to keep it running, your costs won't change.

We succeed together, as partners.

How will **TotalCare** benefit my business?

The **TotalCare** platform is an ideal environment that allows your systems to remain up and running smoothly and reliably, therefore keeping your personnel working efficiently. Whether you have an IT staff or not, **TotalCare** will allow your people to focus on high value business needs.

- ◆ **Experience peace of mind**
Gain peace of mind by knowing that your network is being monitored and managed around the clock.
- ◆ **Maximize value by controlling costs**
Save money by managing your operating costs with flat-rate, predictable monthly expenses.
- ◆ **Sharpen the focus on your business**
By reducing the worry associated with IT, you can focus your efforts towards more important initiatives and growing your business.
- ◆ **Better manage risk**
Monitoring for technical problems before they occur will avert costly network failures and identify trouble early.



TotalCare continually monitors, maintains, and reports on key network assets, services, and functions.

TotalCare by Arctic IT

375 W. 36th Ave., Suite 300
Anchorage, AK 99503
907.261.9500
info@arcticit.com
www.arcticit.com

***TotalCare** provides*

ESSENTIAL SYSTEM MONITORING

- ◆ 24x7 Server & Computer Monitoring
- ◆ Backup Monitoring
- ◆ Antivirus Monitoring
- ◆ Secure Access to Server Monitoring and Reporting Tools

MAINTENANCE

- ◆ Software Patch Management & Updates
- ◆ Antivirus/Anti Malware Management
- ◆ Quarterly Service Maintenance (remote and on-site)

NETWORK MANAGEMENT

- ◆ ISP & Web Host Management
- ◆ Firewall Management
- ◆ VPN Management

ASSET MANAGEMENT

- ◆ Asset Lifecycle Management
- ◆ Asset Reporting
- ◆ Network Inventory

VCIO STRATEGIC PLANNING

- ◆ Unlimited Purchasing Support
- ◆ Monthly System Health Reports
- ◆ Quarterly Systems Reviews

BUSINESS HOURS SUPPORT

- ◆ Unlimited Phone Support
- ◆ Unlimited Remote Control Support
- ◆ On-line Support Request System
- ◆ Support Escalation

AFTER-HOURS SUPPORT

- ◆ Access to 24/7 Emergency Support

How is **TotalCare** different?

Businesses today are simply tired of the variable, uncontrolled costs of IT and its effect on their budgets. Instead of relying upon their IT providers or internal IT staff to address issues and problems as they arise, they are moving to a more consistent, predictable IT model; where monitoring of systems and true proactive support provide a consistent, measured approach to keeping systems healthy and employees productive...all while controlling costs.

TotalCare by Arctic IT is a subscription service that can help you achieve the goal of a stable, predictable cost for IT, reduce IT risk, lessen downtime that results in lost productivity, and ultimately allow you to focus more on your business.

How does **TotalCare** work for me?

TotalCare monitors for network problems—often addressing them before users are even aware that there is an issue—and speeds the time to resolution through the use of a combination of automated and managed maintenance provided both remotely and on-site. Additionally, **TotalCare** provides your staff with access to assistance when they need it by telephone, email, or through direct access to the **TotalCare** team via tools installed on their computer.

We've designed **TotalCare** to be a complete solution to managing IT—including reports and an online portal that you or your delegate can access to see how your network is performing in clear, ease-to-understand terms. With just a few clicks, you will see that your systems are receiving approved updates and appropriate patches, that scheduled data backups are occurring, and that support requests are being resolved.

When problems do occur, our staffed helpdesk is never more than a phone call or mouse click away. The **TotalCare** platform allows your users to share access to their computer in order to facilitate a quicker problem resolution. Getting your people get back to work as quickly as possible.

TotalCare also includes regular reviews of your network by our experienced, certified network engineers — in effect, operating as a virtual CIO for your business. Now you too can leverage seasoned IT professionals to help ensure your IT strategy is right for your needs.

TotalCare by Arctic IT is your complete network management solution.

Learn how **TotalCare**
can help your business -
call 907.261.9500 or
email info@arcticit.com!

 **TotalCare**
by **ARCTIC IT**

5.12.040 Council approval of contracts.

No contract for supplies, services or construction which obligates the city to pay more than twenty-five thousand dollars may be executed unless the council has approved a memorandum setting forth the following essential terms of the contract:

- A. The identity of the contractor;
- B. The contract price;
- C. The nature and quantity of the performance that the city shall receive under the contract; and
- D. The time for performance under the contract.

(Ord. 1019 § 1, 2008; Ord. 874, 2000; Ord. 809 (part), 1998).

(Ord. No. 1093, § 1, 1-4-2012)

5.12.150 Sole source procurements.

A. The city may procure supplies, services or construction without competition where the city manager determines in writing that one of the following circumstances applies:

- 1. Supplies, services or construction that reasonably meet the city's requirements are available from only one vendor;
- 2. The supplies, services or construction have a uniform price wherever purchased;
- 3. The supplies, services or construction may be purchased from or through another governmental unit at a price lower than that obtainable from private vendors;
- 4. The price of the supplies, services or construction is fixed by a regulatory authority; or
- 5. The contract is for professional services that the council by resolution determines to procure without formal competition.

B. The award of any contract under this section shall be subject to prior council approval in accordance with [Section 5.12.040](#)

(Ord. 809 (part), 1998).

A MEMO FROM TINA HAMMER, DEPUTY CITY CLERK

DATE: January 27, 2014

TO: Mayor and City Council

SUBJECT: Resolution 02-14-08

The attached resolution directs the City Clerk to prepare and publish the foreclosure list for the 2013 delinquent property taxes and directs the City Attorney to file the necessary documents with the State of Alaska Superior Court.

Recommended Motion: Move to approve Resolution 02-14-08

Staff Recommendation: Majority voice vote or approval of the consent calendar

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-14-08**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
DIRECTING THE CITY CLERK TO PREPARE AND PUBLISH A CERTIFIED COPY OF THE
FORECLOSURE LIST OF DELINQUENT REAL PROPERTY TAXES FOR THE YEAR 2013**

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cordova;

Section 1: The City Clerk shall, and is hereby directed to prepare a certified copy of the foreclosure list for the delinquent real property taxes, the portions due and payable for the year 2013.

The list shall be in alphabetical order as to the name and shall include:

1. Last known owner of record.
2. Property description as stated on the assessment roll.
3. Year and the amount due of delinquency.
4. Statement that the list is available for public inspection at the City Clerk's office.
5. Penalty and interest and other costs.
6. Statement that list has been presented to the State of Alaska Superior Court for judgment.

Section 2: The City Attorney is directed to present a petition for judgment and a certified copy of the foreclosure list in the State of Alaska Superior Court for judgment.

Section 3: The City Clerk is directed to publish the foreclosure list for four (4) consecutive weeks in the Cordova Times, a newspaper of general circulation, distributed within the City, beginning on the day of filing of the petition for judgment and certified copy of the foreclosure list in Superior Court; and the City Clerk is further directed to mail to the last known owner of each property as his or her name and address appears on the list within ten (10) days after the first publication, a notice advising of the foreclosure proceedings in which the petition for judgment has been filed and describing the property and the amount due and payable on the foreclosure list.

Section 4: During the publication of the foreclosure list and up to the time of transfer to the City of the property by the Superior Court, the Clerk shall allow a person to pay the taxes and/or portions due together with penalty, interest, and other costs and the City Clerk shall note such payment on the foreclosure list.

Section 5: If a holder of a mortgage or lien on real property requests the City Clerk to send by certified mail a notice of a foreclosure list which includes a real property mortgage on which there exists a lien, the City Clerk shall comply with such requests and send such notice by certified mail.

Section 6: The City Attorney is directed to proceed to obtain a judgment and decree that the liens for real property taxes shall be foreclosed in a timely manner and in accordance with applicable law and rule of court, together with costs and attorney fees allowable by the court.

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014.

James Kacsh, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk

Memorandum

To: City Council
Thru: Samantha Greenwood, City Planner
Date: January 28, 2014
Re: Alaska Commercial Company, ground lease

PART I. GENERAL INFORMATION:

File No.: 02-173-108

Requested Action: Lease Lot 5, Block 1, South Fill Development Park

Applicant: The North West Company (International) Inc.
77 Main Street
Winnipeg, MB R3C 2R1

Zoning: Waterfront Commercial District

Applicable Regulations: Section 5.22 Cordova Code regarding disposal of city property
Chapter 18.39 Waterfront Commercial

PART II. SITE DATA:

Lot 5, Block 1 is adjacent to other property also leased from the City by Alaska Commercial and is used for parking. This lot is 9,900 square feet, minus 1,800 square feet immediately adjacent to Nicholoff Way for public parking, leaving a total of 8,100 square feet available for this lease.

PART III. BACKGROUND:

The lease has been in place since 2004 and was renewed in 2009 for an additional 5 years. The lease will start April 1, 2014 and expire March 31, 2024. In this lease there is an option for an additional 5 years with City Council approval. The previous rent was \$3037.50 per year or \$759.38 per quarter. The new base rent will be six thousand, one hundred thirty-eight and 00/100 Dollars (\$6,138.00) plus sales tax per year or one thousand, five hundred thirty-four and 50/100 Dollars (\$1534.50) plus sales tax in four (4) quarterly installments.

There have been no problems related to this lease; payments have always been timely and conditions of the lease have been met.

PART IV. STAFF RECOMMENDATION:

Staff recommends the approval of resolution 02-14-09

PART V. RECOMMENDED MOTION:

"I move to approve Resolution 02-14-09."

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-14-09**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE CITY MANAGER TO ENTER INTO A 10 YEAR LEASE OF PROPERTY
LEGALLY DESCRIBED AS LOT 5, BLOCK 1, SOUTH FILL DEVELOPMENT PARK PLAT
85-9 WITH THE NORTH WEST COMPANY (INTERNATIONAL) INC.**

WHEREAS, the current lease term with the North West Company (International) Inc. will commence on April 1, 2014, the new lease would carry their tenancy through March 31, 2024; and

WHEREAS, the lease area is generally described as Lot 5, Block 1, South Fill Development Park, Plat 85-9 containing 9,900 square feet, minus 1,800 square feet immediately adjacent to Nicholoff Way for public parking, leaving a total of 8,100 square feet available for this lease; and

WHEREAS, the annual rental rate will be six thousand one hundred thirty-eight and 00/100 dollars (\$6,138.00); and

WHEREAS, the lease between the North West Company (International) Inc. and the City of Cordova is hereto included as Attachment A.

NOW, THEREFORE BE IT RESOLVED THAT the City Council of the City of Cordova hereby authorizes and directs the City Manager to renew the lease on the property to the North West Company (International) Inc. in accordance with the terms in the Lease. The form and content of the Lease now before this meeting is in all respects authorized, approved and confirmed by this resolution, and the City Manager hereby is authorized, empowered and directed to execute and deliver the Lease reflecting the terms in the Lease on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as he shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said documents now before this meeting, and from and after the execution and delivery of said documents, the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the Lease.

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014

James Kacsh, Mayor

Attest:

Susan Bourgeois, CMC, City Clerk

**CITY OF CORDOVA
Cordova, Alaska**

LEASE

THIS LEASE ("Lease") by and between the **CITY OF CORDOVA ("Landlord")**, a municipal corporation organized and existing under the laws of the State of Alaska (the "City"), and **NORTH WEST COMPANY(INTERNATIONAL) INC.** doing business in Cordova, Alaska ("Tenant").

RECITALS

WHEREAS, the City owns that certain parcel of land generally described as Lot 5, Block 1, South Fill Development Park Plat 85-9, contained 9,900 square feet, more or less, located within Cordova Recording District, Cordova Alaska, (referred to hereinafter as the "Premises"); and

WHEREAS, the Landlord wishes to retain the 1,800 square foot portion of this lot immediately adjacent to Nicholoff Way for public parking, leaving 8,100 square feet available for lease; and

WHEREAS, The Landlord desires to lease this 8,100 square feet to Tenant, at fair market value; and

WHEREAS, Tenant desires to lease the Premises from the City, and Landlord desires to lease the Premises to Tenant, on the terms and conditions set forth herein; and

WHEREAS, the Cordova City Council ("Council") has approved the lease of the Premises from the City to Tenant in accordance with the Cordova City Charter §5-17 and Chapter 5.22 of the Cordova Municipal Code (hereinafter referred to as the "Code" or "CMC").

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto, it is agreed as follows:

1. LEASE OF PREMISES

Subject to the terms and conditions set forth herein, the City hereby leases to Tenant and Tenant hereby leases from the City, the Premises. The Premises are herewith described as Lot 5, Block 1, South Fill Development Park, containing 9,900 square feet, more or less, minus 1,800 square feet immediately adjacent to Nicholoff Way for public parking, leaving a total of 8,100 square feet available for this lease.

Lessee shall allow a 15 foot wide public easement along the entire easterly boundary of Lot 5 for a non-parking, non-loitering, non-stationary public thoroughfare use and for short term, 5 minutes or less, loading and un-loading for the building operations currently being used by GCI and NAPA.

2. LEASE TERM

The term of this Lease shall be ten (10) year, commencing on **April 1, 2014**. The "Commencement Date") and expiring ten (10) years later, on **March 31, 2024**, unless earlier terminated in accordance with the terms of this Lease. Lessor may grant Lessee one five-year extension upon request of Lessee and concurrence by the Cordova City Council

3. RENT

A. Base Rent. The rent during the term of this Lease shall be **six thousand, one hundred thirty-eight and 00/100 Dollars (\$6,138.00)** or **one thousand, five hundred thirty-four and 50/100 Dollars (\$1534.50)** in four (4) quarterly installments (the "Base Rent"), which shall be due and payable in

advance on the Commencement Date of this agreement. Base Rent shall be paid to the City in lawful money of the United States without abatement, deduction or set-off for any reason whatsoever, at the address provided for notice to the City set forth in Section 20.E of this Lease, or at any other place that the City may from time to time direct in writing. Base Rent shall be paid promptly when due without notice or demand therefor. The parties intend the Base Rent to be absolutely net to the City. All costs, expenses and obligations of every kind and nature whatsoever in connection with or relating to the Premises shall be the obligation of, and shall be paid by, Tenant. As required by the CMC Section 5.22.040(C), any lease having a term of more than two (2) years shall be subject to a rental adjustment to fair market value at intervals of no more than two (2) years, but no adjustment shall result in a reduction of rent.

B. Additional Charges. In addition to the Base Rent, Tenant acknowledges and agrees that Tenant is obligated to pay and shall pay, before delinquency and without reimbursement, all costs, expenses and obligations of every kind and nature whatsoever in connection with or relating to the Premises or the activities conducted on the Premises, including without limitation those costs, expenses and obligations identified in Section 7 and all other sums, costs, expenses, taxes (including 6% sales tax, which shall be paid by Tenant monthly at the same time Tenant makes its monthly payments of Base Rent to the City) and other payments that Tenant assumes or agrees to pay under the provisions of this Lease (the "Additional Charges").

Without limiting in any way Tenant's payment obligations, the City shall have the right, but not the obligation, at all times during the Lease term, to pay any charges levied or imposed upon the Premises that remain unpaid after the same have become due and payable, and the amount paid, plus the City's reasonable expenses, shall be additional rent due from Tenant to the City, with interest thereon at the rate of ten percent (10%) per annum from the date of payment thereof by the City until repayment thereof by Tenant.

C. Late Penalty Provision. Rent not paid within ten (10) days of the due date shall be assessed a late charge of ten percent (10%) of the delinquent amount; such charge shall be considered liquidated damages and shall be due and payable as additional rent. In the event the late charge assessment above exceeds the maximum amount allowable by law, the amount assessed will be adjusted to the maximum amount allowable by law.

D. Security Deposit. Upon execution of this Lease, the City may require Tenant to deposit with the City an amount equal to two months' rent (the "Security Deposit"). The Security Deposit shall be held by the City as security for the faithful performance by Tenant of all of Tenant's obligations under this Lease. If Tenant fails to pay the Base Rent, or a portion thereof, or otherwise defaults with respect to any provision of this Lease, after notice and beyond the expiration of any applicable cure period the City may use, apply or retain all or any portion of the Security Deposit for:

- (i) the payment of any rent or other sum in default;
- (ii) the payment of any other sum to which the City may become obligated by reason of Tenant's default; or
- (iii) to compensate the City for any loss or damage which the City may suffer thereby, including, but not limited to, any costs associated with moving and storage of Tenant's personal property (if any) remaining on the Premises beyond termination of the Lease. The City shall be free to commingle the Security Deposit with funds held in the City's own accounts, including accounts in which the City keeps other security deposits. If Tenant performs all of its obligations under this Lease, the Security Deposit, or so much thereof as has not been used, applied or retained by the City in accordance with this Section, shall be returned to Tenant, at the expiration of the term, and subject to Tenant relinquishing possession of the Premises, without payment of interest or other increment for its use, within 30 days of Tenant's vacation of the Premises.

4. USES AND CONDITION OF PREMISES

A. Authorized Uses. Use of the Premises shall be limited to Tenant's use as a private parking lot for the commercial business located on the adjoining Lots 4, 8 & 9, Block 1, South Fill Development Park. The Premises shall not, without the prior written consent of the City, be used for any other purposes. Tenant shall not construct or install, or cause to be constructed or installed on the Premises, any improvements or other permanent alteration of the Premises without the prior written consent of the City. Tenant shall not conduct any enterprise or activity on the Premises that cannot be terminated on thirty (30) days' notice., Landlord expressly reserves the right to terminate this lease in the event Tenant fails to operate said use for a period of eighteen consecutive months.

B. Inspections. The City and its authorized representatives and agents shall have the right, but not the obligation, to enter the Premises at all reasonable times to inspect the use and condition of the Premises; to serve, post or keep posted any notices required or allowed under the provisions of this Lease, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Premises. The City shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of the City's entry onto the Premises, except for damage resulting directly from the acts of the City or its authorized representatives or agents.

C. Compliance with Laws. Tenant shall maintain and repair the Premises in compliance with all applicable laws, regulations, ordinances, rules, orders, permits, licenses and other authorizations. Tenant shall not use or permit the use of the Premises for any purpose prohibited by law or which would cause a cancellation of any insurance policy covering the Premises. Tenant shall not leave the Premises unoccupied or vacant without the City's prior written consent. Tenant shall not cause or permit any Hazardous Material (as defined in Section 9.B of this Lease) to be brought upon, kept, or used in, on or about the Premises except for such Hazardous Material as is necessary to conduct Tenant's authorized uses of the Premises. Any such Hazardous Material brought upon, kept, or used in, on or about the Premises shall be used, kept, stored, and disposed of in a manner that complies with all environmental laws and regulations applicable to Hazardous Material. Tenant shall not cause or allow the release or discharge of any other materials or substances that are known to pose a hazard to the environment or human health.

D. Tenant's Acceptance of Premises. Tenant has inspected the Premises to its complete satisfaction and is familiar with its condition, and the City makes no representations or warranties with respect thereto, including but not limited to the condition of the Premises or its suitability or fitness for any use Tenant may make of the Premises. Tenant accepts the Premises AS IS, WHERE IS, WITH ALL FAULTS. No action or inaction by the Council, the City Manager, or any other officer, agent or employee of the City relating to or in furtherance of the lease of the Premises shall be deemed to constitute an express or implied representation or warranty that the Premises, or any part thereof, is suitable or usable or any specific purpose whatsoever. Any such action or inaction shall be deemed to be and constitute performance of a discretionary policy and planning function only, and shall be immune and give no right of action as provided in Alaska Statute §9.65.070, or any amendment thereto.

E. The City may terminate this Lease for any or no reason upon thirty (30) days' written notice to Tenant.

5. REPRESENTATIONS AND WARRANTIES

Tenant represents and warrants to the City that Tenant is not delinquent in the payment of any obligation to the City, and Tenant has not previously breached or defaulted in the performance of a material contractual or legal obligation to the City, which breach or default has not been remedied or cured.

6. ASSIGNMENTS AND SUBLETTING; SUBORDINATION

Tenant shall not assign or otherwise transfer this Lease or any interest herein or sublet the Premises or any portion thereof, or permit the occupancy of any part of the Premises by any other person

or entity, without the prior written consent of the City, which consent the City may withhold in its absolute discretion. The City shall not be required to subordinate this Lease or the City's interest in the Premises to the interest of any other person or entity.

7. OPERATIONS, MAINTENANCE, UTILITIES, TAXES AND ASSESSMENTS

Tenant shall, at Tenant's sole cost and expense, be solely responsible for: (1) the maintenance and repair of the Premises and shall not commit or allow any waste upon the Premises; (2) obtaining any and all permits and approvals necessary for Tenant's use of the Premises; (3) all utilities and services needed for Tenant's use of the Premises; (4) all taxes and assessments levied against the Premises, and Tenant agrees to pay all such taxes and assessments as and when they become due, including but not limited to all utility bills and special assessments levied and unpaid as of the date of this Lease or hereafter levied for public improvements; (5) all licenses, excise fees, and occupation taxes with respect to the business and activities conducted on the Premises; (6) all real property taxes, personal property taxes, and sales taxes related to the Premises or Tenant's use or occupancy thereof; and (7) any taxes on the leasehold interest created under this Lease.

8. LIENS

Tenant will suffer no lien or other encumbrance to attach to the Premises, including without limitation mechanic's or materialman's liens, sales tax liens under CMC §5.40.125, or property tax liens under CMC §5.36.260. If the City posts any notice of non-responsibility on the Premises, Tenant will ensure that the notice is maintained in a conspicuous place.

9. INDEMNIFICATION

A. General Indemnification. Tenant shall defend, indemnify and hold the City and its authorized representatives, agents, officers, and employees harmless from and against any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) resulting from, arising out of, or related to Tenant's occupation or use of the Premises or the occupation or use of the Premises by Tenant's employees, agents, servants, customers, contractors, subcontractors, sub-lessees or invitees, including but not limited to all claims and demands arising out of any labor performed, materials furnished, or obligations incurred in connection with any improvements, repairs, or alterations constructed or made on the Premises and the cost of defending against such claims, including reasonable attorney fees. In the event that such a lien is recorded against the Premises, Tenant shall, at Tenant's sole expense within ninety (90) days after being served with written notice thereof, protect the City against said lien by filing a lien release bond or causing the release of such lien.

B. Environmental Indemnification. Tenant has had full opportunity to examine the Premises for the presence of any Hazardous Material (as hereafter defined) and accepts the Premises AS IS, WHERE IS, WITH ALL FAULTS. Tenant releases the City and its authorized representatives, agents, officers, and employees from any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) arising during or after the term of this Lease, that result from the use, keeping, storage, or disposal of Hazardous Material in, on or about the Premises by Tenant, or that arise out of or result from Tenant's occupancy or use of the Premises or the use or occupancy of the Premises by Tenant's employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees or authorized representatives. This release includes, without limitation, any and all costs incurred due to any investigation of the Premises or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, or by law or regulation. Tenant agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Hazardous Material generated, kept or brought on the Premises by Tenant, its employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees or authorized representatives.

Tenant shall defend, indemnify, and hold the City and its authorized representatives, agents, officers, and employees harmless from and against any claims, demands, penalties, fines, judgments, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) of whatever kind or nature, known or unknown, contingent or otherwise, arising in whole or in part from or in any way related to (i) the presence, disposal, release, or threatened release of any such Hazardous Material which is on or from the Premises, soil, water, ground water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury or property damage arising out of or related to such Hazardous Material; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Material; and (iv) any violation of any laws applicable to such Hazardous Material; provided, however, that the acts giving rise to the claims, demands, penalties, fines, judgments, liabilities, settlements, damages, costs, or expenses arise in whole or in part from the use of, operations on, or activities on the Premises by Tenant or its employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees, or authorized representatives.

As used in this Lease, "Hazardous Material" means any substance which is toxic, ignitable, reactive, or corrosive or which is regulated by any federal, state or local law or regulation, as now in force or as may be amended from time to time, relating to the protection of human health or the environment, as well as any judgments, orders, injunctions, awards, decrees, covenants, conditions, or other restrictions or standards relating to the same. "Hazardous Material" includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" under any such law or regulation.

10. INSURANCE

Lessee shall procure and maintain, at Lessee's sole cost and expense, the following policies of insurance with a reputable insurance company or companies satisfactory to the City:

- (1) Commercial general liability insurance in respect of the Premises and the conduct of Lessee's business and operations, naming the City as an additional insured, with minimum limits of liability of One Million Dollars (\$1,000,000.00) per person and Two Million Dollars (\$2,000,00.00) per accident or occurrence for bodily injury and death, and a minimum limit of liability of One Million Dollars (\$1,000,000.00) for property damage for each occurrence;
- (2) Property insurance, insuring against loss or damage by fire and such other risks as are customarily included in the broad form of extended coverage, in an amount of coverage not less than the replacement value of the improvements on the Premises, if any, and on such terms as are satisfactory to the City;
- (3) Personal property insurance covering Lessee's trade fixtures, furnishings, equipment, and other items of personal property of Lessee located on the Premises; and
- (4) Workers compensation insurance, and such other insurance as is required by law.

All insurance required under this Lease shall contain an endorsement requiring thirty (30)

days' advance written notice to the City before cancellation or change in the coverage, scope, or amount of any policy. Prior to commencement of the Lease term, Lessee shall provide the City with proof of the insurance required by this Section 10.

11. REMOVAL OF PROPERTY

Upon expiration or earlier termination of this Lease, at the option of the City, Tenant shall remove from the Premises, at Tenant's sole expense, all property Tenant has placed or caused to be placed on the Premises. Tenant shall repair any damage to the Premises caused by such removal and return the Premises as near as possible to its original condition as existed on the Commencement Date. All property which is not promptly removed by Tenant pursuant to the City's request and in any event within thirty (30) days of the date of expiration or termination of this Lease may be removed, sold, destroyed or otherwise disposed of in any manner deemed appropriate by the City, all at Tenant's sole expense, and Tenant hereby agrees to pay the City for such expenses. Notwithstanding any provision to the contrary in this Lease, all petroleum, fuel, or chemical storage tanks installed in or on the Premises during the term of this Lease shall remain the property of the Tenant and, upon expiration or earlier termination of the Lease and upon request of the City, Tenant shall remove any and all such tanks and any and all contaminated soil and other materials from the Premises, all at Tenant's sole expense.

12. DEFAULT AND REMEDIES

A. Default. The occurrence of any of the following shall constitute a default and a breach of this Lease by the Tenant:

(i) The failure to make payment when due of any installment of rent, Additional Charges or of any other sum herein specified to be paid by the Tenant;

(ii) The failure to pay any taxes or assessments due from the Lessee to the City and in any way related to this Lease, the Premises, any improvements, or the Lessee's activities or business conducted thereon, including but not limited to any real property, personal property or sales taxes;

(iii) An assignment for the benefit of Lessee's creditors or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee a bankrupt, or for extending the time for payment, adjustment, or satisfaction of Lessee's liabilities, or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency, unless the assignment or proceeding, and all consequent orders, adjudications, custodies, and supervision are dismissed, vacated or otherwise permanently stated or terminated within thirty (30) days after the assignment, filing or other initial event;

(iv) The appointment of a receiver or a debtor-in-possession to take possession of the Premises (or any portion thereof) or of Lessee's interest in the leasehold estate (or any portion thereof) or of Lessee's operations on the Premises (or any portion thereof) by reason of Lessee's insolvency;

(v) The abandonment or vacation of the Premises or any portion thereof;

(vi) Execution, levy or attachment on Lessee's interest in this Lease or the Premises, or any portion thereof;

(vii) The breach or violation of any statutes, laws, regulations, rules or ordinances of any kind applicable to Lessee's use or occupancy of the Premises; or

(viii) The failure to observe or perform any covenant, promise, agreement, obligation or condition set forth in this Lease, other than the payment of rent, if such failure shall not be cured within ten (10) days after written notice has been given to Lessee. Notices given under this subsection shall

specify the alleged breach and the applicable Lease provision and demand that the Lessee perform according to the terms of the Lease. No such notice shall be deemed a forfeiture or termination of this Lease unless the City expressly makes such election in the notice.

B. Remedies. If the Lessee breaches any provision of this Lease, in addition to all other rights and remedies the City has at law or in equity, the City may do one or more of the following:

(i) Distrain for rent due any of Lessee's personal property which comes into the City's possession. This remedy shall include the right of the City to dispose of Lessee's personal property in a commercially reasonable manner. Lessee agrees that compliance with the procedures set forth in the Alaska Uniform Commercial Code with respect to the sale of property shall be a commercially reasonable disposal.

(ii) Re-enter the Premises, take possession thereof, and remove all property from the Premises. The property may be removed and stored at Lessee's expense, all without service of notice or resort to legal process, which Lessee waives, and without the City becoming liable for any damage that may result unless the loss or damage is caused by the City's negligence in the removal or storage of the property. No re-entry by the City shall be deemed an acceptance of surrender of this Lease. No provision of this Lease shall be construed as an assumption by the City of a duty to re-enter and re-let the Premises upon Lessee's default. If Lessee does not immediately surrender possession of the Premises after termination by the City and upon demand by the City, the City may forthwith enter into and upon and repossess the Premises and expel Lessee without being deemed guilty in any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or breach of covenant;

(iii) Declare this Lease terminated;

(iv) Recover, whether this Lease is terminated or not, reasonable attorney's fees and all other expenses incurred by the City by reason of the default or breach by Lessee;

(v) Recover an amount to be due immediately upon breach equal to the sum of all rent, Additional Charges and other payments for which Lessee is obligated under the Lease;

(vi) Recover the costs of performing any duty of Lessee in this Lease;

(vii) Collect any and all rents due or to become due from subtenants or other occupants of the Premises.

13. SUBSIDENCE

The City shall not be responsible for any washout, subsidence, avulsion, settling or reliction to the Premises, nor for any injury caused thereby to the property of the Lessee or any sub-lessee, or that of any other person. The City is not obligated to replace, refill, or improve any part of the Premises during Lessee's occupancy in the event of such washout, subsidence, avulsion, settling, or reliction.

14. VACATION BY LESSEE

Upon the expiration or sooner termination of this Lease, Lessee shall peaceably vacate the Premises and the Premises shall be returned to the City by Lessee together with any alterations, additions or improvements made after the Commencement Date, unless the City requests that they be removed from the Premises. Upon such vacation, Lessee shall remove from the Premises any items of personal property brought on to the Premises. Any such property not removed from the Premises within thirty (30) days of the expiration or termination of this Lease shall become the property of the City at no cost or charge to the City, and may be removed, sold, destroyed or otherwise disposed of in any manner deemed appropriate by the City, all at Lessee's sole expense, and Lessee hereby agrees to pay the City for such expenses.

15. RESERVATION OF RIGHTS

The City reserves the right to designate and grant rights-of-way and utility easements across the Premises without compensation to Lessee or any other party, including the right of ingress and egress to and from the Premises for the construction, operation and maintenance of utilities and access, provided that Lessee shall be compensated for the taking or destruction of any improvements on the Premises. Lessee shall be responsible for requesting a rental adjustment to reflect any reduction in the value of the Premises.

16. SIGNS

No signs or other advertising symbols, canopies, or awnings shall be attached to or painted on or within the Premises without approval of the City Manager first being obtained; provided, however, that this prohibition shall not apply to standard, directional, informational and identification signs of two square feet or less in size. At the termination of this Lease, or sooner, all such signs, advertising matter, symbols, canopies or awnings, attached or painted by Lessee shall be removed from the Premises by Lessee at its own expense, and Lessee shall repair any damage or injury to the Premises, and correct any unsightly conditions caused by the maintenance or removal of said signs.

17. HOLDING OVER

If Lessee with the City's written consent remains in possession of the Premises after the expiration or termination of the Lease term for any cause, or after the date in any notice given by the City to Lessee terminating this Lease, such holding over shall be deemed a tenancy from month to month at the same rental amount applicable immediately prior to such expiration or termination, subject to adjustment in accordance with CMC § 5.22.040(c) or such successor provision of the code then in effect, and shall be terminable on 30 days' written notice given at any time by either party. All other provisions of this Lease except those pertaining to term and rent shall apply to the month-to-month tenancy. If Lessee holds over without the City's express written consent, Lessee is deemed to be a tenant at sufferance and may be removed through a forcible entry and detainer proceeding without service on Lessee of a notice to quit.

18. EMINENT DOMAIN

If the whole or any part of the Premises shall be taken for any public or quasi-public use, under any statute or by right of eminent domain or private purchase in lieu thereof by a public body vested with the power of eminent domain, then the following provisions shall be operative.

