

**Mayor**  
James Kallander

**Council Members**  
*vacant*  
James Kacsh  
David Allison  
Bret Bradford  
EJ Cheshier  
David Reggiani  
Robert Beedle

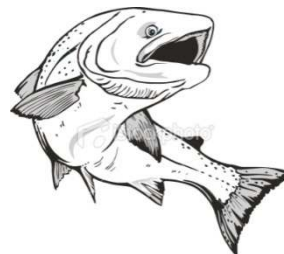
**City Manager**  
Mark Lynch

**City Clerk**  
Susan Bourgeois

**Deputy Clerk**  
Robyn Kincaid

**Student Council**

**REGULAR COUNCIL MEETING  
AUGUST 02, 2012 @ 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 Kallander, Council members Keith van den Broek, James Kacsh, David Allison, Bret Bradford, EJ Cheshier, David Reggiani and Robert Beedle

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

**E. DISCLOSURES OF CONFLICTS OF INTEREST**

**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Guest Speakers – **Wes Lundburg**, Interim President of Prince William Sound..... (page 1)  
Community College and **Theresa Keel**, Cordova School District Superintendent
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)

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

4. Substitute Resolution 07-12-32..... (page 2)  
A resolution of the City Council of the City of Cordova, authorizing the City Manager to enter into a 2 year lease of property legally described as a portion of Lot 3, Block 7A, Tidewater Development Park with Cordova Outboard Inc.
5. Substitute Resolution 07-12-33..... (page 13)  
A resolution of the City Council of the City of Cordova, authorizing the City Manager to enter into a 2 year lease of property legally described as a portion of Lot 3, Block 7A (locally known as the “old sea grant office”), Tidewater Development Park, Plat 93-2 with the Prince William Sound Science Center
6. Resolution 08-12-34..... (page 25)  
A resolution of the City Council of the City of Cordova, Alaska, authorizing reactivation and repurposing of the Cordova Center Committee to pursue development strategies for completion of the project
7. Resolution 08-12-35..... (page 27)  
A resolution of the City Council of the City of Cordova, Alaska, authorizing the disposal of city records that have no legal or administrative value or historical interest
8. Resolution 08-12-36..... (page 32)  
A resolution of the City Council of the City of Cordova, Alaska, establishing local government contribution of national forest receipts for the Cordova Public School district for the school fiscal year ending June 30, 2013
9. Council concurrence of Mayor’s appointments to fill vacancies on Parks & Rec Commission..... (page 34)
10. Council concurrence of Mayor’s appointments to fill vacancies on Cordova Center Committee.... (page 39)

**H. APPROVAL OF MINUTES**

11. Minutes of 07-05-12 City Council Public Hearing..... (page 40)
12. Minutes of 07-05-12 City Council Regular Meeting..... (page 41)

**I. CONSIDERATION OF BIDS**

**J. REPORTS OF OFFICERS**

13. Mayor’s Report

14. Manager's Report.....	(page 46)
15. City Clerk's Report.....	(page 50)
16. Staff Reports	
a. Fire Chief, <b>Mike Hicks</b> and Fire Marshal, <b>Paul Trumblee</b> .....	(page 51)
b. Public Works Director, <b>Moe Zamarron</b> .....	(page 52)
c. <b>Josh Hallquist</b> , City Projects Update	
17. Staff Quarterly Reports: 2Q, 2012	
a. Harbor Department, <b>Dale Muma</b> , Harbormaster.....	(page 53)
b. City Investments, <b>Buck Adams</b> , UBS Financial.....	(page 54)
c. Parks & Recreation Department, <b>Susie Herschleb</b> , Director.....	(page 85)
d. Public Works Department, <b>Moe Zamarron</b> , Director.....	(page 88)
e. Planning Department, <b>Sam Greenwood</b> , City Planner.....	(page 94)
f. CVFD, <b>Paul Trumblee</b> , Fire Marshal.....	(page 96)
g. Assistant City Manager/Info Services/Library/Museum, <b>Cathy Sherman</b> .....	(page 100)
h. Finance Department, <b>Ashley Royal</b> , Finance Director.....	(page 102)
i. Public Safety Department, <b>Bob Griffiths</b> , Police Chief.....	(page 109)

## **K. CORRESPONDENCE**

18. Letter from US Board on Geographic Names 06-22-12.....	(page 110)
19. Letter from DoT&PF in re 36 Mile Bridge 06-27-12.....	(page 111)
20. Letter from Mayor to Major General Katkus in re snow assistance 07-06-12.....	(page 116)
21. Letter of resignation from Council member van den Broek 07-19-12.....	(page 117)
22. Letter to Lynch from PWSCC requesting lease 07-16-12.....	(page 118)

## **L. ORDINANCES AND RESOLUTIONS**

### **M. UNFINISHED BUSINESS**

23. Request for purchase City land: Lot 6, Block 2 South Fill Development Park.....	(voice vote)(page 120)
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### **N. NEW & MISCELLANEOUS BUSINESS**

24. Acceptance of Planning & Zoning Commission Resolution 12-05.....	(voice vote)(page 126)
A resolution of the Planning and Zoning Commission of the City of Cordova, Alaska, recommending that Lot 2, Block 3 of the Cordova Industrial Park be updated to available and added to the 2012 land disposal maps, to the City of Cordova's City Council	
25. Request for purchase City land: Lot 2, Block 3 Cordova Industrial Park.....	(voice vote)(page 129)
26. Council election to fill vacancy of City Council seat A.....	(voice vote)(page 130)
27. Discussion of proposed 2013 budget schedule .....	(page 133)
28. Council concurrence of Mayor's appointments to fill vacancy of.....	(voice vote)(page 135)
Council Representative on School Board	
29. Pending Agenda and Calendar.....	(page 136)

## **O. AUDIENCE PARTICIPATION**

### **P. COUNCIL COMMENTS**

30. Council Comments
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### **Q. EXECUTIVE SESSION**

31. Grant reimbursement discussion
32. City Manager contract negotiations
33. City Clerk Evaluation

## **R. ADJOURNMENT**

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](http://www.cityofcordova.net)

# Prince William Sound Community College

## Fall 2012 Dual Credit Offerings

### Cordova

#### ART - Art

ART	V160	Art Appreciation				3.0 CR
79479	271	CR	CDV	Payne, P		\$75.00
79480	272	CR	CDV	Payne, P		\$75.00

#### ENGL - English

ENGL	V211	Intermediate Expo W/ Reading				3.0 CR
79484	271	CR	CDV	Harding, S		\$75.00

#### MATH - Math

MATH	V105	Intermediate Algebra				3.0 CR
79481	271	Year Long	CR	CDV	Werner, H	\$75.00
MATH	V107	College Algebra				4.0 CR
79482	271	Year Long	CR	CDV	Carroll, D	\$100.00
MATH	V200	Calculus I				4.0 CR
79483	271	Year Long	CR	CDV	Carroll, D	\$100.00

#### SPAN - Spanish

SPAN	V101	Elementary Spanish I				4.0 CR
79485	271	CR	CDV	Kopchak, B		\$100.00
SPAN	V201	Intermediate Spanish I				4.0 CR
79486	271	CR	CDV	Kopchak, B		\$100.00

# Memorandum

**To:** City Council and City Manager

**From:** Planning Department staff

**Date:** 7/27/2012

**Re:** Cordova Outboard Inc. lease

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## **PART I. GENERAL INFORMATION:**

File No.: 02-060-250-2

Requested Action: Approval of Substitute Resolution 7-12-32

Address & Survey: That area of tidelands 15 feet by 20 feet on the easterly side of the first approach to the floats in the Cordova Small Boat Harbor, a portion of Lot 3, Block 7A, Tidewater Development Park, Plat 93-2.

## **PART II. BACKGROUND:**

Cordova Outboard Inc. has been leasing the 15' by 20' tideland area under their fuel storage building since approximately 2004. Under the new lease the building will be used for storage as they are no longer selling fuel at this time. The term of this lease will be two years, commencing on July 5, 2012 and expiring on July 4, 2014.

The insurance rate has been adjusted on the attached lease. Cordova Outboard has confirmed that they are comfortable with the terms of the lease and are ready to sign.

## **PART II. SUGGESTED MOTION**

"I move to approve Substitute Resolution 7-12-32."

**CITY OF CORDOVA, ALASKA  
SUBSTITUTE RESOLUTION 07-12-32**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, AUTHORIZING  
THE CITY MANAGER TO ENTER INTO A 2 YEAR LEASE OF PROPERTY LEGALLY  
DESCRIBED AS A PORTION OF LOT 3, BLOCK 7A, TIDEWATER DEVELOPMENT PARK  
WITH CORDOVA OUTBOARD INC.**

**WHEREAS**, the current lease term with the Cordova Outboard Inc. will commence on July 5th, 2012, the new lease would carry their tenancy through July 4th, 2014; and

**WHEREAS**, the current lease with the Cordova Outboard Inc. is generally described as that area of tidelands 15 feet by 20 feet on the easterly side of the first approach to the floats in the Cordova Small Boat Harbor only, a portion of Lot 3, Block 7A, Tidewater Development Park, Plat 93-2, located within Cordova Recording District, Cordova Alaska; and

**WHEREAS**, the annual rental rate will be One Hundred Thirty Three Dollars and Eighty Four cents (\$133.84); and

**WHEREAS**, the lease between the City of Cordova and the Cordova Outboard Inc. is hereto attached 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 lease the property to the Cordova Outboard 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 1<sup>st</sup> DAY OF AUGUST, 2012.**

\_\_\_\_\_  
James Kallander, Mayor

Attest:

\_\_\_\_\_  
Susan Bourgeois, City Clerk

**CITY OF CORDOVA**  
**Cordova, Alaska**

**GROUND 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 **CORDOVA OUTBOARD INC.** doing business in Cordova, Alaska ("**Tenant**").

**RECITALS**

WHEREAS, the City owns that certain parcel of land generally described as that area of tidelands 15 feet by 20 feet on the easterly side of the first approach to the floats in the Cordova Small Boat Harbor, a portion of Lot 3, Block 7A, Tidewater Development Park, Plat 93-2, located within Cordova Recording District, Cordova Alaska, (referred to hereinafter as the "Premises"); 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.

**2. LEASE TERM**

The term of this Lease shall be two (2) year, commencing on **July 5, 2012**. The "Commencement Date" and expiring two (2) years later, on **July 4, 2014** unless earlier terminated in accordance with the terms of this Lease.

**3. RENT**

**A. Base Rent.** The rent during the term of this Lease shall be **One Hundred Thirty Three Dollars and Eighty Four cents (\$133.84)** (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 storage, operated by Tenant, and the leased premises shall not, without prior written consent of the Landlord, be used for any other purposes. 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 Tenant to the City and in any way related to this Lease, the Premises, any improvements, or the Tenant'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 Tenant's creditors or the filing of a voluntary or involuntary petition by or against Tenant under any law for the purpose of adjudicating Tenant a bankrupt, or for extending the time for payment, adjustment, or satisfaction of Tenant'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 Tenant's interest in the leasehold estate (or any portion thereof) or of Tenant's operations on the Premises (or any portion thereof) by reason of Tenant's insolvency;

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

(vi) Execution, levy or attachment on Tenant'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 Tenant'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 Tenant. Notices given under this subsection shall specify the alleged breach and the

applicable Lease provision and demand that the Tenant 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 Tenant 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 Tenant's personal property which comes into the City's possession. This remedy shall include the right of the City to dispose of Tenant's personal property in a commercially reasonable manner. Tenant 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 Tenant's expense, all without service of notice or resort to legal process, which Tenant 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 Tenant's default. If Tenant 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 Tenant 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 Tenant;

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

(vi) Recover the costs of performing any duty of Tenant 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 Tenant or any sub-Tenant, or that of any other person. The City is not obligated to replace, refill, or improve any part of the Premises during Tenant's occupancy in the event of such washout, subsidence, avulsion, settling, or reliction.

### **14. VACATION BY TENANT**

Upon the expiration or sooner termination of this Lease, Tenant shall peaceably vacate the Premises and the Premises shall be returned to the City by Tenant 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, Tenant 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 Tenant's sole expense, and Tenant 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 Tenant 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 Tenant shall be compensated for the taking or destruction of any improvements on the Premises. Tenant 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 Tenant shall be removed from the Premises by Tenant at its own expense, and Tenant 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 Tenant 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 Tenant 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 Tenant holds over without the City's express written consent, Tenant is deemed to be a tenant at sufferance and may be removed through a forcible entry and detainer proceeding without service on Tenant 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**

Tenant 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 Tenant.

**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 Tenant 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 Tenant other than the relationship of Tenant 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 TENANT:**

**Cordova Outboard Inc.  
Attn: William Fisher  
P.O. Box 960  
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. 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 Tenant.

**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.** Tenant represents that Tenant 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 Tenant has all necessary power and is duly authorized to enter into this Lease and to carry out the obligations of Tenant hereunder. Prior to executing this Lease, Tenant shall provide the City with a certificate of authority issued by the State of Alaska, and shall provide the City with a resolution of Tenant's Board of Directors authorizing Tenant to enter into this Lease and to carry out its obligations hereunder as set forth above, and authorizing and directing the officer of Tenant whose name and signature appear at the end of this Lease to execute this Lease on Tenant'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 Tenant as both City and Tenant 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, Tenant agrees that Tenant 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

**TENANT:**

**Cordova Outboard Inc.**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Its: William Fisher

Attested: \_\_\_\_\_

# Memorandum

**To:** City Council and City Manager  
**From:** Planning Department staff  
**Date:** 7/27/2012  
**Re:** Prince William Sound Science Center lease

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## **PART I. GENERAL INFORMATION:**

File No.: 02-060-250-4  
Requested Action: Approval of Substitute Resolution 7-12-33  
Address & Survey: A portion of Lot 3, Block 7A (locally known as the “Old Sea Grant Office”), Tidewater Development Park, Plat 93-2, ATS220

## **PART II. BACKGROUND:**

The Prince William Sound Science Center has been leasing the Old Sea Grant Office Building for storage since 2000. The term of this lease will be two years, commencing on August 1, 2012 and expiring on July 31, 2014.

The insurance rate has been adjusted on the attached lease. PWSSC has confirmed that they are comfortable with the terms of the lease and are ready to sign.

## **PART II. SUGGESTED MOTION**

“I move to approve Substitute Resolution 7-12-33.”

**CITY OF CORDOVA, ALASKA  
SUBSTITUTE RESOLUTION 07-12-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, AUTHORIZING  
THE CITY MANAGER TO ENTER INTO A 2 YEAR LEASE OF PROPERTY LEGALLY  
DESCRIBED AS A PORTION OF LOT 3, BLOCK 7A (LOCALLY KNOWN AS THE “OLD SEA  
GRANT OFFICE”), TIDEWATER DEVELOPMENT PARK, PLAT 93-2 WITH THE PRINCE  
WILLIAM SOUND SCIENCE CENTER.**

**WHEREAS**, the new lease term with the Prince William Sound Science Center will commence on August 1, 2012, the new lease would carry their tenancy through July 31, 2014; and

**WHEREAS**, the new lease with the Prince William Sound Science Center is generally described as a portion of Lot 3, Block 7A (“Old Sea Grant Office”), Tidewater Development Park, Plat 93-2; and

**WHEREAS**, the annual rental rate will be Two Thousand Six Hundred Twenty Five Dollars and Forty Cents (\$2625.40) or Two Hundred Eighteen Dollars and Seventy Eight Cents (\$218.78) in twelve monthly installments; and

**WHEREAS**, the lease between the City of Cordova and the Prince William Sound Science Center is hereto attached 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 lease the property to the Prince William Sound Science Center 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 1<sup>st</sup> DAY OF AUGUST, 2012.**

\_\_\_\_\_  
James Kallander, Mayor

Attest:

\_\_\_\_\_  
Susan Bourgeois, 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 the **PRINCE WILLIAM SCIENCE AND TECHNOLOGY CENTER (D.B.A. PRINCE WILLIAM SOUND SCIENCE CENTER)** doing business in Cordova, Alaska ("Tenant").

**RECITALS**

WHEREAS, the City owns that certain parcel of land and all improvements thereon in Cordova, Alaska generally described as a portion of Lot 3, Block 7A (locally known as the "Old Sea Grant Office"), , Tidewater Development Park, Plat 93-2, located within Cordova Recording District, Cordova Alaska, (referred to hereinafter as the "Premises"); 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.

**2. LEASE TERM**

The term of this Lease shall be two (2) year, commencing on **August 1, 2012**. The "Commencement Date") and expiring two (2) years later, on **July 31, 2014**, unless earlier terminated in accordance with the terms of this Lease.

**3. RENT**

**A. Base Rent.** The rent during the term of this Lease shall be **Two Thousand Six Hundred Twenty Five Dollars and Forty cents (\$2625.40)** or **Two Hundred Eighteen Dollars and Seventy cents (\$218.70)** in twelve (12) monthly 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 Tenant's storage, and the leased premises shall not, without prior written consent of the Landlord, be used for any other purposes. 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 (\$2,000,000.00) 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:**

**Prince William Sound Science Center  
Attn: Katrina Hoffman  
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. 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

**Prince William Sound Science Center**

**LESSEE:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Its: Katrina Hoffman, CEO PWSSC

Attests: \_\_\_\_\_

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## MEMO FROM CATHY SHERMAN, ASST CITY MGR

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DATE: July 20, 2012

TO: Mayor and City Council

SUBJECT: Resolution 08-12-34 Cordova Center Committee

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At a recent City Council meeting, I spoke to the need to reactivate and repurpose the Cordova Center Committee as we progress to final completion of Phase I and embark on Phase II. Therefore, Resolution 08-12-34 is before you tonight.

Cordova Center (CC) Committees have been used since the project began for concept, design and funding work. Suggested goals of this reactivated committee are as follows:

- **Complete Cordova Center Business Plan**
  - Establish Use Policy and Rental Fees
  - Establish Marketing Plan
  - Finalize MOU's with user groups
  - Finalize Organizational Chart and Position Descriptions
- **Oversight of Timeline and Schedules**
  - Phase II Construction Schedule
  - Phase II Funding Timeline
  - Marketing and Promotional Schedule
  - Grand Opening Celebration Plan
- **Funding**
  - Complete Funding Plan for Phase II
  - Oversight of Corporate Funding portion
  - Oversight of Local Fundraising portion
  - Oversight of In-Kind Donations
  - Oversight of Donor Database

RECOMMENDED MOTION: Move to approve Resolution 08-12-34.

REQUIRED ACTION: Majority voice vote.

**CITY OF CORDOVA, ALASKA  
RESOLUTION 08-12-34**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA,  
ALASKA, AUTHORIZING REACTIVATION AND REPURPOSING OF  
THE CORDOVA CENTER COMMITTEE TO PURSUE DEVELOPMENT  
STRATEGIES FOR COMPLETION OF THE PROJECT**

**WHEREAS**, the Cordova Center Project has progressed over ten years from the initial design phase to the final development of the construction drawings to the completion of Phase I the exterior shell of the facility; and

**WHEREAS**, additional funds, development and oversight are needed to complete Phase II; and

**WHEREAS**, the City Council supports revamping the Cordova Center Committee to serve as a capital campaign/development group with a focus toward funding; and

**WHEREAS**, the Cordova Center Committee shall also provide oversight for completion of the final business plan and timeline from now until opening; and

**WHEREAS**, the Cordova Center Committee shall remain in force until such time Council deems the Committee is no longer needed.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby authorizes the reactivation of and the repurposing of the Cordova Center Committee to pursue funding and further development for completion of the project.

**PASSED AND APPROVED THIS 1<sup>st</sup> DAY OF AUGUST, 2012.**

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James Kallander, Mayor

ATTEST:

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Susan Bourgeois, City Clerk

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## A MEMO FROM ROBYN KINCAID, DEP. CITY CLERK

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DATE: July 24, 2012  
TO: Mayor and City Council  
SUBJECT: Resolution 08-12-35

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The attached resolution authorizes disposal of City records. This is the eleventh destruction list since the City adopted the 2001 version of the State of Alaska General Records Retention Schedule. The records on the attached list are mostly from the Clerk's Department and the Finance Department. The City of Cordova Record's Management Policy which was approved by Council on May 7, 2003, allows for the destruction of records that are deemed "without legal or administrative value or historical interest." The City attorney as well as Cathy Sherman, Assistant City Manager have reviewed the destruction list and concur that these items are in fact, "without legal or administrative value or historical interest."

Recommended Motion: Move to approve Resolution 08-12-35.

Staff Recommendation: Majority voice vote.

**CITY OF CORDOVA, ALASKA  
RESOLUTION 8-12-35**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA,  
ALASKA, AUTHORIZING THE DISPOSAL OF CITY RECORDS THAT HAVE  
NO LEGAL OR ADMINISTRATIVE VALUE OR HISTORICAL INTEREST**

**WHEREAS**, the City Council adopted the 2001 Local Government Records Retention Schedule as approved by the State of Alaska; and

**WHEREAS**, according to the Local Government Records Retention Schedule, and the City Attorney, the attached list is of City records (exhibit A) that no longer have legal or administrative value or historical interest and are scheduled for disposal.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby authorizes the disposal of City records described on the attached list. These records have been found to have no legal or administrative value or historical interest.

**PASSED AND APPROVED THIS 1<sup>st</sup> DAY OF AUGUST, 2012.**

---

Jim Kallander, Mayor

ATTEST:

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Susan Bourgeois, City Clerk

# CERTIFICATE OF RECORDS DESTRUCTION

LIST NUMBER:       #11      

This form documents the destruction of public records in accordance with Resolution \_\_\_\_\_ adopted on \_\_\_\_\_

1) Municipality <b>CITY OF CORDOVA, ALASKA</b>		2) Departments Records included in list: <b>Clerk and Finance</b>			
3) Person Completing Form Robyn Kincaid - Deputy City Clerk		4) Address PO BOX 1210, CORDOVA, AK 99574		5) Phone 907-424-6248	
6) RECORDS TO BE DESTROYED					
a) Schedule and Records Series No.	b) Records Series Title	c) Date Range (mo/yr)	d) Location	e) Volume	f) Method of Destruction
See attached Excel spreadsheet and/or print out (Exhibit A) for complete list of boxes to be destroyed in a joint burn effort of the Clerk's office and the Public Works Department					

## DESTRUCTION APPROVALS

We certify that the records listed above have been retained for the scheduled retention period, required audits have been completed, and no pending or ongoing litigation or investigation involving these records is known to exist.

7) _____ Approving Official (print name)	_____ Signature	_____ Date
8) _____ Designated Records Office (print name)	_____ Signature	_____ Date

9) Records Destroyed By: _____ Name (print or signature)	Date of Destruction: _____
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## Exhibit A

Department	Retention Code	Descriptions	Files Years	Retention	Year-To-Destroy	Box Number
Clerk	CG-2	Clerk Copy-Council MTG Agendas w/PH Agendas	2001	10	2012	359
Clerk	AS-2	Property tax assessment notices	2005	6	2012	364
Clerk	GO-1, AS-3, HRM-15, GO-1	Lobbyist Reports/Sr Citizens Sales Tax refunds/AML/Correspondence	1999-2004	3,6	2011	381
Clerk	CG-2	Public notices (adoptions of ord, meetings, advertising) Attorney Corresp.	1995-2001	10	2012	382
Clerk	GO-1	Clerk Files (misc. corresp., Itineraries, and memos)	2004-2005	5	2011	434
Clerk	AF-1	Paid Property Tax bills	2008	3	2012	482
Finance	AF-9	Daily Posting Journal	2001	3	2005	25
Finance	AF-9	Daily G/L Posting Journal Aug-Oct	2002	3	2006	200
Finance	AF-9	Daily G/L Posting Journal Sept - Dec	2002	3	2006	201
Finance	AF-9	Daily G/L Posting Journal Jan-Apr	2002	3	2006	202
Finance	AF-9	Daily G/L Posting Journal May-Jul	2002	3	2006	225
Finance	AF-9	Daily Posting Journal Jul-Dec	2003	3	2007	228
Finance	AF-9	Daily Posting Journal Jan-Jun	2003	3	2007	229
Finance	AF-9	Daily Posting Journal Aug-Dec	2004	3	2008	293
Finance	AF-9	Daily Posting Journal Apr-Jul	2004	3	2008	294
Finance	AF-9	Daily Posting Journal Jan-Mar	2004	3	2008	295
Finance	AF-9	Daily Posting Journal (big box-not in order)	2001	3	2005	369
Finance	AF-6	AP "A misc. - Anchorage Daily News"	2008	3	2012	480
Finance	AF-6	AP "H misc. - Lynden"	2008	3	2012	481
Finance	PAY-4	Payroll Deductions	2007	4	2012	516
Finance	AF-6	AP Seamons - XYZ	2008	3	2012	518
Finance	AF-9	Misc Cash Reciepts PTX/BL/Misc Coorsp	2008	3	2012	527
Finance	EBW-26	Utility	2008	3	2012	529
Finance	EBW-26	Utility	2008	3	2012	530
Finance	AF-9	Cash Reciepts October - December	2008	3	2012	531
Finance	AF-6	AP Check Copies	2008	3	2012	532
Finance	AF-9	Cash Reciepts July - September	2008	3	2012	533
Finance	PAY-11	Payroll Reports	2007	4	2012	535
Finance	AF-9	Daily Posting JRL GL's	2008	3	2012	542



## Exhibit A

Finance	AF-9	Daily Posting JRL GL's	2008	3	2012	543
Finance	PAY-11	Payroll Reports	2007	4	2012	544
Finance	AF-9	Cash Reciepts January - June	2008	3	2012	545
Finance	AF-1	AP Reports	2008	3	2012	547
Finance	PAY-5	Timecards/ CK Copies/Payroll	2008	3	2012	566
Finance	PAY-5	Timecards/ CK Copies/Payroll	2008	3	2012	567

# MEMO

## City of Cordova

FROM: Ashley Royal  
Finance Director

TO: Mayor and City Council  
City Manager, Mark Lynch

Date: July 25, 2012

RE: Resolution establishing local government contribution of National Forest Receipts to the Cordova Public School District

The attached Resolution identifies the amount of Forest Receipt money which the City has received, and shows that the amount committed to the school exceeds the forest receipts. This is to satisfy Alaska Statute requirements and the city auditors.

The part that may be confusing is the City operates on a calendar year, and the School on a fiscal year ending June 30. Thus, in part this Resolution covers the first six months of 2013, for which the city budget has not yet been adopted.

Respectfully Submitted  
Ashley Royal  
City of Cordova  
Finance Director

**CITY OF CORDOVA, ALASKA  
RESOLUTION 08-12-36**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
ESTABLISHING LOCAL GOVERNMENT CONTRIBUTION OF NATIONAL FOREST  
RECEIPTS FOR THE CORDOVA PUBLIC SCHOOL DISTRICT FOR THE SCHOOL  
FISCAL YEAR ENDING JUNE 30, 2013**

**WHEREAS**, the City of Cordova has received, national forest receipts in the amount of \$1,020,715.32 for public schools; and

**WHEREAS**, payment made under the national forest receipts program for public schools must be used only for the operation, maintenance, repair or construction of public schools and may be used as the local government contribution to public schools under AS 14.17.410; and

**WHEREAS**, \$1,750,000.00 has been committed as local funding for operations to the Cordova Public School District for the school fiscal year ending June 30, 2013, plus \$40,940.00 as in-kind contribution, and

**WHEREAS**, the total commitment of the City of Cordova as local government Contribution to public schools for the School Fiscal year 2010 is \$1,750,000.00, excluding in-kind contributions and capital projects, payable one-half in the last six months of calendar year 2012, and the other half in the first six months of calendar year 2013, \$875,000.00 respectively, and

**WHEREAS**, The City of Cordova adopted budget shows \$875,000.00 appropriated to be paid to the public school for the last six months of calendar year 2012, and

**NOW, THEREFORE BE IT RESOLVED THAT**, the City of Cordova commits \$1,020,715.32 in forest receipts money to the public schools and at such time as adopted, the City of Cordova's calendar year 2012 budget and appropriation for Local Government Contribution for the Cordova Public School District, shall include \$875,000.00, payable in six installments, January through June 2013, unless adopted otherwise or amended by City Council.

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Jim Kallander, Mayor

ATTEST:

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Susan Bourgeois, City Clerk

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: July 9, 2012

TO: Mayor and City Council

SUBJECT: Parks & Recreation Commission

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There are two vacant seats on the Parks & Recreation Commission that serve three-year terms each to expire in November 2013. The Clerk's Office advertised these vacancies and asked for letters for interest to be submitted. There have been four letters submitted (from Shelly Bourgeois, Karen Hallquist, Kara Johnson, and Noel Pallas). Mayor Kallander would like to put forward Shelly Bourgeois and Karen Hallquist as his two appointees.

RECOMMENDED MOTION: Move to approve Mayor Kallander's appointments (Shelly Bourgeois and Karen Hallquist) to the Parks and Recreation Commission, to serve three-year terms that will expire in November 2013.

REQUIRED ACTION: Majority voice vote.

Shelly Bourgeois  
Box 1008  
Cordova, AK 99574  
907-429-6102

Dear Mayor Kallander:

I would like to be considered for a seat on the Parks and Recreation commission. My family and I have recently moved to Cordova from Steamboat Springs, CO. Now that I call Cordova home I would like to participate in all aspects of Parks and Recreation from development to planning and implementing activities and programs. I have excellent organizational skills and work well with others. I have a Bachelor of Science degree as well as a Bachelor's degree in Nursing. I would be an asset to this organization. I hope you will consider me for the position.

Thank you for your time,

Shelly Bourgeois



June 14, 2012

Karen Hallquist  
305 Lake Ave  
POB 861  
Cordova, Alaska 99574

Dear Mayor Kallander,

My name is Karen Hallquist and I'm interested in joining Cordova's Parks and Recreation Commission.

I believe that I'm a good candidate for this commission because:

I'm a year-round resident of Cordova, for the past 4 years.

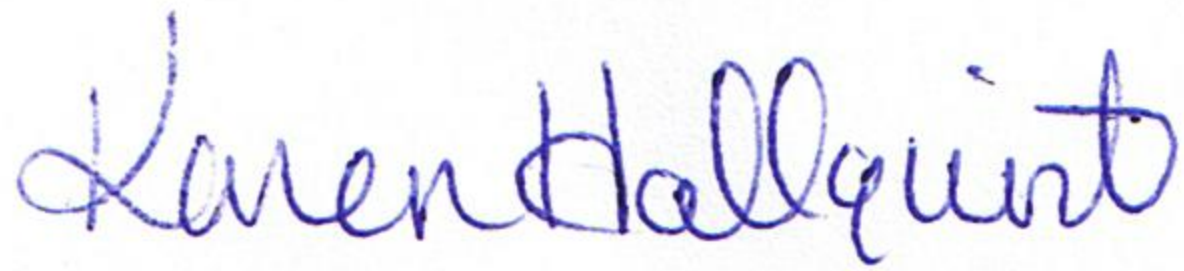
I work for the P&R department, as a swim instructor.

I am actively involved in getting Cordova kids outdoors.

I think the P&R department is a VERY important part of our community.

I am dependable, organized, reliable and a team player. I hope that you will consider me, when filling the 2 seats that expire in November.

Thank you,



Karen Hallquist



July 11, 2012

Dear Mayor Kallander,

I am writing to express my interest in joining the City of Cordova's Parks and Recreation Commission. As an avid outdoors enthusiast, an educator, and newcomer to Cordova, I am eager to join a team focused on improving the lives of fellow Cordovans through healthy activities. I have a basic understanding of the city's park and recreation properties and facilities and look forward to making a difference by improving them, making them more accessible to members of our community, and broadening the positive impact that the City of Cordova has on its citizens.

I have served on the boards of nonprofits and currently work as an educator and tutor for students in the community. I ski, hike, run and play games with people of all ages in Cordova. I am easily approachable, can see different perspectives and help reach consensus, and am eager to be more involved with the community. I think these skills will be valuable for any city commission.

I appreciate you taking the time to consider me for a seat on the City of Cordova's Parks and Recreation Commission and look forward to hearing from you. Please feel free to contact me with questions or for further information.

Sincerely,

Kara Johnson

[hippychiquita@gmail.com](mailto:hippychiquita@gmail.com)

907-429-3711

PO Box 954

Cordova, AK 99574

RECEIVED  
JUL 09 2012  
City of Cordova

RECEIVED  
JUL 09 2012  
City of Cordova

Noel Pallas  
Box 1522  
July 9 2012

To Mayor Kallander,

I would like to volunteer for one of the open seats on the Parks and Rec. Commission. Other than education ,Paks and Rec. has always been one of my interests for Cordova.I have served about 12 years on the Commission under 3 administrations and two park Directors.I studded 4 years at BGSU in Ohio in H.P.E. and Recreation. I also worked full or part time with the Elyria Parks and Rec. department Elyria,Ohio doing various jobs including Life Guard, Pool Manager, Ice rink guard and rink manager,sledding hill and playground supervisor. Five years Park Maintenance. My job included Maintaining 5 outdoor pools,8 clay tennis corts,15 ball diamonds,softball and hardball, 6 playgrounds and 3 tot lots installing,repairing and painting all toys and equipment.Two main nature Parks, Cascade and Elywood,with grass mowing, tree removal,snow and ice removal in winter. My advantage is I have worked almost every job in Parks and Rec.I know what has to be done and who's job that is.



Noel Pallas



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## MEMO FROM CATHY SHERMAN, ASST CITY MGR

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DATE: July 20, 2012  
TO: Mayor and City Council  
SUBJECT: Cordova Center Committee

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**Currently the CC Committee stands as:** Tim Joyce, Sylvia Lange, VACANCY, Darrel Olsen, Larue Barnes, VACANCY, Valerie Covell, David Roemhildt, Dan Logan, Nancy Bird, and Cathy Sherman

**Proposed CC Committee:** I would like to move the following names forward to serve on this hopefully final iteration of the committee: Tim Joyce, Sylvia Lange, Dan Logan, Mark Lynch, Sam Greenwood, Moe Zamarron, Dave Reggiani, Cathy Sherman

**RECOMMENDED MOTION:** Move to approve Mayor Kallander's appointments to the Cordova Center Committee, to serve until the committee is deemed no longer necessary.

**REQUIRED ACTION:** Majority voice vote.

**CITY COUNCIL PUBLIC HEARING  
JULY 5, 2012 @ 7:15 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor Kallander* called the Council public hearing to order at 7:15 pm on July 5, 2012, in the Library Meeting Room.

**B. ROLL CALL**

Present for roll call were *Mayor James Kallander* Council members *Keith van den Broek*, *James Kacsh*, *Bret Bradford*, *EJ Cheshier* and *David Reggiani*. Council Members *David Allison* and *Robert Beedle* were absent. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

**C. PUBLIC HEARING**

1. Ordinance 1095 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 16.15.2305(d) to increase the minimum basic design snow load from 100 pounds per square foot on the horizontal projection of the roof to 150 pounds per square foot ground snow load for building permits issued on or after September 1, 2012

*Mayor Kallander* opened the meeting up for public comment – there was no public comment

Council recessed the public hearing at 7:16 pm; then reconvened at 7:29 pm at which time *Mayor Kallander* reopened the meeting for public comment – there was still no public comment

**D. ADJOURNMENT**

*M/Cheshier S/Reggiani* to adjourn the Public Hearing

Hearing no objection, the Public Hearing was adjourned at 7:29 pm.