A. Total Taking. If the Premises are totally taken by condemnation, this Lease shall terminate.

B. Partial Taking. If the Premises are partially taken by condemnation, then this Lease shall continue and the rent as specified in Section 3 above shall be abated in a proportion equal to the ratio that the portion of the Premises taken bears to the total Premises leased hereunder.

C. Award. Upon condemnation, the parties shall share in the award to the extent that their interests, respectively, are depreciated, damaged, or destroyed by the condemnation.

19. COSTS

Lessee shall be liable to and shall pay the City for the fees and costs incurred by the City in connection with the preparation, operation and enforcement of this Lease.

20. MISCELLANEOUS

A. Time Is of the Essence. Time is of the essence of this Lease and of each provision hereof.

B. Entire Agreement. This Lease represents the entire agreement between the parties with respect to the subject matter hereof, and may not be amended except in writing executed by the City and Lessee.

C. Governing Law and Venue. This Lease shall be subject to the provisions of the Code now or hereafter in effect. This Lease shall be governed by and construed in accordance with Alaska law and any action arising under this Lease shall be brought in a court of competent jurisdiction in Cordova, Alaska.

D. Relationship of Parties. Nothing in this Lease shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between Lessee and the City. Neither the method of computation of rent, nor any other provisions contained in this Lease, nor any acts of the parties shall be deemed to create any relationship between the City and Lessee other than the relationship of lessee and Landlord.

E. Notice. All notices hereunder may be hand-delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

TO CITY:

City of Cordova
Attn: City Manager
P.O. Box 1210
Cordova, Alaska 99574

TO LESSEE:

The North West Company (International) Inc.
Attn: Rex Wilhelm, President, COO
Attn: Walt Pickett, Vice President
77 Main Street
Winnipeg, MB R3C 2R1

or to such other respective addresses as either party hereto may hereafter from time to time designate in advance in writing to the other party. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the U.S. Post Office shall be conclusive evidence of the date of mailing. If hand-delivered, notice shall be deemed to have been made at the time of delivery.

F. Captions. Captions herein are for convenience and reference and shall not be used in construing the provisions of this Lease.

G. No Waiver of Breach. No failure by the City to insist upon the strict performance of any term, covenant or condition of this Lease, or to exercise any right or remedy upon a breach thereof, shall constitute a waiver of any such breach or of such term, covenant or condition. No waiver of any breach shall effect or alter this Lease, but each and every term, covenant and condition of this Lease shall continue in full force and effect with respect to any other existing or subsequent breach.

H. Survival. No expiration or termination of this Lease shall expire or terminate any liability or obligation to perform which arose prior to the termination or expiration.

I. Late Payment. In the event that any rent or other payment due under this Lease is not received by the City when due, a late fee of five percent (5%) per month of the principal amount due shall be due and payable until the full amount of rent or other payment is received by the City.

J. Partial Invalidity. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

K. Successors and Assigns. The terms, covenants and conditions in this Lease shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the City and Lessee.

L. Estoppel Certificates. Either party shall at any time and from time to time, upon not less than 10 days' prior written request by the other party, execute, acknowledge, and deliver to such party a statement certifying that this Lease is unamended and in full force and effect (or, if there has been any amendment, that the same is in full force and effect as amended and stating the amendments); that there are no defaults existing (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the rent and other charges have been paid in advance.

M. Recordation of Lease. The parties agree that this Lease shall not be recorded, but upon the request of either party, the other party will join the requesting party in executing a memorandum of lease in a form suitable for recording, and each party agrees that such memorandum shall be prepared and recorded at the requesting party's expense.

N. Authority. Lessee represents that Lessee is a for-profit corporation duly organized, validly existing, and in good standing under the laws of the State of Washington, and is duly authorized by the State of Alaska to do business as a foreign corporation in the State of Alaska, and that Lessee has all necessary power and is duly authorized to enter into this Lease and to carry out the obligations of Lessee hereunder. Prior to executing this Lease, Lessee shall provide the City with a certificate of authority issued by the State of Alaska, and shall provide the City with a resolution of Lessee's Board of Directors authorizing Lessee to enter into this Lease and to carry out its obligations hereunder as set forth above, and authorizing and directing the officer of Lessee whose name and signature appear at the end of this Lease to execute this Lease on Lessee's behalf.

O. Exhibits. Exhibit A to this Lease is hereby specifically incorporated into this Lease.

P. No Third Party Beneficiaries. Nothing in this Lease shall be interpreted or construed to create any rights or benefits to any parties not signatories or successors or permitted assigns of signatories to this Lease.

Q. Interpretation. The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not for or against the City or Lessee as both City and Lessee have had the assistance of attorneys in drafting and reviewing this Lease.

R. Counterparts. This Lease may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

S. Attorney's Fees. In the event that the City shall bring any suit or action to enforce this Lease or any term or provision hereof, and shall prevail in such suit or action, Lessee agrees that Lessee shall pay the City's attorney's fees, costs and expenses incurred in connection with such suit or action.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed on the dates set opposite their respective signatures below.

CITY:

CITY OF CORDOVA

Dated: _____

By: _____
Its: City Manager

Attest: _____
City Clerk

LESSEE:

The North West Company (International) Inc.

Dated: _____

By: _____

Its: _____

Dated: _____

By: _____

Its: _____

A MEMO FROM SUSAN BOURGEOIS, CMC, CITY CLERK

DATE: January 13, 2014
TO: Mayor and City Council
SUBJECT: Appointment of 2014 Election Board members

Below are the names of the individuals who have been selected to serve on the election board for the 2014 General Election on March 4, 2014.

Recommended motion: Move to concur with the Mayor's appointment of the 2014 General Election board members as follows:

Diana Rubio, as Chairperson
Becky Chapek
Becca Dodge
Seawan Gehlbach
Sue Muma
Anne Schultz
Jeannie Gilman
Sue Shellhorn
Ruth Steele
Susan Bourgeois
Tina Hammer

Required action: Majority voice vote or approval of the consent calendar.

**CITY COUNCIL REGULAR MEETING
JANUARY 15, 2014 @ 7:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Acting Vice Mayor EJ Cheshier called the Council Regular Meeting to order at 7:30 pm on January 15, 2014, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Acting Vice Mayor EJ Cheshier led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were Council members *Tim Joyce* and *EJ Cheshier*. Council Members *Kristin Carpenter*, *David Allison*, *Dave Reggiani* and *James Burton* were present via teleconference. *Mayor James Kacsh* and Council Member *Bret Bradford* were absent. Also present were City Manager *Randy Robertson* and City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

M/Joyce S/Reggiani to approve the Regular Agenda.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Cheshier-yes; Burton-yes; Joyce-yes; Carpenter-yes; Allison-yes and Reggiani-yes. Motion passes.

E. DISCLOSURES OF CONFLICTS OF INTEREST - none

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker - *Joel Azure*, NVE performance deed of trust proposal – *John Whissel* was present in place of *Joel Azure*, he is the Director of Environmental and Natural Resources at the Native Village of Eyak. He presented a letter from *Joel Azure* basically asking for an extension in regard to the deed of trust. The project they had proposed hasn't moved forward at the schedule they had hoped it would. They have not been successful in obtaining the grant funding that is necessary. *Cheshier* asked if there were Council questions; there were none but *Cheshier* asked how long of an extension they were asking for. *Whissel* said the request was for an additional three years. He continued that it's realistic to anticipate funding within a year.

2. Audience comments regarding agenda items – none.

3. Chairpersons and Representatives of Boards and Commissions

Harbor – Burton said no meeting in January – next is February

HSB – Cheshier said there was just an HSB meeting previous to this Council meeting and they looked at financials and did some credentialing and there will be a few resolutions brought before Council at the February 5 meeting that HSB is forwarding on to them.

Parks and Rec – Carpenter said no meeting to report on.

Planning and Zoning – Reggiani said P&Z had a meeting on January 7 and there were several agenda items tonight that were forwarded to Council form that meeting. Also, they elected a chair – *Tom Bailer* and a new Vice-Chair, *John Greenwood*.

School Board – Bradford was not present, but it was stated that there was a school board meeting tonight.

4. Student Council Representative Report – There was no student council rep present.

G. APPROVAL OF CONSENT CALENDAR

Acting Vice Mayor EJ Cheshier informed Council that the consent calendar was before them.

5. Resolution 01-14-04 A resolution of the City Council of the City of Cordova, Alaska adopting an alternative allocation method for the FY14 Shared Fisheries Business Tax program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in FMA 15: Prince William Sound

6. Council waiving right to protest renewal of liquor licenses - Alaskan Hotel & Bar and Laura's Liquor Shoppe

Vote on Consent Calendar: 6 yeas, 0 nays, 1 absent (Bradford). Carpenter-yes; Cheshier-yes; Joyce-yes; Allison-yes; Burton-yes and Reggiani-yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Joyce S/Burton to approve the Minutes.

7. Regular Meeting Minutes 12-18-13

8. Regular Meeting Minutes 1-02-14

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Joyce-yes; Allison-yes; Burton-yes; Cheshier-yes; Reggiani-yes and Carpenter-yes. Motion passes.

I. CONSIDERATION OF BIDS

J. REPORTS OF OFFICERS

9. Mayor's Report – *Mayor Kacsh* was not present.

10. Manager's Report – *Robertson* reported that: 1) We are postured to discuss these performance deeds of trust tonight in executive session with our attorney on the line, *Cortney Kitchen*, but if Council believes it is too difficult with everyone on the phone, you may consider delaying until more of you are in the room. This is important as it is the first time we will handle this performance deed of trust issue and there are more pending that will come before you soon. 2) Update on Senator Stevens visit – he sent a thank you note – it was a good visit; 3) Mt Eccles playground – a report from *Mr. Bailer* says that it is progressing well – we will need several days of dry weather to complete it; 4) *Jon Stavig* is checking in on the snowpocalypse money about every two days; presently its moved from the audit desk to the pay desk and it's looking like \$313K 5) on New Year's Day Bidarki experienced serious leaks through the roof and the gym floor is warped – insurance adjustor has already been here – we are working hard to ensure we have it up and functional in time for Ice Worm events; 6) *Ms. Start* will be here tomorrow from ADEC – our go-to person for the LT2 and Baler projects. He asked if there were Council questions. *Joyce* asked if he was dealing with the roof at Bidarki as well as the gym floor. *Robertson* said yes, of course he was, we have been up there and *Hallquist*, who is very experienced in roofing, completely resealed it with hot tar, it is a band-aid but we may use insurance money to help with that as well.

11. City Clerk's Report – *Bourgeois* said that the declaration of candidacy period is open for the General Election on March 4, 2014 and it closes February 4. So far she said *Tom Bailer* has declared for Council seat C, no one yet for Council seat B and *David Allison* and *Sheryl Glasen* have declared for the one open School Board seat.

K. CORRESPONDENCE

12. Council letter to Anchorage area legislators regarding AMHS funding 01-03-14

13. Mayor thanks to M. Frohnafel for interest in P&Z Commission 01-03-14

14. Mayor thanks to J. Betts for interest in Harbor Commission 01-03-14

L. ORDINANCES AND RESOLUTIONS

15. Ordinance 1113 An ordinance of the City Council of the City of Cordova, Alaska, authorizing a lease for a portion of Lot 2, Block 7A, Tidewater Development Park, Plat 93-2, specifically a building known as the Prince William Sound Science Center and the south west 50 feet of the dock to the Prince William Sound Science and Technology Institute, an Alaska nonprofit corporation, doing business as Prince William Sound Science Center for the operation of the Prince William Sound Science Center – 1st reading

M/Joyce S/Burton to adopt Ordinance 1113 an ordinance of the City Council of the City of Cordova, Alaska, authorizing a lease for a portion of Lot 2, Block 7A, Tidewater Development Park, Plat 93-2, specifically a building known as the Prince William Sound Science Center and the south west 50 feet of the dock to the Prince William Sound Science and Technology Institute, an Alaska nonprofit corporation,

doing business as Prince William Sound Science Center for the operation of the Prince William Sound Science Center.

Joyce asked if this has been agreed to and everyone is happy. **Robertson** said that is not the case. The PWSSC Board meets January 24 and **Ms. Hoffman** and **Mr. Smallwood** said they may have a response back from the board after that meeting. They realize that per Council's direction we are moving forward with passing the ordinance with the lease as is. **Reggiani** said he thought the fourth whereas that Council added to the lease language should also be added as a whereas in the ordinance to further express Council's intent.

M/Joyce S/Burton to amend the ordinance by inserting the fourth whereas from the lease also as the fourth whereas in the ordinance.

Vote on motion to amend: 6 yeas, 0 nays, 1 absent (Bradford). Carpenter-yes; Joyce-yes; Cheshier-yes; Burton-yes; Reggiani-yes and Allison-yes. Motion passes.

Vote on main motion: 6 yeas, 0 nays, 1 absent (Bradford). Reggiani-yes; Allison-yes; Cheshier-yes; Carpenter-yes; Joyce-yes and Burton-yes. Motion passes.

M. UNFINISHED BUSINESS

16. Update of active and inactive City committees

City Clerk **Bourgeois** said that 2 of the committees that had been listed on the "Pending Agenda" page were removed because the authorizing resolutions of those committees had said they were in force until they presented their final report to Council (E-91 RFP Committee and Public Services Building Design Committee had both done so). The other three committees: Fisheries Advisory, Cordova Center and Trails, per their authorizing resolutions are in force until such time that Council deems them no longer needed. At this time, Council opted to keep those three committees active.

N. NEW & MISCELLANEOUS BUSINESS

17. Acceptance of Planning & Zoning Commission Resolution 14-02

M/Joyce S/Reggiani to accept resolution 14-02 from the Planning and Zoning Commission.

Burton asked if this sale would limit public access to shell beach. City Planner **Greenwood** said it would not.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Cheshier-yes; Carpenter-yes; Burton-yes; Allison-yes; Reggiani-yes and Joyce-yes. Motion passes.

18. Council decision on property disposal, portion ATS 220

M/Joyce S/Reggiani to dispose of approximately 1,900 square feet of ATS 220, (19 X 100) located on the West side of Lot 1, Block 1 of the Cordova Industrial Park for not less than fair market value as outlined in chapter 5.22.060A method 1 (direct negotiation), including the following special condition: that the land will be surveyed and incorporated into the existing Lot 1 Block 1 Cordova Industrial Park, by a plat which will be recorded at the State of Alaska Recorder's Office.

Joyce, for the record, said that method one is direct negotiation with the proposer as opposed to putting this lot out for bid or proposal.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Reggiani-yes; Cheshier-yes; Carpenter-yes; Joyce-yes; Allison-yes and Burton-yes. Motion passes.

19. Council decision on property disposal, Lot 5, Block 2 South Fill

M/Joyce S/Reggiani to dispose of a portion of Lot 5, Block 2, South Fill Development Park for not less than fair market value as outlined in chapter 5.22.060A by method 1 (direct negotiation).

City Clerk **Bourgeois** mentioned that there had been an error on the memo in the packet. The vote at the P&Z commission was listed as a 7-0 vote but in fact it had been 6-1 with **McGann** dissenting. She wanted that clear for the record. Also the legal is incorrect in the suggested motion – it is Lot 5 **Block 2** not Block 1, South Fill.

Cheshier mentioned that this is the AC property (part of their parking lot).

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Joyce-yes; Burton-yes; Cheshier-yes; Reggiani-yes; Carpenter-yes and Allison-yes. Motion passes.

20. Pending Agenda and Calendar

Bourgeois said that P&Z Commission has changed its regular meeting in February to February 4 instead of February 11.

O. AUDIENCE PARTICIPATION

Tom Bailer of 304 Orca Inlet Drive mentioned the school playground project and how the workers were excited in the beginning, good weather and then today they were like drowned rats and asked if the weather was always this awful. He said the City has a really good staff now and **Mr. Hallquist** has been a really good addition; he really knows construction. So, when they bring you these projects, (you know we have the baler coming up and other things) if you can expedite these things and get your questions answered ahead of the meeting, it is crucial to get these projects out during the good building season – makes a huge difference on the quality and craftsmanship. As far as Bidarki roof, the wrong material was used to patch it in the past and **Hallquist** was right on it, recognized that right away and got it patch correctly, quickly. Those kinds of personnel can really save this community some money.

P. COUNCIL COMMENTS

21. Council Comments

Reggiani thanks **EJ Cheshier** for running the meetings tonight; did a great job.

Carpenter ditto **EJ**, thanks for holding down the fort.

Joyce yes, agreed, good job **Mr. Senior Council member**. Also he wants to reiterate thanks to hospital staff for some of the money they have been able to bring into the community. Some went toward exercise equipment, wellness at Bidarki.

Cheshier agreed that was to be his final comment as well, a big deal for our community.

Cheshier called for a short recess before entering executive session. With no objection, the meeting was recessed at 8:27 pm. At 8:33 pm Council was back in regular session.

Q. EXECUTIVE SESSION

22. Attorney advice regarding City Performance Deeds of Trust

(materials under separate cover to Council)

M/Joyce S/Reggiani to enter into an executive session to discuss a matter the immediate knowledge of which would clearly have an adverse effect on the finances of the government, specifically attorney advice regarding performance deeds of trust.

With no objection, Council entered the executive session at 8:34 pm. The regular session was reconvened at 8:44 pm.

Council entered executive session at 8:34 pm and regular session was reconvened at 8:44 pm. **Joyce** said he would recommend that the City Manager and the City Clerk put an executive session item back on the agenda for the February 5 meeting for further discussions on this same matter. Council concurred.

R. ADJOURNMENT

M/Reggiani S/Joyce to adjourn the regular meeting at 8:44 pm

Hearing no objection, the meeting was adjourned.

Approved: February 5, 2014

Attest: _____

Susan Bourgeois, City Clerk

City of Cordova

Legislative Report – January 30, 2014

Prepared by John Bitney

Summary

The Second Regular Session of the 28th Alaska Legislature convened January 21, 2014. After one week, it appears the upcoming weeks will be focused around three general topics:

- 1) Governor Parnell has put forth an agreement with the three major North Slope oil/gas companies to move forward on developing a natural gas pipeline. The agreement outlines a project with the State of Alaska owning 20-25% of the pipeline, and includes legislation for “enabling contracts” to establish fiscal terms. The agreement, legislation, and policy decisions are complex and will focus a great deal of time and attention by legislators.
- 2) There are numerous bills related to public education, and most school districts are facing significant budget shortfalls. During his State of the State speech, Governor Parnell expressed his support for a Constitutional amendment to allow the state to establish a system of funding vouchers for private schools. General consensus is that education funding, the constitutional amendment, graduation examinations, school district health insurance, and curriculum will be a major part of the adjournment negotiations.
- 3) The Capital Budget is always a major factor. This session the talk is tougher than recent past years due to a projected \$2 billion shortfall between revenues & expenditures. Governor Parnell’s Capital Budget proposal totals \$430 million in General Funds, which compares to \$1.3 billion spent last session. While spending is anticipated to be much lower than past years, Capital Budget funding will be debated in the context of election year pressures, healthy state savings accounts (approx. \$15-\$20 billion), and numerous ongoing projects that require funding for completion. The final budget will be higher than the amount proposed by the Governor.

These are the major issues anticipated to dominate the discussion and interactions within the Legislature this session.

A list of bills (sorted by subject) that may be of some interest is shown below.

Municipal Government

HB19, registration of motor vehicles, by Rep. Bill Stoltze (R-Chugiak). Currently in House Rules Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20%2019&session=28

HB28, fire and emergency medical services, by Rep. Eric Feige (R-Chickaloon). Currently in Senate Labor & Commerce Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20%2028&session=28

HB181, mining license revenues and revenue sharing, by Rep. Neil Foster (D-Nome). Currently in House Community & Regional Affairs Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20181&session=28

HB193, municipal taxation of tobacco productions, by Rep. Lance Pruitt (R-Anchorage). Currently in Senate Finance Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20193&session=28

HB275, electronic publication of certain municipal notices, by Rep. Mike Hawker (R-Anchorage). Currently in the House Community & Regional Affairs Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20275&session=28

Oil/Gas/Natural Resource Management/Development

HB77, land use permitting, land exchanges, and permitting of water rights and reservations, by Governor Parnell. Currently in the Senate Rules Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20%2077&session=28

SB138, relating to a North Slope natural gas pipeline, by Governor Parnell. Currently in the Senate Resources Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SB%20138&session=28

Education

HB27, student counts, unreserved school operating fund balances and restrictions on school district money, by Rep. Eric Feige (R-Chickaloon). Currently in House Finance Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20%2027&session=28

HB120, pupil transportation funding, by Rep. Lynn Gattis (R-Wasilla). Currently in House Finance Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20120&session=28

SB89, tax credits for educational facilities, by Senator Mike Dunleavy (R-Mat-Su). Currently in Senate Education Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SB%20%2089&session=28

SB90, school district health insurance, by Senator Mike Dunleavy (R-Mat-Su). Currently in Senate Finance Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SB%20%2090&session=28

SB92, municipal tax credit for tuition, by Senator John Coghill (R-Fairbanks). Currently in Senate Education Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SB%20%2092&session=28

SB139, increasing the BSA for K-12 education, student assessments, charter schools, vocational schools, and education tax credits, by Governor Parnell. Currently in the Senate Education Committee.

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SB%20139&session=28

HJR1/SJR9, constitutional amendment for private school funding, by Rep. Wes Keller & Senator Mike Dunleavy

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HJR%20%201&session=28

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SJR%20%209&session=28

Public Employee Retirement System (PERS)

With an unfunded liability of over \$12 billion, Alaska's public employee pension funds are a growing budget concern. Governor Parnell has requested \$3 billion in his budget to help pay down this unfunded liability. Since 2008, municipal contributions to PERS are capped in state law at a rate of 22.5%, and school district contributions to TRS are capped at 12%.

HB152, PERS termination costs, by Rep. Steve Thompson (R-Fairbanks). Currently in House Labor & Commerce Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20152&session=28

HB174/SB48, PERS contributions by municipalities, by the House Community & Regional Affairs Committee and Senator Donald Olson (D-Golovin). Currently in House Labor & Commerce Committee and Senate Finance Committee

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20174&session=28

http://www.legis.state.ak.us/basis/get_bill.asp?bill=SB%20%2048&session=28

Fisheries

HB18, establishing a priority for personal use fisheries, by Rep. Bill Stoltze (R-Chugiak). Currently in the House Fisheries Committee

http://www.legis.state.ak.us/basis/get_bill.asp?session=28&bill=HB18

HB204, relating to product development tax credits for salmon and herring products, by Rep. Alan Austerman. Currently in the House Fisheries Committee.

http://www.legis.state.ak.us/basis/get_bill.asp?session=28&bill=HB204

SB71, relating to file date for quarterly payment of fishery resource landing tax, Senator Peter Micciche (R-Soldotna). Currently in the Senate Finance Committee.

http://www.legis.state.ak.us/basis/get_bill.asp?session=28&bill=SB71



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E-mail: cityclerk@cityofcordova.net

CITY CLERK'S REPORT TO COUNCIL

February 5, 2014 Regular Council Meeting

Date of Report: January 27, 2014

Things I need feedback on or am reporting to Council on:

- I am still advertising for 3 Parks and Rec seats – please talk to your constituents and drum up interest in serving on this important City commission
- I am requesting leave for a few upcoming Fridays (trips to Anchorage for Doctor's appointments and wrestling) unless I hear any resistance, I will be away from the office on these days: Mar 14, 28 & Apr 4, 11, 18, 25 & May 1, 2 – I have enough vacation time and will ask Tina to be there each of those days

Things the Clerk's Office has been working on:

- 2014 Election prep and advertising is underway; in 2014 we will be electing 2 Council members (seats B & C – currently **Joyce** and **Allison**) and 1 school board member (currently **Morse**), and voting on 1 ballot prop, the **initiated ordinance regarding trapping**; **Allison** is termed out and cannot run for Council, **Joyce** is not termed out, School Board has no term limits so **Morse** can run as well; mark your calendars, **Election Day is Tuesday March 4, 2014**
- So far, declared candidates are: Seat B: **Tim Joyce**; Seat C: **Tom Bailer**; School Board: **David Allison**, **Sheryl Glasen**
- Signed paychecks/other AP checks
- Prepared agenda and packet for special meeting 1-23-14, public hearing and regular mtg on 2-5-14
- Assisted with several agenda items including: CCMC resolutions for CT scanner, Arctic IT resolution & memo, Election Board appointments, Board of Fish resolution, Performance deeds of trust items
- Attended Department Head meetings on January 21 & January 28
- Catching up on minutes
- Deputy Clerk is diligently entering all the changes for 2014 tax roll, while also sending delinquent notices to 2013 taxpayers who are late on payments to the City
- Deputy Clerk prepared foreclosure resolution in anticipation of beginning 2013 foreclosure process for delinquent homeowners of 2013 property taxes

On Halloween, 308 people came to Trick or Treat for Books, where each child could pick out a new book purchased by the Friends of the Cordova Public Library.



On November 4, Follett trainer Ginger Parker gave all the library staff and other community members training on our new library system. The Destiny System has been working very well, and patrons can log onto it from any computer logged into the internet.



Guest author Barbara Brown read from her new book *Hanukkah in Alaska* on November 15. Our newly enlarged Junior Fiction area now has the Early Literacy Station, a computer designed for 2-8 year olds.



CORDOVA VOLUNTEER FIRE DEPARTMENT

Quarterly Report

The final quarter of 2013, CVFD responded to 36 calls for Fire, Rescue and EMS for a total of 211 member hours. Including emergency calls, the Volunteers of the department participated in the regular Thursday night meeting, public education and other activities associated with the emergency service for a quarter total of 1518 member hours.

This quarters training and activities included Ambulance inventory, child car seat training, Hose loads, Vehicle extrication, station visits, Budget prep, fire and life safety inspection, Halloween party, Hose testing, Drivers training, ETT Training, Dispatch Training, EMS Training, Fire Behavior and Engine maintenance, Explorer Training, City Employee CPR Training, Grant writing, Christmas tree light and Fire Dept Christmas Party.

Please See Attached Activity reports

Monthly Activity 10-13

			Attendance	Hours	Total Man Hours
Date	Thursday Meetings				
10/10	Ambulance Inventory/ EMS Night		10	4	40
10/17	Car Seat Training		9	2.5	22.5
10/17	Hose Loads Tripple Teir		18	3	54
10/17	Officers Meeting		6	1	6
10/24	Vehicle Extrication/ KED Training		18	3	54
10/24	Ambulance Inventory		8	1	8
	Total		69	14.5	185.5
Date	Public Education Taught				
10/15	School/ Classroom Vist to the Station		3	2	6
	Total		3	2	6
Date	Other Activities				
10/14	Budget Prep for CVFD		2	6	12
10/21	Fire & Life Safety Inspection PWSC Canery Creek Location		1	6	6
10/26	MDA Fill the Boot		8	5	40
10/29	Explorers Night Ropes & Knots		14	3	42
10/29	Halloween Bag Fill		14	1	14
10/31	Halloween Setup/ Clean Up		15	5	75
10/31	Joanie B EMS Prep		1	55	55
10/13	Hose Testing		3	40	120
	Total		58	121	364
Date		Fire Runs			
10/7	13-40	MVA w/ Injuries	12	2	24
10/18	13-041	Service Call Ammonia Smell	1	1	1
		Total	13	3	25
Date		Amb. Runs			
10/6	13-138	ALOC (Confussed Mental)	3	2	6
10/7	13-139	MVA w/ Injuries	6	2	12
10/7	13-140	MVA w/ Injuries	5	2	10
		Total	14	6	28
		Total hours for the month of October	157	146.5	608.5

Monthly Activity 11-13

Monthly Activity 11-13			Attendance	Hours	Total Man Hours
Date	Thursday Meetings				
11/7	Drivers Training, Bldg. Construction, CCMC		9	3	27
11/14	Business Meeting		19	3	57
11/21	Canceled do to weather				
11/28	Thanksgiving				
	Total		28	6	84
Date	Public Education Taught				
11/23	EMS Ambulance Tour		1	1.5	1.5
	Total		29	1.5	1.5
Date	Other Activities				
11/4	Tramua 101 Training		9	5.5	49.5
11/11	Radio In a Box Prep		1	5	5
11/14	Alzheimers Training Night		15	1	15
11/16	National Ski Patrol/ EOC Refresher/ ETT Training		11	8	88
11/19	Explorers Night		11	1.5	16.5
11/20	High Performance CPR prep		2	2.5	5
11/24	Radio In a Box Prep		1	2.5	2.5
11/25	Radio In a Box Orientation for Dispatch		7	3.5	24.5
11/26	Radio in a box & EVAC Prep		1	8	8
11/27	Radio in a Box Maint.		1	4.5	4.5
Nov	Joaine B. ETT Class & EMS Capt Duties		1	73.5	73.5
	Total		60	115.5	292
Date		Fire Runs			
11/19	13-042	Duty Officer Service Call	1	1	1
11/20	13-043	Hazmat Spill / Leak / Odor in the Area	2	2	4
11/28	13-044	Automated Alarm	17	1	17
		Total	20	4	22
Date		Amb. Runs			
11/6	13-142	Man with Internal Bleeding	3	1	3
11/7	13-143	MEDAVAC	3	2	6
11/7	13-144	Broken Hip	4	2	8
11/7	13-145	MEDAVAC	3	2	6
11/14	13-146	Man Fallen	4	1	4
11/17	13-147	Seizure	4	1	4
11/22	13-148	Transport to Emergency Room	3	1	3
11/22	13-149	Transport from Emergency Room to Residence	3	1	3
11/22	13-150	MEDAVAC	4	4	16
11/23	13-151	Vomiting/ Stomach Pains	3	2	6
11/29	13-152	Deceased Patient	3	2	6
		Total	37	19	65
		Total hours for the month of Nov	174	146	464.5

Monthly Activity 12-13

			Attendance	Hours	Total Man Hours
Date	Thursday Meetings				
12/5	EMS Station Night IV'S, Peds, Zoll, Scavenger Hunt		13	2.5	15.5
12/19	High Performance CPR King County Medic One Model		22	2.5	55
12/26	Fire Behavior/ Engine 1 & 4		10	3	30
	Total		45	8	100.5
Date	Public Education Taught				
12/4	CPR City Employees		1	5	5
12/11	CPR City Employees		1	5	5
12/18	CPR City Employees		1	5	5
	Total		3	15	15
Date	Other Activities				
12/3	Explorers Topic Ladders		10	1.5	15
12/4	Council Meeting and Grant Preperation		3	5	15
12/4	Portable Radio in a Box Manual Construction		1	6	6
12/5	Grant Writing		3	5	15
12/5	Engine 3 Chritsmas Parade Preperation		5	1	5
12/5	Engine 3 Decorate		3	1	3
12/6	Tree Lighting		23	3	69
12/14	Fire Department Christmas Party Setup		8	2	16
12/14	Christmas Party		27	3.5	94.5
12/16	Sue Farzan Disaster Prep Work/ Help setup FFI		1	2	2
12/17	Sue Farzan Safety Duties, MSDS Prep		1	5	5
12/18	Sue Farzan Safety Duties, MSDS Prep		1	8	8
12/30	Sue Farzasn Safety Duties MSDS Prep/ Clean Station		1	5	5
	Total		87	48	258.5
Date		Fire Runs			
12/15	13-045	HAZMAT Incident/ Fuel Odor in the Area	2	1	3
12/16	13-046	Automated Alarm Trident Seafoods (False Alarm)	2	1	3
12/17	13-047	Cvil Assist Residential Smoke Alarm Sounding	1	1	1
12/21	13-048	Automated Alarm Elementry School	1	1	1
12/26	13-049	Automated Alarm Ocean Beauty (False Alarm)	9	1	9
12/27	13-050	HAZMAT Incident/ Fuel leaking into heating system	1	1	1
12/27	13-051	Automated Alarm Ocean Beauty (False Alarm)	7	1	7
		Total	23	7	25
Date		Amb. Runs			
12/1	13-153	Medical Transport to ER	3	1	3
12/6	13-154	Altered level of Consciousness	3	1	3
12/6	13-155	Medical Transport	3	2	6
12/9	13-156	Unknown Medical/ Unable to get balance	3	1	3
12/11	13-157	Medical Transport	3	2	6
12/20	13-158	Trauma to the Mouth	3	1	3

12/20	13-159	Medical Transport	3	1	3
12/20	13-160	Altered level of Consciousnes/ ER Assist	3	4	12
12/20	13-161	Medical Transport	2	2	4
12/29	13-162	Altered level of Consciousness (ETOH)	3	1	3
		Total	29	16	46
		Total hours for the month of June	187	94	445

TO: City Manager
 FROM: Harbormaster Schinella
 DATE: 12/31/2013
 RE: Quarterly Activity Report/Oct-Dec. 2013

Exclusive Slips Assigned	695 out of 715 Total Slips			96% Occupancy (as of 12/31/13)	
	Oct	Nov	Dec	Total	
Vessels Charged Daily Rate	3	3	12	18	
Vessels Charged Monthly Rate	0	0	0	0	
Vessels In Impound Status	1	0	0	1	
Vessel Lifts	10	7	0	17	
Port Arrivals:					
Shoreside	1	1	2	4	
Samson	1	1	1	3	
Used Oil Collected (Oct-Dec)	2200 Gals				
Used Oil Collected(Jan-Dec.)	26827 Gals				
Used Oil Delivered (Oct-Dec)	3650 Gals				
Used Oil Delivered (Jan-Dec)	20100 Gals				
Vessels Towed	2				
Vessels Pumped	3				
Vessel Bilges Pumped	2				
Vessel Sewage Tanks Pumped	0				

GENERAL ACTIVITIES

- * Electrical repairs
- * Vehicle repairs
- * Painted break room and bathroom
- * Assisted CEC in installing 3 Wi-Fi antenna's in the harbor
- * Conducted approximately 30 burns with the Smart ash burner
- * Delivered used oil
- * Winterized harbor water system
- * Repaired 30 dock lights
- * Rewired break room, Boiler and shop heater to meet OSHA requirements
- * Rewired 3 stage dock crane
- * Made repairs to Travelift
- * Harbormaster attended Alyeska oil spill drill in Oct
- * Harbormaster and Admin Asst attended Harbormaster Conference in Oct
- * Repaired spalling on concrete floats



City of Cordova / Parks and Recreation Department

REVENUE COMPARISON @ BOB KORN MEMORIAL POOL / 2012 VS. 2013

The revenue numbers below do not include any revenue from city employee recreation deductions or revenue for the pool taken at Bidarki. It also does not include CCMC, CPS or USCG pass revenue.

2012

Drop In:	\$3144
Passes:	\$4105
Lesson fees:	\$288
Rentals:	\$1125
Combo passes:	\$2555
Total:	<u>\$11,217.00</u>

2013

Drop In:	\$5658
Passes:	\$4286
Lesson fees:	\$2480
Rentals:	\$1675
Combo passes:	\$4805
Total:	<u>\$18,908.00</u>

It is exciting to finally see growth! There is no doubt the pool has struggled to provide continuity of service and program development with numerous maintenance related closures. We believe that our new programming, a new schedule and increased comfort for the bather will promote increased in revenue in 2014.

City of Cordova - Parks and Recreation Dept.

Bob Korn Pool 04 Quarter 2013

04 Quarter Revenue 2013

Month	Drop in	Passes	Combo Passes	Rentals	Lessons	Other	Total
October	\$ 446.00	\$ 910.00	\$ 670.00				\$ 2,026.00
November	\$ 203.00	\$ 740.00	\$ 920.00	\$ 300.00			\$ 2,163.00
December	\$ 246.00	\$ 130.00	\$ 1,510.00	\$ 150.00			\$ 2,036.00
Total	\$ 895.00	\$ 1,780.00	\$ 3,100.00	\$ 450.00	\$ -	\$ -	\$ 6,225.00

04 Quarter Attendance 2013

Month	AM-Lap	Noon Lap	PM Lap	AM-Ex	PM-Ex	Fam Open	Sat Open	Tot Swim	X-mas Open	Total
October	111	61	63	44	24	97	116	39		555
Nov.	56	35	34	19	0	47	57	23		271
Dec.	128	47	73	16	24	42	57	32	42	461
Total	295	143	170	79	48	186	230	94	42	1287



City of Cordova / Parks and Recreation Department

REVENUE COMPARISON @ BIDARKI RECREATION CENTER / 2012 VS. 2013

The revenue numbers below do not include any revenue from city employee recreation deductions or revenue for Bidarki taken at the Pool. It also does not include Odiak Camper Park revenue.

2012

Drop In:	\$5510
Passes:	\$40961
Summer Camp:	\$10502
Skaters Cabin rental:	\$3580
Youth Programs:	\$1620
Facility Rental:	\$75
Fisherman's Memorial:	\$1400
Total:	<u>\$63,648.00</u>

2013

Drop In:	\$4744
Passes:	\$47457
Summer Camp:	\$11170
Skaters Cabin rental:	\$2405
Youth Programs:	\$547
Facility Rental:	\$535
Fisherman's Memorial	\$1050
Total:	<u>\$67,908.00</u>

Between 2012 and 2013 we restructured our fee schedule. Youth passes went up slightly but all programming was included. We also created seasonal passes rather than offering 3 and 6 month passes. We good feedback all the way around and pass revenue increased slightly.

City of Cordova - Parks and Recreation Dept.
 Bidarki Rec. Center 4th Quarter 2013

4th Quarter Revenue 2013

Month	Drop in	Passes	Programs	S.Cabin	Odiak	Other	Total
Oct	\$ 217.00	\$ 3,715.00	\$ 857.00	\$ 25.00	\$ 1,455.00	\$ 175.00	\$ 6,444.00
Nov	\$ 181.00	\$ 17,810.00	\$ 1,599.00	\$ 25.00	\$ 1,524.00	\$ 350.00	\$ 21,489.00
Dec	\$ 136.00	\$ 6,181.00	\$ 196.00	\$ 75.00			\$ 6,588.00
Total	\$ 534.00	\$ 27,706.00	\$ 2,652.00	\$ 125.00	\$ 2,979.00	\$ 525.00	\$ 34,521.00

4th Quarter Attendance

Month	Fit class	Tot Time	WR	Gym	Adt. B Ball	Adt V Ball	Program	Other	Total
Oct	153	230	1200	542	120	120	221		2586
Nov	102	162	1048	564	75	89	246		2286
Dec	79	95	1009	278	60	59	138		1718
Total	334	487	3257	1384	255	268	605	0	6590



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Web: www.cityofcordova.net

CITY OF CORDOVA

Office of Chief of Police

To: Mayor and City Council
Through: City Manager Randy Robertson
From: Chief of Police George Wintle
Subject: 4th Quarter 2013 Police Report
Date: January 7, 2014

PERSONNEL:

Officers Greg Rubio and Derrickk Torgerson graduated from the Sitka Alaska State Trooper Training Academy as of November 15th 2013. The police department is now fully staffed with six full time Police Officers including the Chief of Police. Scheduling is now set with the Officers to work 8 hour shifts with 7 day a week, 24 hour coverage of the city. The Cordova Police Department Communications Officer status currently has one opening and is currently being advertised. Because of this vacancy, dispatchers are working 12 hour shifts accumulating two hours of overtime on each shift.

PATROL

The Cordova Police Department received a total of 356 calls for service during the 4th Quarter of 2013. From these calls for service a total of 63 investigative cases were generated and a total of 13 arrests were made.

From the months of October 1st through December 31st 2013 there were 25 citations issued, while 40 offenders were issued warnings for minor violations. Please see the attached forms indicating the overall increase in activity with both citations and warnings.

Dispatch:

Kara Johnson was released from her position as communications clerk on December 22, 2013. The Application Process for a replacement has begun.

JAIL:

There were a total of 13 arrests made servicing a total 28 hours of served time.

DMV:

I have attached an annual spreadsheet showing the totals for our DMV office and would like to bring to your attention the amount of money being allocated and dispersed to the state. When factoring the amount of money we are paying for an employee to work at the DMV office and the amount of rent being paid, the city is losing money. We did perform 70 motor vehicle tests and 8 motorcycle road tests during this year of 2013.

TRAINING:

Greg Rubio and Derrickk Torgerson completed training at Police Academy in Sitka, Alaska. In November, Officer Nate Taylor attended SART (Sexual Assault Response Team) training in Kenai Alaska with other members of the Cordova SART team. Training was made available to dispatchers and officers on the use of the "Radio in a Box" portable communications system. A training session was later conducted with city hall employees who evacuated the building and moved to the US Forest Building. The police department was timed in the event and was able to have communications in place and functioning within 14 minutes.

PUBLIC RELATIONS

Halloween safety bags were handed out during Halloween celebrations. The TIPS line 424-8477 (TIPS) was established allowing callers to receive up to a \$5000 dollar reward if the information they provide leads to the arrest of an individual and the caller wishes to be identified. One caller was rewarded \$500 for their information which led to a juvenile possessing marihuana. The Police department also participated in The City's cleanup project that occurred every Wednesday. During the Christmas holiday, the police department delivered gifts and food boxes for the Salvation Army with one employee dressing up as Santa and his helper dressing as an elf. The police department also provided traffic safety during the annual Christmas tree lighting ceremony on Main Street. Several police personnel employees assisted in the city wide cleanup which occurred each Wednesday morning for several weeks in an attempt to beautify the city.

PROJECTS / EQUIPMENT:

In this 4th Quarter purchases were made to improve the animal shelter and impound lot gate. The department is continuing to wait on the construction on our department's door replacements for the interview room and dispatch door which is being administered by Mr. Hallquist. Future projects were discussed in detail with Mr. Robertson and a timeline presented to accomplish those tasks. The police department's video/audio recording cameras and surveillance equipment was finally upgraded by the TekMate Company and is now working correctly. Four new computer CPU's were replaced due to old operating systems and put in place by Mrs. Cloward which improved performance for these older machines. A large connex box container was set in place at the city auto pound where oversized property and evidence can be stored securely. Property which was being stored in the back of the city hall was transferred to the connex box for safe keeping and storage. Radar units that are in the city patrol vehicles were removed and sent out for testing and certification. Those units have now been returned to the patrol units and are working properly.

Chief George Wintle
Cordova Police Department

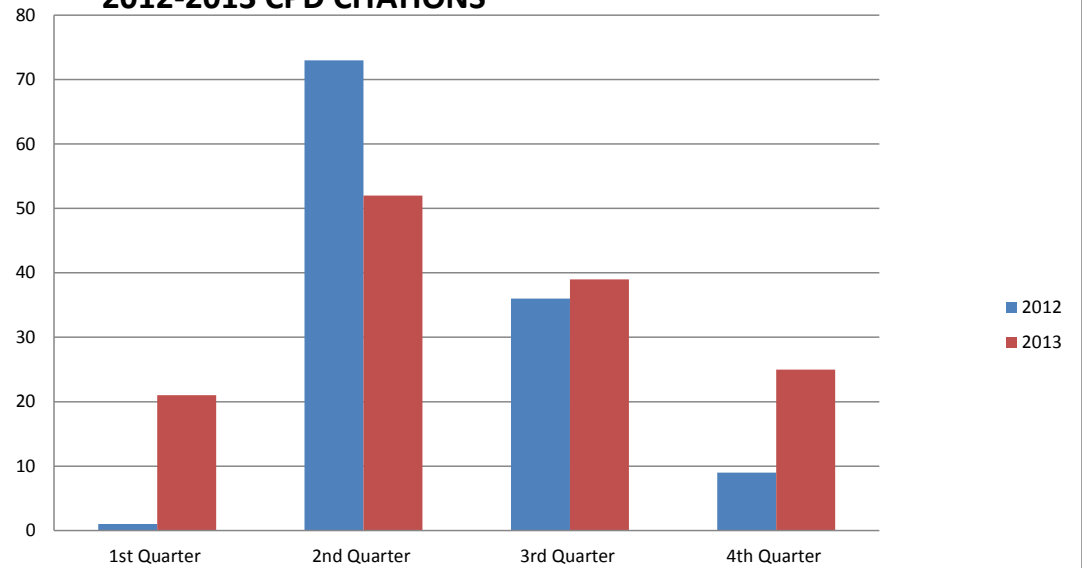
George D. Wintle

Citations

2012-2013

Quarter	2012	2013
1st Quarter	1	21
2nd Quarter	73	52
3rd Quarter	36	39
4th Quarter	9	25
Total	119	137

2012-2013 CPD CITATIONS

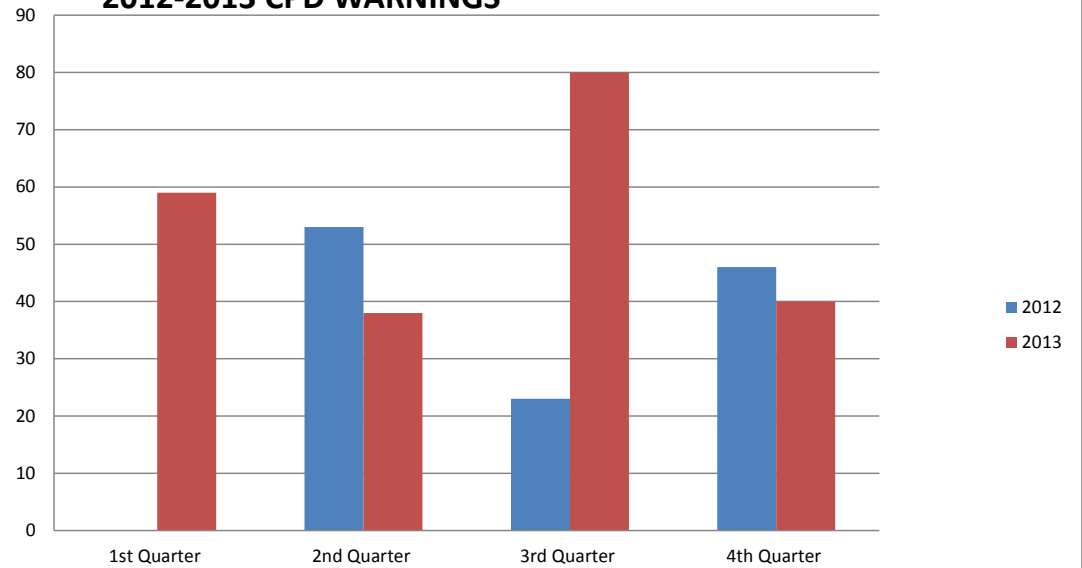


Warnings

2012-2013

Quarter	2012	2013
1st Quarter	0	59
2nd Quarter	53	38
3rd Quarter	23	80
4th Quarter	46	40
Total	122	217

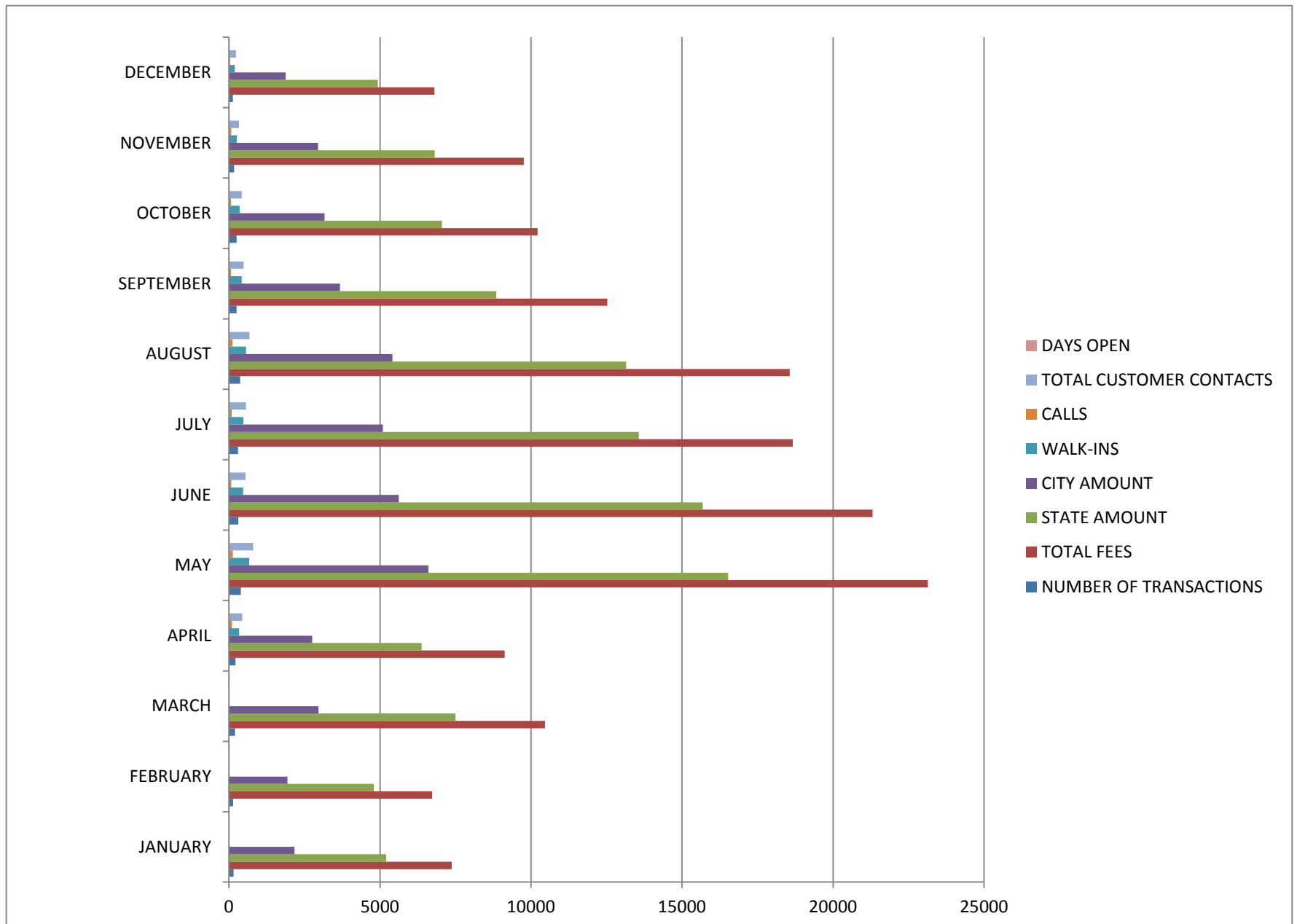
2012-2013 CPD WARNINGS



**2013 ANNUAL TOTALS
DMV**

MONTH	NUMBER OF TRANSACTIONS	TOTAL FEES	STATE AMOUNT	CITY AMOUNT	WALK-INS	CALLS	TOTAL CUSTOMER CONTACTS	DAYS OPEN
JANUARY	154	\$7,373.00	\$5,201.20	\$2,171.80				12
FEBRUARY	139	\$6,728.00	\$4,792.20	\$1,935.80				12
MARCH	196	\$10,466.00	\$7,500.20	\$2,965.80				18
APRIL	218	\$9,131.00	\$6,374.90	\$2,756.10	340	100	440	16
MAY	391	\$23,135.00	\$16,529.90	\$6,604.20	668	132	800	19
JUNE	306	\$21,306.00	\$15,681.90	\$5,624.10	473	75	548	16
JULY	303	\$18,666.00	\$13,566.80	\$5,099.20	476	88	564	16
AUGUST	366	\$18,563.00	\$13,151.70	\$5,411.30	562	118	680	19
SEPTEMBER	250	\$12,522.00	\$8,846.80	\$3,675.20	420	66	486	12
OCTOBER	250	\$10,220.00	\$7,052.90	\$3,167.10	357	69	426	16
NOVEMBER	168	\$9,764.00	\$6,812.90	\$2,951.10	259	74	333	13
DECEMBER	131	\$6,801.00	\$4,923.60	\$1,877.40	195	35	230	11
TOTALS	2872	\$154,675.00	\$110,435.00	\$44,239.10	3750	757	4507	180

2013 ANNUAL TOTALS DMV



MEMORANDUM

TO: CITY COUNCIL, Through
CITY MANAGER

FROM: Laura Cloward, Information Services Director

DATE: January 8, 2014

SUBJECT: Q4 2013 Department Report

This memo summarizes activities and accomplishments of the Information Services Department (Information Technology and PIO/Marketing) during the fourth quarter of 2013.

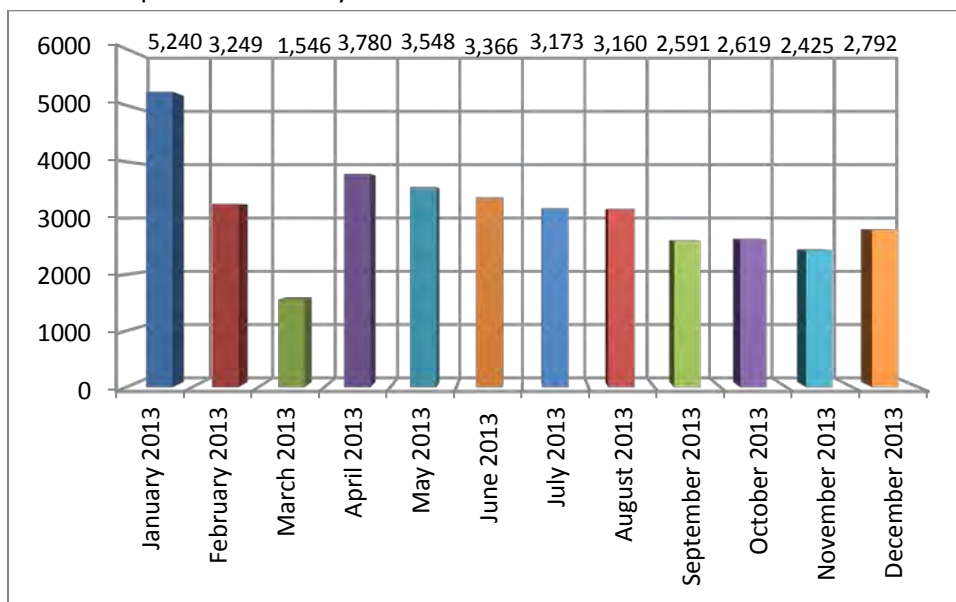
Advertising

Sixty-six (66) total advertisements were placed in The Cordova Times during the quarter, equivalent to 14.78 pages of content. Public Notice items included Requests for Proposal, Invitations to Bid, Job Openings, and Legal Notices. Public information campaigns in the newspaper included, City Events/Special Services, "Atta-Boys"/Thanks, "What Do City Services Cost/Where Does Your Money Go?", and General Information for the public.

Public Information Campaigns (submitted to local and regional media as appropriate)
Information included disaster drill information/associated City Hall facility closure.

Web Site

The below chart depicts the monthly traffic on the web site.



The following additions/enhancements were made on the City's website during the period:

- New page highlighting a variety of community calendars
- New page promoting community organizations
- Section for City Manager's Year in Review that can serve as a "blog" area for the Manager.

- Bidarki and Pool Schedules can now be uploaded and maintained by Parks and Rec Staff
- Section highlighting the documents and public meetings related to the 2014 budget process
- Section highlighting Cordova's recycling program
- Added recognized holidays and Workman's Comp forms to the employee resources page

IT (Network and Systems)

During the quarter, the City completed its migration of email from the local server to Microsoft's Office 365 cloud-based solution. This was the first step in the process of replacing the City's aged server and soon-to-be obsolete XP systems.

- Future projects include developing a solid IT policy for users and a server replacement that will facilitate remote access, better sharing capabilities to increase the efficiency of the City's electronic processes, and front-load technologies that will be full transportable to the Cordova Center.
- Future planning efforts include developing a Request for Information geared towards technology services, equipment, and support to the new Cordova Center facility.

Cordova Historical Museum

4th QUARTER 2013

- **Visitation:** 1320 (See attached Museum Attendance)
 - **Exhibits:** "The Old and the New"
 - **Programs:** CHS Annual Dinner – "Fishing the Flats;" "E.A. Hegg, Photographer;" Annual Heritage Cookie Fest
 - **School Class Visits:** "Tlingit Dance Paddles and Canoes;" "Contemporary Alaskan Art"
 - **Projects:**
 - Dismantled **Darkened Waters** exhibit. Darkened Waters: Plans went awry with 100+ mile an hour winds! 'Darkened Waters was an exhibit created by the Pratt museum in Homer after the 1989 Exxon Valdez Oil Spill. The exhibit travelled across the country for ten years before it was revamped for the 1999 anniversary and sent back out again. Its final venue was in Kansas, where it went into storage. The Pratt Museum no longer wanted the exhibit and offered it to a number of museums. No entity wanted it (I believe the sale price was \$75,000). Finally the Cordova Historical Society agreed to take it, move it back here with the caveat that we could cannibalize it.
- The exhibit, when set up, utilizes 15,000 square feet of floor space. (The entire Cordova Center is 34,000 sq. ft.) The Society never intended to display it in total, but we were after the research that accompanied it and a number of the artifacts and accessories. Most of these are not even in those cases out back. We already have them within the collections storage area of the museum.
- The exhibit is also outdated and a tad slanted in its interpretation. The Society used a number of the images and some of the content to create our 20th anniversary panel exhibit that stores nicely in one fine crate! We have however decided to make an effort to repurpose and recycle the ugly black crates and the plywood panels they contain. There are 26 crates and together they weigh 11,000 pounds.
- Completed and **submitted two grants**. One to Museums Alaska for an exhibit/conservation project; and one to the Office of History and Archaeology for landscaping and historic interpretation in the area adjacent to the Pioneer Igloo and the Cordova Center. **Awarded grant for Collections Management** from Museums Alaska for refurbishing the old mining case creating drawers for artifact display and improving archival conditions.
 - The Cordova Historical Society **Annual Dinner** held on Saturday 19th. 105+ dinners were served. \$5509 was raised to be used as a match for museum grant applications. Copper Spike Business Award went to Jim Holley/AML for their assistance in relocating the museum's offsite storage collection. Copper Spike Volunteer of the Year Award went to Virginia Lacy. Staff spent time cleaning the Pioneer, sending thank you's and submitting an article to the Cordova Times.



Cordova Historical Museum

- Completed Cordova Historical Society 2014 election ballots; now have **264 CHS members**. The new board members will be seated in January.
- Received **Rasmuson Art Acquisition** Initiative photograph from Milo Burcham. Completed paperwork to Museums Alaska and Rasmuson foundation. Wrote article for Cordova Times.
- Completed the **technology upgrade!** All new laptops up and running; new quasi-server up and running. All printers running! Wireless system in place. Past Perfect Software up and running. Funding was provided through the Alaska State Museum Grant-in-Aid program.
- **Boy Scout troop** visited the museum to learn about 'collections.' We toured the museum and then played the museum treasure hunt game. Provided historic photos **of Filipino events** in Cordova for the fund-raiser. Worked on final 2013 **newsletter** for Cordova Historical Society and Museum. **Intern** Lauren Bearman was onsite and completed a large portion of the digitization of photo collection. Supplied Harbor with historic photos of Cordova boat harbor.
- This quarter's **cultural curriculum classes** focused on the Tlingit influences and heritage in our region. Students learned how Tlingit Natives created dugout canoes, dance paddles and button robes. Students made their own dance paddles and were challenged to find the five dance paddles created by Cordovan Mike Webber in their school. School class visits. Survived painting project with 100 kids from kindergarten to 5th grade!
- Completed welcome banners for the upcoming Sobriety Celebration. Completed Ski Hill MOU and prepared for signature; worked with Finance Director to complete ski hill electric billing paperwork for leases. Worked with Refuse Department on Recycling PR and responses to comments on Facebook postings. Provided preview for department heads of 'Today in America' segment; provided presentation for department heads on Unalaska Municipal Facilities; assisted with Employee Holiday Event planning and notice for paychecks.

Cordova Historical Museum



Over 100 Cordova Historical Society members enjoyed seafood lasagna, salad, garlic bread and decadent brownies for the annual dinner. Held in the Pioneer Igloo, this year's theme was "Fishing the Flats Now and Then."



Museum Attendance

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
1981					2483
1982					2928
1983					2618
1984					1973
1985					1414
1986	221	682	1004	209	2116
1987					1677
1988	262	645	1326	345	2578
1989	238	629	1270	374	2511
1990	411	765	1534	415	3125
1991	445	936	1355	308	3044
1992	443	509	1857	705	3514
1993	281	1078	1481	406	3246
1994	608	1255	1726	452	4041
1995	458	882	2067	548	3955
1996	905	1897	2358	741	5901
1997	634	1216	2896	936	5682
1998	1047	4330	6502	906	12,785*
1999	1288	3948	4890	853	10,979*
2000	1076	1562	2931	740	6,309
2001	1185	2484	3777	934	8380
2002	1242	2343	4176	1155	8916
2003	1590	2461	4111	963	9125
2004	1839	3063	4907	1206	11,015
2005	1834	3071	5216	1508	11,629
2006	2355	2953	6,189	1771	13,268
2007	1919	3613	4166	1442	11,140
2008	2092	3210	4919	1476	11,697
2009	1543	2436	3618	1138	8735
2010	1121	1866	2735	1051	6773
2011	1569	2275	3314	862	8020
2012	1268	2128	2329	1068	6783
2013	952	1868	2868	1320	7008
2014					

*Norwegian Cruise Lines

School classes began coming to the museum in the first quarter of 1996 — Beginning in the fall of 1997 we had a full slate of school classes K-6 visiting once a month Sept-May — Keeps the year-round attendance up.

MEMO, City of Cordova

To: Mayor and City Council

Through: Randy E. Robertson, City Manager

From: Jon K. Stavig, Finance Director

Date: January 28, 2014

RE: Quarterly Finance Department Report

Following are the traditional two page financial fund summary reports for year-to-date ended December 31, 2013.

The first page is a fund summary for the general fund only. The second page includes all funds including enterprise funds. I have excluded Fund 426, the Cordova Center Fund, and instead included a separate report to show all expenditures through December 31, 2013 for Fund 426 as it distorts the two page summary report.

4th Quarter Sales Tax is slowly coming in and I should have an accurate picture receipted funds by the Council Meeting on the 5th.

Budget Booklet is in the works and should be completed shortly.

The City's account balances as of January 28, 2014 are as follows;

Combined Central Treasury Accounts	\$4,930,484.01
(FNBA & UBS balances)	
Combined Permanent Fund Accounts	\$9,690,574.57
(UBS balances)	

All to report from the Finance Dept.