Approved: August 01, 2012

Attest: \_\_\_\_\_

Susan Bourgeois, City Clerk

**CITY COUNCIL REGULAR MEETING  
JULY 5, 2012 @ 7:30 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kallander* called the Council Regular Meeting to order at 7:30 pm on July 5, 2012, in the Library Meeting Room.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

*Mayor Kallander* led the audience in the Pledge of Allegiance.

**C. ROLL CALL**

Present for roll call was *Mayor James Kallander* and Council members *Keith van den Broek*, *James Kacsh*, *Bret Bradford*, *EJ Cheshier* and *David Reggiani*. City Council members *David Allison*, and *Robert Beedle* were absent. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

**D. APPROVAL OF REGULAR AGENDA**

*M/Reggiani S/Kacsh* to approve the Regular Agenda.

Council chose to add *Tim Joyce* as a guest speaker and *Moe Zamarron* will be giving a report as 13d.

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

**E. DISCLOSURES OF CONFLICTS OF INTEREST – None****F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS****1. Guest Speakers**

*Tim Joyce*, 1001 Pipe St, approached Council as a MTAB (Marine Transportation Advisory Board) member. *Joyce* reported four things from the MTAB June 26<sup>th</sup> meeting in Wrangell. 1) AMHS adopted a port efficiency policy. If there are no reservations coming or going to a port they won't make the run. 2) 50<sup>th</sup> Anniversary of the AMHS is next year. They will be putting out a schedule in August on monthly special events they are planning in different communities. 3) The summer 2013 and the winter 2013-2014 schedules will be out for comment in August. 4) Money was put into their budget for designing and getting ready to construct an Alaska class ferry that would be replacing older ferries doing the Prince Rupert run. The next ferry they will be looking to replace will be the Tustumena. Right now there is \$120M for the design and construction of the Alaska Class ferry and there is another \$60M set aside for additional vessels. *Bradford* asked what the time frame is for the port efficiency policy cancelations. *Joyce* responded that it is a 24-hour window. *Bradford* also asked if this Alaska Class ferry design has an unveiling date yet. *Joyce* stated that they plan to start building the ferry next year. The conceptual design is on the website. *Mayor Kallander* asked for an update on the lawsuit with the engines on the fast ferry. *Joyce* responded that it has been set aside for four months because of the bankruptcy of Derecktor Shipyards. He is not sure where that is going to end up. *Bradford* asked about the AMHS adding more stops. *Joyce* responded that they have added several new stops, particularly out west.

**2. Audience comments regarding agenda items**

*RJ Kopchak*, 122 W. Davis, spoke on behalf of *Katrina Hoffman* and read into the record a letter stating that the Science Center would like to have the 2-year lease on the agenda tonight but has issue with the \$10M insurance coverage requirements on it.

**John Harvill**, 701 Railroad, spoke in reference to resolution 07-12-33. He stated that he fully supports all of the scientific endeavors and work that the PWSSC does. He encourages them to be the best Science Center here on the West Coast that they can be. However, he feels that the current management and organization has been hijacked by an environmental group of management. He is not seeing science produced out of the center, just environmental stuff. They wrote letters to the corps of engineers that slowed the fill project down by two months and increased the price by almost half a million dollars. Management is blaming staff for those actions, yet they still are coming to Council asking for handouts and special rates etc. He is concerned as a citizen because he wonders who is going to have to pay for the extra cost to do that fill project that they were “supporting”. He is really concerned that the PWSSC had a resolution, 2-95-13, that tied up the whole north side of the harbor and have done nothing with those parcels for almost 20-years. They have stopped others from doing development and doing things that need to happen in the community. He understands that currently **Lynch** is in negotiations with the Science Center to try to get them a new facility and a new set up. He thinks what is happening in this current resolution is that the Science Center is breaking these little issues off a little at a time and that is not healthy. He wants Council to look at the big picture of what is PWSSC doing and how much land and development property do they need. Allow **Lynch** to do his job and come back with a global package that encompasses all of the Science Center issues and not just one lease at a time. It is the only way they are going to get a better picture of what is going on for this community. He added that when the Science Center has a good scientific project that is going to improve fishing and our community that Council supports it because they are a viable asset to this community. But when they come up with the environmental issues, misnomers and they stop growth he hopes Council will do all they can to discourage them and not allow them to stop the growth and enjoyment that we have in this community.

### 3. Chairpersons and Representatives of Boards and Commissions

**Lynch** introduced **Theresa Keel** the new Superintendent of Schools. **Keel** stated that she has been on the job 3-days. She thanked everyone for the welcome she and her husband have felt from the community and she is looking forward to school getting underway. They have a new maintenance director who is working to get the snow issues taken care of over the summer. Her door is open.

## G. APPROVAL OF CONSENT CALENDAR

**Mayor Kallander** informed Council that the consent calendar was before them and read the proclamation for **Martin Moe** into the record.

Items 6&7 were pulled from the consent calendar and inserted as items 18a&18b.

### 4. Approval of exception for Salmon Jam - July 26, 27, 28, 2012

### 5. Proclamation of Appreciation to Martin Moe

### 6. Resolution 07-12-32

~~A resolution of the City Council of the City of Cordova, authorizing the City Manager to enter into a 2 year lease of property legally described as a portion of Lot 3, Block 7A, Tidewater Development Park with Cordova Outboard Inc.~~

### 7. Resolution 07-12-33

~~A resolution of the City Council of the City of Cordova, authorizing the City Manager to enter into a 2 year lease of property legally described as a portion of Lot 3, Block 7A (locally known as the “old sea grant office”), Tidewater Development Park, Plat 93-2 with the Prince William Sound Science Center~~  
Vote on Consent Calendar: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Cheshier – yes; Reggiani – yes; van den Broek – yes; Kacsh – yes and Bradford – yes. Consent Calendar was approved.

## H. APPROVAL OF MINUTES

**M/Reggiani S/Kacsh** to approve the minutes.

8. Minutes of 06-20-12 City Council Public Hearing  
9. Minutes of 06-20-12 City Council Regular Meeting  
Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

**I. CONSIDERATION OF BIDS - None**

**J. REPORTS OF OFFICERS**

10. Mayor's Report

**Mayor Kallander** thanked **Moe** and **Karen Zamarron** for hosting **Kristin Ryan** Director of the Environmental Health Division of DEC, and **DEC Commissioner Larry Hartig** when they came to town and he was out fishing. He met a couple times with **Lynch** and **Sherman** concerning funding with the Civic Center. He asked the Clerk to make sure some Salmon was donated to the Sycamore and to the National Guard for their help with our snow removal.

11. Manager's Report – written report in packet

**Lynch** reported that the scrap metal is gone and 4 cars were left behind because they still had fuel in the tanks. They are working to find out who left those down there because the City was very clear that the fluids must be drained before being dropped off. **Dale Muma** has announced his retirement on September 1<sup>st</sup>. He is hoping to have a job description put together and advertised next week.

12. City Clerk's Report – written report in packet

13. Staff Reports

- a. Dale Muma, Harbormaster, facilities/master plan
- b. Ashley Royal, Finance Director, memo in re financials

**Royal** stated that he had a phone call with **Ron Phillips** with the State on snowpocalypse costs. July 17-18 **Phillips** will be in town to work through the final closures of snowpocalypse papers and such.

- c. Charles Vaught, Supervisor, Refuse Division, Public Works Department
- d. Moe Zamarron, Director of Public Works

**Zamarron** handed out a printed report and stated that he had looked into getting Second Street ground up and paved. It is going to cost a total of \$337,500 and he is looking for direction from Council to try to pave now or fill the spots temporarily and pave later. **Reggiani** raised a concern that having our own staff do the work may take them away from other duties. **Zamarron** stated he did not feel it was an issue. **Kacsh** stated that he would like to see the road be safer and possibly have Second Street paving be added to the list to get done next year. **Bradford** agreed with **Kacsh** to make it safe for now and look towards next year's budget for paving. Council concurred to have **Zamarron** continue filling the pot holes, chip seal the intersections and then look towards adding paving Second Street next summer to the 2013 budget. **Zamarron** reported that last budget cycle they talked about getting a new grader and this past winter put 3-4 years' worth of usage on equipment in one year. This past week the grader broke down completely. To do the repairs on the grader alone is going to cost \$57,600. The IT62 Loader is not far behind the grader in needing repairs. He is just informing Council that he needs to come up with \$60K. **Bradford** asked how long it will take to get the grader back to town operational. **Zamarron** responded that it would be roughly a month. **Reggiani** stated that this loader needs to get fixed, we can look at getting a new loader another day. **Lynch** stated that he thinks this can qualify as a Capital item to come out of the general reserve fund which would have to come back to them in ordinance form. Council concurred to pay for the repairs out of the general fund.

**K. CORRESPONDENCE**

14. Letter from Mulvaney & Manzer in re PWSSC 06-21-12

15. Letter from Mayor to Lieutenant Commander Sarnowski in re snow assistance 06-27-12
16. Letter from Governor Parnell in re community priorities 06-15-12
17. Letter from CRWP in re web recycling 06-27-12

## **L. ORDINANCES AND RESOLUTIONS**

### **18. Ordinance 1095**

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 16.15.2305(d) to increase the minimum basic design snow load from 100 pounds per square foot on the horizontal projection of the roof to 150 pounds per square foot ground snow load for building permits issued on or after September 1, 2012 – 2<sup>nd</sup> reading

***M/Reggiani S/Bradford*** to approve Ordinance 1095, an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 16.15.2305(d) to increase the minimum basic design snow load from 100 pounds per square foot on the horizontal projection of the roof to 150 pounds per square foot ground snow load for building permits issued on or after September 1, 2012 – 2<sup>nd</sup> reading

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

### **18a (6.) Resolution 07-12-32**

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 2-year lease of property legally described as a portion of Lot 3, Block 7A, Tidewater Development Park with Cordova Outboard Inc.

***M/Kacsh S/Cheshier*** to approve Resolution 07-12-32, a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 2-year lease of property legally described as a portion of Lot 3, Block 7A, Tidewater Development Park with Cordova Outboard Inc.

***Kacsh*** asked about the insurance concern raised by the Science Center as \$10M coverage does seem like a lot. ***Lynch*** stated that it is his understanding that the wording for these resolutions came directly from the attorneys. ***Mayor Kallander*** asked ***Pat Fisher***, Cordova Outboard, Inc., if they have issue with the \$10M coverage. She confirmed that they did and have not been required to have that kind of coverage before. ***Reggiani*** stated that the parties are not in agreement.

***M/Reggiani S/Bradford*** to refer back to staff

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

### **18b (7.) Resolution 07-12-33**

A resolution of the City Council of the City of Cordova, authorizing the City Manager to enter into a 2-year lease of property legally described as a portion of Lot 3, Block 7A (locally known as the “old sea grant office”), Tidewater Development Park, Plat 93-2 with the Prince William Sound Science Center

***M/Bradford S/Kacsh*** to approve Resolution 07-12-33, a resolution of the City Council of the City of Cordova, authorizing the City Manager to enter into a 2-year lease of property legally described as a portion of Lot 3, Block 7A (locally known as the “old sea grant office”), Tidewater Development Park, Plat 93-2 with the Prince William Sound Science Center

***M/Reggiani S/Kacsh*** to refer back to staff

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

### **19. Pending Agenda and Calendar**

Council chose to cancel the second meeting in July (July 18<sup>th</sup>)

**Mark Lynch** will be out of the office from August 13<sup>th</sup> through September 4<sup>th</sup>

**O. AUDIENCE PARTICIPATION - None**

**P. COUNCIL COMMENTS**

20. Council Comments

**Cheshier** welcomed **Theresa Keel** to Cordova

**Q. EXECUTIVE SESSION**

**M/Reggiani S/Bradford** to break for a 5-minute recess at 8:23 pm

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

Council came out of recess at 8:35 pm

21. Cordova Center Financial Update

**M/Bradford S/Kacsh** to enter into executive session to receive a Cordova Center financial update. Matters the immediate knowledge of would clearly may have an adverse effect upon the finances of the City government.

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

Council entered executive session at 8:35 pm; Council came out of executive session at 9:01 pm. No action was taken.

22. City Manager goals and personnel updates

**M/Reggiani S/Bradford** to enter into executive session to discuss the City Managers goals and personnel update. Subjects that may be discussed are subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion.

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

Council entered executive session at 9:03 pm; Council came out of executive session at 9:23 pm

23. City Clerk Evaluation

**M/Reggiani S/Allison** to enter into executive session to have the City Clerk's evaluation. Subjects that may be discussed are subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion.

Vote on motion: 5 yeas, 0 nays, 2 absent (Allison & Beedle). Motion passes.

Council entered executive session at 9:23 pm; Council came out of executive session at 9:24 pm

Council chose to postpone the City Clerk's evaluation to a special meeting or the next regular meeting.

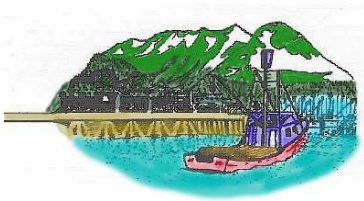
**R. ADJOURNMENT**

**M/Reggiani S/Bradford** to adjourn the regular meeting at 9:28 pm

Hearing no objection the meeting was adjourned.

Approved: August 1, 2012

Attest: \_\_\_\_\_  
Robyn Kincaid, Deputy City Clerk



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](mailto:citymanager@cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

July 25, 2012 Manager's Report (for 08/01/12 Council meeting)

**Personnel issues:** Positions are being filled as quickly as possible. Harbormaster job is advertised and we have received applications from several potential candidates.

**Arbitration/Union Grievances:** All issues are currently pending additional action by IBEW and/or the arbiter's decision.

**Hospital Roof:** Construction is under way.

**Scrap Metal:** Done at the north Fill. All metals will now go to the landfill, and will be stockpiled separately for future removal.

**Harbor Study & Boardwalks:** Preliminary work underway by DHI Engineering. Surveying will be done soon.

**Breakwater/Fill Project:** Project underway.

**Ilanka Clinic / Providence:** Notice has been sent to Ilanka/NVE that Providence intends to occupy the space previously leased by Ilanka Clinic as of January 16, 2013, and that CCMC will no longer be able to rent that space to Ilanka. Providence is bringing in additional doctors and needs the space for the city clinic. The letter is attached.

**Science Center Lease/Purchase Negotiation:** I received an e-mail from Katrina Hoffman on June 15, 2012 indicating that the PWSSC facilities development committee was working on a counter proposal. I also met briefly with Katrina on July 16<sup>th</sup> where she offered the same information. I have yet to receive the counter proposal.

**Shipyard Fill:** Preliminary permitting work underway by DHI Engineering.

**North Fill Floating Dock:** Still waiting on complete drawings and specifications from contractor to finalize the agreement. I have been told they should be to me in the next few days. I plan to bring a contract for approval as soon as all documentation is in place.

**Snow Emergency:** All required paperwork has been submitted to the State, and we should begin receiving reimbursements soon. Insurance company currently has crews in town performing repair work.

**Training / Travel:** I will be out of town on July 30-31. I will be traveling to the summer Alaska Municipal League conference August 13-16. This means I will miss the second August Council meeting. I also plan to take two weeks' vacation following the conference, and return to work on September 4<sup>th</sup>.





City of Cordova  
602 Railroad Ave.  
P.O. Box 1210  
Cordova, Alaska 99574  
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Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

July 16, 2012

Native Village of Eyak  
Attn: Robert Henrichs  
Ilanka Community Health Center  
P.O. Box 2290  
Cordova, AK 99574

Native Village of Eyak  
Attn: Health Director  
Ilanka Community Health Center  
P.O. Box 2285  
Cordova, AK 99574

Re: Medical Office Lease Holdover

Dear Mr. Henrichs:

The City of Cordova, Alaska ("City") received your letter requesting clarification on the terms of a new medical office lease with the City on June 4, 2012. In the interim, however, the City was informed by the Cordova Community Medical Center ("CCMC") that it can no longer rent the medical office space to the Native Village of Eyak and meet CCMC's goals for the expansion and utilization of the hospital.

Although the City is committed to meeting CCMC's goals, the City also highly values the services provided by the Native Village of Eyak Ilanka Community Health Center (the "Center") and is dedicated to ensuring that sufficient time is provided for the relocation of the Center. As you know, the Center is currently holding over under the Medical Office Space Commercial Lease Agreement ("Lease"), which expired on June 1, 2011. Thus, the City may terminate the Center's holdover under the lease as early as July 31, 2012. However, the City recognizes the Center's need for sufficient time to smoothly relocate its services and staff and thus hereby notifies the Center that on January 16, 2013, which is six months from the date of this letter, the City shall no longer permit the Center to holdover under the Lease and shall reenter the premises and take possession thereof as permitted under the terms of the Lease. To assist in this transition, the City will not increase the rental rate owed by the Center despite the City's right to do so under the terms of the Lease.<sup>1</sup>

The City cannot, however, waive the Center's obligation to pay its portion of the fuel costs as provided for under the Lease. While the City sympathizes with the Center's frustrations regarding the increase in costs over the last year, these cost increases are a reality for the City, CMC, and the Center and cannot be avoided. Consequently, the Center currently owes the City a fuel surcharge of \$850.56 through May 31, 2012. This amount is based upon Section 4.3 of the Lease, which states that the "[t]enant shall pay a fuel surcharge at a rate of 6.39% (based on square footage of lease) established by the Landlord when the cost of heating fuel for the Premises exceeds \$4.00 per gallon." The cost of fuel has exceeded \$4.00 per gallon since April 13, 2011. As a result, the Center must pay the City 6.39%, which is the Center's share of the building, of the heating bill, for a total amount owed of \$850.56. A worksheet is attached to this letter detailing the basis for the fuel surcharge owed. Please pay this amount as soon as practicable and no later than thirty days from the date of this letter. Additionally, the fuel surcharge will be applied for the period from June 1, 2012 through January 16, 2013.