Respectfully submitted,

Jon K Stavig

CITY OF CORDOVA
FUND SUMMARY
FOR THE 12 MONTHS ENDING DECEMBER 31, 2013

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
TAXES	5,390,589.62	5,390,589.62	5,718,500.00	327,910.38	94.3
LICENSES & PERMITS	15,960.00	15,960.00	16,300.00	340.00	97.9
OTHER GOVERNMENTAL	2,792,988.12	2,792,988.12	3,066,537.64	273,549.52	91.1
LEASES & RENTS	183,008.01	183,008.01	171,020.00	(11,988.01)	107.0
LAW ENFORCEMENT	342,841.31	342,841.31	333,900.00	(8,941.31)	102.7
D. M. V.	88,703.96	88,703.96	92,500.00	3,796.04	95.9
PLANNING DEPARTMENT REVENUE	13,085.56	13,085.56	29,000.00	15,914.44	45.1
RECREATION DEPT REVENUE	80,802.00	80,802.00	77,000.00	(3,802.00)	104.9
POOL REVENUE	25,265.50	25,265.50	34,200.00	8,934.50	73.9
SALE OF PROPERTY	1,409.00	1,409.00	6,500.00	5,091.00	21.7
INTERFUND TRANSFERS IN	492,043.80	492,043.80	492,043.75	(.05)	100.0
OTHER REVENUE	52,164.06	52,164.06	225,000.00	172,835.94	23.2
STATE DEBT SERVICE REIMBURSME	960,099.00	960,099.00	976,276.00	16,177.00	98.3
	10,438,959.94	10,438,959.94	11,238,777.39	799,817.45	92.9
<u>EXPENDITURES</u>					
CITY COUNCIL	14,862.26	14,862.26	19,788.16	4,925.90	75.1
CITY CLERK	251,040.69	251,040.69	246,211.61	(4,829.08)	102.0
CITY MANAGER	325,752.31	325,752.31	399,368.41	73,616.10	81.6
FINANCE	393,562.11	393,562.11	423,517.81	29,955.70	92.9
PLANNING DEPARTMENT EXPENSE	211,750.24	211,750.24	210,763.46	(986.78)	100.5
PLANNING COMMISSION	6,140.36	6,140.36	8,500.00	2,359.64	72.2
DEPARTMENT OF MOTOR VEHICLE	72,215.98	72,215.98	76,825.96	4,609.98	94.0
LAW ENFORCEMENT	837,456.46	837,456.46	892,295.09	54,838.63	93.9
JAIL OPERATIONS	214,556.15	214,556.15	231,298.95	16,742.80	92.8
FIRE & EMS	303,208.28	303,208.28	320,000.18	16,791.90	94.8
DISASTER MANAGEMENT DEPT.	6,443.97	6,443.97	7,500.00	1,056.03	85.9
INFORMATION SERVICES	543,901.39	543,901.39	472,652.75	(71,248.64)	115.1
FACILITY UTILITIES	189,371.24	189,371.24	156,300.00	(33,071.24)	121.2
PW ADMINISTRATION	128,473.68	128,473.68	122,272.32	(6,201.36)	105.1
FACILITY MAINTENANCE	267,602.94	267,602.94	211,713.28	(55,889.66)	126.4
STREET MAINTENANCE	550,689.80	550,689.80	619,784.04	69,094.24	88.9
SNOW REMOVAL	70,469.76	70,469.76	79,650.00	9,180.24	88.5
EQUIPMENT MAINTENANCE	330,564.91	330,564.91	299,779.39	(30,785.52)	110.3
PARKS MAINTENANCE	103,740.55	103,740.55	103,904.25	163.70	99.8
CEMETERY MAINTENANCE DEPT.	6,745.92	6,745.92	8,275.00	1,529.08	81.5
RECREATION - BIDARKI	382,280.49	382,280.49	406,073.52	23,793.03	94.1
POOL	312,394.07	312,394.07	284,467.98	(27,926.09)	109.8
SKI HILL	66,471.54	66,471.54	58,400.00	(8,071.54)	113.8
NON-DEPARTMENTAL	524,680.72	524,680.72	352,745.00	(171,935.72)	148.7
LONG TERM DEBT SERVICE	1,628,261.16	1,628,261.16	1,699,924.00	71,662.84	95.8
INTERFUND TRANSFERS OUT	978,592.07	978,592.07	978,592.07	.00	100.0
TRANSFERS TO OTHER ENTITIES	2,753,538.86	2,753,538.86	3,101,983.16	348,444.30	88.8
	11,474,767.91	11,474,767.91	11,792,586.39	317,818.48	97.3

CITY OF CORDOVA
FUND SUMMARY
FOR THE 12 MONTHS ENDING DECEMBER 31, 2013

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
101 GENERAL FUND	10,438,959.94	10,438,959.94	11,238,777.39	799,817.45	92.9
104 CITY PERMANENT FUND	1,176,531.59	1,176,531.59	1,210,007.93	33,476.34	97.2
203 FIRE DEPT. VEHICLE ACQUISITION	65,927.76	65,927.76	10,000.00	(55,927.76)	659.3
205 VEHICLE REMOVAL/IMPOUND FUND	33,621.00	33,621.00	33,000.00	(621.00)	101.9
401 GENERAL PROJ & GRANT ADMN	765,664.02	765,664.02	854,970.00	89,305.98	89.6
410 CHIP SEAL C.I.P.	50,000.00	50,000.00	50,000.00	.00	100.0
435 HOSPITAL REPAIR PROJECT	848,515.50	848,515.50	1,028,155.00	179,639.50	82.5
502 HARBOR ENTERPRISE FUND	1,202,292.24	1,202,292.24	1,037,570.41	(164,721.83)	115.9
503 SEWER ENTERPRISE FUND	703,938.37	703,938.37	731,830.00	27,891.63	96.2
504 WATER ENTERPRISE FUND	770,831.60	770,831.60	735,270.00	(35,561.60)	104.8
505 REFUSE ENTERPRISE FUND	865,509.81	865,509.81	942,625.00	77,115.19	91.8
506 ODIK CAMPER PARK	39,613.02	39,613.02	61,167.25	21,554.23	64.8
602 HARBOR & PORT PROJECTS	1,044,025.64	1,044,025.64	103,235.00	(940,790.64)	1011.3
603 SEWER PROJECTS	104,857.00	104,857.00	709,857.00	605,000.00	14.8
604 WATER PROJECTS	12,935.20	12,935.20	.00	(12,935.20)	.0
605 SOLID WASTE PROJECTS	284,000.00	284,000.00	1,506,000.00	1,222,000.00	18.9
654 LT2 COMPLIANCE PROJECT	8,624.73	8,624.73	3,605,000.00	3,596,375.27	.2
702 HARBOR FUND DEP'N RESERVE	75,000.00	75,000.00	75,000.00	.00	100.0
703 SEWER FUND DEP'N RESERVE	100,000.00	100,000.00	100,000.00	.00	100.0
704 WATER FUND DEP'N RESERVE	100,000.00	100,000.00	100,000.00	.00	100.0
705 REFUSE FUND DEP'N RESERVE FUN	75,000.00	75,000.00	75,000.00	.00	100.0
805 LANDFILL FUND	51,166.72	51,166.72	25,000.00	(26,166.72)	204.7
911 E-911 SPECIAL REVENUE FUND	1,484.78	1,484.78	.00	(1,484.78)	.0
	18,818,498.92	18,818,498.92	24,232,464.98	5,413,966.06	77.7
<u>EXPENDITURES</u>					
101 GENERAL FUND	11,474,767.91	11,474,767.91	11,792,586.39	317,818.48	97.3
104 CITY PERMANENT FUND	466,787.93	466,787.93	466,787.93	.00	100.0
203 FIRE DEPT. VEHICLE ACQUISITION	6,794.75	6,794.75	.00	(6,794.75)	.0
205 VEHICLE REMOVAL/IMPOUND FUND	1,926.89	1,926.89	.00	(1,926.89)	.0
401 GENERAL PROJ & GRANT ADMN	492,078.96	492,078.96	994,735.50	502,656.54	49.5
410 CHIP SEAL C.I.P.	40,286.05	40,286.05	50,000.00	9,713.95	80.6
435 HOSPITAL REPAIR PROJECT	531,713.36	531,713.36	1,028,155.00	496,441.64	51.7
444 SHIPYARD FILL PROJECT	12,650.00	12,650.00	.00	(12,650.00)	.0
502 HARBOR ENTERPRISE FUND	1,039,299.66	1,039,299.66	1,037,570.41	(1,729.25)	100.2
503 SEWER ENTERPRISE FUND	769,928.39	769,928.39	731,830.00	(38,098.39)	105.2
504 WATER ENTERPRISE FUND	686,926.35	686,926.35	735,270.00	48,343.65	93.4
505 REFUSE ENTERPRISE FUND	965,172.58	965,172.58	942,625.00	(22,547.58)	102.4
506 ODIK CAMPER PARK	35,259.60	35,259.60	57,255.25	21,995.65	61.6
602 HARBOR & PORT PROJECTS	362,385.00	362,385.00	103,235.00	(259,150.00)	351.0
603 SEWER PROJECTS	7,145.00	7,145.00	709,857.00	702,712.00	1.0
605 SOLID WASTE PROJECTS	285,579.02	285,579.02	1,506,000.00	1,220,420.98	19.0
654 LT2 COMPLIANCE PROJECT	427,758.05	427,758.05	3,605,000.00	3,177,241.95	11.9
702 HARBOR FUND DEP'N RESERVE	103,235.00	103,235.00	103,235.00	.00	100.0
703 SEWER FUND DEP'N RESERVE	104,857.00	104,857.00	104,857.00	.00	100.0
705 REFUSE FUND DEP'N RESERVE FUN	284,000.00	284,000.00	284,000.00	.00	100.0
	18,098,551.50	18,098,551.50	24,252,999.48	6,154,447.98	74.6

CITY OF CORDOVA
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2013

CORDOVA CENTER FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>PHSE I - FROM CITY MONEY</u>					
426-401-52180	PROFESSIONAL SERVICES	596,043.68	596,043.68	38,600.00	(557,443.68)	1544.2
426-401-52185	CORDOVA CENTER REA	175,653.89	175,653.89	.00	(175,653.89)	.0
426-401-70100	INTEREST EXPENSE	8,543.50	8,543.50	.00	(8,543.50)	.0
426-401-70110	ADMINISTRATION	3,465.06	3,465.06	.00	(3,465.06)	.0
426-401-70130	CONSTRUCTION	900,777.12	900,777.12	.00	(900,777.12)	.0
426-401-70140	CONSTRUCTION MANAGMENT	17,692.70	17,692.70	.00	(17,692.70)	.0
426-401-70160	ART	5,220.00	5,220.00	.00	(5,220.00)	.0
	<u>TOTAL PHSE I - FROM CITY MONEY</u>	<u>1,707,395.95</u>	<u>1,707,395.95</u>	<u>38,600.00</u>	<u>(1,668,795.95)</u>	<u>4423.3</u>
	<u>PHSE II - FROM CITY MONEY</u>					
426-402-70110	ADMINISTRATION	1,943.07	1,943.07	.00	(1,943.07)	.0
426-402-70140	CONSTRUCTION MANAGMENT	27,700.00	27,700.00	.00	(27,700.00)	.0
	<u>TOTAL PHSE II - FROM CITY MONEY</u>	<u>29,643.07</u>	<u>29,643.07</u>	<u>.00</u>	<u>(29,643.07)</u>	<u>.0</u>
	<u>PHSE II - DCCED 14-DC-043</u>					
426-472-70160	ART	5,220.00	5,220.00	.00	(5,220.00)	.0
	<u>TOTAL PHSE II - DCCED 14-DC-043</u>	<u>5,220.00</u>	<u>5,220.00</u>	<u>.00</u>	<u>(5,220.00)</u>	<u>.0</u>
	<u>TOTAL FUND EXPENDITURES</u>	<u>1,742,259.02</u>	<u>1,742,259.02</u>	<u>38,600.00</u>	<u>(1,703,659.02)</u>	<u>4513.6</u>

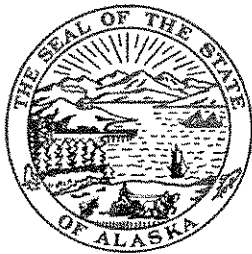
Planning Department

Memorandum

To: City Council, Randy Robertson, City Manager
From: Samantha Greenwood, City Planner
Date: January 22, 2014
RE: Quarterly Report, 4th Quarter 2013

The following is a summary of the activities the Planning Department has been involved in during the 4th quarter period.

- Clarified and directed access to Block 3, USS 2764. (Fleming Spit) Access has to be granted through public ATS lands the city has the ability to direct and determine where and how developed the access is. The city may change the access point at any time. Staff believes that the road that is currently used as an access is the best option at this time. Letter has been sent to land owners.
- P&Z developed and sent CIP priorities to City Council
- Working with Copper River Watershed invasive weed agreement
- Worked with Copper River Watershed on proposed bios wale on Center Drive – after research and discussion location eliminated
- Worked with nPW on personal property on ROWs specifically in Industrial area clean up in areas has occurred and snow dumps are being used by streets
- Coordinating and working on city clean up days
- Comp Plan training arranged and occurred planning for comp plan update
- Worked with Su and ADOT on Whitshed road ROW relating to plats
- Worked with NVE on sidewalk grant application
- Attended Forest service plan revision meeting
- Have completed lease and performance deed of trust spreadsheet and calendar notification. Provided finance with all original leases for billing purposes
- Worked with Streets and created GIS layer for roads identifying road type and length created estimated cost of paving and priority list for roads and parking areas
- Worked with PW and police to locate and identify cars being stored in ROW police tagged to be moved
- Ocean Beauty purchase of Lot 1 Block 1 is waiting on title report and will close by end of January
- Provided resolution for Sheridan Alpine reimbursement of insurance money
- Worked with P&Z on chapter 3 P&Z duties edits
- 5 building permits issued total value \$612,000



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Commerce, Community,
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

550 West Seventh Avenue, Suite 1640
Anchorage, Alaska 99501
Main: 907.269.4501/907.269.4581
Programs fax: 907.269.4539

January 15, 2014

City of Cordova
P.O. Box 1210
Cordova, AK 99574

RE: FY 15 POPULATION DETERMINATION

Dear Mayor:

The Department of Commerce, Community, and Economic Development annually certifies the population of each municipality for use in various financial assistance programs based upon population estimates prepared by the State Demographer at the Department of Labor and Workforce Development.

The 2013 population of the City of Cordova has been determined to be 2,302.

If you do not agree with this figure, you may request an adjustment to your population by using two approved methods – Head Count Census and Housing Unit. Municipalities with a population of less than 1,000 must conduct a “head count census”. Municipalities with a population of 1,000 or more may conduct a “head count census” or use the “housing unit” method, to estimate the population. The department requires that the population adjustment process be completed and postmarked by April 1, 2014 and that the request include:

1. Comprehensive documentation of the proposed population figure using either of the approved methods, and
2. A resolution of the governing body (assembly or council) adopting the new population.

If you choose to request a population adjustment, please review the Head Count Census and Housing Unit Method manuals that the department has published to assist you with this process. These manuals are available at <http://commerce.alaska.gov/dnn/dcra/Home.aspx>. You may also contact the department for a copy of the manuals. Call (907) 269-7959 or send an email to DCRAResearchAndAnalysis@alaska.gov for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Ruby".

Scott Ruby,
Division of Community and Regional Affairs, Director

Cc: Division of Community and Regional Affairs, Research and Analysis Section
Division of Community and Regional Affairs, Community Aid and Accountability Section

Ashford Academy
1100 N. Broadway St.
Ashford, AL 36312

Mayor Jim Kacer,

We are third graders from Ashford Academy, in Ashford, Alabama. We are learning about United States geography. We have learned the names of the 50 states, and even where they are located on a map. As part of our ongoing geography studies, our teacher has asked us to write to one mayor in every state and ask them to send us a postcard from their city. We know how very busy you are, but we would really appreciate you taking the time to mail us a postcard and telling us a little about your city. Thank you so much for helping us with this project. We are really excited to hear from you!

Sincerely,

Mrs. Parrish's 3rd Grade
Class



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue, Suite 210, Ketchikan, Alaska 99901

• Telephone: (907) 228-6625 • Fax (907) 228-6684

Office of the Borough Mayor



January 22, 2014

The Honorable Jim Kacsh
Mayor
City of Cordova
P.O. Box 1210
Cordova, Alaska 99574

Re: Ketchikan Gateway Borough Challenge to the Mandatory Local Contribution for Schools

Dear Mayor Kacsh:

The Ketchikan Gateway Borough (KGB) is suing the State of Alaska over education funding. This letter provides information about the lawsuit and invites support from the City of Cordova. Similar letters are being sent to the other 32 comparably affected municipal governments.

INFORMATION ABOUT THE LAWSUIT

The KGB has long been concerned about the propriety of the Mandatory Local Contribution component of the State education funding formula. Since 2007, we have sought to bring attention to the irrational and unequal treatment of municipal school districts. The Mandatory Local Contribution requirement is imposed only on municipal districts, some of which have lesser financial capacity compared to many regional educational attendance areas (REAs), which are not required to make such a payment. Also, the payment does not increase the funds provided in any district, but is merely a subsidy to the State, replacing State funds to which the municipal district would otherwise be entitled under the State's funding formula.

For boroughs, this system breaks the express promise made in 1963 in the Mandatory Borough Act that no area of Alaska would be penalized financially by the State because of borough incorporation. For both cities and boroughs with associated municipal school districts, the State formula uses their municipal tax levy and collection structure to collect a State-imposed tax which is collected only from municipal school districts and their residents, and which displaces State funds.

The KGB sees this as discriminatory and unconstitutional. The KGB Assembly directed significant research into these issues, and has received a large volume of scholarly legal research and analyses over the past seven years on the subject. During that seven-year study period, the KGB was forced to pay over \$34 million – *more than \$15,600 per student* in Mandatory Local Contributions. The KGB Assembly considered 18 separate legal claims which might be made to challenge this system. Based on the advice of counsel, the Borough has prepared and filed a complaint raising 3 of the claims.

Specifically, the KGB is arguing in its case that the Mandatory Local Contribution is a State-imposed tax, the proceeds of which are dedicated to pay for the State's responsibility to provide for education. This is an unconstitutional dedicated tax in violation of Article IX, Section 7 of the Alaska Constitution. The

proceeds of the tax are transferred directly to the school districts without entering the State treasury which also violates Article IX, Section 13 because it is an expenditure of funds without an appropriation by the legislature. Similarly, without the appropriation each year, it also violates Article II, Section 15 because it deprives the Governor of the right to veto, strike, or reduce items in appropriation bills.

The KGB is seeking a declaratory judgment that the Mandatory Local Contribution is unconstitutional. Substantial case law and court precedent support that claim. Such a judgment would eliminate the Mandatory Local Contribution and the State would be compelled to fund that portion of Basic Need (the amount identified by the State as the cost of an adequate level of educational services) from other State revenues.

The KGB paid its current-year Mandatory Local Contribution of \$4.2 million (more than \$1,900 per student) under formal protest to the State. We maintain that the unconstitutional and illegal payment was made under duress and compulsion because, without the payment, the KGB School District would have received no State Aid in FY 2014. Our complaint asks the court to require the State to pay back the FY 2014 Mandatory Local Contribution of \$4.2 million, and any subsequent Mandatory Local Contributions paid by the KGB. The amount sought for restitution will climb to more than \$8.6 million in the fiscal year beginning in less than six months.

We recognize that the legislature may simply come up with a different system; but if our case is successful, such a system is likely to treat all districts equally and cannot hijack the municipal taxing system to impose what is in reality a State tax. If the legislature wants to tax Alaskans to generate money for schools, it will need to do so directly, place the funds in the State treasury, and appropriate them each year in consideration of other demands on State funds.

Nearly every city and borough with an associated municipal school district makes substantial additional voluntary payments beyond the Mandatory Local Contribution for education. The State's funding formula allows municipal districts to fund up to 23% of the Basic Need as additional funds, an option which most municipal districts take to some degree. In the Ketchikan Gateway Borough, for example, those annual voluntary contributions are equal to about 90% of the amount of the Mandatory Local Contribution. Relieved of the burden of collecting and paying the State's tax in the form of the Mandatory Local Contribution, communities across the state could afford a larger voluntary contribution to schools. Additionally, the KGB provides millions of dollars for annual debt service to fund school construction and major maintenance of school facilities.

Our successful challenge will not reduce local control. We expect that it will increase local funding for schools in that local governments will be better able to provide supplemental funding for schools.

INVITATION TO SUPPORT THE BOROUGH'S EFFORTS

We are seeking political, legal, and financial support from all similarly affected boroughs and cities.

(a) Political support

When our litigation succeeds, the legislature will be faced with implementing reform. It will be important to have in place a strong coalition of similarly affected municipal governments to help guide

that reform. Therefore, the Ketchikan Gateway Borough is inviting all of the 33 similarly affected municipal governments – and others – to express political support for our reform efforts and maintain close contact with us on this matter.

(b) Legal support

We encourage similarly affected boroughs and cities to support our education litigation through amicus curiae briefs. Such briefs will provide the court with the benefit of input from those similarly affected boroughs and cities with relative ease and economy.

(c) Financial support

Litigation can be an expensive proposition; in some cases it can be *impractically* expensive. After careful and considerable professional legal consultation, it was determined that pursuit of all 18 claims would likely cost millions of dollars. It was also concluded that, even then, the Borough might not prevail on all 18 claims. As a consequence, the KGB Assembly elected to proceed with the three strongest claims, which also happen to be the most straightforward. Thus, the potential for success is great but the associated cost is lowest.

Still, we expect to incur more than one-half million dollars to pursue just the three claims. The KGB Assembly has elected to pursue litigation on its own, without any assurance of financial support from others. However, financial contributions to the effort from those who will benefit from reform would be a welcome sign of support. We also hope that if you find that our expenditures on your behalf are a benefit to you either before or after we win the litigation, you will consider a contribution to help defray our expenses.

FURTHER INFORMATION

A copy of the Complaint filed in the Superior Court in Ketchikan regarding this matter is available on the KGB's website at: <http://www.kgbak.us/>. Additional links to materials concerning this matter, including hundreds of pages of analyses and other documents are also provided near the bottom of the main web page.

If you have questions or desire additional information, please feel free to contact Ketchikan Gateway Borough Manager Dan Bockhorst at 228-6625, or Borough Attorney Scott Brandt-Erichsen at 228-6635.

Cordially,

David Kiffer
Ketchikan Gateway Borough
Mayor

A MEMO FROM SUSAN BOURGEOIS, CMC, CITY CLERK

DATE: January 28, 2014
TO: Mayor and City Council
SUBJECT: Resolution 02-14-10

The attached resolution was requested to be placed before Council by **Mayor Kacsh**. He will introduce it and will ask for Council to suggest edits that they would like to see made to this resolution or else he would like to see passage as is written. The entire Board of Fish proposal book can be found here: http://www.adfg.alaska.gov/static/regulations/regprocess/fisheriesboard/pdfs/2013-2014/2013-2014_proposal_book.pdf

Recommended Motion: Move to approve Resolution 02-14-10.
Staff Recommendation: Majority voice vote.

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-14-10**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA,
ALASKA, SUPPORTING NVE'S PROPOSAL #333 TO THE BOARD OF FISH
TO BE HEARD AT THE STATEWIDE KING AND TANNER CRAB BOARD OF
FISH MEETING IN ANCHORAGE MARCH 17-21, 2014 REGARDING A
COMMERCIAL TANNER CRAB FISHERY IN PWS**

WHEREAS, crab stocks in Prince William Sound are on the rebound; and

WHEREAS, commercial crab fishing used to be an integral part of Cordova's economy; and

WHEREAS, twenty-seven years have elapsed since Prince William Sound had a commercial crab fishery; and

WHEREAS, the Native Village of Eyak has proposed, in its proposal #333, that a commercial Tanner Crab fishery be held in PWS with a 53' boat length limit and a maximum of 20 pots for a season that would last from March 1 to April 30; and

WHEREAS, the City of Cordova, its businesses and citizens would benefit greatly from the economic activity surrounding a commercial crab fishery.

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Cordova, Alaska does hereby support NVE's proposal #333 being heard before the Board of Fish at its statewide King and Tanner Crab meetings from March 17-21, 2014.

PASSED AND APPROVED THIS 5th DAY OF FEBRUARY, 2014.

James Kacsh, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk

Memorandum

To: City Council

From: City Planner

Date: January 21, 2014

Re: Brian Wildrick DBA Harborside Pizza Extension of the Performance Deed of Trust

PART I. GENERAL INFORMATION

File No.: 02-473-144
Requested: Extension of the Performance Deed of Trust
Applicant: Brian Wildrick
PO Box 1606
Cordova, AK 99574
Zoning: Water Front Commercial

PART II. HISTORY

7/27/2007 *Brian Wildrick's* proposal for lease with option to purchase was chosen from two applications. It was approved and recommended to Council by the Planning and Zoning Commission.

8/23/2007 Council passed Resolution 08-07-32 approving a lease with option to purchase.

8/29/2007 Original lease with option to purchase was signed.

12/05/2007 *Brian Wildrick* sent a letter requesting to exercise his option to purchase the property that he was currently leasing.

1/9/2008 *Wildrick's* request to purchase was heard at city council. A motion was made for the City Manager to negotiate a sale of Lot 8, Block 2 to *Wildrick*. A motion to amend the motion to include "and to get a letter of pre-approval from a conventional lending institution prior to sale" was brought forth and passed 7-0.

2/20/2008 Jim Goossens (City Planner at the time) and *Brian Wildrick* were at the city council meeting on 2/20/08. Jim Goossens stated that *Wildrick* was no longer trying to buy the property; he could not get pre-approved financing as required by the City Council at the 1/9/2008 meeting. He would like to request an amendment to his lease so that he could put a mobile pizza kitchen up instead of a building. He asked that the lease with option to purchase be for 5 years, this would allow him to get through the start up phase to improve his chances for financing.

3/17/2008 The second lease with option to purchase was signed with an amendment for a mobile kitchen.

8/27/2009 The amended lease was renewed which was now set to expire on 8/29/2011. Another renewal option for 2 years on 8/30/2011 was written in to the lease.

12/15/2010 Regular Council Meeting - *Brian Wildrick* wrote a letter requesting to exercise his option to purchase the property he is leasing. He also asked that his rent payments be applied toward a down payment. Below are the approved minutes from the December 15, 2010 City Council meeting.

N. NEW & MISCELLANEOUS BUSINESS

27. Brian Wildrick land purchase discussion and direction to staff

Wildrick, 940 Lake Ave, presented to Council the background of past-denied requests of Council to purchase the land. **Wildrick** requested Council consider the request now as they have a thriving business with design plans for a new building that will benefit the community. **Wildrick** requested that Council allow them to purchase the property they currently lease and that the funds previously paid as rent be applied towards the purchase of the land. He stated that this would level the playing field with other properties that have recently been sold next to the one in question as they were allowed to purchase the land outright and not required to lease first. **Kallander** highlighted the City's property sale guidelines and that there would be a Performance Deed of Trust. He asked **Wildrick** if he could perform his plan on a time scale. **Wildrick** stated that he was going to ask for three years but could do it in two if that is what

is required. **Kacsh** stated that Council should vote on the sale and have staff negotiate the details of the sale. **Reggiani** and **Bradford** agreed with **Kacsh**. **Van den Broek** asked about the part of the request to apply the rent payments as a down payment on the purchase. Council suggested to **Wildrick** that he enter into the property sale negotiations and present the second half of the request after the sale of the property has been negotiated. **Wildrick** agreed with the suggestion.

M/Reggiani S/Beedle to direct the City Manager to enter into negotiations with **Brian Wildrick** for the purchase of Lot A Block 2 of the South Fill Subdivision.

Vote on motion: 6 yeas, 0 nays, 1 absent (Allison). Motion was approved.

5/4/2011 Regular City Council Meeting - **Mark Lynch** (City Manager at the time) addressed his concerns with refunding the lease amount and then his solution if Council chose to move that way (memo from Mark Lynch attached). The approved minutes from the May 4th meeting are below.

16. Harborside Pizza lease payments refund

Lynch introduced the item by reviewing the three options for repayment listed in the proposal from **Brain Wildrick** of Harborside Pizza. **Kallander** asked if a precedent had been set by a previous similar action. **Kacsh** informed Council that Alaska Power had a similar issue and he's sure there had been others. **Kallander** reminded Council that the decision today could be setting a precedent for the future. **Lynch** stated that there used to be a piece of code that allowed for lease repayments that no longer exists. **Kacsh** reminded Council that when Wildrick approached Council about purchasing the property we did not have a system set in place for selling those lots. He was not allowed to purchase, even though that was his intent, he was however, allowed to lease. Harborside Pizza had had many roadblocks along the way, many placed there by the City, and he has worked through them all and turned out a thriving business. **Bradford** agreed with **Kacsh** and reiterated that Harborside Pizza is a victim of the land sales not being set up right. He is concerned with setting a precedent though. **Kacsh** stated that **Wildrick** has had to jump through hoops from day 1. He had an idea, he had a vision, and he did what he needed to do to get the business up off the ground. **Kallander** stated that he thought the reason he couldn't purchase the property was because he didn't have the financing to do it. **Wildrick** reminded Council that the City wanted him to build on the land before they would sell to him but he could not get a loan to build on leased property. **Bradford** stated that other business owners were given the option to purchase just after this incident. **Wildrick** stated he is just asking the City to level the playing field with his neighbors so he can get the building built as quickly as possible. **Kallander** informed **Wildrick** that the standard performance agreement on City sold properties

is two years and asked him if he thought he could get a building up in that time. *Wildrick* responded that he did not. He was hoping for a 5-year performance agreement if the lease payments were refunded or up to a 9-year performance agreement if the payments were not refunded. *Kallander* stated that *Wildrick's* neighbors have signed a 2-year agreement. *Kacsh* stated that every case is unique, and he would like to right some of the wrongs. There have been other properties sold with different performance agreements for different reasons. *Wildrick* was put into a tough spot by Council and a small business owner does not have the same resources as a larger entity does. *Allison* stated that *Wildrick* was given a different kind of lease with different requirements because we didn't have our land disposal process in place yet. So he has no problem giving him a different kind of performance agreement. He is in favor but not sure of the full lease repayment. *Allison* clarified that the City is not refunding Property Tax just the lease payments. He stated that he has no problem giving *Wildrick* a 2 or 3-year performance agreement and he can extend if he needs to as long as some progress is being made. *Bradford* asked if *Wildrick* had plans. *Wildrick* responded that the foundation has been laid and he has architect plans already. *Bradford* stated he liked the suggestion from *Allison* that we give him a 3-year performance agreement and if he needs more time he can come back and ask for it. *Kallander* reminded Council they are considering two things; lease repayments and a performance agreement. *Lynch* told Council the total amount of his lease payments to date is \$21,718.64.

M/Kacsh S/Bradford to approve the refund of \$20,000 to Brian Wildrick contingent on his entering into a performance agreement for purchase.

Vote on motion: 5 yeas, 0 nays, 2 absent (Cheshier, Reggiani). Allison – yes; Bradford – yes; Beedle – yes; van den Broek – yes and Kacsh – yes. Motion was approved.

5/20/2011 Regular City Council meeting- the amendment to provide *Mr. Wildrick* a \$20,000 credit for his lease payments as direct by city council at their May 4, 2011 meeting was passed. The ordinance to sell the property was passed at this meeting. The approved minutes are below.

30. Brian Wildrick (dba Harborside Pizza) lease amendment

Lynch explained that per the lawyer's direction, in order to accomplish the Council direction to him for *Mr. Wildrick*, this lease amendment must be passed by Council.

M/Kacsh S/Bradford to approve the first amendment to the amended and restated lease for Brian Wildrick of Harborside Pizza.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Kacsh – yes; Allison – yes; Bradford – yes; Cheshier – yes; Reggiani – yes and Beedle – yes. Motion was approved.

27. Ordinance 1080

An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Brian Wildrick of Lot Eight (8), Block Two (2) South Fill Development Park

M/Bradford S/Kacsh to approve Ordinance 1080, an ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Brian Wildrick of Lot Eight (8), Block Two (2) South Fill Development Park

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Beedle – yes; Kacsh – yes; Allison – yes; Bradford – yes; Cheshier – yes and Reggiani – yes. Motion was approved.

6/1/2011 Public Hearing and Regular City Council meeting - the ordinance was voted on and passed at the regular meeting and there were no comments at the public hearing.

G. APPROVAL OF CONSENT CALENDAR

Mayor Kallander informed Council that the Consent Calendar was before them.

4. Record excused absence of Council member van den Broek from the 05-20-11 Regular Meeting

5. Ordinance 1080 An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Brian Wildrick of Lot Eight (8), Block Two (2) South Fill Development Park – 2nd reading

Vote on Consent Calendar: 6 yeas, 0 nays, 1 absent (van den Broek). Cheshier – yes; Reggiani – yes; Beedle – yes; Kacsh – yes; Allison – yes and Bradford – yes. Consent Calendar was approved.

01/21/14 A letter was received from Mr. Wildrick asking to activate the extension of his performance deed of trust. The performance deed of trust, the purchase agreement and attachments are included. I highlighted the sections referring to timeframes of performance deed of trust and the criteria to extend the performance deed of trust.

III. ACTION

Staff is asking for guidance on how to proceed with the request to extend the performance deed of trust.

Cordova City Council
PO Box 1210
Cordova, AK 99574

RECEIVED
JAN 21 2014
City of Cordova

January 18, 2014

Dear Cordova City Council,

Per the terms of my Performance Deed of Trust for Lot 8 Block 2 at South Fill Development Park, I am notifying you of my request to extend my performance time period by two years. We are continuing to work towards our goal of constructing a building to house our business, Harborside Pizza, and we are making progress, thanks to the continued support of Cordova community. While we are moving forward, we will require additional time to complete our development plan.

Since 2008 we have been operating in our pizza trailer, raising the capital it will require to begin construction of our building on the foundation we have already installed on the property. We have recently made further investments to update our architect plans to comply with new city building codes, and have obtained our engineering and Fire Marshal stamps. These plans are currently out to bid so that we can coordinate financing for the project. We hope that we'll be visiting the City offices in the near future to apply for our building permit.

We believe these actions demonstrate substantial progress toward our development plan, and our commitment to completing this project, therefore we are asking the City to grant us the extension of two years.

Thank you for your continued support, and please contact me if you have any questions about the status of our project.

Sincerely,



Brian Wildnick
Harborside Pizza
907-253-3730



City of Cordova
602 Railroad Ave.
P.O. Box 1210
Cordova, Alaska 99574
Phone: (907) 424-6200
Fax: (907) 424-6000
Email: citymanager@cityofcordova.net
Web: www.cityofcordova.net

CITY OF CORDOVA

Office of City Manager

April 28, 2011

Memo to City Council
Re: Harborside Pizza

I received the attached letter from Brian Wildrick on April 27, 2011. In this letter Mr. Wildrick asks for three specific alternative solutions. He asks for it to be applied to closing costs, for the City to defer tax payments, or to reduce the purchase price of the property. He also suggests he would be open to Council applying "this amount in some form."

His option of applying to closing costs would be approximately \$2000.

His option concerning property tax deferment or exemption does not meet the requirements set forth in sections (B)(1) or (B)(2) of City Code 5.36.037 "Economic development property exemptions" which reads:

A. The assessed value of property used for economic development, as defined in this section, may be exempt from city property taxes, under the conditions listed in this section.

B. "Property used for economic development," as used in this section, means that part of real or personal property, as determined by the city assessor, that:

- 1. Has not previously been taxed as real or personal property by the city;*
- 2. Is used in a trade or business that is not already in existence within the city and such use will:*
 - a. Create employment in the city; and*
 - b. Generate sales outside of the city of goods or services produced in the city; or*
 - c. Materially reduce the importation of goods or services from outside the city.*

3. Has not been used in the same trade or business in another municipality in at least six months before the application for deferral or exemption is filed; this paragraph does not apply if the property was used in the same trade or business in an area that has been annexed to the municipality within six months before the application for deferral or exemption is filed and this paragraph does not apply to inventories.

His option to reduce the sale price is not allowable under City Code section 5.22.050(A) "Disposal for fair market value" which reads:

Except as this chapter provides otherwise, all disposals of interests in city real property shall be for fair market value. The city may accept in exchange for an interest in city real property any consideration of sufficient value not prohibited by law.

After review of Mr. Wildrick's letter the only remaining option that I find viable is the direct refund of a portion of his lease payments, which could be accomplished by passage of a Resolution at a future meeting.

Thank you

Mark Lynch
City Manager



CORDOVA RECORDING DISTRICT

PWT 1165281
Recording requested by and
after recording, return to:

Thomas F. Klinkner, Esq.
BIRCH HORTON BITTNER & CHEROT
1127 W. 7th Avenue
Anchorage, AK 99501

PERFORMANCE DEED OF TRUST

This PERFORMANCE DEED OF TRUST (this "Deed of Trust") is made this 2nd day of August, 2011 (the "Effective Date"), by BRIAN R. WILDRICK (the "Trustor"), whose address is 645 G Street, Suite 732, Anchorage, Alaska 99501, to PACIFIC NORTHWEST TITLE OF ALASKA (the "Trustee"), whose address is 3201 C Street, Suite 110, Anchorage, Alaska 99503, for the benefit of the CITY OF CORDOVA (the "Beneficiary"), whose address is P.O. Box 1210, Cordova, Alaska 99574.

1. **GRANT.** In consideration for the acceptance by Trustee of the trust hereunder, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the obligations of Trustor described herein, Trustor hereby grants, bargains, sell and conveys to Trustee, in trust, with the power of sale, all of Trustor's estate, right, title, and interest in and to the following property:

Lot Eight (8), Block Two (2), SOUTH FILL DEVELOPMENT PARK,
according to Plat No. 86-2 filed in the Cordova Recording District, Third
Judicial District, State of Alaska.

Together with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Deed of Trust (collectively, the "Property").

2. **COMMENCEMENT AND SUBSTANTIAL COMPLETION OF CONSTRUCTION; OPERATIONAL OBLIGATIONS.** On or before the date three (3) years after the Effective Date, Trustor shall substantially complete construction of the building on the Property (the "Building"). Upon written request of Trustor received by Beneficiary not less than six (6) months before the expiration of the three (3) year period

to attain substantial completion, Beneficiary may extend the period to attain substantial completion by up to an additional two (2) years if it finds that Trustor has made satisfactory progress toward substantial completion. For purposes of this Section 2 and Section 7.2 hereof, the term "substantially complete" shall mean the stage of progress of construction when the Building is sufficiently complete so that the Trustor can use the Building for its intended purposes.

3. COMPLIANCE WITH LAWS. Trustor shall comply with all federal, state, and local laws affecting the Property, neither commit nor permit any illegal act thereon or waste thereof, and shall keep all improvements on the Property in good working condition and repair.

4. WARRANTIES AND COVENANTS OF TRUSTOR. Trustor warrants, covenants and agrees as follows:

4.1 Warranties

4.1.1 Trustor has full power and authority to grant the Property to Trustee.

4.1.2 Trustor has undertaken his obligation under this Deed of Trust primarily for commercial, industrial or business purposes, and not primarily for personal, family or household purposes.

4.2 Preservation of Lien. Trustor will preserve and protect the priority of this Deed of Trust as a first lien on the Property unless the Beneficiary subordinates its interest in writing.

4.3 Construction. Trustor shall commence and complete construction of the Building, and will otherwise fulfill all of their covenants and obligations to Beneficiary relating in any way to such construction, in accordance with the terms and conditions of this Deed of Trust.

4.4 Right of Inspection. Trustor shall permit Beneficiary, or its agents, at all reasonable times, to enter upon and inspect the Property for purposes of ensuring Trustor's compliance with this Deed of Trust.

4.5 Further Assurances. Trustor will, at his own expense, from time to time execute and deliver any and all instruments of further assurance and do any and all such acts, or cause the same to be done, as Trustee or Beneficiary deem necessary or advisable to grant to Trustee the Property or to carry out more effectively the purposes of this Deed of Trust.

4.6 Legal Actions. Trustor will appear in and defend any action or proceeding before any court or administrative body purporting to affect the security

hereof or the rights or powers of Beneficiary or Trustee; and will pay all costs and expenses, including cost of evidence of title, title insurance premiums, and any fees of attorneys, appraisers, environmental inspectors, and others, incurred by Beneficiary or Trustee, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust and in any nonjudicial foreclosure of this Deed of Trust.

4.7 Taxes, Assessments and Other Liens. Trustor will pay with interest, not later than the due date, all taxes, assessments, encumbrances, charges and liens on the Property or any part thereof which at any time appear to be or are alleged to be prior and superior hereto, including without limitation any tax on or measured by rents of the Property, this Deed of Trust, or any obligation or part thereof secured hereby.

4.8 Expenses. Trustor will pay all costs, fees, and expenses reasonably incurred by Beneficiary or Trustee in connection with this Deed of Trust.

4.9 Sale, Transfer or Encumbrance of Property. Subject to Section 7 hereof, Trustor shall not, without the prior written consent of Beneficiary, which consent shall not be unreasonably withheld, sell, transfer or otherwise convey the Property or any interest therein, further encumber the Property or any interest therein, cause or permit any change in the entity, ownership, or control of Trustor or agree to do any of the foregoing. Consent to any one such occurrence shall not be deemed a waiver of the right to require consent to any future occurrences.

5. DEFAULT. In the event Trustor fails to commence or substantially complete the construction of the Building within the times set forth in Section 2 hereof, or if Trustor violates any other term of this Deed of Trust, Beneficiary may declare Trustor to be in default of this Deed of Trust without any notice or demand of any kind, both of which are hereby expressed waived.

6. REMEDIES UPON DEFAULT.

6.1 Foreclosure of Deed of Trust. Upon the occurrence of any event of default under this Deed of Trust, all sums secured hereby shall become immediately due and payable, without notice or demand at the option of Beneficiary, and Beneficiary may cause the Property to be sold by foreclosing this Deed of Trust in any manner then permitted by law. Trustee may act as agent for Beneficiary in conducting any such sale.

6.2 Liquidated Damages. Trustor agrees that Beneficiary has sold the Property to Trustor for SIXTY THOUSAND (\$60,000.00), and that part of the consideration for the sale was Trustor's completion of the Building, which benefits the public interest, including without limitation the economy of the City of Cordova. The parties understand the impracticality and difficulty of fixing Beneficiary's actual damages in the event of Trustor's default, and the parties therefore agree that TWENTY

THOUSAND DOLLARS (\$20,000.00) represents a reasonable estimate of the actual damages that Beneficiary would incur. This amount shall be the amount stated in any notice of default and sale that Trustee shall record as the amount due and owing to Beneficiary for Trustor's breach of his obligation under this Deed of Trust.

6.3 No Waiver. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare an event of default for failure to do so.

6.4 Remedies Cumulative. The rights and remedies accorded by this Deed of Trust shall be in addition to, and not in substitution of, any rights or remedies available under now existing or hereafter arising under applicable law, in equity, or otherwise. All rights and remedies provided for in this Deed of Trust or afforded by law or equity are distinct and cumulative and may be exercised concurrently, independently or successively. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver of any default shall not constitute a waiver of any subsequent or other default.

7. TRUSTEE.

7.1 General Powers and Duties of Trustee. At any time or from time to time, upon an event of default, without liability therefor and without notice and without affecting the liability of any person for the payment of the indebtedness secured hereby, and upon written request of Beneficiary, payment of its own fees and presentation of this Deed of Trust, Trustee may:

7.1.1 Join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; or

7.1.2 Reconvey, without warranty, all or any part of the Property.

7.2 Reconveyance. Upon the Trustor's satisfactory performance of the obligations set forth in Section 2 hereof, Beneficiary shall request Trustee to reconvey the Property. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Beneficiary may charge such person or persons a fee for reconveying the Property.

7.3 Powers and Duties on Default. Upon written request therefor by Beneficiary specifying the nature of the default, or the nature of the several defaults, and the amount or amounts due and owing, Trustee shall execute a written notice of default and of its election to cause the Property to be sold to satisfy the obligation secured hereby, and shall cause such notice to be recorded and otherwise given according to law.

Notice of the sale shall have been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Trustor, shall sell the Property at the time and place of sale specified in the notice, as provided by statute, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest and best bidder for cash in lawful money of the United States, payable at the time of sale. Trustor agrees that such a sale (or a sale pursuant to judicial foreclosure) of all the Property as real estate constitutes a commercially reasonable disposition thereof. Trustee may postpone the sale of all or any portion of the Property, and from time to time thereafter may postpone such sale, as provided by statute. Trustee shall deliver to the purchaser its deed and bill of sale conveying the Property so sold, but without any covenant or warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including Trustor or Beneficiary, may purchase at such sale.

After deducting all of the costs, fees and expenses of Trustee and of this trust, including the cost of title search and title insurance and reasonable attorneys' fees in connection with the sale, Trustee shall apply the proceeds of sale to payment of all sums secured hereby in such order as Beneficiary may determine; and the remainder, if any, to the party or parties entitled thereto.

7.4 Acceptance of Trust. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

7.5 Reliance. Trustee, upon presentation to it of an affidavit signed by Beneficiary setting forth facts showing a default by Trustor under this Deed of Trust, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

7.6 Replacement of Trustee. Beneficiary may, from time to time, as provided by statute, appoint another trustee in place and stead of Trustee herein named, and thereupon Trustee herein named shall be discharged and the trustee so appointed shall be substituted as Trustee hereunder, with the same effect as if originally named Trustee herein.

8. HAZARDOUS SUBSTANCES.

8.1 Covenants and Agreements. Trustor hereby covenants and agrees as follows:

8.1.1 Trustor will not cause or permit any Hazardous Substance to be brought upon, kept, used or generated by Trustor, his agents, employees, contractors or invitees, in the operation of the Property unless the use or generation of the Hazardous

Substance is necessary for the prudent operation of the Property in the ordinary course of Trustor's business and operations and in compliance with all Environmental Laws.

8.1.2 Trustor will at all times and in all respects use their best efforts to comply with all Environmental Laws. Trustor's duty of compliance with Environmental Laws includes without limitation the duty to undertake the following specific actions: (1) Trustor will, at his own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any sanitary sewers serving the Property; and (2) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, any and all Hazardous Substances to be treated and/or disposed by Trustor will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal Building for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

8.1.3 At any time, and from time to time, if Trustee so requests, Trustor shall have any environmental review, audit, assessment and/or report relating to the Property theretofore provided by Trustor to Trustee updated, at the sole cost and expense of Trustor, by an independent environmental consultant selected by Trustor and not objected to by the Trustee in writing within 30 days after receipt of notification of Trustor's selection.

8.1.4 Trustor will, at his sole expense, take all actions as may be necessary or advisable for the clean-up of Hazardous Substances on or with respect to the Property, including without limitation all removal, containment and remedial actions in accordance with all applicable laws, and shall further pay or cause to be paid all clean-up, administrative and enforcement costs of governmental agencies with respect to Hazardous Substances on or with respect to the Property if obligated to do so by contract or by law. Trustor will immediately notify the Trustee should Trustor (1) become aware of any actual or potential liability with respect to Hazardous Substances stored, disposed or released in, on or about the Property, (2) receive any notice of, or become aware of, any actual or alleged violation with respect to the Property of any federal, state or local statute, ordinance rule, regulation or other law pertaining to Hazardous Substances, (3) receive any written request for information or for an inspection of the Property by any governmental authority with respect to any Hazardous Substances or Environmental Laws, or (4) become aware of any lien or action with respect to any of the foregoing. Trustee may require from Trustor assurances that Trustor is taking all actions as may be reasonably required for the clean-up of Hazardous Substances in or with respect to any of the Property; provided, that for all purposes under this Section, Trustor shall, upon the Trustee's request therefor, provide the Trustee with, and the Trustee shall be fully protected in relying

upon, without further investigation or further duty to determine whether any removal, containment and/or remedial actions are satisfactory, either (A) the written approval of such actions by any independent environmental consultant selected by Trustor and not objected to in writing by Trustee or Beneficiary within 30 days after receipt of notification of Trustor's selection; or (B) written notice from Trustor that he is contesting in good faith any such requirement by appropriate legal proceedings.

8.2 Definitions. As used in this Section 8:

8.2.1 "Environmental Laws" means all laws and regulations, now or hereafter in effect, with respect to Hazardous Substances, including without limitation the Comprehensive Environmental response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.), and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

8.2.2 "Hazardous Substance" means any substance or material now or hereafter defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any Environmental Laws.

9. CONDEMNATION. Trustor shall promptly notify Beneficiary of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property or any part thereof, and Trustor shall appear in and prosecute any such action or proceeding unless otherwise directed by Beneficiary in writing. Upon the occurrence and continuance of a default under this Deed of Trust, Trustor authorizes Beneficiary, at Beneficiary's option, as attorney-in-fact for Trustor, to commence, appear in and prosecute, in Beneficiary's or Trustor's name, any action or proceeding relating to any condemnation or other taking of the Property whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking.

10. MISCELLANEOUS.

10.1 Time of Essence. Time is of the essence of this Deed of Trust.

10.2 Binding Upon Successors and Assigns. Subject to the provisions of applicable law with respect to successor trustees, this Deed of Trust shall be binding on and inure to the benefit of the parties, their successors and assigns.

10.3 Beneficiary's Right to Perform Obligations of Trustors. If Trustor fails to perform the covenants and agreements contained or incorporated in this Deed of

Trust, or if any action or proceeding is commenced which affects the Building or title thereto or the interest of Beneficiary therein (including without limitation any bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding or eminent domain proceeding), then Beneficiary, at Beneficiary's option may make such appearance, disburse such sums, and take such action as Beneficiary deems necessary, in its sole discretion, to protect Beneficiary's interest, including without limitation (i) disbursement of attorneys' fees and expenses; (ii) entry upon the Property to make repairs; and (iii) procurement of satisfactory insurance. Trustor shall reimburse Beneficiary for all reasonable costs incurred by Beneficiary in taking any said action, together with interest from the date of expenditure until repaid at two percent per annum over the rate of interest announced by the Trustee as its prime rate from time to time, but in any event, not greater than the maximum rate of interest permitted by Alaska law. Such sums shall become a part of the obligations of Trustor secured by this Deed of Trust and be payable by Trustor on demand. Trustor agrees that the amounts described in this section constitute necessary expenditures for the preservation of Beneficiary's security and, to the extent permitted by law such amounts shall have a lien priority date as of the date of recording of this Deed of Trust.

Such action by Beneficiary shall not constitute a waiver of the default or any other right or remedy which Beneficiary may have on account of Trustors' default. Nothing in this Section 10.3 shall require Beneficiary to incur any expense or take any action.

10.4 Notices. Notices under this Deed of Trust shall be in writing and shall be sufficiently given if addressed and mailed by first-class, certified or registered mail, postage prepaid, to a party at the address set forth above, or such other address as a party may indicate by written notice to the others. All notices shall be deemed served upon deposit of such notice in the United States Postal Service in the manner above provided.

10.5 Captions. All captions used in this Deed of Trust are intended solely for convenience of reference and shall not limit, expand or otherwise affect any of the provisions of this Deed of Trust.

10.6 Invalid Provisions to Affect No Others. If any of the provisions contained in this Deed of Trust shall be invalid, illegal or unenforceable in any respect, the validity of the remaining provisions contained herein shall not be affected thereby.

10.7 Changes in Writing. This Deed of Trust and any of its terms may only be changed, waived, discharged or terminated by a writing signed by Beneficiary.

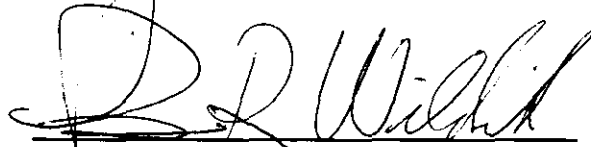
10.8 Applicable Law. This Deed of Trust, and the terms and conditions herein shall be construed, applied and enforced in accordance with the laws of the State of Alaska.

10.9 Parties Interested Herein. Nothing in this Deed of Trust, express or implied, is intended or shall be construed to give to any person, other than Trustors, Beneficiary and Trustee any right, remedy or claim under or by reason of this Deed of Trust. The covenants, stipulations and agreements in this Deed of Trust contained are and shall be for the sole and exclusive benefit of Trustors, Beneficiary and Trustee, and their successors and assigns.

IN WITNESS WHEREOF, the Trustor has executed this Agreement as of the date first above written.

TRUSTOR:

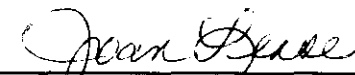
BRIAN R. WALDRICK

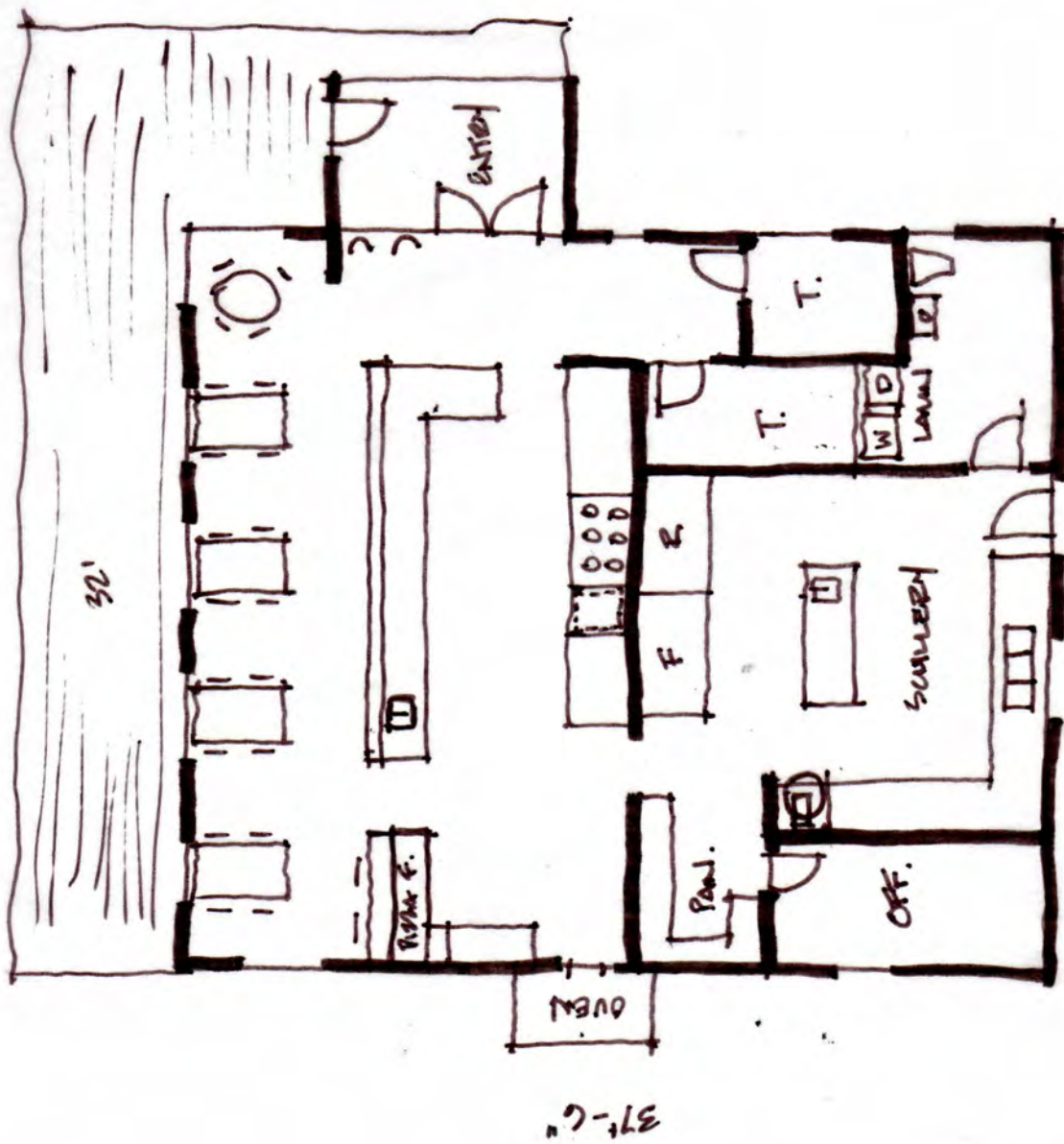

Brian R. Waldrick

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 2nd day of August, 2011, by BRIAN R. WALDRICK.

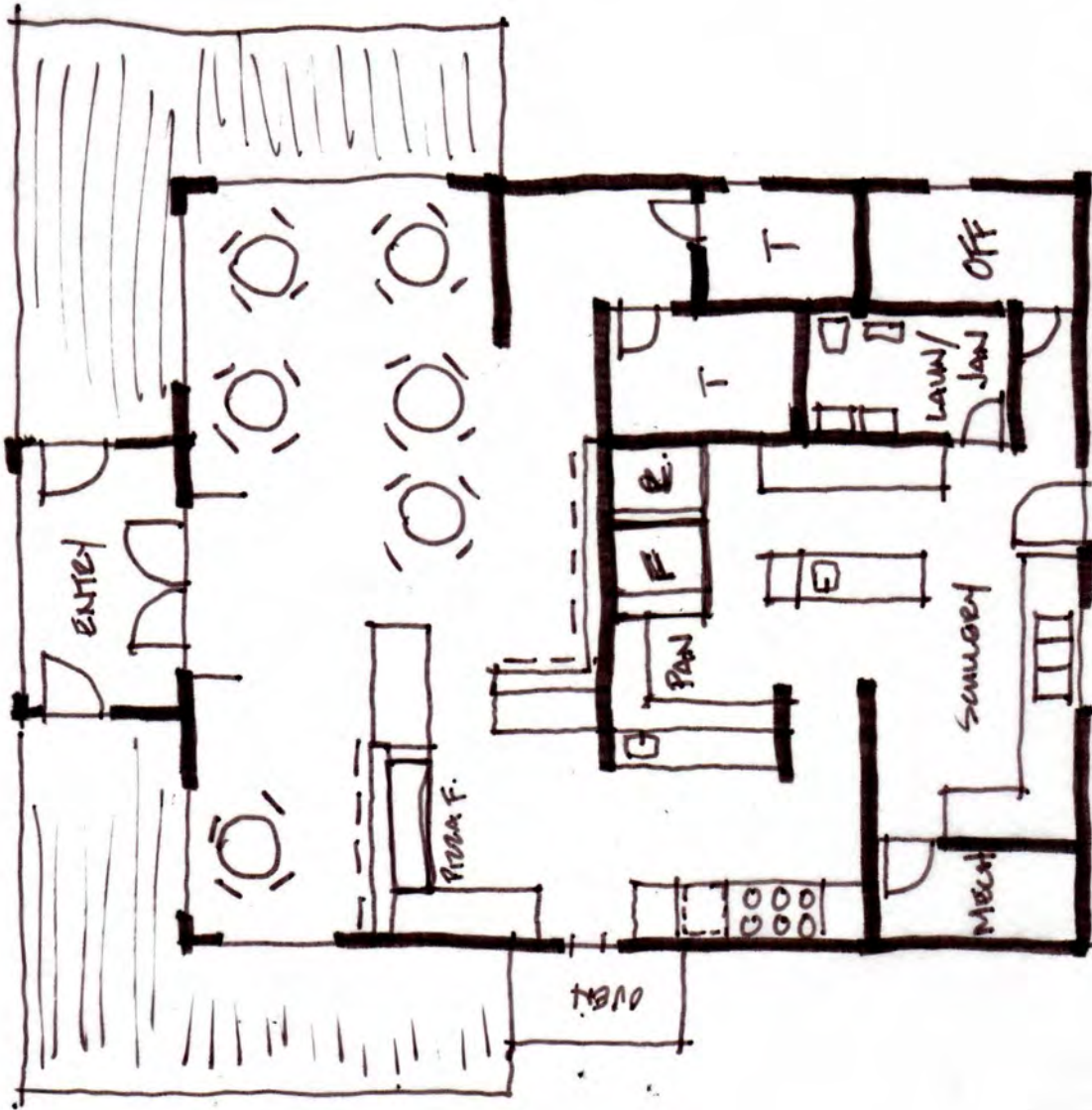



Notary Public in and for Alaska
My commission expires: 11-23-14



HARBOR-SIDE PIZZA
 OPTION A
 1/8" = 1'-0"
 7/14/07

32'



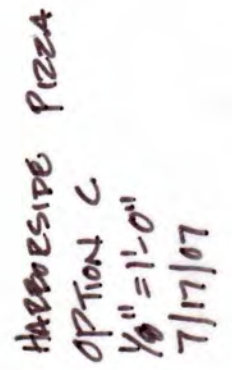
37'-6"

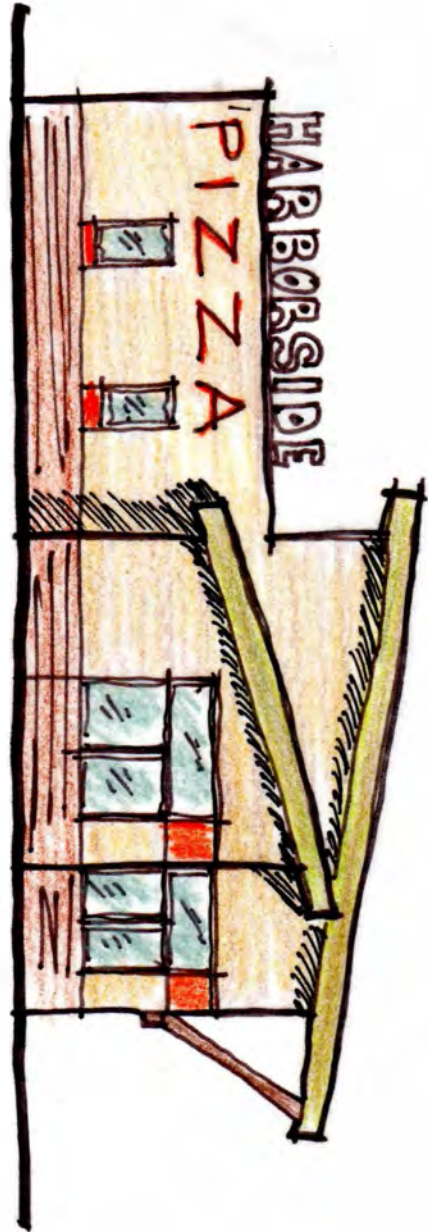
HARBORSIDE PIZZA

OPTION B

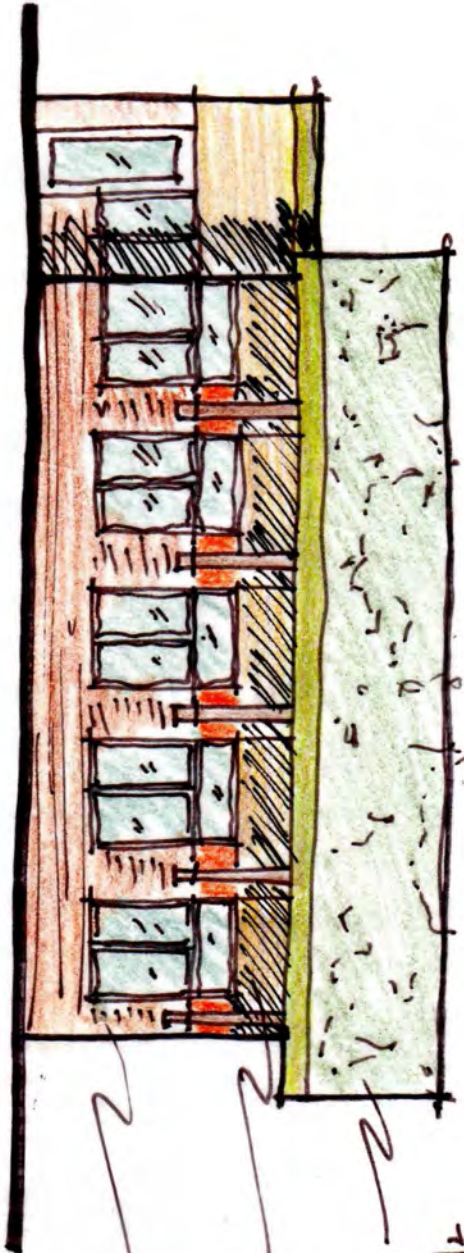
1/6" = 1'-0"

7/16/07





HARBOR SIDE PIZZA
SIDE ELEVATION
7/17



STANDARD
EXIT FLY
SPACE
LAP SIGN

HARBOR SIDE PIZZA
FRONT ELEVATION
7/17



HARBORSIDE PIZZA
SIDE ELEVATION - C
7/18



HARBORSIDE PIZZA
FRONT ELEVATION - C
7/18

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of July 14 2011 (the "Effective Date"), by and between the CITY OF CORDOVA, an Alaska municipal corporation ("Seller"), whose address is P.O. Box 1210, Cordova, Alaska 99574, and BRIAN R. WILDRICK ("Purchaser"), whose address is P.O. Box 1606, Cordova, Alaska 99574.

WHEREAS, Seller is the owner of certain real property located in the City of Cordova, Alaska, more particularly described in Exhibit A attached hereto and made a part hereof (the "Property"); and

WHEREAS, Purchaser will develop the Property for commercial use consistent with plans submitted to and approved by the Cordova City Council; and

WHEREAS, Purchaser has funds to pay the cost of acquiring the Property; and

WHEREAS, Purchaser desires to buy from Seller, and Seller desires to sell to Purchaser, the Property, subject to and in accordance with the terms and provisions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

1. **Purchase and Sale.** Seller hereby agrees to sell, assign and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, all of Seller's right, title and interest in and to that certain real property located in the Cordova Recording District, Third Judicial District, State of Alaska, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference, together with any and all improvements thereon, and all rights, privileges, easements and appurtenances thereto (the "Property").

2. **The Purchase Price.** The purchase price for the Property is Sixty Thousand Dollars (\$60,000.00) (the "Purchase Price") and shall be paid to Seller by Purchaser at the Closing (as that term is defined in Section 11 below) as follows:

(a) Within five (5) business days after execution of this Agreement by all parties, Purchaser shall deposit a fully executed copy of this Agreement, and the sum of Five Thousand Dollars (\$5,000.00) as an earnest money deposit (the "Deposit"), in escrow ("Opening of Escrow") with Pacific Northwest Title of Alaska, Inc. ("Escrow Agent").

(b) In the event the purchase and sale of the Property is consummated as contemplated hereunder, the Deposit shall be retained by Seller and credited against

the Purchase Price at Closing, or otherwise disbursed in accordance with this Agreement.

(c) The balance of the Purchase Price over and above the amount paid by or credited to Purchaser pursuant to Section 2(b) above shall be paid to Seller in immediately available funds at the Closing.

3. Title.

(a) Seller shall order from Pacific Northwest Title of Alaska, Inc., ("Title Company"), and shall deliver to Purchaser within ten (10) days following the Opening of Escrow, a preliminary title report pertaining to the Property (the "Commitment"), together with legible (to the extent available) copies of all documents relating to the title exceptions referred to in such Commitment.