The City again expresses its gratitude to the Center for the services it provides the Cordova community. Please do not hesitate to contact me if I can be of assistance in the upcoming transition.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Lynch", with a stylized flourish at the end.

Mark Lynch  
City Manager  
City of Cordova

<sup>1</sup> See Section 4 of the Lease, which states "[f]or each subsequent year of this lease, the monthly rent per square foot for operating and maintaining the Leased Premises shall be adjusted to equal Landlord's estimated monthly cost per square foot for operating and maintaining the Leased Premises, as shown in a cost report prepared by Landlord."

CCMC Fuel Oil					
Date	#Gal	Price/Gal	Invoiced Amt.	Difference in total fuel cost (over \$4.00)	6.39% of Difference
5/12/2012	2500.0	\$4.60	\$11,500.00	1500.00	95.85
4/17/2012	2574.3	\$4.52	\$11,635.84	1338.64	85.54
3/20/2012	95.4	\$4.31	\$411.17	29.57	1.89
3/15/2012	3500.0	\$4.39	\$15,365.00	1365.00	87.22
2/16/2012	87.9	\$4.11	\$361.27	9.67	0.62
2/14/2012	210.4	\$4.11	\$864.74	23.14	1.48
2/14/2012	3500.0	\$4.19	\$14,665.00	665.00	42.49
1/20/2012	125.0	\$4.21	\$526.25	26.25	1.68
1/4/2012	6000.0	\$4.29	\$25,740.00	1740.00	111.19
12/15/2011	230.0	\$4.21	\$968.30	48.30	3.09
11/16/2012	3500.0	\$4.29	\$15,015.00	1015.00	64.86
10/12/2011	2000.0	\$4.21	\$8,420.00	420.00	26.84
9/13/2011	2000.0	\$4.21	\$8,420.00	420.00	26.84
8/11/2011	2000.0	\$4.35	\$8,700.00	700.00	44.73
6/15/2011	2500.0	\$4.50	\$11,250.00	1250.00	79.88
5/11/2011	3500.1	\$4.48	\$15,680.45	1680.05	107.36
4/13/2011	4000.4	\$4.27	\$17,081.71	1080.11	69.02
3/11/2011	4000.0	\$3.77	\$15,080.00	NA	
1/12/2011	3530.5	\$3.51	\$12,392.06	NA	
12/15/2010	4000.0	\$3.51	\$14,040.00	NA	
11/12/2010	2521.8	\$3.50	\$8,826.30	NA	
10/14/2010	3000.0	\$3.42	\$10,260.00	NA	
9/14/2010	2000.0	\$3.42	\$6,840.00	NA	
Total	57376		\$234,043.08	\$13,310.73	\$850.56
Mean	2495	\$4.10			



City of Cordova,  
Office of the City Clerk  
Cordova, AK 99574  
602 Railroad Avenue \* PO Box 1210

Phone: 907.424.6248  
Fax: 907.424.6000  
Cell: 907.253.6248  
E-mail: [cityclerk@cityofcordova.net](mailto:cityclerk@cityofcordova.net)

## CITY CLERK'S REPORT TO COUNCIL

*August 01, 2012 Regular Council Meeting*

**Date of Report:** July 18 - 26, 2012

### **Things I have been working on:**

- Signed paychecks/other AP checks
- Prepared agendas and packets for regular mtg and work session on August 01, 2012
- Property tax bills are in the mail and payments have been steadily coming in, 1<sup>st</sup> half due August 31<sup>st</sup>, 2<sup>nd</sup> half October 31<sup>st</sup>
- Worked with Planner on agenda items for P & Z Meeting and for City Council meeting
- Finalized fish shipment to National Guard – purchased fish from Trident and delivered to the airport for shipment
- Continued updating cemetery spreadsheet and map, hoping to consolidate all into GIS (an ongoing process as time allows)
- Responded to varied requests from public, mortgage companies, banks, in re assessed values, mill rates, taxes owing, etc.
- Advertised for letters of interest for P & R Commission vacancies – an agenda item tonight.
- Read through Charter and completed an edit of the various sections
- Hosted a teleconference call between Whittier, Valdez and Cordova to discuss shared fisheries business tax – will update at mtg (2<sup>nd</sup> call scheduled for 7/31/12); conducted a phone interview with KCHU concerning this topic as well
- Received June financials for Clerk and Council budgets and worked out some details with Finance Director
- Worked with family and funeral home on preparations for a burial at the old Cordova Cemetery
- As far as automating elections – have heard from a few Clerks who say it works pretty smoothly, was hoping to hear from public after I brought it up in my report a few meetings ago but I haven't. I will ask questions and pay attention to the state/federal election this fall and see what the voters think. I will then report back (during budget) with a cost.
- Received Deputy Clerk Robyn Kincaid's resignation. Looking over the job description for revisions and will get advertised as soon as possible. She is completing a thorough procedures manual for the Deputy Clerk before she leaves on August 13.
- I will be out of the office August 6-10 and then again Aug 15-17; with Mark gone, no Deputy Clerk I would hope to not have the regular meeting on August 15

*Cordova Volunteer Fire Department*  
FIRE CHIEF MICHAEL HICKS



P.O. Box 304  
Cordova, Alaska 99574  
(907) 424-6117 or (907) 424-6100  
Fax (907) 424-6120  
email: [fire@cityofcordova.net](mailto:fire@cityofcordova.net)

July 27, 2012

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

Dear Council Members,

This past week Captain Paul Trumblee, Firefighter Dick Groff and I completed an application for an Assistance to Firefighters Grant asking for \$475,000.00 to purchase a new fire engine to replace our 1976 Seagraves and our 1963 Ford.

We won't know for several months if we will be awarded this grant, but if we are successful and the city chooses to accept the grant, the city would need to provide a 5% match or roughly \$25,000.00.

This is to give you some time to consider this worthwhile project.

Sincerely,

Mike Hicks  
Chief

# Memo

To: Cordova City Council and James Kallander, Mayor  
From: Moe Zamarron, Director of Public Works  
CC: Mark Lynch, City Manager  
Date: 24 July, 2012  
Re: Public Works Equipment Repairs

The 163H road grader is currently undergoing transmission and differential repairs in Anchorage at NC Machinery. The cost for this work is estimated at \$61,600 including transportation. The Caterpillar IT62 loader has engine troubles with oil showing up in the cooling water and a serious drop in pulling power. It is our preference to have the engine reconditioned at NC Machine in order to take full advantage of the expertise, tooling and warranty benefits it includes. The estimate for this work is \$50,000 including transportation.

The IT62 is a 1998 with 9,408 hours on it. Comparable pieces are selling for between \$65,000 and \$70,000 depending on year and hours. These are units not showing recent engine work so the life expectancy would be similar. A new unit costs upwards of \$350,000 or about what was paid for the Volvo loader.

Please consider this information and offer input as is seen fit.

Thank you,  
Moe Zamarron  
Director of Public Works  
City of Cordova

## MEMORANDUM

**TO:** City Manager Lynch  
**FROM:** Harbormaster Muma  
**DATE:** 7/2/2012  
**RE:** Quarterly Activity Report/Apr.-June 2012

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<b>Exclusive Slips Assigned</b>	<b>635 out of 715 Total Slips</b>			<b>88% Occupancy (as of 7/2/12)</b>
	<b>April</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>Vessels Charged Daily Rate</b>	35	107	89	231
<b>Vessels Charged Monthly Rate</b>	3	5	1	8
<b>Vessels In Impound Status</b>	0	0	0	0
<b>Vessel Lifts</b>	7	19	33	59
<b>Port Arrivals:</b>				
<b>Shoreside</b>	1	1	2	4
<b>Samson</b>	1	1	1	3
<b>Used Oil Collected(gallons)</b>	9,825			
<b>Used Oil Collected(Jan.-June)</b>	13,475			
<b>Vessels Towed</b>	1			
<b>Vessels Pumped</b>	1			
<b>Vessel Bilges Pumped</b>	13			
<b>Vessel Sewage Tanks Pumped</b>	0			

### GENERAL ACTIVITIES

- \* Bilge pump maintenance
- \* Clean exterior of harbor office
- \* Electrical repairs
- \* Emergency phone inspections
- \* Fire extinguisher inspections
- \* Fire extinguisher maintenance
- \* Float repair
- \* Incinerate sorbents
- \* Maintenance to all hoists for annual certification
- \* Pump used oil
- \* Washdown floats
- \* Water on to all facilities



**UBS Financial Services Inc.**

3000 A Street, Suite 100  
Anchorage, Alaska 99503

Anchorage Office

Fax. 907-261-5990

www.ubs.com

July 3, 2012

City Council Members and Staff  
City of Cordova, Alaska  
602 Railroad Avenue  
Cordova, Alaska 99574

Dear Council Members and Staff,

As of June 30, 2012 the City of Cordova has a total of **\$14,102,563** (including accrued interest), on deposit with UBS, distributed among six funded accounts. Four of these accounts are under active investment management, three of which are fixed income accounts managed by Sage Advisors and one Permanent Fund account invested in the Pace balanced mutual fund program. The assets under active investment management totaled **\$12,195,095.79** between these four referenced accounts as of July 30, 2012.

The remaining two accounts, one for the Permanent Fund and one for the Central Treasury, are being utilized as cash management accounts with the assets deposited in money market funds. In addition, we recently added a short-term fixed income fund to the Permanent Fund's cash management account with the goal of enhancing yield, while evaluating opportunities to invest those assets on a longer-term basis.

In addition, the recently established Securities Based Lending credit line was accessed on two occasions in June for the first time. As of June 30<sup>th</sup> the amount of the credit line in use totaled **\$1,325,735**.

*Year to date, through June 30, 2012, the net returns for the three Permanent Fund accounts, which includes a cash management only account, was 2.96%. The return for the three Central Treasury accounts, which consist of only fixed income investments and cash type instruments, was 1.38%. The combined net returns year to date for all six accounts held at UBS was 2.13%.*

The strong first quarter stock market rally stumbled in April as the fears over the instability in Europe and weakness in the Chinese economy spread around the globe. Between the first week of April and the first week of June, the S&P500 fell by over 10%. A rally began on June 4<sup>th</sup>, with the US equity market (as measured by the S&P500), experiencing a strong rebound, gaining almost 8% going into the Fourth of July holiday. I have attached a presentation from our Wealth Management Research department, which recaps the second quarter's activity and the outlook going forward into the third quarter of 2012.

In addition to previously referenced presentation, I have attached three performance reports for your review. The first is titled COC-Total and reflects the asset allocation and portfolio performance for all six accounts combined. This summary report is followed by separate reports for the Permanent Fund and Central Treasury accounts.

As always, thank you for the opportunity to assist Cordova.

Sincerely,

Buck Adams, CFP®, CIMA®, ChFC®  
Senior Vice President – Investments  
Senior Managed Accounts Consultant.

Attached: June 30, 2012 Performance reports Permanent Fund and Central Treasury accounts





Second Quarter 2012 Quarterly recap and outlook research report Third Quarter 2012.



# UBS Client Review

As of June 30, 2012

## Prepared for

COC - Total

## Accounts included in this review

Account	Name	Type
UC 03542	• CT	• MAC Wrap
UC 03543	• CT	• BSA
UC 03544	• PF	• BSA
UC 03546	• PF	• MAC Wrap
UC 04046	• CT	• MAC Wrap
UC 04047	• PF	• Pace Multi Advisor

**Branch office:**  
3000 "a" Street  
Suite 100  
Anchorage, AK 99503-4040

**Financial Advisor:**  
Keystone Wealth Management  
907-261-5971  
BUCK.ADAMS@UBS.COM

## What's inside

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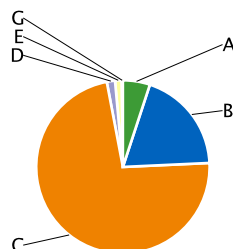
# Executive summary

as of June 30, 2012

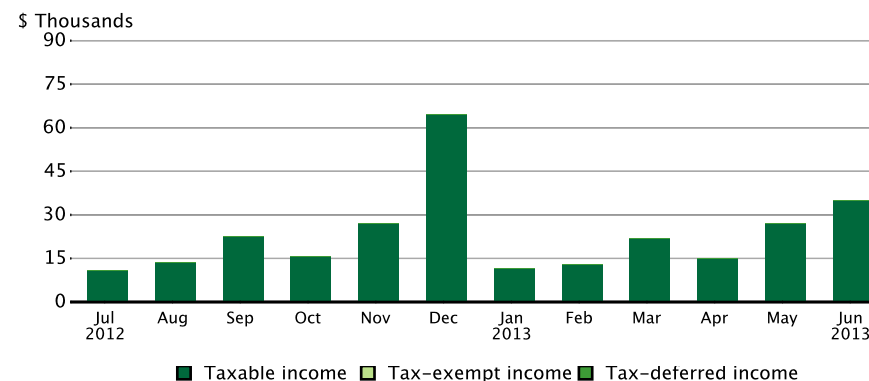
## Asset allocation summary

	Value on Jun 30 (\$)	% of portfolio
<b>A Cash and cash alternatives</b>	<b>712,073.20</b>	<b>5.05</b>
<b>B Equities</b>	<b>2,708,925.62</b>	<b>19.21</b>
U.S. equity	2,035,460.80	14.43
Non U.S. equity	464,019.31	3.29
Global equity	209,445.51	1.49
<b>C Fixed income</b>	<b>10,259,992.92</b>	<b>72.76</b>
U.S. fixed income	9,736,173.66	69.04
Non U.S. fixed income	258,333.93	1.83
Global fixed income	265,485.33	1.88
<b>D Alternative strategies</b>	<b>216,167.63</b>	<b>1.53</b>
<b>E Broad commodities</b>	<b>169,552.53</b>	<b>1.20</b>
<b>F Real estate</b>	<b>0.00</b>	<b>0.00</b>
<b>G Other</b>	<b>34,859.53</b>	<b>0.25</b>
<b>Total Portfolio</b>	<b>\$14,101,571.43</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Expected cash flow

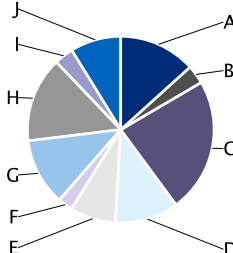

**Total expected cash flow: \$277,666.34**

Cash flows displayed account for known events such as maturities and mandatory puts.

## Equity sector analysis

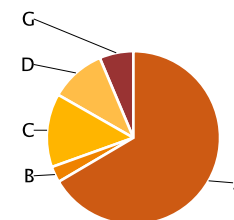
	Value on Jun 30 (\$)	% of equity
<b>A Consumer discretionary</b>	<b>360,324.41</b>	<b>13.30</b>
<b>B Energy</b>	<b>88,138.03</b>	<b>3.25</b>
<b>C Finance</b>	<b>632,242.01</b>	<b>23.34</b>
<b>D Health care</b>	<b>297,844.06</b>	<b>10.99</b>
<b>E Industrials</b>	<b>215,302.23</b>	<b>7.95</b>
<b>F Materials</b>	<b>69,933.74</b>	<b>2.58</b>
<b>G Staples</b>	<b>315,681.95</b>	<b>11.65</b>
<b>H Technology</b>	<b>400,753.61</b>	<b>14.79</b>
<b>I Telecommunications</b>	<b>90,298.60</b>	<b>3.33</b>
<b>J Utilities</b>	<b>238,406.98</b>	<b>8.80</b>
<b>K Unclassified securities</b>	<b>0.00</b>	<b>0.00</b>
<b>Total equity</b>	<b>\$2,708,925.62</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Credit quality of bond holdings

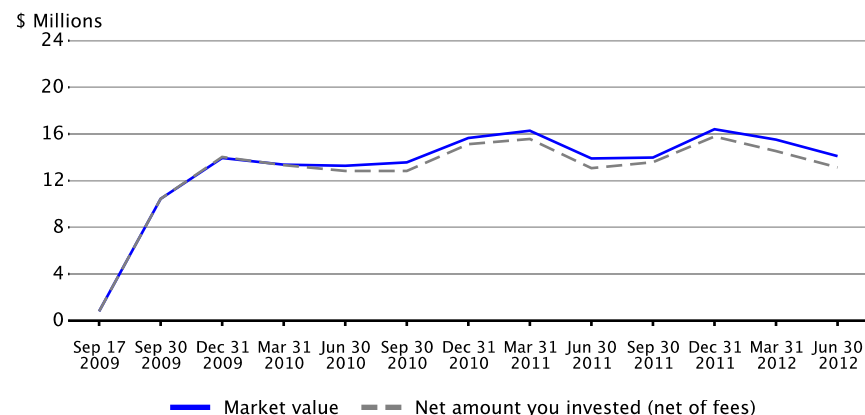
Insured credit rating	Issues	Value on Jun 30 (\$)	% of port.
<b>A Aaa/AAA/AAA</b>	<b>41</b>	<b>4,942,349.16</b>	<b>66.53</b>
<b>B Aa/AA/AA</b>	<b>6</b>	<b>223,626.77</b>	<b>2.99</b>
<b>C A/A/A</b>	<b>28</b>	<b>1,026,030.72</b>	<b>13.74</b>
<b>D Baa/BBB/BBB</b>	<b>27</b>	<b>778,904.92</b>	<b>10.39</b>
<b>E Non-investment grade</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>F Certificate of deposit</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>G Not rated</b>	<b>3</b>	<b>470,535.77</b>	<b>6.35</b>
<b>Total</b>	<b>105</b>	<b>\$7,441,447.34</b>	<b>100%</b>



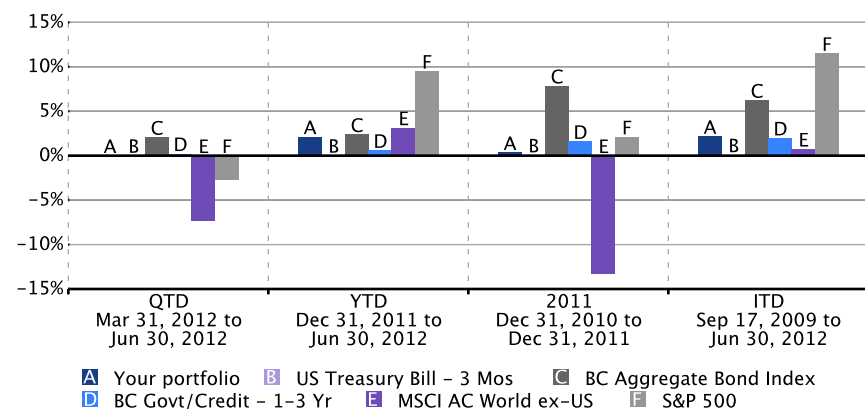
# Performance review

as of June 30, 2012

## Sources of portfolio value



## Portfolio and selected benchmark returns



## Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Jun 30, 2012
<b>Opening value</b>	<b>15,516,174.44</b>	<b>16,409,037.55</b>	<b>15,657,234.00</b>	<b>800,000.00</b>
Net deposits/withdrawals	-1,420,010.78	-2,690,146.43	579,976.26	12,158,805.40
Div./interest income	73,410.80	120,359.93	282,001.10	683,963.87
Change in accr. interest	-14,234.89	-5,717.10	-8,418.88	21,794.78
Change in market value	-52,775.73	269,029.90	-101,754.93	437,999.79
<b>Closing value</b>	<b>14,102,563.84</b>	<b>14,102,563.84</b>	<b>16,409,037.55</b>	<b>14,102,563.84</b>
Net Time-weighted ROR	-0.08	2.13	0.34	2.16

Net deposits and withdrawals include program and account fees.

## Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Jun 30, 2012
<b>Your portfolio</b>	-0.08%	2.13%	0.34%	2.16%
<b>Cash and Cash Alt</b>				
US Treasury Bill - 3 Mos	0.02	0.03	0.07	0.09
<b>Fixed Income</b>				
BC Aggregate Bond Index	2.06	2.37	7.84	6.22
BC Govt/Credit - 1-3 Yr	0.22	0.58	1.59	1.98
<b>Equities</b>				
MSCI AC World ex-US	-7.38	3.13	-13.33	0.73
S&P 500	-2.75	9.49	2.11	11.49

# Performance by account

as of June 30, 2012

## Summary of performance by account

					Performance returns (annualized > 1 year)			
					QTD	YTD	2011	ITD
					Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Jun 30, 2012
Performance start date	Value on Jun 30, 2012 (\$)	% of portfolio						
UC 03542 CT • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,234,339.99	15.84%	Net time-weighted	1.28%	1.11%	5.50%	3.88%
UC 03543 CT • BSA Risk profile: Conservative Return objective: Current Income	Sep 17, 2009	6,011.88	0.04%	Net time-weighted	1.90%	1.94%	0.12%	-10.21%
UC 03544 PF • BSA Risk profile: Conservative Return objective: Current Income	Sep 21, 2009	1,901,456.17	13.48%	Net time-weighted	0.04%	0.07%	0.11%	-4.33%
UC 03546 PF • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,931,751.81	20.79%	Net time-weighted	1.13%	1.98%	4.12%	3.86%
UC 04046 CT • MAC Wrap - SAGE INT FIXED Risk profile: Moderate Return objective: Current Income and Capital Appreciation	Feb 8, 2011	2,762,250.67	19.59%	Net time-weighted	1.35%	2.05%	N/A	5.53%
UC 04047 PF • Pace Multi Advisor Risk profile: Aggressive/Speculative Return objective: Capital Appreciation	Dec 23, 2010	4,266,753.32	30.26%	Net time-weighted	-2.57%	5.00%	-5.20%	-0.05%
<b>Total Portfolio</b>	<b>Sep 17, 2009</b>	<b>\$14,102,563.84</b>	<b>100%</b>	<b>Net time-weighted</b>	<b>-0.08%</b>	<b>2.13%</b>	<b>0.34%</b>	<b>2.16%</b>

# Performance by account - as of June 30, 2012 (continued)

	QTD Mar 31, 2012 to Jun 30, 2012	YTD Dec 31, 2011 to Jun 30, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Jun 30, 2012
<b>Benchmarks - Time-weighted returns</b>				
<b>Cash and Cash Alt</b>				
US Treasury Bill - 3 Mos	0.02 %	0.03 %	0.07 %	0.09 %
<b>Fixed Income</b>				
BC Aggregate Bond Index	2.06 %	2.37 %	7.84 %	6.22 %
BC Govt/Credit - 1-3 Yr	0.22 %	0.58 %	1.59 %	1.98 %
<b>Equities</b>				
MSCI AC World ex-US	-7.38 %	3.13 %	-13.33 %	0.73 %
S&P 500	-2.75 %	9.49 %	2.11 %	11.49 %



# Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. This report presents information since December 31, 2002. This report does not include complete account activity or performance of your accounts before this date. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS Financial Services Inc. accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports.

UBS Financial Services Inc. offers a number of investment advisory programs to clients, acting in our capacity as an investment adviser, including comprehensive financial planning, discretionary account management, non-discretionary investment advisory programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment adviser, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure(s) for the program(s) you selected that provide detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

Please review the report content carefully and contact your Financial Advisor with any questions.

The account listing may or may not include all of your accounts with UBS Financial Services Inc. The accounts included in this report are listed under the "Accounts included in this review" shown on the cover page.

**Mutual Fund Asset Allocation:** If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a monthly basis to UBS Financial Services, Inc based on data supplied by the fund which may not be current.

Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

**Accrued Interest:** Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

**Tax Status:** "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

**Expected Cash Flow reporting for Puerto Rico Income Tax Purposes:** Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Margin:** The quantity value may indicate that all or part of this position is held on margin or held in the short account. When an account holds a debit balance, this debit balance is incorporated into the account's total market value and deducted from the total value. When calculating the percent of portfolio on each security, the percentage will be impacted by the total market value of the account. Therefore, if the account's market value is reduced by a debit value of a holding the percent of portfolio will be greater and if the account's market value is increased by a holding then the percent of portfolio will be less.

**Cash:** Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to

\$250,000 in principal and accrued interest per depositor for each ownership type. Deposits made in an individual's own name, joint name, or individual retirement account are each held in a separate type of ownership. Such deposits are not guaranteed by UBS Financial Services Inc. More information is available upon request.

**Portfolio:** Portfolio for purposes of this report is defined as all the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS Financial Services Inc.

**Gain/Loss:** The gain/loss information may include calculations based upon non-UBS Financial Services Inc. cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services Inc. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

**Fixed Income:** Fixed income instruments are classified as short term if they have a maturity date less than or equal to 3 years and intermediate term if they have a maturity date between 3 to 10 years. Instruments with maturity dates longer than 10 years are classified as long-term instruments. Unclassified instruments are those for which no maturity date is available or applicable.

**Bond:** The term "Bond" refers to all fixed interest bearing securities issued by public and private entities where the issuer owes the holders interest and/or principal at a specified later date. This term does not include mutual funds. These securities are subject to market risk and interest rate risk. If sold in the secondary market prior to maturity, investors may experience a gain or loss depending on interest rates, market conditions and the credit quality of the issuer.

**Insured/Underlying Rating:** Where a rating does not exist for a particular agency, the report will display NR.

**Averages:** All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

**Classified Equity:** Classified equities are defined as those equities for which the firm can confirm the specific industry and sector of the underlying equity instrument.

**Equity:** The Growth, Value and Core labels are determined by Standard and Poor's using a price-to-book ratio methodology. The Growth, Value and Core labels are based on how a company's price-to-book ratio compares to the median price-to-book ratio for its industry based on the company's assigned Industry Sector. If the company's ratio is greater than or equal to the industry median, it is classified as a growth stock. If the company's ratio is less than the industry median, it is classified as a value stock. If a security includes both growth and value attributes, it is classified as a core stock. If price-to-book is not available or the industry's median is not available, this item will be Unclassified.

**Capitalization:** Market Capitalization is defined as the number of shares outstanding times the market value. Equity securities are classified as Large Cap if they have a capitalization of 8 billion or above. Securities with capitalization between 1.8 and 7.9 billion are classified as Mid Cap. Securities with capitalization below 1.79 billion are classified as Small Cap. Unclassified securities are those for which no capitalization is available or applicable.

**Equity:** This analysis may include a variety of accounts, each with different investment and risk parameters. As a result, the overweighting or underweighting in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions; but should be assessed on an account by account basis to determine the overall impact on the account's portfolio.

**Cash Flow:** This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

potential cash flows, UBS Financial Services Inc. relies on information obtained from third party services it believes to be reliable. UBS Financial Services Inc. does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS Financial Services Inc. generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy. Mortgage-backed, asset-backed, factored, and other pass-through securities have dynamic cash flows which may vary from month to month.

**Income:** The Estimated Annual Income is the annualized year to date per share dividends paid and multiplied by the quantity of shares held in the selected account(s).

**Investment Grades:** This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

### **Gain/Loss reporting for Puerto Rico Income Tax**

**Purposes:** Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received gain/(loss) reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Pursuant to the Puerto Rico Internal Revenue Code (PRIIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers for purposes other than determining realized gain/loss for

Puerto Rico income tax purposes. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Pricing:** All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS Financial Services Inc. accounts statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

**Indexing:** For comparison purposes we have used up to five general broad market indices. These indices were selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts listed. Depending on the composition of your portfolio and your investment objectives, these indices may not be an appropriate measure for comparison purposes and as such, are presented for illustration only. Generally, these indices, such as the S&P 500 index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. As a consequence, performance of selected indices may be more or less volatile than any accounts used in this report. The past performance of the indices is not a guarantee of future results. Represented in this report are: U.S. Treasury Bill (USTB) - which represents the 3 month return for Treasury Bills issued by the United States Government; the Barclays Capital Aggregate Bond Index (LBAG) - which is composed of securities from Barclays Capital government/corporate bond index, mortgage-backed securities index, and the asset-backed securities index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. This index is rebalanced monthly by market capitalization; the S&P 500 (SP500) index - which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization-weighted index calculated on a total

return basis without dividends reinvested. If benchmark information is not available at the time this report was run, NA will be displayed. We reserve the right to substitute indices or display only those indices for which current updated information is available in order to ensure the accuracy and completeness of these reports.

**MSCI AC World ex-US:** The MSCI ACW (All Country World) ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US.

**BC Govt/ Credit - 1-3 Yr:** (LBGC1) Measure of corporate and non-corporate fixed income securities that are rated investment grade and have 1-3 years to final maturity.

**Index Volatility:** Performance of certain indices may be presented in comparison to account information. Generally, these indices, such as the S&P 500 Index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. In addition, these indices may have been selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts shown on the report. As a consequence, performance of selected indices may be more or less volatile than any account or accounts and comparative value may be minimal. The use of any market index (such as the S&P 500) in this report is intended for illustrative purposes only as a general reference to a broad market, and not as an accurate performance comparison. Certain accounts consolidated on this report may have separate performance monitors designed to accurately reflect performance.

**Annualized Performance:** All performance periods greater than one year are calculated (unless otherwise stated) on an annualized basis, which represents the return on an investment multiplied or divided to give a comparable one year return.

**Fees:** Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report. Commissions are not included in the fees calculation.

**Performance:** This report presents accounts activity and performance starting December 31, 2002. For accounts opened prior to 12/31/02, this report does not include the complete accounts activity or performance of your accounts prior to that date. Information for accounts opened after 12/31/02 is reported as of the month end

date of the first month of activity in the accounts. For consolidated reports the Performance Start Date will be the earliest performance start date of any of the individual accounts selected for the consolidation time period. If an individual account's performance information is not available for a full reporting time period (month to date, quarter to date, year to date or performance to date), the individual's net of fee time weighted return will not be displayed. For consolidated accounts that include different account Performance Start Dates, the consolidated Additions/Withdrawals, Income Earned and Investment Appreciation/Depreciation will include all activity that occurred during the consolidated reporting time period. Accounts that hold or held insurance products will be reported on from the month end date of when insurance and annuity activity could be obtained from the carrier.

**Client Accounts:** This report includes all assets in the accounts listed and may include eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your accounts and does not reflect the performance of your accounts in the fee-based program. **As a result, the performance reflected in this report can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs.** For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. When shown on a report, the risk profile and return objectives describe your overall goals for these accounts. For each account you maintain, you choose one return objective and a primary risk profile. If you have questions regarding these objectives or wish to change them, please contact your Financial Advisor to update your accounts records.

**Net Deposits/Withdrawals:** When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS Financial Services Inc. price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement.





## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

**Dividends/Interest:** Dividend and interest earned, when shown on a report, this information does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents (i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

**Accruals:** When shown on a report, this information represents the difference between the accrued interest at the beginning of the period from the accrued interest at the end of the period.

**Change in market value (Investment appreciation/depreciation):** Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest.

**Market Value:** When shown on a report, represents the total value at the end of the performance period minus total security value at the beginning of the performance period.

**Time-weighted Returns:** This report displays a time weighted rate of return, a methodology that calculates a portfolio's return by linking equal-weighted monthly returns together. The monthly return is calculated using the Modified Dietz formula. This calculation uses the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

**Money-weighted Returns:** Money-weighted return is a measure of the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of all cash flows and terminal values equal to the value of the initial investment. Money-weighted rate of return incorporates the size and timing of cash flows, so it is an effective measure for returns on a portfolio.

**Net of Fees:** The information is shown net of fees and commission charges to your accounts for the time period shown. For example, if your accounts are charged an asset based fee during the month the report is produced, performance information would reflect deduction of those fees. Please see your program documents regarding fee schedules.

**Net of Fees and Gross of Fees Returns:** Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a

separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance.

**Performance Start Date Changes:** The Performance Start Date for accounts marked with a '^' have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS Financial Services Inc. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS Financial Services Inc. recommends reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date.

The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as 'Review Required' and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details regarding your new Performance Start Date.

**Closed Accounts:** Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

**Important information for former Piper Jaffray clients:** As an accommodation to former Piper Jaffray clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006,

the date Piper Jaffray accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

### **Important information for former McDonald**

**Investments clients:** As an accommodation to former McDonald Investments clients, these reports include performance history for their McDonald Investments accounts prior to February 9, 2007, the date McDonald Investments accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

For insurance, annuities, and 529 Plans, UBS Financial Services, Inc. relies on information obtained from third party services it believes to be reliable. UBS Financial Services, Inc. does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Information for insurance, annuities, and 529 Plans that has been provided by a third party service may not reflect the quantity and market value as of the previous business day. When available, an "as of" date is included in the description.

**Custom Time Periods:** If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

Investors outside the U.S. are subject to securities and tax regulations within their applicable jurisdiction that are not addressed in this report. Nothing in this report shall be construed to be a solicitation to buy or offer to sell any security, product or service to any non-U.S. investor, nor shall any such security, product or service be solicited, offered or sold in any jurisdiction where such activity would be contrary to the securities laws or other local laws and regulations or would subject UBS to any registration requirement within such jurisdiction.