(b) Within fifteen (15) days after the delivery of the Commitment, Purchaser shall notify Seller in writing of any title exceptions identified in the Commitment which Purchaser disapproves. Any exception not disapproved in writing within said fifteen (15) day period shall be deemed approved by Purchaser, and shall constitute a "Permitted Exception" hereunder. Purchaser and Seller hereby agree that all non-delinquent property taxes and assessments shall also constitute "Permitted Exceptions." Within ten (10) days after receipt of Purchaser's written notice of disapproved title exceptions, if any, Seller shall notify Purchaser in writing of any disapproved title exceptions which Seller is unable or unwilling to cause to be removed prior to or at Closing. Seller's failure to give such notice shall be deemed an election not to remove any disapproved title exceptions. With respect to such exceptions, Purchaser then shall elect, by giving written notice to Seller and Escrow Agent within ten (10) days thereafter, (x) to terminate this Agreement, or (y) to waive his disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. Purchaser's failure to give such notice shall be deemed an election to waive the disapproval of any such exception. In the event Purchaser elects to terminate this Agreement in accordance with clause (x) above, the Deposit, without interest, shall be immediately refunded to Purchaser; provided, however, that Purchaser shall be responsible for any title or escrow cancellation fees.

4. **Representations and Warranties of Seller.** Seller represents and warrants to Purchaser that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Seller which are to be delivered to Purchaser at the Closing will be, legal, valid, and binding obligations of Seller enforceable against Seller in accordance with their respective terms and does not and will not violate any provisions of any agreement to which Seller is a party or to which it or the Property is subject.

(b) Purchaser shall purchase the Property based on Purchaser's own prior investigation and examination of the Property (or Purchaser's election not to do so)

and upon the warranties, covenants and representations contained in this Agreement; AND THAT, AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY SELLER, SUBJECT TO THE TERMS OF THIS AGREEMENT, PURCHASER IS PURCHASING THE PROPERTY IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS. Except as may be set forth in this Agreement, Purchaser hereby waives, and Seller does hereby disclaim, all warranties of any type or kind whatsoever with respect to the Property, whether express or implied, including, by way of description but not limitation, those of fitness for a particular purpose and use.

5. **Representations, Warranties and Covenants of Purchaser.** Purchaser represents and warrants to Seller that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Purchaser which are to be delivered to Seller at the Closing will be, duly authorized, executed, and delivered by Purchaser, and is and will be legal, valid, and binding obligations of Purchaser enforceable against Purchaser in accordance with their respective terms and do not and will not violate any provisions of any agreement to which either Purchaser is a party or to which he is subject.

6. **Conditions Precedent to Closing.**

(a) The following shall be conditions precedent to Seller's obligation to consummate the purchase and sale transaction contemplated herein (the "Seller's Conditions Precedent"):

(1) Purchaser shall not have terminated this Agreement in accordance with Section 3, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Purchaser shall have delivered to Escrow Agent, prior to or at the Closing, for disbursement as directed hereunder, all cash or other immediately available funds due from Purchaser in accordance with this Agreement.

(3) There shall be no uncured breach of any of Purchaser's representations or warranties set forth in Section 5, as of the Closing.

(4) Purchaser shall have delivered to Escrow Agent the items described in Section 9.

(5) The timely performance by Purchaser of each and every obligation imposed upon Purchaser hereunder.

The conditions set forth in this Section 6(a) are solely for the benefit of Seller and may be waived only by Seller and only in writing. Seller shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions.

(b) The following shall be conditions precedent to Purchaser's obligation to consummate the purchase and sale transaction contemplated herein (the "Purchaser's Conditions Precedent"):

(1) Purchaser shall not have terminated this Agreement in accordance with Section 3, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Title Company shall be committed to issue, at the Closing, an owner's policy of title insurance (the "Title Policy"), insuring Purchaser's interest in the Property, dated the day of the Closing, with liability in the amount of the Purchase Price, subject only to the Permitted Exceptions.

(3) There shall be no uncured breach of any of Seller's representations or warranties as set forth in Section 4 or the covenants as set forth in Section 7, as of the Closing.

(4) Seller shall have delivered the items described in Section 8.

(5) The timely performance by Seller of each and every obligation imposed upon Seller hereunder.

The conditions set forth in this Section 6(b) are solely for the benefit of Purchaser and may be waived only by Purchaser and only in writing. Purchaser shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions.

7. Covenants of Seller. Seller hereby covenants with Purchaser, as follows:

(a) After the date hereof and prior to the Closing, no part of the Property, or any interest therein, will be voluntarily sold, mortgaged, encumbered, leased or otherwise transferred without Purchaser's consent which may be withheld in his sole and absolute discretion.

(b) Seller agrees to notify Purchaser promptly of the occurrence of any event which violates any covenant set forth in this Section 7.

8. Seller's Closing Deliveries. At or prior to the Closing, Seller shall deliver to Escrow Agent the following:

(a) A Quitclaim Deed in the form attached hereto as Exhibit B, executed by Seller conveying the Property to Purchaser (the "Deed").

(b) A closing statement prepared by the Title Company itemizing and approving all receipts and disbursements made in connection with Closing.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

9. **Purchaser's Closing Deliveries.** At or prior to the Closing, Purchaser shall deliver to Escrow Agent the following:

(a) The balance of the Purchase Price, together with such other sums as Escrow Agent shall require to pay Purchaser's share of the Closing costs, prorations, reimbursements and adjustments as set forth in Section 10 and Section 12, in immediately available funds.

(b) A Performance Deed of Trust from Purchaser, as trustor, to Title Company, as trustee, with Seller as beneficiary, in the form attached hereto as Exhibit C, to secure the obligations of Purchaser to develop the Property.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

10. **Prorations and Adjustments.** The following shall be prorated and adjusted between Seller and Purchaser as of the day of the Closing, except as otherwise specified:

(a) General real estate, personal property and ad valorem taxes and assessments, and any improvement or other bonds encumbering the Property, for the current tax year for the Property. Purchaser is not responsible for delinquent real estate taxes, personal property taxes, ad valorem taxes, or assessments arising prior to Closing.

(b) Utility charges, if any. Purchaser acknowledges and agrees that Seller shall be entitled to all refunds of utility deposits with respect to the Property and that such amounts are not to be assigned to Purchaser in connection with the sale of the Property. However, Purchaser will be responsible for any additional assessments effective prior to Closing, of which notice is received after Closing.

For purposes of calculating prorations, Purchaser shall be deemed to be in title to the Property, and, therefore entitled to the income therefrom and responsible for the expenses thereof for the entire day upon which the Closing occurs. All such prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the day of the Closing and based upon the actual number of days in the month and a three hundred sixty-five (365) day year. In no event will there be any proration of insurance premiums under Seller's existing policies of insurance relating to the Property, and Purchaser acknowledges and agrees that none of Seller's insurance policies (or any proceeds payable thereunder) will be assigned to Purchaser at the Closing, and Purchaser shall be solely obligated to obtain any and all insurance that they deem necessary or desirable. The provisions of this Section 10 shall survive the Closing.

11. **Closing.** The purchase and sale contemplated herein shall close on or before sixty (60) days after the Effective Date (the "Closing") or on such other specific date and time mutually agreed to by the parties. As used herein, the term "Closing"

means the date and time that the Deed is recorded in the Cordova Recording District, Third Judicial District, State of Alaska (the "Official Records"). The Closing shall occur at the offices of the Escrow Agent as set forth in Section 17(m).

12. **Closing Costs.** Purchaser shall pay the fee for recording the Deed, the premium for the Title Policy, and for all fees and costs Seller incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees. Purchaser shall bear the expense of his own counsel. Unless otherwise specified herein, if the sale of the Property contemplated hereunder does not occur because of a default on the part of Purchaser, all escrow cancellation and title fees shall be paid by Purchaser; if the sale of the Property does not occur because of a default on the part of Seller, all escrow cancellation and title fees shall be paid by Seller.

13. **Risk of Loss.** If prior to the Closing, any portion of the Property is subject to a taking, or eminent domain proceedings are commenced, by public authority (other than Seller) against all or any portion of the Property, Purchaser shall have the right, exercisable by giving notice to Seller within ten (10) business days after receiving written notice of such taking (but in any event prior to the Closing), either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder (except as may be expressly provided to the contrary elsewhere in this Agreement), and any money (including, without limitation, the Deposit and all interest accrued thereon) or documents in escrow shall be returned to the party depositing the same, and Purchaser and Seller each shall be responsible for one-half of any title or escrow cancellation fee, or (ii) to accept the Property in its then condition, without any abatement or reduction in the Purchase Price, and receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking. Purchaser's failure to elect timely shall be deemed an election of (ii). If Purchaser elects to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such award without Purchaser's prior written consent. As used in this Section 13, "taking" shall mean any transfer of the Property or any portion thereof to a governmental entity (other than Seller) or other party with appropriate authority, by exercise of the power of eminent domain.

14. **Default.**

(a) No party shall be deemed to be in default hereunder unless such party fails to cure an alleged default within ten (10) days after receipt from the other party of written notice thereof; provided, however, that (i) if such alleged default is not susceptible of being cured within said ten (10) day period, such party shall not be deemed in default hereunder so long as such party commences to cure the alleged default within said ten (10) day period and diligently prosecutes the same to completion within thirty (30) days; and (ii) no notice shall be required or cure period permitted in the event the alleged default is a failure to close the transaction contemplated hereby at the Closing.

(b) In the event of a default by Seller hereunder, Purchaser shall be entitled, in addition to any and all other remedies to which Purchaser may be entitled at law or in equity, (i) to terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Purchaser and neither party shall have any further rights, obligations, or liabilities hereunder, or (ii) to enforce Seller's obligations hereunder by a suit for specific performance, in which event Purchaser shall be entitled to such injunctive relief as may be necessary to prevent Seller's disposition of the Property pending final judgment in such suit.

(c) In the event of a default by Purchaser hereunder, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchaser, in which event, the Deposit shall be retained by Seller as liquidated damages; thereafter, neither party shall have any further rights, obligations, or liabilities hereunder. The parties acknowledge and agree that the actual damages in such event are uncertain in amount and difficult to ascertain, and that said amount of liquidated damages was reasonably determined.

15. **Escrow.**

(a) Instructions. Within five (5) business days after execution of this Agreement, Purchaser shall deposit a copy of this Agreement executed by both Purchaser and Seller with Escrow Agent. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Agent by written agreement, shall constitute the escrow instructions. If any requirements relating to the duties or obligations of Escrow Agent hereunder are not acceptable to Escrow Agent, or if Escrow Agent requires additional instructions, the parties hereto agree to make such deletions, substitutions and additions hereto as Seller and Purchaser shall mutually approve, which additional instructions shall not substantially alter the terms of this Agreement unless otherwise expressly agreed to by Seller and Purchaser.

(b) Deposits into Escrow. Seller shall make its deliveries into escrow in accordance with Section 8. Purchaser shall make his deliveries into escrow in accordance with Section 9. Escrow Agent is hereby authorized to close the escrow only if and when: (i) Escrow Agent has received all items to be delivered by Seller and Purchaser pursuant to Sections 8 and 9; and (ii) Title Company can and will issue the Title Policy concurrently with the Closing.

(c) Close of Escrow. Provided that Escrow Agent shall not have received written notice in a timely manner from Purchaser or Seller of the failure of any condition to the Closing or of the termination of the escrow, and if and when Seller and Purchaser have deposited into escrow the matters required by this Agreement and Title Company can and will issue the Title Policy concurrently with the Closing, Escrow Agent shall:

(1) Deliver to Seller the Purchase Price, after satisfying the Closing costs, prorations and adjustments to be paid by Seller pursuant to Section 10 and Section 12, respectively.

(2) Deliver to Purchaser the Deed by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Purchaser a conformed copy of the Deed.

(3) Deliver to Title Company and Seller the Performance Deed of Trust by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Title Company and Seller a conformed copy of the Performance Deed of Trust.

(4) Deliver to Purchaser any funds deposited by Purchaser, and any interest earned thereon, in excess of the amount required to be paid by Purchaser hereunder.

(5) Deliver the Title Policy issued by Title Company to Purchaser.

16. Reciprocal Indemnification.

(a) Seller hereby agrees to indemnify, hold harmless and defend Purchaser from and against any and all loss, damage, claim, cost and expense and any other liability whatsoever, including without limitation reasonable attorneys' fees, charges and costs, incurred by Purchaser by reason of: (i) Seller's breach of any covenants, representations or warranties of Seller contained in this Agreement which survive the Closing, or (ii) without limiting the generality of the foregoing, Seller's failure to duly perform and discharge Retained Liabilities, as defined below. The Retained Liabilities include: (i) any liability the existence of which would constitute a breach of any of Seller's representations or warranties contained in Section 4; and (ii) any expenses, liabilities or obligations relating to the Property or its operation arising from acts, omissions, occurrences or matters that took place prior to the Closing.

(b) Purchaser hereby agrees to indemnify, hold harmless and defend Seller from and against any and all loss, damage, claim, cost and expense and any other liability whatsoever, including without limitation reasonable attorneys' fees, incurred by Seller by reason of: (i) Purchaser's breach of any covenants, representations or warranties of Purchaser contained in this Agreement which survive the Closing, or (ii) without limiting the generality of the foregoing, Purchaser's failure to duly perform the Assumed Liabilities. The Assumed Liabilities include: (i) Seller's obligations and liabilities with respect to the Property or its operation which are expressly assumed in writing by Purchaser pursuant to this Agreement or documents delivered at Closing; and (ii) any expenses, liabilities or obligations relating to the Property or its operation arising from acts, omissions, occurrences or matters that take place on or after the Closing.

17. General Provisions.

(a) Each individual executing this Agreement hereby represents and warrants that he or she has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or she is executing this Agreement to the terms hereof.

(b) Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which such period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday or legal holiday, in which case the period shall be deemed to run until the end of the next business day.

(c) Seller represents and warrants to Purchaser, and Purchaser represents and warrants to Seller, that there is no broker, finder, or other intermediary of any kind with whom such party has dealt in connection with the transaction contemplated hereby, and each party agrees to indemnify, defend, and hold harmless the other from any claim made by any broker or agent alleging entitlement to any fee or commission as a result of having dealt with the indemnifying party.

(d) This Agreement, including all exhibits attached hereto, constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof, and there are no other prior or contemporaneous written or oral agreements, undertakings, promises, warranties, or covenants with respect thereto not contained herein.

(e) This Agreement may be amended only by a written instrument executed by all of the parties hereto.

(f) No waiver of any condition or provision of this Agreement by any party shall be valid unless in writing signed by such party. No such waiver shall be deemed or construed as a waiver of any other or similar provision or of any future event, act, or default.

(g) If any provision of this Agreement is deemed unenforceable in whole or part, such provision shall be limited to the extent necessary to render the same valid or shall be deemed excised from this Agreement and replaced by a valid provision as close in meaning and intent as the excised provision, as circumstances require, and this Agreement shall be construed as if said provision had been incorporated herein as so limited or as so replaced, as the case may be.

(h) Headings of articles and sections herein are for convenience of reference only and shall not be construed as part of this Agreement.

(i) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and permitted assigns.

(j) This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

(k) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute a single instrument.

(l) In no event shall this Agreement be construed more strongly against any one person solely because such person or its representative acted as draftsman hereof, it being acknowledged by the parties hereto that both have been represented by competent legal counsel, that this Agreement has been subject to substantial negotiation, and that all parties have contributed substantially to the preparation of this Agreement.

(m) Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be sent by United States registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

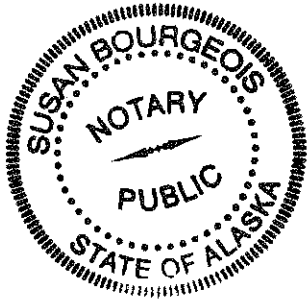
Seller:	City of Cordova Attn: City Manager P.O. Box 1210 Cordova, Alaska 99574
Purchaser:	Brian R. Wildrick P.O. Box 1606 Cordova, Alaska 99574
Escrow Agent:	Pacific Northwest Title of Alaska, Inc. 3201 C Street, Suite 110 Anchorage, Alaska 99503
Title Company:	Pacific Northwest Title of Alaska, Inc. 3201 C Street, Suite 110 Anchorage, Alaska 99503

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date three (3) days after being placed in the U.S. Mail.

(n) The parties agree to execute such instructions to Escrow Agent and Title Company and such other instruments and to do such further acts as may be

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 14th day of July 2011, by BRIAN R. WILDRICK.



Susan Bourgeois
Notary Public in and for Alaska
My commission expires: 1/15/2014

EXHIBIT A

Legal Description of the Property

Lot 8, Block 2, SOUTHFILL DEVELOPMENT PARK, according to the official map and plat thereof, Plat No. 86-2, on file in the office of the recorder, Cordova Recording District, Third Judicial District, State of Alaska.

**CITY OF CORDOVA
ORDINANCE 1080**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE CONVEYANCE TO BRIAN R. WILDRICK OF LOT EIGHT (8),
BLOCK TWO (2), SOUTHFILL DEVELOPMENT PARK**

WHEREAS, pursuant to CMC 5.22.060(A)(1), the City Council directed the City Manager to negotiate directly the disposal of Lot Eight (8), Block Two (2), Southfill Development Park (the "Property") with Brian R. Wildrick (the "Purchaser"); and

WHEREAS, it is in the best interests of the City to sell the Property to the Purchaser for not less than its appraised fair market value, and the purchase price for the Property is not less than its appraised fair market value; and

WHEREAS, the Council has required the Purchaser to enter into a Performance Deed of Trust securing Purchaser's obligation to substantially complete the construction of improvements to the Property within three years, provided that upon the Purchaser's request the City may allow up to an additional two years for substantial completion if it finds that the Purchaser has made satisfactory progress toward substantial completion; and

WHEREAS, there have been presented to this meeting the forms of a Purchase and Sale Agreement, Warranty Deed and Performance Deed of Trust that are to be executed in connection with the disposal of the Property by the City, and it appears that such documents are in appropriate form and are appropriate instruments for the purposes intended.

BE IT ORDAINED by the City Council of the City of Cordova, that:

Section 1. The City Manager is authorized and directed to convey the Property to Brian R. Wildrick in accordance with the terms in the Purchase and Sale Agreement. The form and content of the Purchase and Sale Agreement, Warranty Deed and Performance Deed of Trust now before this meeting hereby are in all respects authorized, approved and confirmed, and the City Manager hereby is authorized, empowered and directed to execute and deliver such documents on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as he shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said documents now before this meeting, and from and after the execution and delivery of said documents, the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the documents as executed.

Section 2. The disposal of the Property authorized by this ordinance is subject to the requirements of City Charter Section 5-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to

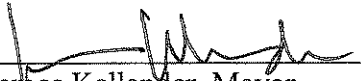
be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

1st reading: May 18, 2011

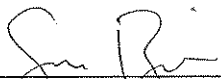
2nd reading and public hearing: June 1, 2011

PASSED AND APPROVED THIS 1st DAY OF JUNE, 2011.




James Kallander, Mayor

ATTEST:


Susan Bourgeois, City Clerk

Memo

To: City Council

Date: January 9, 2014

Re: NVE Performance Deed of Trust

This agenda item and executive session are now scheduled for the February 5, 2014 meeting.

Attached is the Performance Deed of Trust for the purchase of Lot 11 Block 2 South Fill Development Park (See Location Map). The Performance Deed of Trust expired on 10/28/2013, NVE has been provided time to prepare and present a proposal to council, which they will do at the January 15th Regular Meeting. There will be an executive session with **Attorney Cortney Kitchen** from Birch Horton Bittner and Cherot to discuss the legal and financial ramifications of City Council's action(s) on the noncompliance of the Performance Deed of Trust.

Native Village of Eyak

110 Nicholoff Way

P.O. Box 1388

Cordova, Alaska 99574-1388

P (907) 424-7738 * F (907) 424-7739

www.eyak-nsn.gov



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Randy Robertson
City Manager
City of Cordova
P.O. Box 1210
Cordova, AK 99574

Mr. Robertson,

I am writing to request an extension of the Performance Deed of Trust signed in October of 2010 for lot Eleven (11), Block One (1), South Fill Development Park. At the time the Performance Deed was executed NVE was seeking to expand its existing facility by means of constructing an approximately 5,000 sq.ft. addition extending from Lot Three (3), Block One (1), into Lot Ten (10) Block One (1) (see exhibit A). The land referenced in the performance Deed of Trust (Lot 11, Block 1) was to be graded to level and potentially paved to provide additional parking for the expanded facility as referenced in the attached letter to Anne Cervenka dated June 18th 2009. Unfortunately due to changing circumstances and grant opportunities NVE has been unable to expand the existing structure into lot 10 but nonetheless has been actively using lot 11 for parking and storage of equipment and vehicles while pursuing other funding sources.

The Proposal for the acquisition of Lot 11, Block 1 included 18 individual parking spaces as well as storage for NVE vessels and recycling storage containers. Of the 18 spaces 5 are to be designated for commercial fisherman long-term fee based summer parking. NVE also agreed to and has completed drainage work for the lot as proposed. The value to the city of the proposed improvements were to be increased property tax revenue thru NVE as the owner of record and a timely and regular payer of property taxes in Cordova, increased sales tax revenue from the Ilanka gift store, construction revenues from development, and increased parking allowing better access to southfill shopping.

The Benefits to the City of Cordova proposed by NVE during the acquisition phase have largely been realized both directly and indirectly. NVE has assessed and installed a suitable drainage system for both Lots 10 and 11, NVE has continued to pay property taxes annually, including assessed taxes for Lot 11, Block 1, the Ilanka gift store continues to collect and remit sales tax proceeds to the City, and NVE has provided construction revenues by expanding other facilities in Cordova, such as the new Ilanka Community Health Center, and NVE has leveled and made suitable Lot 11 for parking and storage.

The availability of Lot 11, block 1 is critical to the programs and services offered at NVE and despite the building expansion being temporarily delayed the addition of salmon processing capabilities, oil spill response equipment, electronic recycling and the elder firewood program facilitated by the acquisition of lot 11 have significantly expanded the required footprint of NVE operations and resulted in the utilization of this lot to the purpose originally proposed.

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NVE requests an extension of the Performance Deed of Trust to allow for paving of Lot 11, Block 1 to allow for the possible future expansion of the adjacent NVE facility as programs and services continue to expand. NVE is a valuable economic driver in the community of Cordova and the availability of Lot 11, Block 1 has been critical in procuring additional equipment that has allowed for expanded programs, employment, and supply purchases for residents and local business alike.

We appreciate your consideration of this important matter and look forward to continued cooperation and partnership in expanding the opportunities available to the many members of NVE and residents of Cordova.

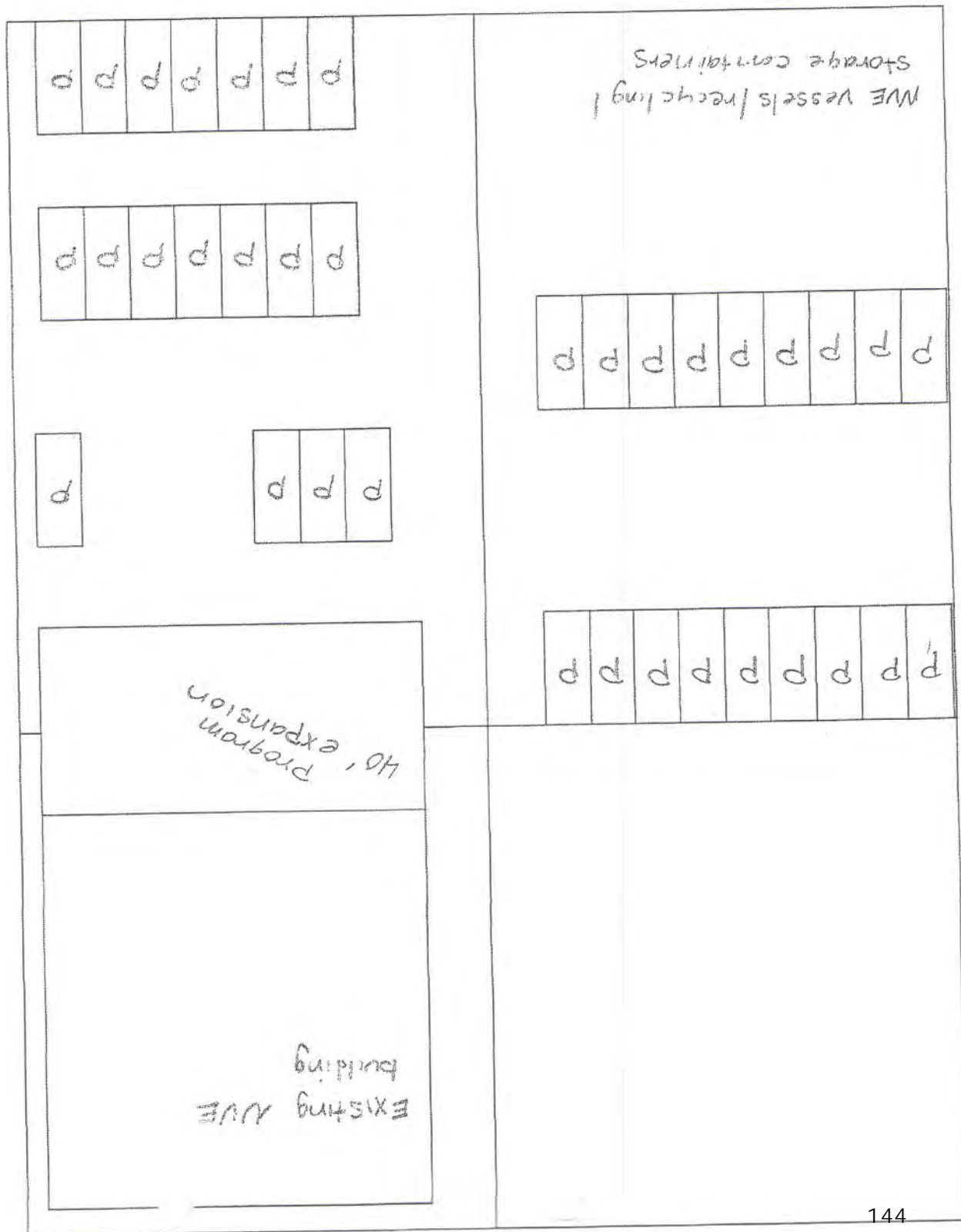
Sincerely,

A handwritten signature in black ink, appearing to read 'Joel A. Azure', is written over the printed name.

Joel A. Azure

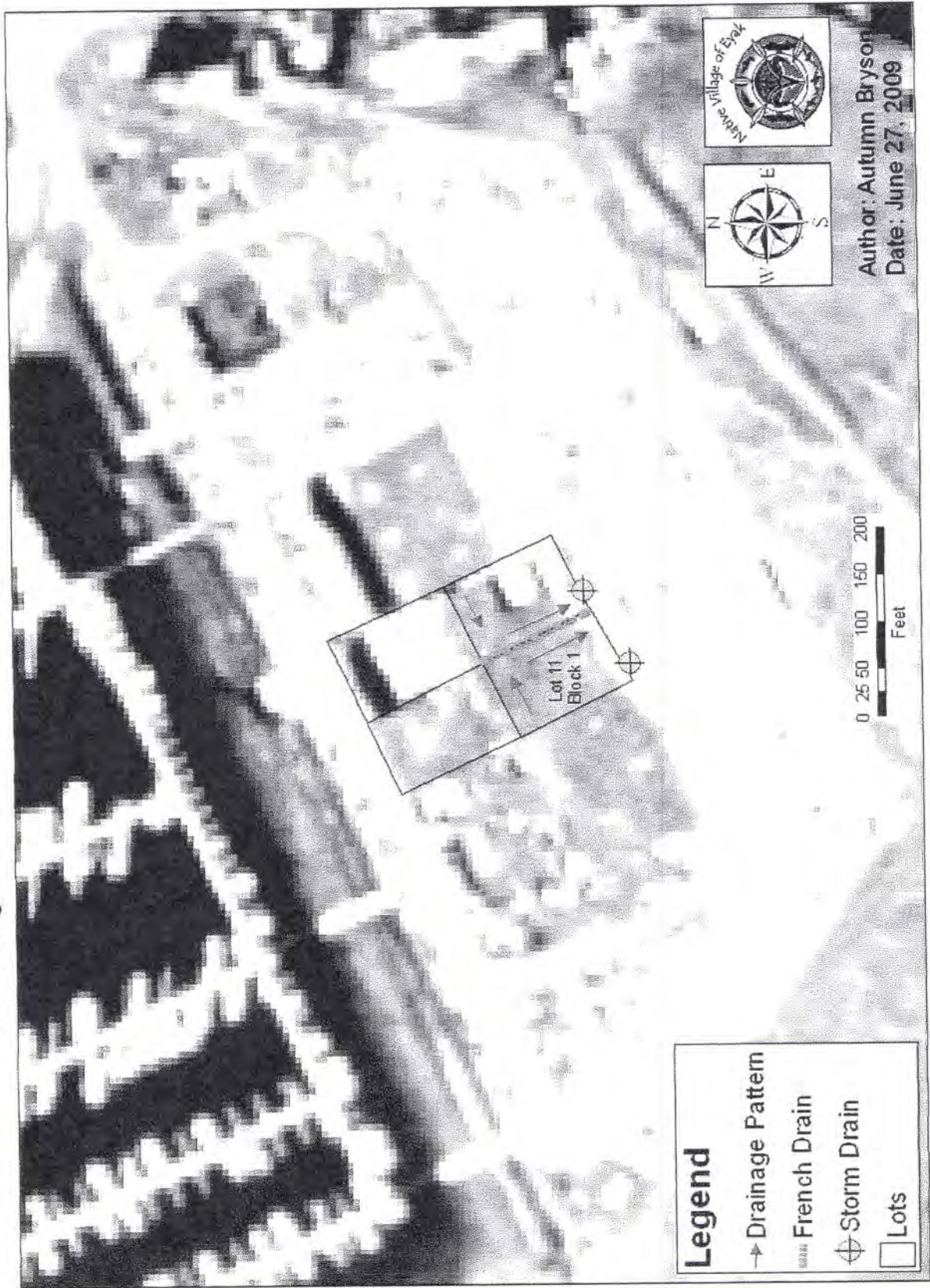
Executive Director

Native Village of Eyak

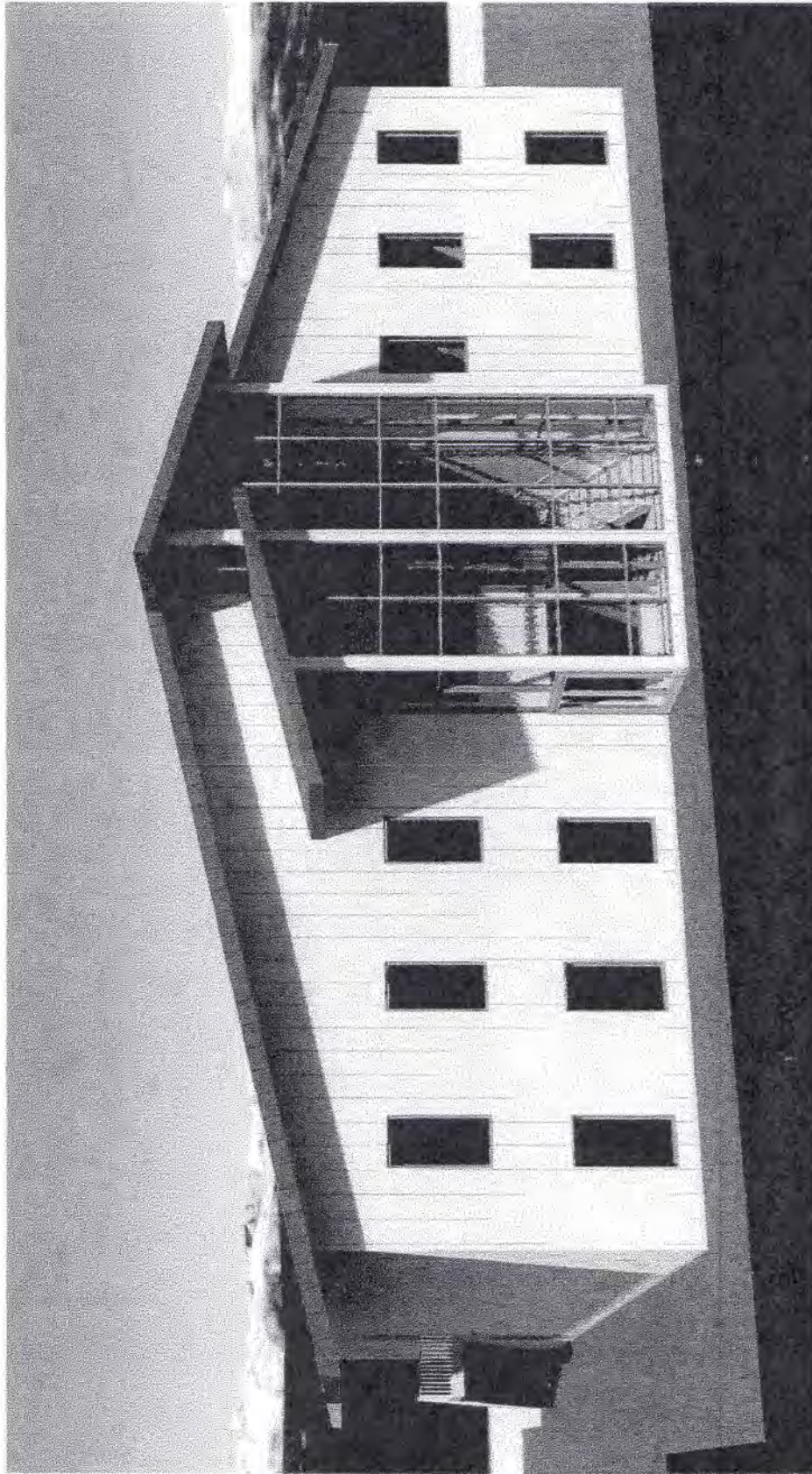


Drainage Plan Lot 11, Block 1, South Fill

Printed by: Kerin Kramer
Title: Drainage Map.jpg : Eyak
Wednesday, July 15, 2009 10:23:13 AM
Page 1 of 1