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# UBS Client Review

As of June 30, 2012

## Prepared for

COC - Permanent Fund

## Accounts included in this review

Account	Name	Type
UC 03544	• PF	• BSA
UC 03546	• PF	• MAC Wrap
UC 04047	• PF	• Pace Multi Advisor

## What's inside

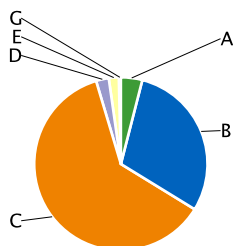
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# Executive summary

as of June 30, 2012

## Asset allocation summary

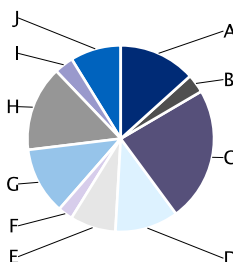
	Value on Jun 30 (\$)	% of portfolio
<b>A Cash and cash alternatives</b>	<b>363,242.11</b>	<b>3.99</b>
<b>B Equities</b>	<b>2,708,925.62</b>	<b>29.77</b>
U.S. equity	2,035,460.80	22.37
Non U.S. equity	464,019.31	5.10
Global equity	209,445.51	2.30
<b>C Fixed income</b>	<b>5,606,835.99</b>	<b>61.62</b>
U.S. fixed income	5,167,276.95	56.79
Non U.S. fixed income	174,073.71	1.91
Global fixed income	265,485.33	2.92
<b>D Alternative strategies</b>	<b>216,167.63</b>	<b>2.38</b>
<b>E Broad commodities</b>	<b>169,552.53</b>	<b>1.86</b>
<b>F Real estate</b>	<b>0.00</b>	<b>0.00</b>
<b>G Other</b>	<b>34,859.53</b>	<b>0.38</b>



**Total Portfolio** **\$9,099,583.41** **100%**  
Balanced mutual funds represented in multiple asset classes based on Morningstar allocations

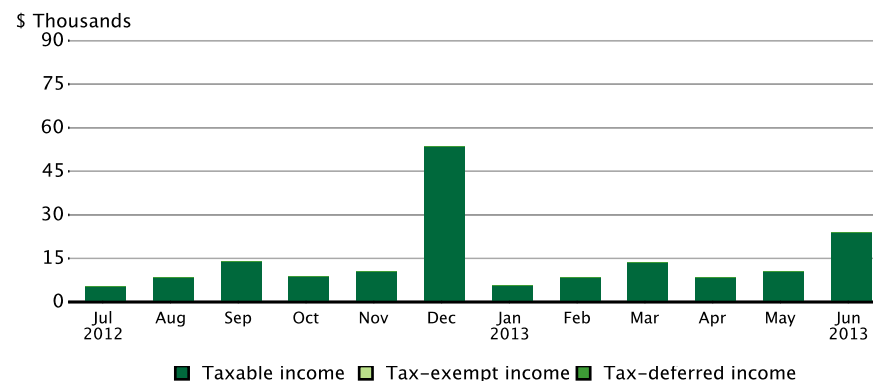
## Equity sector analysis

	Value on Jun 30 (\$)	% of equity
<b>A Consumer discretionary</b>	<b>360,324.41</b>	<b>13.30</b>
<b>B Energy</b>	<b>88,138.03</b>	<b>3.25</b>
<b>C Finance</b>	<b>632,242.01</b>	<b>23.34</b>
<b>D Health care</b>	<b>297,844.06</b>	<b>10.99</b>
<b>E Industrials</b>	<b>215,302.23</b>	<b>7.95</b>
<b>F Materials</b>	<b>69,933.74</b>	<b>2.58</b>
<b>G Staples</b>	<b>315,681.95</b>	<b>11.65</b>
<b>H Technology</b>	<b>400,753.61</b>	<b>14.79</b>
<b>I Telecommunications</b>	<b>90,298.60</b>	<b>3.33</b>
<b>J Utilities</b>	<b>238,406.98</b>	<b>8.80</b>
<b>K Unclassified securities</b>	<b>0.00</b>	<b>0.00</b>
<b>Total equity</b>	<b>\$2,708,925.62</b>	<b>100%</b>



Balanced mutual funds represented in multiple asset classes based on Morningstar allocations

## Expected cash flow

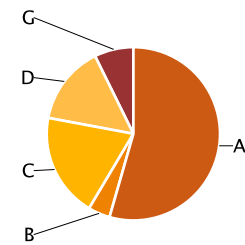


**Total expected cash flow: \$170,413.95**

Cash flows displayed account for known events such as maturities and mandatory puts.

## Credit quality of bond holdings

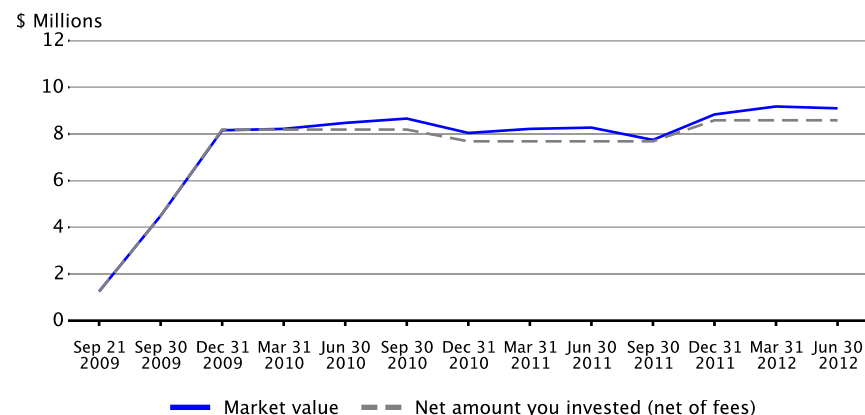
Insured credit rating	Issues	Value on Jun 30 (\$)	% of port.
<b>A Aaa/AAA/AAA</b>	<b>28</b>	<b>1,513,842.79</b>	<b>54.44</b>
<b>B Aa/AA/AA</b>	<b>6</b>	<b>114,487.73</b>	<b>4.09</b>
<b>C A/A/A</b>	<b>28</b>	<b>543,044.12</b>	<b>19.41</b>
<b>D Baa/BBB/BBB</b>	<b>27</b>	<b>414,289.17</b>	<b>14.76</b>
<b>E Non-investment grade</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>F Certificate of deposit</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>G Not rated</b>	<b>2</b>	<b>202,626.60</b>	<b>7.30</b>
<b>Total</b>	<b>91</b>	<b>\$2,788,290.41</b>	<b>100%</b>



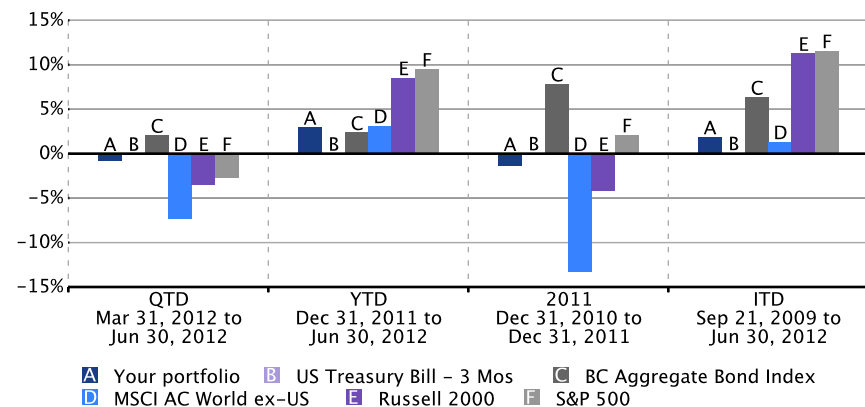
# Performance review

as of June 30, 2012

## Sources of portfolio value



## Portfolio and selected benchmark returns



## Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 21, 2009 to Jun 30, 2012
<b>Opening value</b>	<b>9,179,118.65</b>	<b>8,838,201.86</b>	<b>8,044,831.22</b>	<b>1,250,948.90</b>
Net deposits/withdrawals	-15,082.43	-29,486.41	842,497.01	7,211,681.48
Div./interest income	35,200.48	62,239.83	189,371.45	424,320.59
Change in accr. interest	-3,319.33	-3,821.78	550.75	14,194.43
Change in market value	-95,956.06	232,827.80	-239,048.57	198,815.90
<b>Closing value</b>	<b>9,099,961.30</b>	<b>9,099,961.30</b>	<b>8,838,201.86</b>	<b>9,099,961.30</b>
Net Time-weighted ROR	-0.86	2.96	-1.41	1.88

Net deposits and withdrawals include program and account fees.

## Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 21, 2009 to Jun 30, 2012
<b>Your portfolio</b>	<b>-0.86%</b>	<b>2.96%</b>	<b>-1.41%</b>	<b>1.88%</b>
<b>Cash and Cash Alt</b>				
US Treasury Bill - 3 Mos	0.02	0.03	0.07	0.09
<b>Fixed Income</b>				
BC Aggregate Bond Index	2.06	2.37	7.84	6.35
<b>Equities</b>				
MSCI AC World ex-US	-7.38	3.13	-13.33	1.33
Russell 2000	-3.47	8.53	-4.18	11.27
S&P 500	-2.75	9.49	2.11	11.57

# Performance by account

as of June 30, 2012

## Summary of performance by account

					Performance returns (annualized > 1 year)			
					QTD	YTD	2011	ITD
					Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Jun 30, 2012
UC 03544	PF • BSA	Performance start date	Value on Jun 30, 2012 (\$)	% of portfolio				
	Risk profile: Conservative	Sep 21, 2009	1,901,456.17	20.90%	Net time-weighted	0.04%	0.07%	0.11%
	Return objective: Current Income							-4.33%
UC 03546	PF • MAC Wrap - SAGE INT FXED	Nov 5, 2009	2,931,751.81	32.22%	Net time-weighted	1.13%	1.98%	4.12%
	Risk profile: Conservative							3.86%
	Return objective: Current Income							
UC 04047	PF • Pace Multi Advisor	Dec 23, 2010	4,266,753.32	46.89%	Net time-weighted	-2.57%	5.00%	-5.20%
	Risk profile: Aggressive/Speculative							-0.05%
	Return objective: Capital Appreciation							
<b>Total Portfolio</b>		<b>Sep 21, 2009</b>	<b>\$9,099,961.30</b>	<b>100%</b>	<b>Net time-weighted</b>	<b>-0.86%</b>	<b>2.96%</b>	<b>-1.41%</b>
								<b>1.88%</b>

					QTD	YTD	2011	ITD
					Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 21, 2009 to Jun 30, 2012
<b>Benchmarks - Time-weighted returns</b>								
<b>Cash and Cash Alt</b>								
US Treasury Bill - 3 Mos					0.02 %	0.03 %	0.07 %	0.09 %
<b>Fixed Income</b>								
BC Aggregate Bond Index					2.06 %	2.37 %	7.84 %	6.35 %
<b>Equities</b>								
MSCI AC World ex-US					-7.38 %	3.13 %	-13.33 %	1.33 %
Russell 2000					-3.47 %	8.53 %	-4.18 %	11.27 %
S&P 500					-2.75 %	9.49 %	2.11 %	11.57 %



# Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. This report presents information since December 31, 2002. This report does not include complete account activity or performance of your accounts before this date. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS Financial Services Inc. accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports.

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Please review the report content carefully and contact your Financial Advisor with any questions.

The account listing may or may not include all of your accounts with UBS Financial Services Inc. The accounts included in this report are listed under the "Accounts included in this review" shown on the cover page.

**Mutual Fund Asset Allocation:** If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a monthly basis to UBS Financial Services, Inc based on data supplied by the fund which may not be current.

Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

**Accrued Interest:** Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

**Tax Status:** "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

**Expected Cash Flow reporting for Puerto Rico Income Tax Purposes:** Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Margin:** The quantity value may indicate that all or part of this position is held on margin or held in the short account. When an account holds a debit balance, this debit balance is incorporated into the account's total market value and deducted from the total value. When calculating the percent of portfolio on each security, the percentage will be impacted by the total market value of the account. Therefore, if the account's market value is reduced by a debit value of a holding the percent of portfolio will be greater and if the account's market value is increased by a holding then the percent of portfolio will be less.

**Cash:** Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to

\$250,000 in principal and accrued interest per depositor for each ownership type. Deposits made in an individual's own name, joint name, or individual retirement account are each held in a separate type of ownership. Such deposits are not guaranteed by UBS Financial Services Inc. More information is available upon request.

**Portfolio:** Portfolio for purposes of this report is defined as all the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS Financial Services Inc.

**Gain/Loss:** The gain/loss information may include calculations based upon non-UBS Financial Services Inc. cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services Inc. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

**Fixed Income:** Fixed income instruments are classified as short term if they have a maturity date less than or equal to 3 years and intermediate term if they have a maturity date between 3 to 10 years. Instruments with maturity dates longer than 10 years are classified as long-term instruments. Unclassified instruments are those for which no maturity date is available or applicable.

**Bond:** The term "Bond" refers to all fixed interest bearing securities issued by public and private entities where the issuer owes the holders interest and/or principal at a specified later date. This term does not include mutual funds. These securities are subject to market risk and interest rate risk. If sold in the secondary market prior to maturity, investors may experience a gain or loss depending on interest rates, market conditions and the credit quality of the issuer.

**Insured/Underlying Rating:** Where a rating does not exist for a particular agency, the report will display NR.

**Averages:** All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

**Classified Equity:** Classified equities are defined as those equities for which the firm can confirm the specific industry and sector of the underlying equity instrument.

**Equity:** The Growth, Value and Core labels are determined by Standard and Poor's using a price-to-book ratio methodology. The Growth, Value and Core labels are based on how a company's price-to-book ratio compares to the median price-to-book ratio for its industry based on the company's assigned Industry Sector. If the company's ratio is greater than or equal to the industry median, it is classified as a growth stock. If the company's ratio is less than the industry median, it is classified as a value stock. If a security includes both growth and value attributes, it is classified as a core stock. If price-to-book is not available or the industry's median is not available, this item will be Unclassified.

**Capitalization:** Market Capitalization is defined as the number of shares outstanding times the market value. Equity securities are classified as Large Cap if they have a capitalization of 8 billion or above. Securities with capitalization between 1.8 and 7.9 billion are classified as Mid Cap. Securities with capitalization below 1.79 billion are classified as Small Cap. Unclassified securities are those for which no capitalization is available or applicable.

**Equity:** This analysis may include a variety of accounts, each with different investment and risk parameters. As a result, the overweighting or underweighting in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions; but should be assessed on an account by account basis to determine the overall impact on the account's portfolio.

**Cash Flow:** This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the





## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

potential cash flows, UBS Financial Services Inc. relies on information obtained from third party services it believes to be reliable. UBS Financial Services Inc. does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS Financial Services Inc. generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy. Mortgage-backed, asset-backed, factored, and other pass-through securities have dynamic cash flows which may vary from month to month.

**Income:** The Estimated Annual Income is the annualized year to date per share dividends paid and multiplied by the quantity of shares held in the selected account(s).

**Investment Grades:** This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

### **Gain/Loss reporting for Puerto Rico Income Tax**

**Purposes:** Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received gain/(loss) reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Pursuant to the Puerto Rico Internal Revenue Code (PRIIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers for purposes other than determining realized gain/loss for

Puerto Rico income tax purposes. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Pricing:** All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS Financial Services Inc. accounts statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

**Indexing:** For comparison purposes we have used up to five general broad market indices. These indices were selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts listed. Depending on the composition of your portfolio and your investment objectives, these indices may not be an appropriate measure for comparison purposes and as such, are presented for illustration only. Generally, these indices, such as the S&P 500 index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. As a consequence, performance of selected indices may be more or less volatile than any accounts used in this report. The past performance of the indices is not a guarantee of future results. Represented in this report are: U.S. Treasury Bill (USTB) - which represents the 3 month return for Treasury Bills issued by the United States Government; the Barclays Capital Aggregate Bond Index (LBAG) - which is composed of securities from Barclays Capital government/corporate bond index, mortgage-backed securities index, and the asset-backed securities index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. This index is rebalanced monthly by market capitalization; the S&P 500 (SP500) index - which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization-weighted index calculated on a total

return basis without dividends reinvested. If benchmark information is not available at the time this report was run, NA will be displayed. We reserve the right to substitute indices or display only those indices for which current updated information is available in order to ensure the accuracy and completeness of these reports.

**MSCI AC World ex-US:** The MSCI ACW (All Country World) ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US.

**Russell 2000:** Consists of the smallest 2,000 securities in the Russell 3000 index, representing approximately 11% of the Russell 3000 total market capitalization. This index is widely regarded in the industry as the premier measure of small cap stocks.

**Index Volatility:** Performance of certain indices may be presented in comparison to account information. Generally, these indices, such as the S&P 500 Index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. In addition, these indices may have been selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts shown on the report. As a consequence, performance of selected indices may be more or less volatile than any account or accounts and comparative value may be minimal. The use of any market index (such as the S&P 500) in this report is intended for illustrative purposes only as a general reference to a broad market, and not as an accurate performance comparison. Certain accounts consolidated on this report may have separate performance monitors designed to accurately reflect performance.

**Annualized Performance:** All performance periods greater than one year are calculated (unless otherwise stated) on an annualized basis, which represents the return on an investment multiplied or divided to give a comparable one year return.

**Fees:** Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report. Commissions are not included in the fees calculation.

**Performance:** This report presents accounts activity and performance starting December 31, 2002. For accounts opened prior to 12/31/02, this report does not include the complete accounts activity or performance of your accounts prior to that date. Information for accounts

opened after 12/31/02 is reported as of the month end date of the first month of activity in the accounts. For consolidated reports the Performance Start Date will be the earliest performance start date of any of the individual accounts selected for the consolidation time period. If an individual account's performance information is not available for a full reporting time period (month to date, quarter to date, year to date or performance to date), the individual's net of fee time weighted return will not be displayed. For consolidated accounts that include different account Performance Start Dates, the consolidated Additions/Withdrawals, Income Earned and Investment Appreciation/Depreciation will include all activity that occurred during the consolidated reporting time period. Accounts that hold or held insurance products will be reported on from the month end date of when insurance and annuity activity could be obtained from the carrier.

**Client Accounts:** This report includes all assets in the accounts listed and may include eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your accounts and does not reflect the performance of your accounts in the fee-based program. **As a result, the performance reflected in this report can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs.** For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. When shown on a report, the risk profile and return objectives describe your overall goals for these accounts. For each account you maintain, you choose one return objective and a primary risk profile. If you have questions regarding these objectives or wish to change them, please contact your Financial Advisor to update your accounts records.

**Net Deposits/Withdrawals:** When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS Financial Services Inc. price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement.



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

**Dividends/Interest:** Dividend and interest earned, when shown on a report, this information does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents (i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

**Accruals:** When shown on a report, this information represents the difference between the accrued interest at the beginning of the period from the accrued interest at the end of the period.

**Change in market value (Investment appreciation/depreciation):** Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest.

**Market Value:** When shown on a report, represents the total value at the end of the performance period minus total security value at the beginning of the performance period.

**Time-weighted Returns:** This report displays a time weighted rate of return, a methodology that calculates a portfolio's return by linking equal-weighted monthly returns together. The monthly return is calculated using the Modified Dietz formula. This calculation uses the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

**Money-weighted Returns:** Money-weighted return is a measure of the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of all cash flows and terminal values equal to the value of the initial investment. Money-weighted rate of return incorporates the size and timing of cash flows, so it is an effective measure for returns on a portfolio.

**Net of Fees:** The information is shown net of fees and commission charges to your accounts for the time period shown. For example, if your accounts are charged an asset based fee during the month the report is produced, performance information would reflect deduction of those fees. Please see your program documents regarding fee schedules.

**Net of Fees and Gross of Fees Returns:** Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a

separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance.

**Performance Start Date Changes:** The Performance Start Date for accounts marked with a '^' have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS Financial Services Inc. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS Financial Services Inc. recommends reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date.

The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as 'Review Required' and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details regarding your new Performance Start Date.

**Closed Accounts:** Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

**Important information for former Piper Jaffray clients:** As an accommodation to former Piper Jaffray clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006,

the date Piper Jaffray accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

### Important information for former McDonald

**Investments clients:** As an accommodation to former McDonald Investments clients, these reports include performance history for their McDonald Investments accounts prior to February 9, 2007, the date McDonald Investments accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

For insurance, annuities, and 529 Plans, UBS Financial Services, Inc. relies on information obtained from third party services it believes to be reliable. UBS Financial Services, Inc. does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Information for insurance, annuities, and 529 Plans that has been provided by a third party service may not reflect the quantity and market value as of the previous business day. When available, an "as of" date is included in the description.

**Custom Time Periods:** If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

Investors outside the U.S. are subject to securities and tax regulations within their applicable jurisdiction that are not addressed in this report. Nothing in this report shall be construed to be a solicitation to buy or offer to sell any security, product or service to any non-U.S. investor, nor shall any such security, product or service be solicited, offered or sold in any jurisdiction where such activity would be contrary to the securities laws or other local laws and regulations or would subject UBS to any registration requirement within such jurisdiction.

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# UBS Client Review

As of June 30, 2012

## Prepared for

COC - Central Treasury

## Accounts included in this review

Account	Name	Type
UC 03542	• CT	• MAC Wrap
UC 03543	• CT	• BSA
UC 04046	• CT	• MAC Wrap

**Branch office:**  
3000 "a" Street  
Suite 100  
Anchorage, AK 99503-4040

**Financial Advisor:**  
Keystone Wealth Management  
907-261-5971  
BUCK.ADAMS@UBS.COM

## What's inside

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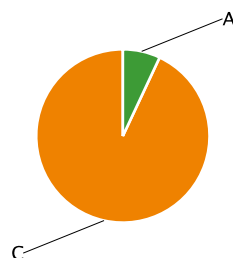
# Executive summary

as of June 30, 2012

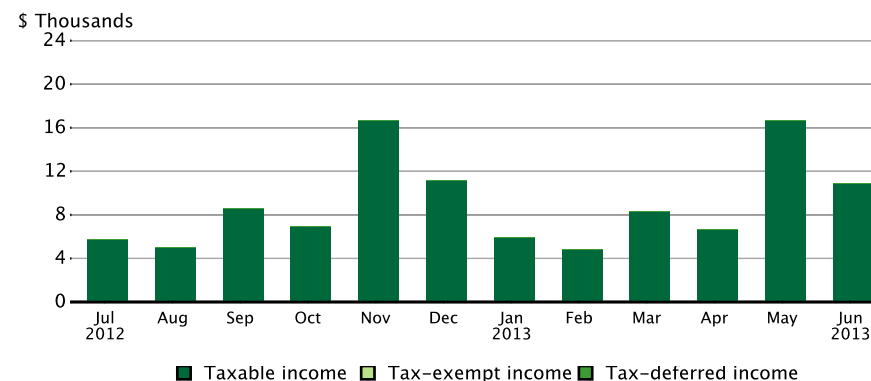
## Asset allocation summary

	Value on Jun 30 (\$)	% of portfolio
<b>A Cash and cash alternatives</b>	<b>348,831.09</b>	<b>6.97</b>
<b>B Equities</b>	<b>0.00</b>	<b>0.00</b>
<b>C Fixed income</b>	<b>4,653,156.93</b>	<b>93.03</b>
U.S. fixed income	4,568,896.71	91.34
Non U.S. fixed income	84,260.23	1.68
<b>D Alternative strategies</b>	<b>0.00</b>	<b>0.00</b>
<b>E Broad commodities</b>	<b>0.00</b>	<b>0.00</b>
<b>F Real estate</b>	<b>0.00</b>	<b>0.00</b>
<b>G Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Portfolio</b>	<b>\$5,001,988.02</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Expected cash flow


**Total expected cash flow : \$107,252.39**

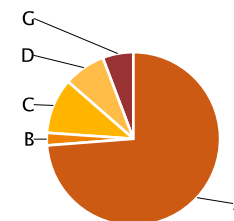
Cash flows displayed account for known events such as maturities and mandatory puts.

## Equity sector analysis

Portfolio does not contain applicable holdings – exhibit intentionally left blank.

## Credit quality of bond holdings

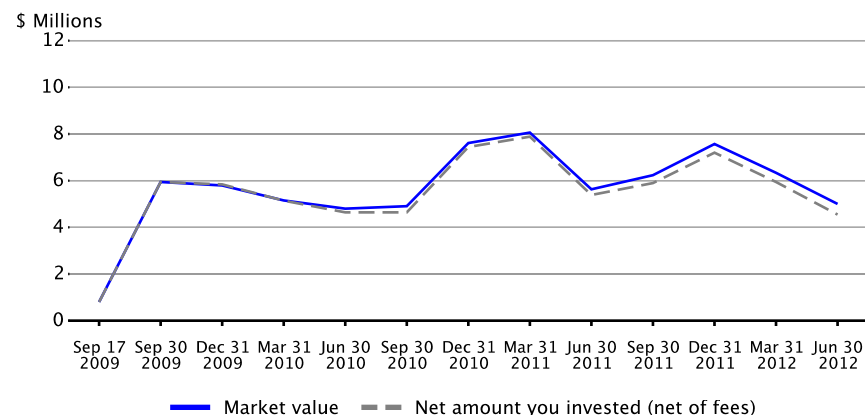
Insured credit rating	Issues	Value on Jun 30(\$)	% of port.
<b>A</b> Aaa/AAA/AAA	38	3,428,506.38	73.77
<b>B</b> Aa/AA/AA	6	109,139.03	2.33
<b>C</b> A/A/A	28	482,986.60	10.34
<b>D</b> Baa/BBB/BBB	27	364,615.76	7.78
<b>E</b> Non-investment grade	0	0.00	0.00
<b>F</b> Certificate of deposit	0	0.00	0.00
<b>G</b> Not rated	3	267,909.17	5.78
<b>Total</b>	<b>102</b>	<b>\$4,653,156.93</b>	<b>100%</b>



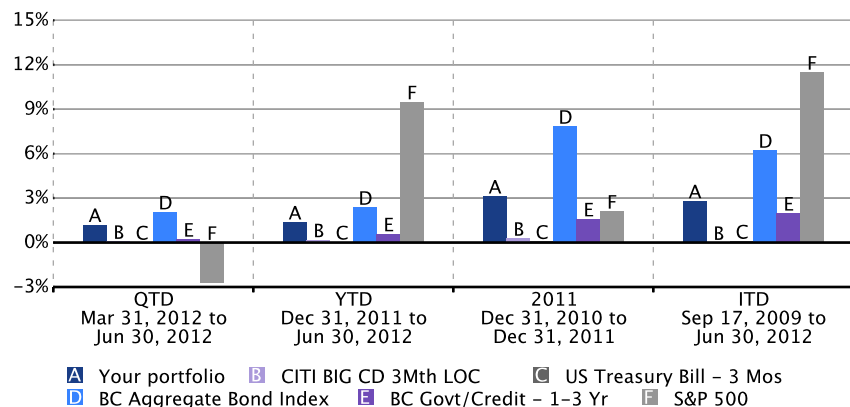
# Performance review

as of June 30, 2012

## Sources of portfolio value



## Portfolio and selected benchmark returns



## Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Jun 30, 2012
<b>Opening value</b>	<b>6,337,055.79</b>	<b>7,570,835.68</b>	<b>7,612,402.78</b>	<b>800,000.00</b>
Net deposits/withdrawals	-1,404,928.35	-2,660,660.02	-262,520.75	3,696,175.02
Div./interest income	38,210.32	58,120.10	92,629.65	259,643.28
Change in accr. interest	-10,915.56	-1,895.32	-8,969.64	7,600.35
Change in market value	43,180.33	36,202.10	137,293.64	239,183.89
<b>Closing value</b>	<b>5,002,602.54</b>	<b>5,002,602.54</b>	<b>7,570,835.68</b>	<b>5,002,602.54</b>
Net Time-weighted ROR	1.21	1.38	3.13	2.81

Net deposits and withdrawals include program and account fees.

## Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Jun 30, 2012
<b>Your portfolio</b>	<b>1.21%</b>	<b>1.38%</b>	<b>3.13%</b>	<b>2.81%</b>
<b>Cash and Cash Alt</b>				
CITI BIG CD 3Mth LOC	0.07	0.18	0.28	N/A
US Treasury Bill - 3 Mos	0.02	0.03	0.07	0.09
<b>Fixed Income</b>				
BC Aggregate Bond Index	2.06	2.37	7.84	6.22
BC Govt/Credit - 1-3 Yr	0.22	0.58	1.59	1.98
<b>Equities</b>				
S&P 500	-2.75	9.49	2.11	11.49

Past performance does not guarantee future results and current performance may be lower/higher than past data presented.

Report created on: July 3, 2012

# Performance by account

as of June 30, 2012

## Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Jun 30, 2012
Performance start date	Value on Jun 30, 2012 (\$)	% of portfolio							
UC 03542 CT • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,234,339.99	44.66%	Net time-weighted		1.28%	1.11%	5.50%	3.88%
UC 03543 CT • BSA Risk profile: Conservative Return objective: Current Income	Sep 17, 2009	6,011.88	0.12%	Net time-weighted		1.90%	1.94%	0.12%	-10.21%
UC 04046 CT • MAC Wrap - SAGE INT FIXED Risk profile: Moderate Return objective: Current Income and Capital Appreciation	Feb 8, 2011	2,762,250.67	55.22%	Net time-weighted		1.35%	2.05%	N/A	5.53%
<b>Total Portfolio</b>	<b>Sep 17, 2009</b>	<b>\$5,002,602.54</b>	<b>100%</b>	<b>Net time-weighted</b>		<b>1.21%</b>	<b>1.38%</b>	<b>3.13%</b>	<b>2.81%</b>
						QTD	YTD	2011	ITD
						Mar 31, 2012 to Jun 30, 2012	Dec 31, 2011 to Jun 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Jun 30, 2012
<b>Benchmarks - Time-weighted returns</b>									
<b>Cash and Cash Alt</b>									
CITI BIG CD 3Mth LOC						0.07 %	0.18 %	0.28 %	N/A %
US Treasury Bill - 3 Mos						0.02 %	0.03 %	0.07 %	0.09 %
<b>Fixed Income</b>									
BC Aggregate Bond Index						2.06 %	2.37 %	7.84 %	6.22 %
BC Govt/Credit - 1-3 Yr						0.22 %	0.58 %	1.59 %	1.98 %
<b>Equities</b>									
S&P 500						-2.75 %	9.49 %	2.11 %	11.49 %



# Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. This report presents information since December 31, 2002. This report does not include complete account activity or performance of your accounts before this date. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS Financial Services Inc. accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports.

UBS Financial Services Inc. offers a number of investment advisory programs to clients, acting in our capacity as an investment adviser, including comprehensive financial planning, discretionary account management, non-discretionary investment advisory programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment adviser, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure(s) for the program(s) you selected that provide detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

Please review the report content carefully and contact your Financial Advisor with any questions.

The account listing may or may not include all of your accounts with UBS Financial Services Inc. The accounts included in this report are listed under the "Accounts included in this review" shown on the cover page.

**Mutual Fund Asset Allocation:** If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a monthly basis to UBS Financial Services, Inc based on data supplied by the fund which may not be current.

Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

**Accrued Interest:** Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

**Tax Status:** "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

**Expected Cash Flow reporting for Puerto Rico Income Tax Purposes:** Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Margin:** The quantity value may indicate that all or part of this position is held on margin or held in the short account. When an account holds a debit balance, this debit balance is incorporated into the account's total market value and deducted from the total value. When calculating the percent of portfolio on each security, the percentage will be impacted by the total market value of the account. Therefore, if the account's market value is reduced by a debit value of a holding the percent of portfolio will be greater and if the account's market value is increased by a holding then the percent of portfolio will be less.

**Cash:** Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to

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**Averages:** All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

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## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

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**CITI BIG CD 3M th LOC:** Citigroup BIG CD (3 M) (LOC)

**BC Govt/ Credit - 1-3 Yr:** (LBGC1) Measure of corporate and non-corporate fixed income securities that are rated investment grade and have 1-3 years to final maturity.

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**Fees:** Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report. Commissions are not included in the fees calculation.

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**Dividends/Interest:** Dividend and interest earned, when shown on a report, this information does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

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**Change in market value (Investment appreciation/depreciation):** Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest.

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**Custom Time Periods:** If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

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# Quarterly recap and outlook

## *Third quarter 2012*

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**This report has been prepared by UBS Financial Services Inc. ("UBS FS").**





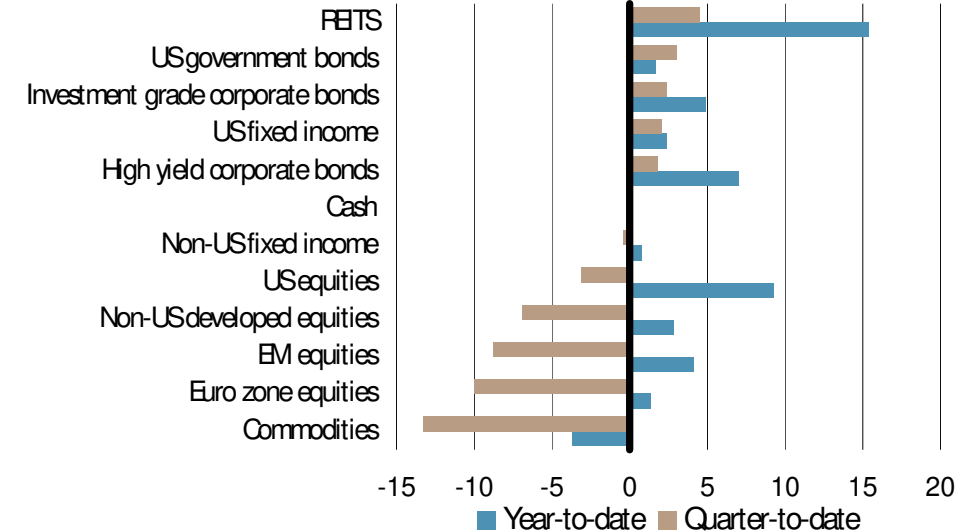
# US economic data and financial market performance

## Stocks fell amid deteriorating US economic data and policy stress

- The US economy faltered in a scene reminiscent of the "soft patches" of the previous two summers. This broad weakening was attributable to a re-flaring of the euro zone debt crisis, widespread policy uncertainty, and lagged effects of the monetary tightening cycle in emerging markets.
- The S&P 500 fell 3.1% in the second quarter but is still up 9.3% for 2012 thanks to a strong start to the year. Furthermore, despite sluggish growth prospects, US companies maintained high profit margins and posted impressive earnings results.
- ISM manufacturing and non-manufacturing indexes seem to have peaked, and employment growth sharply decelerated, with nonfarm payrolls expanding at an average of 96,000 versus a 252,000 pace for the first quarter.
- Commodities fell and WTI crude oil prices dipped below USD 80/barrel. Due to flight-to-safety flows, US 10-year Treasury yields sunk to a historic low of 1.46% in June.

### Second quarter 2012 performance snapshot

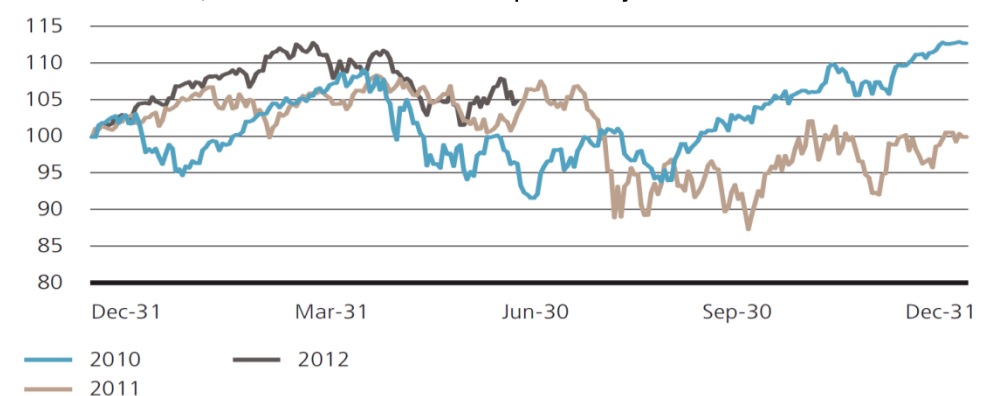
Total return of selected asset classes, in USD and %



Source: Bloomberg, Merrill Lynch Indices, UBS WMR, as of 29 June 2012

### Equity markets have once again hit a post-Q1 rut

S&P 500 Index, rebased 31 December of previous year = 100



Source: Bloomberg, UBS WMR, as of 27 June 2012

# Policy was the driving force during the second quarter

## Governments played critical role in preventing widespread disarray

- Under the weight of the ailing monetary union and deepening recession of the peripheral countries, even the usually robust German economy showed significant signs of strain. Politicians responded with new measures that eased pressure on Spanish and Italian bonds.
- The victory of the New Democracy party offered some relief to an embattled Greece, but the tangible threat of a "Grexit" loomed large for much of the second quarter.
- Besides the decline in energy prices and the recovery of US housing activity, policy easing by EM central banks such as China, and Brazil was one of the positive events of an otherwise anemic second quarter.
- After months of deliberation, the Supreme Court ruled 5-4 in favor of health care reform. The health care sector outperformed the S&P 500 during the second quarter as investors took comfort in the high dividend yield of large cap pharmaceuticals group, rising +1.15% to post a total rise of 9.67% for the year.