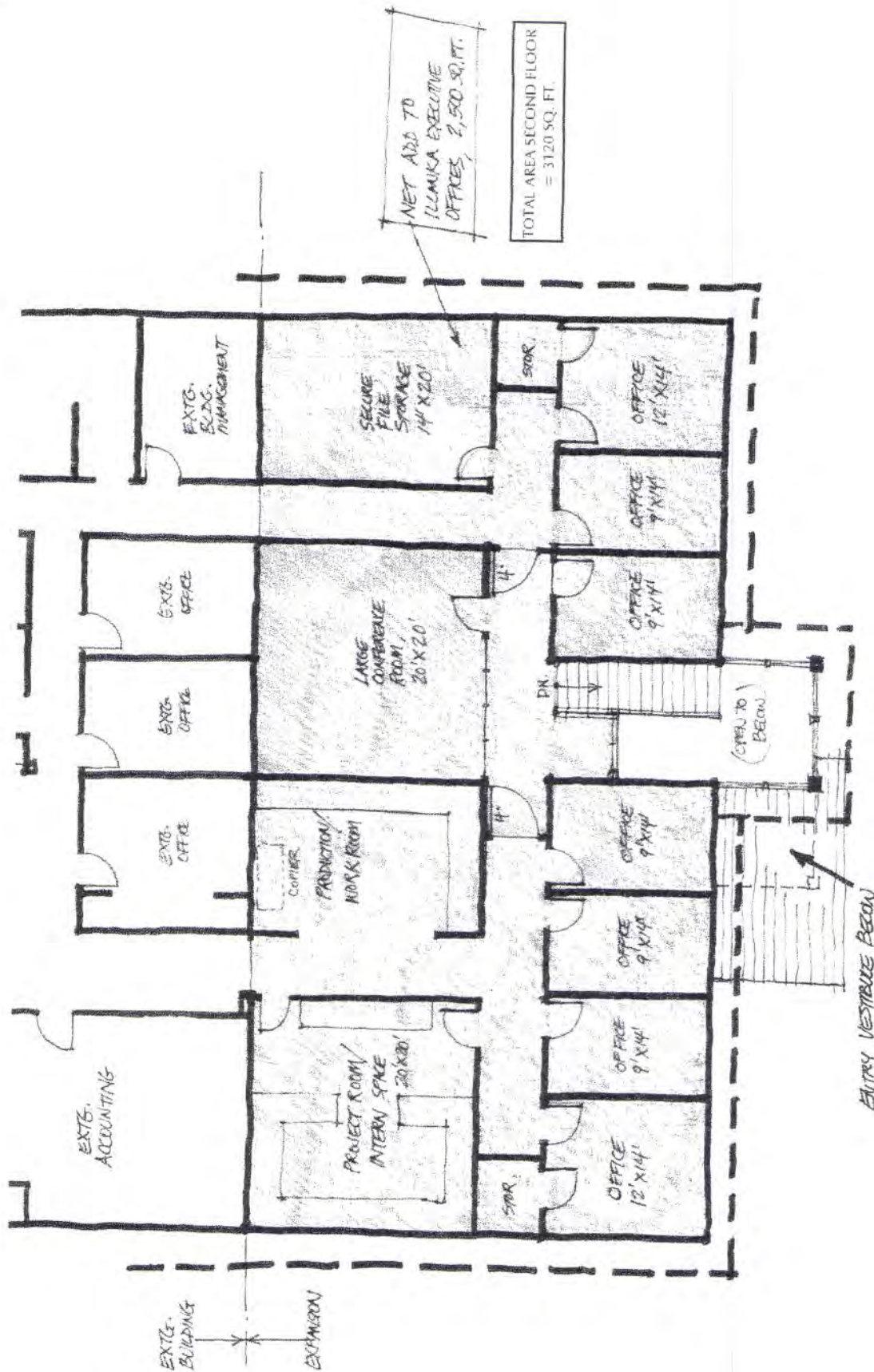


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ILLANKA BUILDING EXPANSION
3-D RENDERING

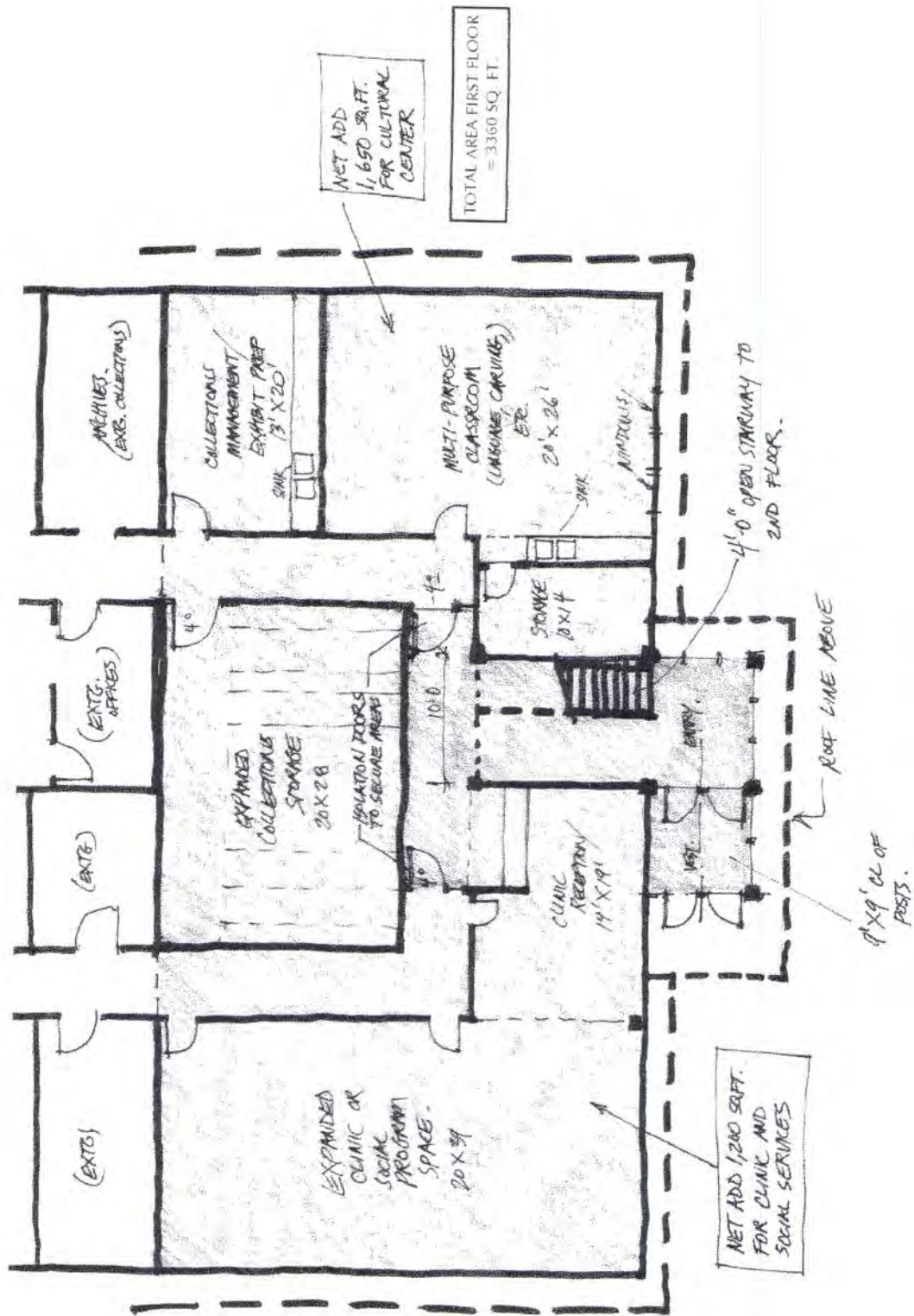
MRV ARCHITECTS
May 25, 2009



MRV ARCHITECTS
May 21, 2009

ILLANKA BUILDING EXPANSION
FLOOR PLAN 2

5' 10'



ILLANKA BUILDING EXPANSION
FLOOR PLAN 1

MRV ARCHITECTS
May 21, 2009

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Anne Cervenka, City Planner
City of Cordova
P.O. Box 1210
Cordova, AK 99574

July 15, 2009

Dear Anne:

The Native Village of Eyak is submitting two additional clarifying information items to support our proposal to purchase lot 11 block 1 South Fill parcel No. 02-473-120.

1. The lot purchase is necessary to allow the Native Village of Eyak to move forward with building expansion plans at 110 Nicholoff Way. As we stated in our proposal, we plan to use the lot for parking. To clarify the need for the parking, the Native Village of Eyak has a long range plan to expand our building at 110 Nicholoff Way. In order to do this, we will need additional parking to comply with the parking ordinance. The planned expansion will also take up part of our existing parking lot and we require the adjacent lot to accommodate parking. We are in the initial planning stages of this expansion and the acquisition of the proposed city lot is necessary in order for us to move forward. Please see the attached concept drawings and preliminary floor plans. We also are attaching the drainage plan for the lot.
2. We addressed the need for long term parking for fishermen during the summer by proposing 5 fee parking spaces that can be reserved by fishermen as part of our development plan. This is documented in our previous submittal. In addition, we will work closely with the harbormaster as we go forward to address the concerns stated in his letter for summer parking needs. It may be that we have more or less spaces in our final plan but we believe we can work this out.

If you have any questions or need additional information for the City Council on our proposal, please let me know.

Sincerely,

NATIVE VILLAGE OF EYAK TRADITIONAL COUNCIL

Bruce Cain
Executive Director

Native Village of Eyak

110 Nicholoff Way

P.O. Box 1388

Cordova, Alaska 99574-1388

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Anne Cervenka
City of Cordova
Planning Department
C/O Sealed Bids and Proposals
P.O. Box 1210
Cordova, AK 99574

Dear Ms. Cervenka:

June 18, 2009

The Native Village of Eyak is proposing to purchase City of Cordova property lot 11, block 1, located on South Fill parcel No. 02-473-120.

NVE proposes to purchase the lot for fair market value within the City of Cordova.

NVE will use it to expand its existing parking for employees and visitors. NVE will assess the site for existing drainage problems, if any, and work with the City of Cordova and a licensed contractor to create a drainage system appropriate to its assessment. NVE feels confident in its ability to complete this assessment and install a drainage system in view of its competence in installing similar drainage for its property adjacent to the lot 11, block 1. In conjunction with drainage NVE may grade the lot to level it to make it more aesthetically pleasing and for ease of maintenance. The next time a paving contractor is in Cordova, NVE plans on paving the lot.

NVE will abide by all applicable City of Cordova regulations when developing this property.

NVE will allocate a minimum of 5 spaces for commercial fisherman long term fee based summer parking.

NVE currently owns and has developed the adjacent property to lot 11, block 1. This property has been developed with building renovation, paving of the parking lot, putting in a French drain and modifying the existing drainage as it was warranted.

The value of the proposed improvements would be increased property tax revenue for the City of Cordova by directly taxing NVE as the owner, and by increased sales taxes as NVE's gift shop increases and construction revenues on future development of our complex. Increased parking allows better access to shopping and expansion of our harbor based tourism facility. Our gift shop sales continue to increase and we need the lot for future expansion as Cordova continues to diversify its economy by developing its tourism industry.

Lot development (with the exception of paving which will be done when a paving contractor is in town) is planned to be completed within 3 months of purchasing the property.

Sincerely,

Bruce Cain, Executive Director

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2010-000361-0

Recording Dist: 306 - Cordova

10/28/2010 10:49 AM Pages: 1 of 10



CORDOVA RECORDING DISTRICT

AFTER RECORDING, RETURN TO:

Thomas F. Klinkner
Birch, Horton, Bittner and Cherot
1127 W. 7th Avenue
Anchorage, Alaska 99501-3399

1578740FMC **PERFORMANCE DEED OF TRUST**

This PERFORMANCE DEED OF TRUST (this "Deed of Trust") is made this 10/28 day of October, 2010 (the "Effective Date"), by NATIVE VILLAGE OF EYAK, a federally recognized Indian Tribe (the "Trustor"), whose address is P.O. Box 2285, Cordova, Alaska 99574, to First American Title Company (the "Trustee"), whose address is 3035 C Street, Anchorage, Alaska 99503, for the benefit of the City of Cordova (the "Beneficiary"), whose address is P.O. Box 1210, Cordova, Alaska 99574.

1. **GRANT.** In consideration the acceptance by Trustee of the trust hereunder, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the obligations of Trustor described herein, Trustor hereby grants, bargains, sells and conveys to Trustee, in trust, with the power of sale, all of Trustor's estate, right, title, and interest in and to the following property:

Lot Eleven (11), Block One (1), SOUTH FILL DEVELOPMENT PARK, according to Plat No. 86-2 filed in the Cordova Recording District, Third Judicial District, State of Alaska.

Together with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Deed of Trust (collectively, the "Property").

2. **COMMENCEMENT AND SUBSTANTIAL COMPLETION OF CONSTRUCTION; OPERATIONAL OBLIGATIONS.** On or before the date one (1) year after the Effective Date, Trustor shall commence construction on the Property of a building conforming substantially to the building plans set forth on Exhibit A (the "Building"). Trustor shall substantially complete the construction of the Building on the Property not later than the date three (3) years after the Effective Date. For purposes of this Section 2 and Section 7.2 hereof, the term "substantially complete" shall mean the stage of progress of construction when the Building, including without limitation its

structure, façade and windows, roof, heating, plumbing and lighting, are sufficiently complete so that the Trustor can occupy and use the Building for its intended purposes.

3. **COMPLIANCE WITH LAWS.** Trustor shall comply with all federal, state, and local laws affecting the Property, neither commit nor permit any illegal act thereon or waste thereof, and shall keep all improvements on the Property in good working condition and repair.

4. **WARRANTIES AND COVENANTS OF TRUSTOR.** Trustor warrants, covenants and agrees as follows:

4.1 **Warranties**

4.1.1 Trustor has full power and authority to grant the Property to Trustee.

4.1.2 Trustor has undertaken its obligations under this Deed of Trust primarily for commercial, industrial or business purposes, and not primarily for personal, family or household purposes.

4.2 **Preservation of Lien.** Trustor will preserve and protect the priority of this Deed of Trust as a first lien on the Property.

4.3 **Construction.** Trustor shall commence and complete construction of the Building, and will otherwise fulfill all of its covenants and obligations to Beneficiary relating in any way to such construction, in accordance with the terms and conditions of this Deed of Trust.

4.4 **Right of Inspection.** Trustor shall permit Beneficiary or its agents, at all reasonable times, to enter upon and inspect the Property for purposes of ensuring Trustor's compliance with this Deed of Trust.

4.5 **Further Assurances.** Trustor will, at its own expense, from time to time execute and deliver any and all instruments of further assurance and do any and all such acts, or cause the same to be done, as Trustee or Beneficiary deem necessary or advisable to grant to Trustee the Property or to carry out more effectively the purposes of this Deed of Trust.

4.6 **Legal Actions.** Trustor will appear in and defend any action or proceeding before any court or administrative body purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and will pay all costs and expenses, including cost of evidence of title, title insurance premiums, and any fees of attorneys, appraisers, environmental inspectors, and others, incurred by Beneficiary or Trustee, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust and in any nonjudicial foreclosure of this Deed of Trust.



4.7 **Taxes, Assessments, and Other Liens.** Trustor will pay with interest, not later than the due date, all taxes, assessments, encumbrances, charges and liens on the Property or any part thereof which at any time appear to be or are alleged to be prior and superior hereto, including without limitation any tax on or measured by rents of the Property, this Deed of Trust, or any obligation or part thereof secured hereby.

4.8 **Expenses.** Trustor will pay all costs, fees, and expenses reasonably incurred by Beneficiary or Trustee in connection with this Deed of Trust.

4.9 **Sale, Transfer, or Encumbrance of Property.** Subject to Section 7 hereof, Trustor shall not, without the prior written consent of Beneficiary, which consent shall not be unreasonably withheld, sell, transfer or otherwise convey the Property or any interest therein, further encumber the Property or any interest therein, cause or permit any change in the entity, ownership, or control of Trustor or agree to do any of the foregoing. Consent to any one such occurrence shall not be deemed a waiver of the right to require consent to any future occurrences.

5. **DEFAULT.** In the event Trustor fails to commence or substantially complete the construction of the Building within the times set forth in Section 2 hereof, or if Trustor violates any other term of this Deed of Trust, Beneficiary may declare Trustor to be in default of this Deed of Trust without any notice or demand of any kind, both of which are hereby expressed waived.

6. **REMEDIES UPON DEFAULT.**

6.1 **Foreclosure of Deed of Trust.** Upon the occurrence of any event of default under this Deed of Trust, all sums secured hereby shall become immediately due and payable, without notice or demand at the option of Beneficiary, and Beneficiary may cause the Property may to be sold by foreclosing this Deed of Trust in any manner then permitted by law. Trustee may act as agent for Beneficiary in conducting any such sale.

6.2 **Liquidated Damages.** Trustor agrees that Beneficiary has sold the Property to Trustor for SIXTY ONE THOUSAND DOLLARS (\$61,000.00), and that part of the consideration for the sale was Trustor's completion of the Building, which benefits the public interest, including without limitation the economy of the City of Cordova. The parties understand the impracticality and difficulty of fixing Beneficiary's actual damages in the event of Trustor's default, and the parties therefore agree that TWENTY THOUSAND DOLLARS (\$20,000.00) represents a reasonable estimate of the actual damages that Beneficiary would incur. This amount shall be the amount stated in any notice of default and sale that Trustee shall record as the amount due and owing to Beneficiary for Trustor's breach of its obligation under this Deed of Trust.



6.3 **No Waiver.** By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare an event of default for failure to do so.

6.4 **Remedies Cumulative.** The rights and remedies accorded by this Deed of Trust shall be in addition to, and not in substitution of, any rights or remedies available under now existing or hereafter arising under applicable law, in equity, or otherwise. All rights and remedies provided for in this Deed of Trust or afforded by law or equity are distinct and cumulative and may be exercised concurrently, independently or successively. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver of any default shall not constitute a waiver of any subsequent or other default.

6.5 **Trustor Waiver of Sovereign Immunity.** Trustor, as a federally recognized Indian Tribe possesses sovereign immunity from suit. For purposes of this Deed of Trust only, Trustor grants a limited waiver of its immunity from suit to claims brought by Trustee and Beneficiary only, and such waiver is limited to Trustee's and Beneficiary's enforcement of their rights under this Deed of Trust.

7. TRUSTEE.

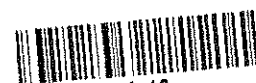
7.1 **General Powers and Duties of Trustee.** At any time or from time to time, upon an event of default, without liability therefor and without notice and without affecting the liability of any person for the payment of the indebtedness secured hereby, and upon written request of Beneficiary, payment of its own fees and presentation of this Deed of Trust, Trustee may:

7.1.1 Join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; or

7.1.2 Reconvey, without warranty, all or any part of the Property.

7.2 **Reconveyance.** Upon the Trustor's satisfactory performance of the obligations set forth in Section 2 hereof, Beneficiary shall request Trustee to reconvey the Property. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Beneficiary may charge such person or persons a fee for reconveying the Property.

7.3 **Powers and Duties on Default.** Upon written request therefor by Beneficiary specifying the nature of the default, or the nature of the several defaults, and the amount or amounts due and owing, Trustee shall execute a written notice of default and of its election to cause the Property to be sold to satisfy the obligation secured hereby, and shall cause such notice to be recorded and otherwise given according to law.



Notice of the sale shall have been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Trustor, shall sell the Property at the time and place of sale specified in the notice, as provided by statute, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest and best bidder for cash in lawful money of the United States, payable at the time of sale. Trustor agrees that such a sale (or a sale pursuant to judicial foreclosure) of all the Property as real estate constitutes a commercially reasonable disposition thereof. Trustee may postpone the sale of all or any portion of the Property, and from time to time thereafter may postpone such sale, as provided by statute. Trustee shall deliver to the purchaser its deed and bill of sale conveying the Property so sold, but without any covenant or warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including Trustor or Beneficiary, may purchase at such sale.

After deducting all of the costs, fees and expenses of Trustee and of this trust, including the cost of title search and title insurance and reasonable counsel fees in connection with the sale, Trustee shall apply the proceeds of sale to payment of all sums secured hereby in such order as Beneficiary may determine; and the remainder, if any, to the party or parties entitled thereto.

7.4 **Acceptance of Trust.** Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

7.5 **Reliance.** Trustee, upon presentation to it of an affidavit signed by Beneficiary setting forth facts showing a default by Trustor under this Deed of Trust, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

7.6 **Replacement of Trustee.** Beneficiary may, from time to time, as provided by statute, appoint another trustee in place and stead of Trustee herein named, and thereupon Trustee herein named shall be discharged and the trustee so appointed shall be substitute as Trustee hereunder, with the same effect as if originally named Trustee herein.

8. HAZARDOUS SUBSTANCES.

8.1 **Covenants and Agreements.** Trustor hereby covenants and agrees as follows:

8.1.1 Trustor will not cause or permit any Hazardous Substance to be brought upon, kept, used or generated by Trustor, its agents, employees, contractors or invitees, in the operation of the Property unless the use or generation of the Hazardous Substance is necessary for the prudent operation of the Property in the ordinary course of Trustor's business and operations and in compliance with all Environmental Laws.



8.1.2 Trustor will at all times and in all respects use its best efforts to comply with all Environmental Laws. Trustor's duty of compliance with Environmental Laws includes without limitation the duty to undertake the following specific actions: (1) Trustor will, at its own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any sanitary sewers serving the Property; and (2) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, any and all Hazardous Substances to be treated and/or disposed by Trustor will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

8.1.3 At any time, and from time to time, if Trustee so requests, Trustor shall have any environmental review, audit, assessment and/or report relating to the Property theretofore provided by Trustor to Trustee updated, at the sole cost and expense of Trustor, by an independent environmental consultant selected by Trustor and not objected to by the Trustee in writing within 30 days after receipt of notification of Trustor's selection.

8.1.4 Trustor will, at its sole expense, take all actions as may be necessary or advisable for the clean-up of Hazardous Substances on or with respect to the Property, including without limitation all removal, containment and remedial actions in accordance with all applicable laws, and shall further pay or cause to be paid all clean-up, administrative and enforcement costs of governmental agencies with respect to Hazardous Substances on or with respect to the Property if obligated to do so by contract or by law. Trustor will immediately notify the Trustee should Trustor (1) become aware of any actual or potential liability with respect to Hazardous Substances stored, disposed or released in, on or about the Property, (2) receive any notice of, or become aware of, any actual or alleged violation with respect to the Property of any federal, state or local statute, ordinance rule, regulation or other law pertaining to Hazardous Substances, (3) receive any written request for information or for an inspection of the Property by any governmental authority with respect to any Hazardous Substances or Environmental Laws, or (4) become aware of any lien or action with respect to any of the foregoing. Trustee may require from Trustor assurances that Trustor is taking all actions as may be reasonably required for the clean-up of Hazardous Substances on or with respect to any of the Property; provided, that for all purposes under this Section, Trustor shall, upon the Trustee's request therefor, provide the Trustee with, and the Trustee shall be fully protected in relying upon, without further investigation or further duty to determine whether any removal, containment and/or remedial actions are satisfactory, either (A) the written approval of such actions by any independent environmental consultant selected by Trustor and not objected to in writing by Trustee or



Beneficiary within 30 days after receipt of notification of Trustor's selection; or (B) written notice from Trustor that it is contesting in good faith any such requirement by appropriate legal proceedings.

8.2 **Definitions.** As used in this Section 8:

8.2.1 "Environmental Laws" means all laws and regulations, now or hereafter in effect, with respect to Hazardous Substances, including without limitation the Comprehensive Environmental response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.), and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

8.2.2 "Hazardous Substance" means any substance or material now or hereafter defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any Environmental Laws.

9. **CONDEMNATION.** Trustor shall promptly notify Beneficiary of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property or any part thereof, and Trustor shall appear in and prosecute any such action or proceeding unless otherwise directed by Beneficiary in writing. Upon the occurrence and continuance of a default under this Deed of Trust, Trustor authorizes Beneficiary, at Beneficiary's option, as attorney-in-fact for Trustor, to commence, appear in and prosecute, in Beneficiary's or Trustor's name, any action or proceeding relating to any condemnation or other taking of the Property whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking.

10. **MISCELLANEOUS.**

10.1 **Time of Essence.** Time is of the essence of this Deed of Trust.

10.2 **Binding Upon Successors and Assigns.** Subject to the provisions of applicable law with respect to successor trustees, this Deed of Trust shall be binding on and inure to the benefit of the parties, their successors and assigns.

10.3 **Beneficiary's Right to Perform Obligations of Trustor.** If Trustor fails to perform the covenants and agreements contained or incorporated in this Deed of Trust, or if any action or proceeding is commenced which affects the Project or title thereto or the interest of Beneficiary therein (including without limitation any bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding or eminent domain proceeding), then Beneficiary, at Beneficiary's option may make such



appearance, disburse such sums, and take such action as Beneficiary deems necessary, in its sole discretion, to protect Beneficiary's interest, including without limitation (i) disbursement of attorneys' fees and expenses; (ii) entry upon the Property to make repairs; and (iii) procurement of satisfactory insurance. Trustor shall reimburse Beneficiary for all reasonable costs incurred by Beneficiary in taking any said action, together with interest from the date of expenditure until repaid at two percent per annum over the rate of interest announced by the Trustee as its prime rate from time to time, but in any event, not greater than the maximum rate of interest permitted by Alaska law. Such sums shall become a part of the obligations of Trustor secured by this Deed of Trust and be payable by Trustor on demand. Trustor agrees that the amounts described in this section constitute necessary expenditures for the preservation of Beneficiary's security and, to the extent permitted by law, such amounts shall have a lien priority date as of the date of recording of this Deed of Trust.

Such action by Beneficiary shall not constitute a waiver of the default or any other right or remedy which Beneficiary may have on account of Trustor's default. Nothing in this Section 10.3 shall require Beneficiary to incur any expense or take any action.

10.4 Notices. Notices under this Deed of Trust shall be in writing and shall be sufficiently given if addressed and mailed by first-class, certified or registered mail, postage prepaid, to a party at the address set forth above, or such other address as a party may indicate by written notice to the others. All notices shall be deemed served upon deposit of such notice in the United States Postal Service in the manner above provided.

10.5 Captions. All captions used in this Deed of Trust are intended solely for convenience of reference and shall not limit, expand or otherwise affect any of the provisions of this Deed of Trust.

10.6 Invalid Provisions to Affect No Others. If any of the provisions contained in this Deed of Trust shall be invalid, illegal or unenforceable in any respect, the validity of the remaining provisions contained herein shall not be affected thereby.

10.7 Changes in Writing. This Deed of Trust and any of its terms may only be changed, waived, discharged or terminated by a writing signed by Beneficiary.

10.8 Applicable Law. This Deed of Trust, and the terms and conditions herein shall be construed, applied and enforced in accordance with the laws of the State of Alaska.

10.9 Parties Interested Herein. Nothing in this Deed of Trust, express or implied, is intended or shall be construed to give to any person, other than Trustor, Beneficiary and Trustee any right, remedy or claim under or by reason of this Deed of Trust. The covenants, stipulations and agreements in this Deed of Trust contained are



and shall be for the sole and exclusive benefit of Trustor, Beneficiary and Trustee, and their successors and assigns.

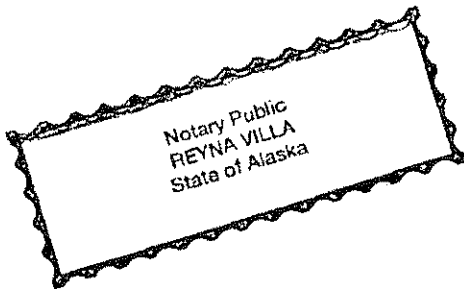
IN WITNESS WHEREOF, the Trustor has executed this Agreement as of the date first above written.

TRUSTOR: NATIVE VILLAGE OF EYAK

By: ✓ Angela Arnold
Name: ✓ Angela Arnold
Title: ✓ Executive Director

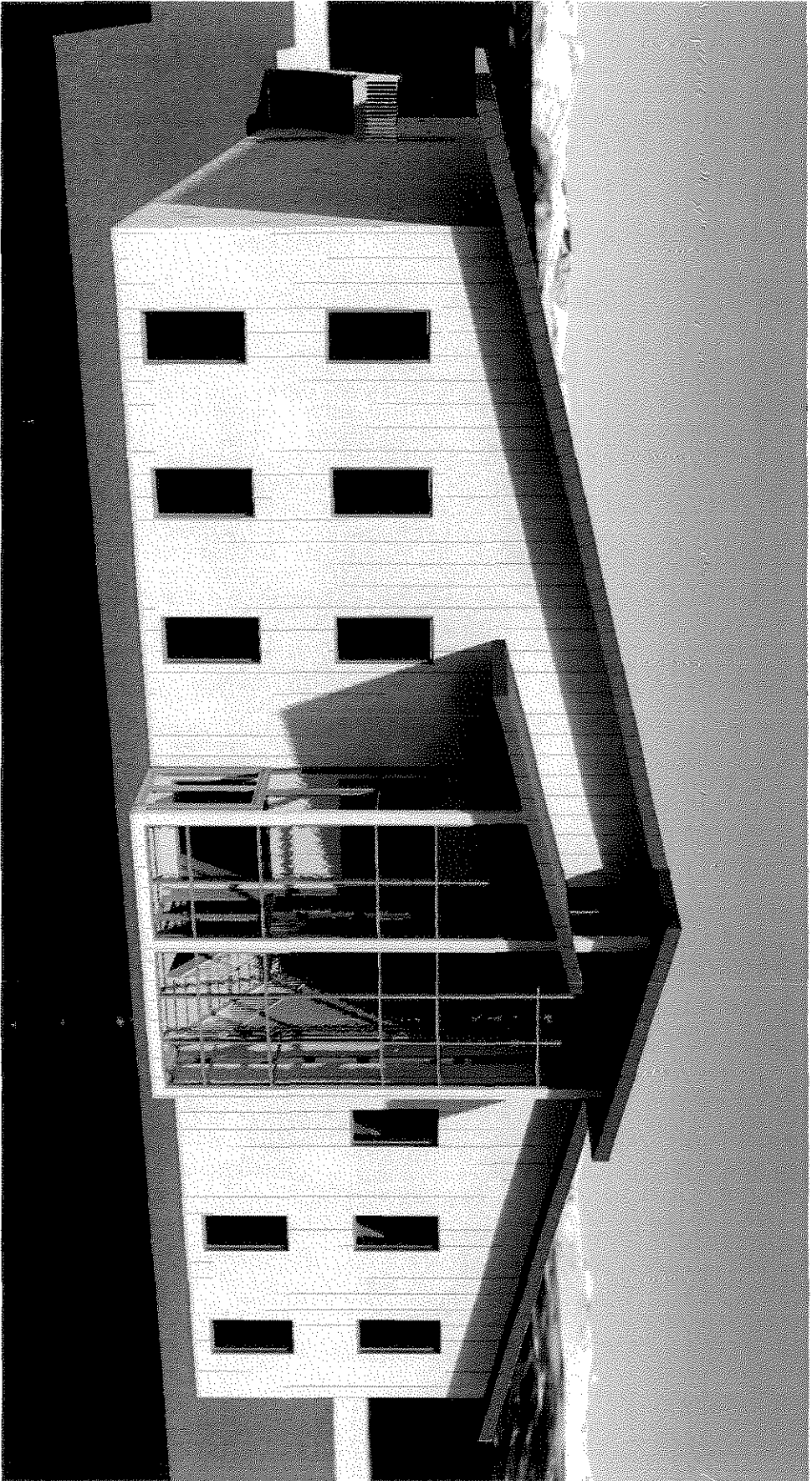
STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 25 day of October, 2010 by: Angela Arnold Executive Director of the NATIVE VILLAGE OF EYAK, a federally recognized Indian Tribe, on behalf of the Tribe.



✓ Reyna Villa
Notary Public in and for Alaska
My commission expires: 6/8/2011





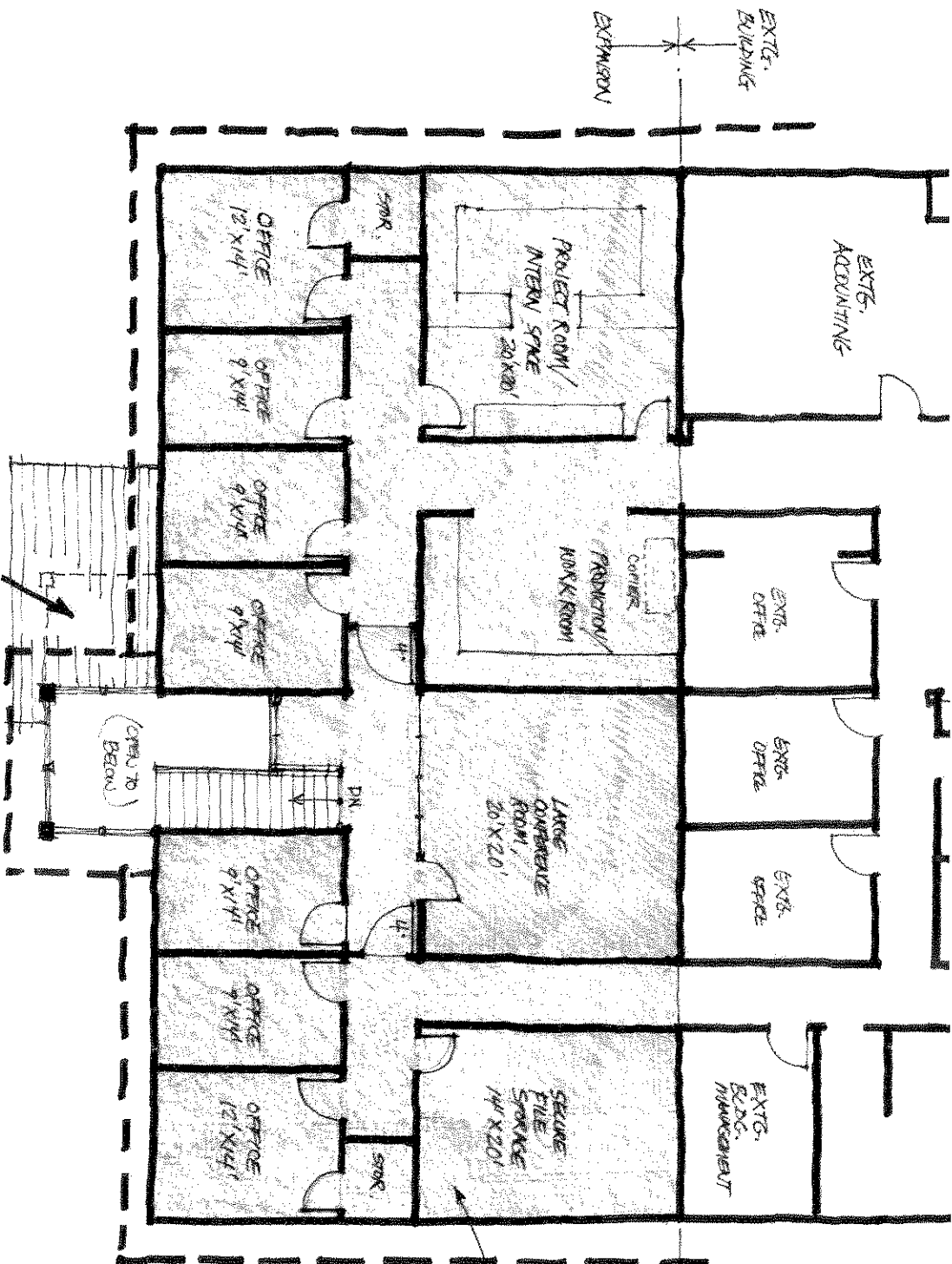
ILLANKA BUILDING EXPANSION
3-D RENDERING

MRV ARCHITECTS
May 25, 2009

ILLANKA BUILDING EXPANSION
FLOOR PLAN 2

5' 10'

ENTRY VESTIBULE BECAU



TOTAL AREA SECOND FLOOR
= 3120 SQ. FT.

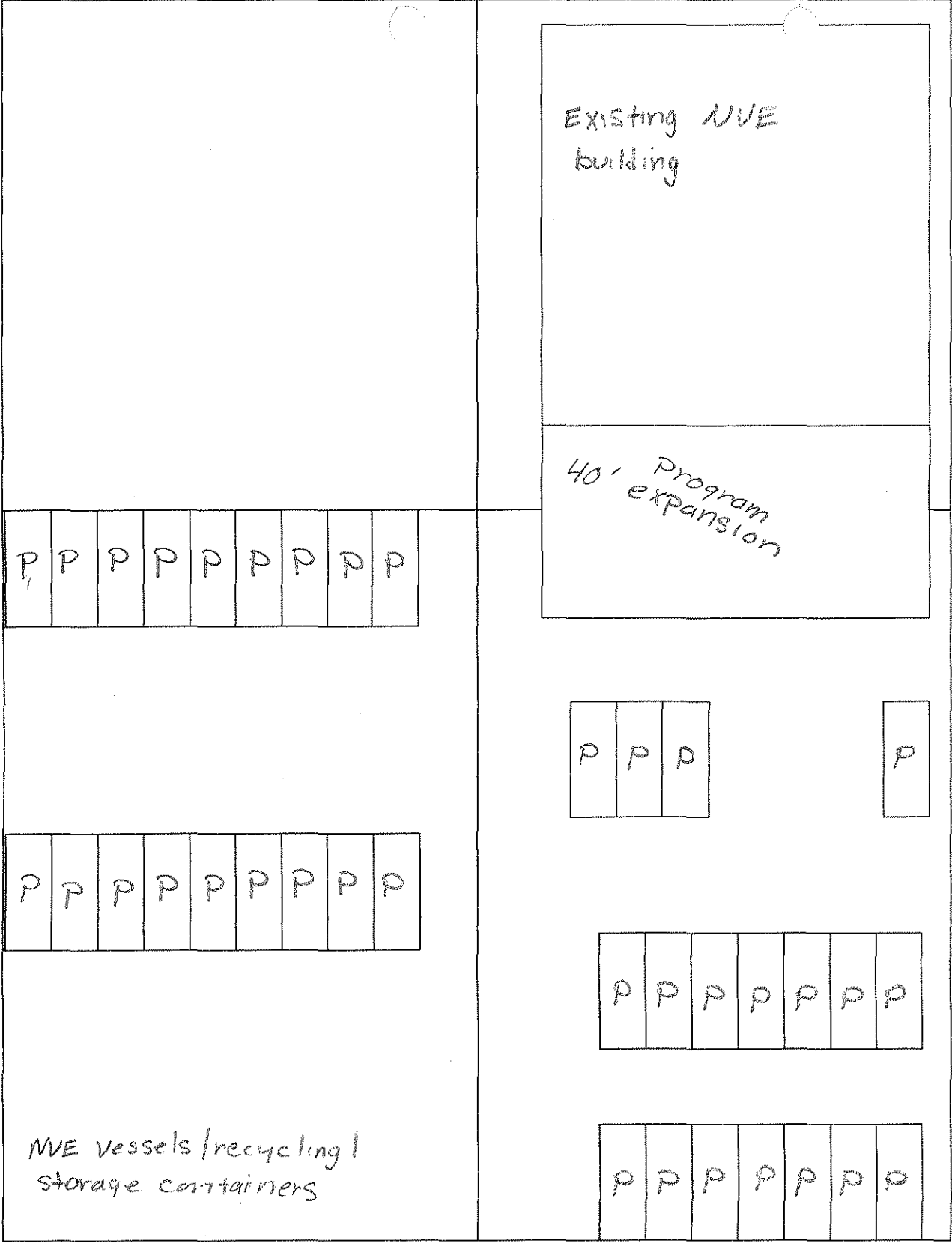
NET ADD TO
ILLANKA EXECUTIVE
OFFICES, 2,500 SQ. FT.

MRV ARCHITECTS
May 21, 2009

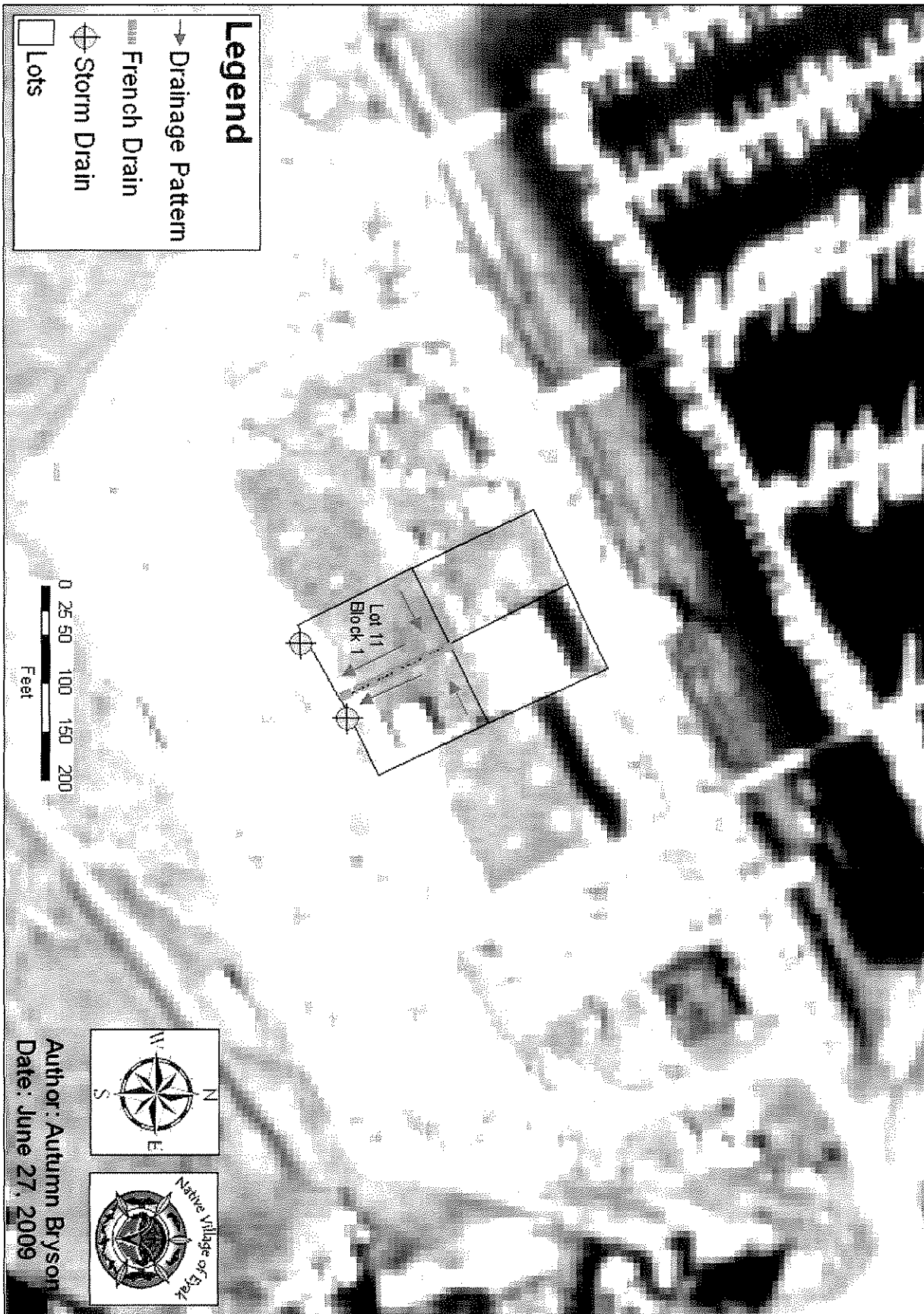
ILLANKA BUILDING EXPANSION

FLOOR PLAN 1

MRV ARCHITECTS
May 21, 2009



Drainage Plan Lot 11, Block 1, South Fill



Location of Lot 11, Owned by NVE with Performance Deed of Trust



A MEMO FROM SUSAN BOURGEOIS, CMC, CITY CLERK

DATE: January 28, 2014

TO: Mayor and City Council

SUBJECT: Bulk Mailer request

Mayor Kacsh asked that this agenda item be brought before Council at the request of Council member **Bradford**. At a previous Council meeting the topic was broached and at this time, Council would need to direct staff if interested in doing so. **Mayor Kacsh** has mentioned the possibility of staff creating a bulk mailer to citizens of Cordova asking for the citizens to write letters to legislators asking for Cordova Center funding during this legislative session. Staff might also be asked to have sample letters available for the public. **Mayor Kacsh** hoped for Council opinions and discussion on this item and direction to staff if desired.

RECOMMENDED MOTION: Direct staff to... (depends on Council's wishes)

REQUIRED ACTION: Majority voice vote.

Randy/Susan:

Attached is a Legislative Report for review by the Mayor and City Council.

For the February 5th Council meeting, you have asked me to be available via teleconference to discuss this report and also provide recommendations on possible advocacy campaign for funding the Cordova Center and other Council priorities.

Here are some initial comments about a potential advocacy campaign:

- 1) The first priority is securing state funding toward the completion of the Cordova Center.
- 2) Given the pressure to reduce spending this session, it is very important to have a strong, positive, and consistent message to the Legislature about the priorities of the community.
- 3) We need to be prepared to shift gears toward other priorities of the Council in the event funding opportunities for other types of project are available.

In relation to #2 above, here are some recommendations for advocating for funding the Cordova Center:

- Completion of the Cordova Center is the top priority of the community, and the community is united in this sentiment.
- The Cordova Center is an integral part of diversifying the economy of Cordova.
- The Cordova Center is basic public infrastructure to provide efficient, cost-effective public services.
- Cordova is a major economic contributor to the State of Alaska; providing over \$1.3 million annually to the State in fisheries taxes, over 1,700 seafood processing jobs, over \$191 million in first wholesale value for seafood, and additional economic activity in purchases of fuel, marine servicing, air cargo, shipping, and retail goods & services.
- As the State of Alaska begins to face fiscal impacts from declining oil revenues, now is the time to fund the completion of construction projects that are currently underway.

These are just some initial thoughts and suggestions. I would be more than happy to assist in further developing these and other talking points.

John Bitney

2013 Legislature - Capital Budget **Project Detail by House District - House Structure**

Numbers and Language
Non Mental Health Transactions
District by Impact

House District: 35 Kodiak/Cordova

		[1] GovTotal	[2] SenTotal	[3] HseTotal	[2] - [1] GovTotal to SenTotal	[3] - [1] GovTotal to HseTotal	[3] - [2] SenTotal to HseTotal
Department of Commerce, Community and Economic Development							
Grants to Municipalities (AS 37.05.315)							
AP	Akhlok - Water and Sewer Critical Repairs	0	325,000	955,000	325,000 >999 %	955,000 >999 %	630,000 193.8 %
	1004 Gen Fund (UGF)	0	325,000	955,000	325,000 >999 %	955,000 >999 %	630,000 193.8 %
AP	Cordova - Community Center Construction Completion	0	1,000,000	1,000,000	1,000,000 >999 %	1,000,000 >999 %	0
	1004 Gen Fund (UGF)	0	1,000,000	1,000,000	1,000,000 >999 %	1,000,000 >999 %	0
AP	Kodiak - Monashka Pumphouse Upgrades	0	500,000	500,000	500,000 >999 %	500,000 >999 %	0
	1004 Gen Fund (UGF)	0	500,000	500,000	500,000 >999 %	500,000 >999 %	0
AP	Kodiak Island Borough - Landfill Leachate Treatment Plant & Related Phase III Improvements	0	4,529,000	4,529,000	4,529,000 >999 %	4,529,000 >999 %	0
	1004 Gen Fund (UGF)	0	4,529,000	4,529,000	4,529,000 >999 %	4,529,000 >999 %	0
AP	Old Harbor - Airport Improvements	0	500,000	4,470,000	500,000 >999 %	4,470,000 >999 %	3,970,000 794.0 %
	1004 Gen Fund (UGF)	0	500,000	0	500,000 >999 %	0	-500,000 -100.0 %
	1197 AK Cap Fnd (DGF)	0	0	4,470,000	0	4,470,000 >999 %	4,470,000 >999 %
AP	Ouzinkie - Mahoon Lake Dam Repair and Replacement	0	1,000,000	1,800,000	1,000,000 >999 %	1,800,000 >999 %	800,000 80.0 %
	1004 Gen Fund (UGF)	0	1,000,000	1,800,000	1,000,000 >999 %	1,800,000 >999 %	800,000 80.0 %
AP	Ouzinkie - Ouzinkie Dock Completion	0	0	2,500,000	0	2,500,000 >999 %	2,500,000 >999 %
	1004 Gen Fund (UGF)	0	0	2,500,000	0	2,500,000 >999 %	2,500,000 >999 %
AP	Port Lions - City Dock and Ferry Terminal Replacement	0	1,500,000	3,500,000	1,500,000 >999 %	3,500,000 >999 %	2,000,000 133.3 %
	1004 Gen Fund (UGF)	0	1,500,000	0	1,500,000 >999 %	0	-1,500,000 -100.0 %
	1197 AK Cap Fnd (DGF)	0	0	3,500,000	0	3,500,000 >999 %	3,500,000 >999 %
AP	Whittier - Public Works Building (P-12) Roof Repair	0	500,000	500,000	500,000 >999 %	500,000 >999 %	0
	1004 Gen Fund (UGF)	0	500,000	500,000	500,000 >999 %	500,000 >999 %	0
AP	Yakutat - Ocean Cape Dock Major Maintenance	0	500,000	500,000	500,000 >999 %	500,000 >999 %	0
	1004 Gen Fund (UGF)	0	500,000	500,000	500,000 >999 %	500,000 >999 %	0
Grants to Named Recipients (AS 37.05.316)							
AP	Alaska Association of Conservation Districts - Kodiak Soil and Water Conservation District Computer Backup System	0	0	5,000	0	5,000 >999 %	5,000 >999 %
	1004 Gen Fund (UGF)	0	0	5,000	0	5,000 >999 %	5,000 >999 %
AP	Kodiak Area Native Association - Facility Expansion and Renovation	0	500,000	1,500,000	500,000 >999 %	1,500,000 >999 %	1,000,000 200.0 %
	1004 Gen Fund (UGF)	0	500,000	1,500,000	500,000 >999 %	1,500,000 >999 %	1,000,000 200.0 %
AP	Kodiak Electric Association, Inc. - Swampy Acres Backup Diesel Generation Expansion Project	0	5,000,000	0	5,000,000 >999 %	0	-5,000,000 -100.0 %
	1004 Gen Fund (UGF)	0	5,000,000	0	5,000,000 >999 %	0	-5,000,000 -100.0 %
AP	Kodiak Historical Society - Building Meaning Creating Additional Museum Collections Storage	0	0	7,750	0	7,750 >999 %	7,750 >999 %
	1004 Gen Fund (UGF)	0	0	7,750	0	7,750 >999 %	7,750 >999 %
AP	Kodiak Regional Aquaculture Association - Kitoi Bay Hatchery Deferred Maintenance and Upgrades	0	0	3,300,000	0	3,300,000 >999 %	3,300,000 >999 %
	1201 CFEC Rqpts (DGF)	0	0	3,300,000	0	3,300,000 >999 %	3,300,000 >999 %
AP	Rural Alaska Community Action Program, Inc. - Kodiak Head Start Bus Acquisition	0	45,000	45,000	45,000 >999 %	45,000 >999 %	0
	1004 Gen Fund (UGF)	0	45,000	45,000	45,000 >999 %	45,000 >999 %	0
AP	Senior Citizens of Kodiak, Inc. - Drainage and Accessibility Improvements at Senior Center Entrance	0	27,400	27,400	27,400 >999 %	27,400 >999 %	0
	1004 Gen Fund (UGF)	0	27,400	27,400	27,400 >999 %	27,400 >999 %	0
AP	Yakutat Regional Aquaculture Association, Inc. - Comprehensive Salmon Plan Update, Planning, Data Gathering and Office Set Up	0	0	100,000	0	100,000 >999 %	100,000 >999 %
	1201 CFEC Rqpts (DGF)	0	0	100,000	0	100,000 >999 %	100,000 >999 %

2013 Legislature - Capital Budget

Project Detail by House District - House Structure

Numbers and Language
Non Mental Health Transactions
District by Impact

House District: 35 Kodiak/Cordova

		[1] GovTotal	[2] SenTotal	[3] HseTotal	[2] - [1] GovTotal to SenTotal	[3] - [1] GovTotal to HseTotal	[3] - [2] SenTotal to HseTotal
Department of Commerce, Community and Economic Development (continued)							
Grants to Unincorporated Communities (AS 37.05.317)							
AP	Chenega Bay - Electric System Rehabilitation & Equipment	0	150,000	150,000	150,000 >999 %	150,000 >999 %	0
	1004 Gen Fund (UGF)	0	150,000	150,000	150,000 >999 %	150,000 >999 %	0
Department of Military and Veterans Affairs							
AP	Alaska Aerospace Corporation Kodiak Launch Complex Modernization	165,400	0	0	-165,400 -100.0 %	-165,400 -100.0 %	0
	1004 Gen Fund (UGF)	165,400	0	0	-165,400 -100.0 %	-165,400 -100.0 %	0
AP	Alaska Aerospace Corporation Maintenance	900,000	400,000	400,000	-500,000 -55.6 %	-500,000 -55.6 %	0
	1004 Gen Fund (UGF)	900,000	400,000	400,000	-500,000 -55.6 %	-500,000 -55.6 %	0
Deferred Maintenance, Renewal, Repair and Equipment							
AL	Kodiak Armory Deferred Maintenance	600,000	600,000	600,000	0	0	0
	1002 Fed Rcpts (Fed)	300,000	300,000	300,000	0	0	0
	1003 G/F Match (UGF)	300,000	300,000	300,000	0	0	0
Department of Natural Resources							
Deferred Maintenance, Renewal, Repair and Equipment							
AL	Parks and Outdoor Recreation Deferred Maintenance - Kodiak Region	25,000	25,000	25,000	0	0	0
	1004 Gen Fund (UGF)	25,000	25,000	25,000	0	0	0
Department of Transportation and Public Facilities							
Airport Improvement Program							
AL	Kodiak - Airport Improvements	27,600,000	27,600,000	27,600,000	0	0	0
	1002 Fed Rcpts (Fed)	27,600,000	27,600,000	27,600,000	0	0	0
AL	Whittier - Airport Master Plan	200,000	200,000	200,000	0	0	0
	1002 Fed Rcpts (Fed)	200,000	200,000	200,000	0	0	0
Surface Transportation Program							
AL	Whittier Tunnel - Maintenance and Operations	2,500,000	2,500,000	2,500,000	0	0	0
	1002 Fed Rcpts (Fed)	2,500,000	2,500,000	2,500,000	0	0	0
*** House District Totals		31,990,400	47,401,400	56,714,150	15,411,000 48.2 %	24,723,750 77.3 %	9,312,750 19.6 %
Funding Summary							
	Unrestricted General (UGF)	1,390,400	16,801,400	14,744,150	15,411,000 >999 %	13,353,750 960.4 %	-2,057,250 -12.2 %
	Designated General (DGF)	0	0	11,370,000	0	11,370,000 >999 %	11,370,000 >999 %
	Federal Receipts (Fed)	30,600,000	30,600,000	30,600,000	0	0	0

2013 Legislature - Capital Budget House District Summary - House Structure

**Numbers and Language
Non Mental Health Transactions
District by Impact**

House District	[1] GovTotal	[2] SenTotal	[3] HseTotal	[2] - [1] GovTotal to SenTotal		[3] - [1] GovTotal to HseTotal		[3] - [2] SenTotal to HseTotal	
1-5 Fairbanks Areawide	95,016.6	107,962.4	126,455.5	12,945.8	13.6 %	31,438.8	33.1 %	18,493.0	17.1 %
6 Richardson Highway	48,593.2	54,455.0	55,510.0	5,861.7	12.1 %	6,916.7	14.2 %	1,055.0	1.9 %
7-11 Mat-Su Areawide	62,220.0	120,031.3	139,801.6	57,811.3	92.9 %	77,581.6	124.7 %	19,770.4	16.5 %
11-27 Anchorage Areawide	152,267.8	228,016.4	319,884.8	75,748.6	49.7 %	167,617.0	110.1 %	91,868.4	40.3 %
28-30 Kenai Areawide	33,641.6	52,517.6	59,883.0	18,876.0	56.1 %	26,241.4	78.0 %	7,365.4	14.0 %
7-30 Southcentral Region	140,650.0	145,650.0	147,650.0	5,000.0	3.6 %	7,000.0	5.0 %	2,000.0	1.4 %
31-32 Juneau Areawide	74,457.3	73,131.7	83,821.3	-1,325.6	-1.8 %	9,364.0	12.6 %	10,689.6	14.6 %
33 Ketchikan/ Wrangell	36,224.4	43,171.6	48,730.3	6,947.2	19.2 %	12,505.9	34.5 %	5,558.7	12.9 %
34 Southeast Islands	58,415.2	67,729.0	67,959.0	9,313.8	15.9 %	9,543.8	16.3 %	230.0	0.3 %
31-34 Southeast Region	12,165.0	12,165.0	12,665.0	0.0		500.0	4.1 %	500.0	4.1 %
35 Kodiak/Cordova	31,990.4	47,401.4	56,714.2	15,411.0	48.2 %	24,723.8	77.3 %	9,312.8	19.6 %
36 Dillingham/ Iliamna	49,396.1	73,735.8	75,635.8	24,339.7	49.3 %	26,239.7	53.1 %	1,900.0	2.6 %
37 Bethel/ Aleutians	43,474.1	52,942.4	53,996.8	9,468.4	21.8 %	10,522.8	24.2 %	1,054.4	2.0 %
36-37 Southwest Region	0.0	0.0	35.0	0.0		35.0	>999 %	35.0	>999 %
38 Wade Hampton/ McKinley	44,308.6	47,891.8	48,870.8	3,583.2	8.1 %	4,562.2	10.3 %	979.0	2.0 %
39 Bering Straits/ Interior	62,971.8	72,596.2	73,811.2	9,624.4	15.3 %	10,839.4	17.2 %	1,215.0	1.7 %
38-39 Western/ Rural Int Region	0.0	169.0	169.0	169.0	>999 %	169.0	>999 %	0.0	
40 Arctic	37,076.9	45,454.7	47,154.7	8,377.8	22.6 %	10,077.8	27.2 %	1,700.0	3.7 %
1-40 Statewide	900,675.5	826,488.2	869,376.2	-74,187.3	-8.2 %	-31,299.3	-3.5 %	42,888.0	5.2 %
Statewide Total	1,883,544.7	2,071,509.6	2,288,124.3	187,964.9	10.0 %	404,579.6	21.5 %	216,614.7	10.5 %
Funding Summary									
Unrestricted General (UGF)	790,365.7	901,389.5	1,028,092.1	111,023.8	14.0 %	237,726.5	30.1 %	126,702.7	14.1 %
Designated General (DGF)	74,617.4	162,630.5	212,750.5	88,013.1	118.0 %	138,133.1	185.1 %	50,120.0	30.8 %
Other State Funds (Other)	79,180.9	79,180.9	118,180.9	0.0		39,000.0	49.3 %	39,000.0	49.3 %
Federal Receipts (Fed)	939,380.7	928,308.7	929,100.7	-11,072.0	-1.2 %	-10,280.0	-1.1 %	792.0	0.1 %

Pending agenda:

Capital Priorities List Meeting - **Mar 5, 2014; June 4, 2014; Sep 3, 2014; Dec 3, 2014**

HSB Quarterly regular meetings **Apr 2, 2014; July 2, 2014; Oct 1, 2014; Jan 7, 2015**

Staff quarterly reports in packets: **Apr 16, 2014; July 16, 2014; Oct 15, 2014; Jan 21, 2014**

Agenda item regarding budgeting for road maintenance **February 19, 2014**

HSB Special Meeting **February 19, 2014**

Buck Adams, UBS, City Investments quarterly report via teleconference, **February 19, 2014**

Committees:

Cordova Center Committee: Tim Joyce, Sylvia Lange, Randy Robertson, Kristin Carpenter, Native Village of Eyak Representative, Chamber of Commerce Representative, Business Community Representative, PWSSC Representative, Stage of the Tides Representative.

Fisheries Advisory Committee: David Reggiani, PWSAC; Ken Roemhildt, Seafood Sales; Jim Holley, AML; Torie Baker, Marine Advisory Program Coordinator; John Bocci; and Jeremy Botz, ADF&G

Cordova Trails Committee: Elizabeth Senear, VACANCY, Jim Kallander, Toni Godes, and David Zastrow

Calendars:

3 months of calendars are attached hereto
Feb 2014; Mar 2014; Apr 2014

February 2014

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library						1
2 Superbowl Sunday	3	4 6:30 P&Z LMR	5 7:15 pub hrg LMR 7:30 reg mtg LMR	6 Iceworm Festival	7 Iceworm Festival	8 Iceworm Festival
9 Iceworm Festival	10	11	12 7:00 Sch Bd HSL 7:00 Hrbr Cms CH	13	14	15
16	17 Presidents' Day City Hall Offices Closed	18 Absentee voting at City Hall	19 HSB spec time tba 7:30 reg mtg LMR _____	20 Absentee voting at City Hall	21 _____	22
23	24 Absentee voting at City Hall	25 _____	26 Absentee voting at City Hall	27 _____	28 Absentee voting at City Hall	Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library 172

March 2014

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm						<i>1</i>
<i>2</i>	<i>3</i> Absentee voting at City Hall	<i>4</i> Cordova Regular Election Polls open 7am—8pm LMR	<i>5</i> 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	<i>6</i> District Tournament Basketball in Cordova	<i>7</i> District Tournament Basketball in Cordova	<i>8</i> District Tournament Basketball in Cordova
<i>9</i>	<i>10</i>	<i>11</i> 6:30 P&Z LMR	<i>12</i> 7:00 Sch Bd HSL 7:00 Hrbr Cms CH	<i>13</i> Spec Mtg to certify Election time (tba)	<i>14</i>	<i>15</i>
<i>16</i>	<i>17</i>	<i>18</i>	<i>19</i> 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	<i>20</i>	<i>21</i>	<i>22</i>
<i>23</i>	<i>24</i>	<i>25</i>	<i>26</i>	<i>27</i>	<i>28</i> Alaska Shield Exercise	<i>29</i> Alaska Shield Exercise
<i>30</i>	<i>31</i> Seward's Day City Hall Offices Closed					Location Legend HSL-High School Library 173

April 2014

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library		<i>1</i>	<i>2</i> 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	<i>3</i>	<i>4</i>	<i>5</i>
<i>6</i>	<i>7</i>	<i>8</i> 6:30 P&Z LMR	<i>9</i> 7:00 Sch Bd HSL 7:00 Hrbr Cms CH	<i>10</i>	<i>11</i>	<i>12</i>
<i>13</i>	<i>14</i> CSD—spring break	<i>15</i> CSD—spring break	<i>16</i> CSD—spring break 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	<i>17</i> CSD—spring break	<i>18</i> CSD—spring break	<i>19</i>
<i>20</i> Easter Sunday	<i>21</i> BOE Hearing 7pm	<i>22</i>	<i>23</i>	<i>24</i>	<i>25</i>	<i>26</i>
<i>27</i>	<i>28</i>	<i>29</i>	<i>30</i>			Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library