### Euro zone bond spreads at troubling levels

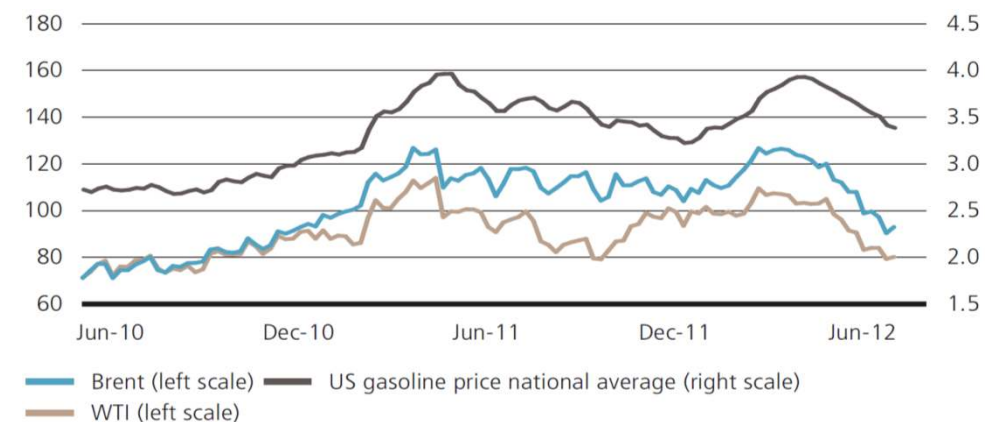
10-year government bond yield spreads relative to German Bunds, in %



Source: Bloomberg, UBS WMR, as of 27 June 2012

### Oil prices have fallen sharply off their peaks

Crude oil and US gasoline prices, in USD per barrel and gallon



Source: Bloomberg, UBS WMR, as of 27 June 2012

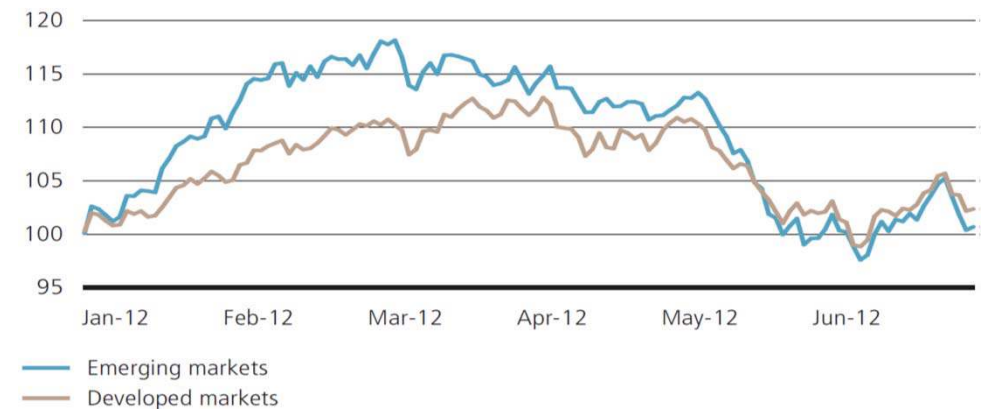
# Coordinated easing heading into the third quarter

## Central bank policy will determine next steps for most economies

- Much of the outcome in the real economy and financial markets will depend on the wisdom of policy choices and elected officials.
- Central banks are unlikely to drive a sustained, broad-based rally by themselves, but monetary policy will help limit downside risks should markets come under renewed selling pressure.
- The Fed's willingness to extend Operation Twist suggests additional policy measures are possible if growth falters or deflation risks re-flare.
- We expect better growth in emerging markets in the second half of the year in light of anecdotal evidence that the Chinese government is pressing harder on the accelerator.
- Beyond policy, lower oil prices, strengthening in housing data and further normalization of weather-distorted data may improve confidence in US growth during the third quarter. Moreover, corporate profits are apt to remain relatively well supported throughout this year and into 2013.

### Emerging markets rally has fizzled

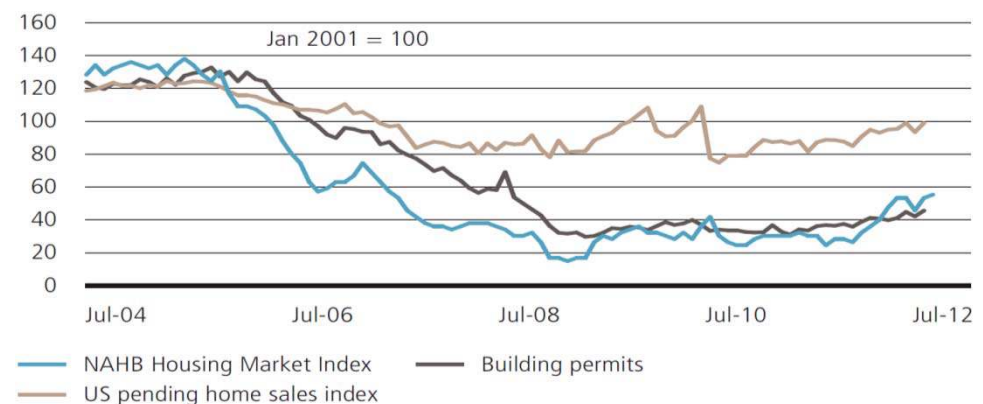
Market performance in USD, end – 2011 indexed to 100



Source: Bloomberg, UBS WMR, as of 26 June 2012

### Persistent US housing recovery

US home builders confidence, home sales, and building permits



Note: NAHB = National Association of Home Builders

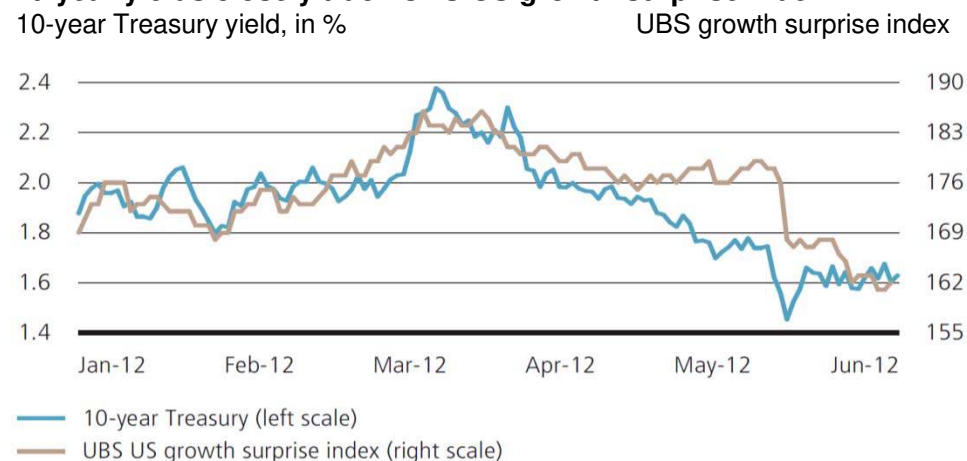
Source: Bloomberg, UBS WMR, as of 27 June 2012

# Politics and policy remain the biggest risks

## Geopolitical risks could also undermine the economy and risky assets

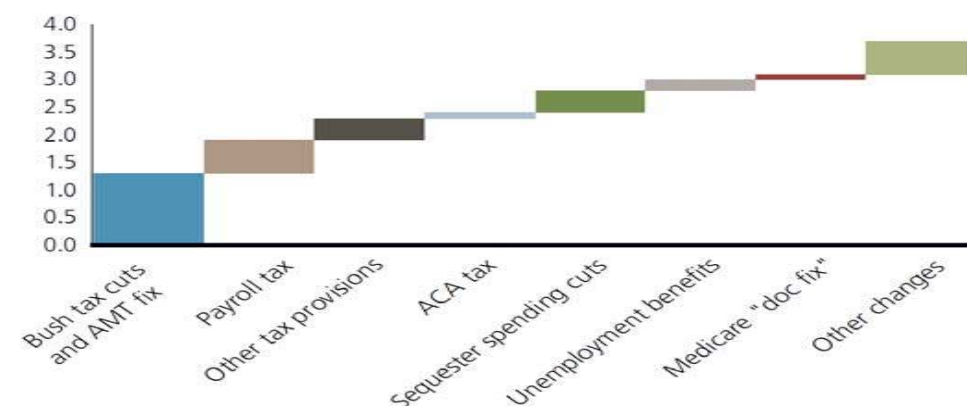
- Global political risks will persist into the second half of the year and into 2013 led by elections in Germany and Italy as well as the looming threat of the proverbial “fiscal cliff” in the US.
- It is unlikely that the US will achieve meaningful fiscal consolidation since the likelihood of a grand bargain by December end is small. A short-term compromise may be reached to extend certain measures like the Bush tax cuts.
- While a euro zone breakup does not appear imminent, many challenges to the euro zone remain in the medium term.
- We expect the US presidential race to remain neck-and-neck, keeping uncertainty over policy high. Vice presidential nominees will be announced around the time of the summer conventions in late August and early September.
- Protests in Egypt, unrest in Russia, violence in Syria, and floundering nuclear talks with Iran and North Korea pose risks to the global economic outlook, especially in emerging markets.

### 10-year yields closely track UBS US growth surprise index



### Fiscal cliff impact would be devastating

Cumulative impact of “fiscal cliff” components, in % of UBS est. of 2013 GDP



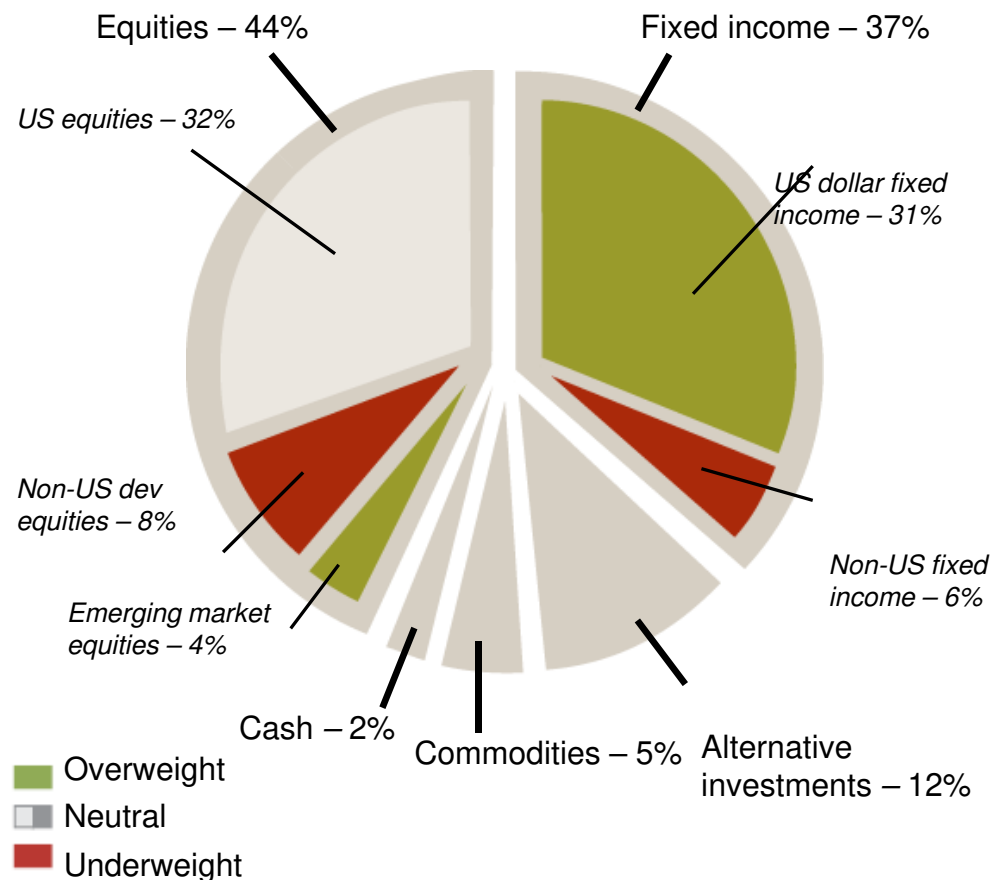
# Asset allocation recommendations

## Neutral tactical preferences across main asset classes

- **Emerging markets and US equities over non-US developed markets:** The combination of better near-term growth prospects, more robust earnings and greater policy latitude favor this regional focus.
- **Cyclical over defensive sectors:** We prefer the technology, consumer staples, consumer discretionary and energy sectors.
- **Growth over value stocks:** Attractive relative valuation supports our preference for growth over value.
- **High dividend growth over high dividend yield:** Replace lost income resulting from current low rates and hedge against inflation.
- **Credit over non-credit fixed income:** Over-weight both investment grade and high-yield corporates and underweight government bonds.

### Current asset allocation

Model portfolio moderate risk profile, in %



Note: Investment strategy recommendations that we believe will provide attractive opportunities over the next 9-12 months. The benchmark allocations underlying this page are provided for illustrative purposes only by UBS for a hypothetical US investor with a moderate investor risk profile and total return objective. See "Sources of benchmark allocations and investor risk profiles" in the Appendix of the Investment Strategy Guide for a detailed explanation regarding the source of benchmark allocations and their suitability and the source of investor risk profiles. The current allocation is the sum of the benchmark allocation and the tactical deviation. See "Deviations from benchmark allocation" in the Appendix of the *Investment Strategy Guide* regarding the interpretation of the suggested tactical deviations from benchmark. See "Nontraditional Assets" and "Description of Certain Alternative Investment Strategies" in the Appendix of the *Investment Strategy Guide* regarding Alternative Investments. See "Emerging Market Investments in the Appendix of the *Investment Strategy Guide* regarding Emerging Markets.

Source: Bloomberg, UBS WMR, as of 27 June 2012



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Version as per October 2011.

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## City Of Cordova

### Parks and Recreation Department 2<sup>nd</sup> quarter report

This 2<sup>nd</sup> quarter report is a combined effort; below you will find a project(s) report written By Susan Herschleb, Director of Parks and Recreation and following is a revenue report prepared by James Fritsch, Parks and Recreation Administrative Assistant.

#### Projects/ POOL:

The pool project has absorbed much of my/our time. We have managed to stay on track and there is no doubt this is the result a good problem solving and teamwork. I would like to announce an official opening date but there are a few too many variables to do so with certainty at this time. I can say with certainty that we will open in August and the date will be established prior to the end of this month.

Our greatest challenge at the moment has to do with our form of filtration. We have what is called DE (Diatomaceous Earth) filtration. Mesh filter assemblies are set in an open tank and water from the pool bottom is circulated through the filter tank and returned back to the pool. Our filter tank is made of aluminum and had to be lined like the pool, to avoid an extended annual closure for grinding and painting. Most pools today use sand filters. Sand filters are essentially separate sealed tanks; water is forced through each tank from the top to the bottom. While Chester Pool Systems may have years of experience lining pools, they have not had a ton of experience lining filter tanks.

Large bubbles of chlorinated water are currently trapped between the liner material and our aluminum filter tank. We have been working with Chester via telephone to patch and repair these leaks. Thankfully, we equipped ourselves with the tool used to weld the liner material and oodles of extra fabric. Caleb Hoover, our current temporary maintenance supervisor, also received informal training from Chester's staff on working with this medium. Additionally, Chester is creating step by step You Tube Video's for us to watch on repair and maintenance of our liner. These will be used to train future employees in liner repair as well.

We will be monitoring this problem weekly when we drain the tank to clean our filters. We do not want chlorine to be trapped beneath the liner and eating away at the aluminum tank. We hope that we won't have to nurse this problem for months to come. If so, we will formally address having Chester return to Cordova to fix it. We have been told that Chester Pool Systems will no longer recommend lining filter tanks. They will recommend using stainless steel. Obviously we will research all of our options, including the cost of sand filtration if need be.

#### Projects / TOT LOT:

We really wanted to get the fence around our new Tot Lot prior to the first snow fall last year. In some ways I guess we can be thankful that a brand new fence was spared the wrath of 'snowpocalypse'.

Speaking of snow; it took until the middle of April before we could effectively move the frozen piles of gravel out of the middle of the park. Our epic snow fall pushed both the contractors and our Public

Works department behind schedule. I made the decision to open the Park 'as is', for the Little League Season. I couldn't imagine the kids sitting and looking at all that equipment and not being able to play on it. I am thankful that the Community has been patient with the temporary play surface and no fence. The final phase of work at the park will begin prior to the end of this month.

#### **Projects/ NATIVE PLANT GARDEN @ ODIK POND PARK:**

We have begun staging the materials for the new Native Plant Garden at Hollis H. Park. The Copper River Watershed Project was able to get the perfect sized white granite rocks for our raised beds donated from the Eyak Corporation. The white granite is actually a bi-product from mining at 17 mile for the new breakwater project. The Corporation is also donating approx. 3 cubic yards of sand to the project.

The Parks and Recreation Department has been and will continue to assist the Watershed project in building the garden beds. In time the Parks and Recreation Department will work in conjunction with the Cordova 7<sup>th</sup> Grade Science Class to maintain it. This project should be complete by the end of August.

#### **Parks and Recreation / REVENUE REPORT:**

This 2<sup>nd</sup> quarter has seen an increase in the sales from memberships, surpassing 2011's 2<sup>nd</sup> quarter by almost \$6000. The new pass options we developed have given more people a reason to purchase a pass. The increase is surprising considering the pool has been closed. With the new pool liner and no more annual closures, we should sell even more passes next year!

We have seen fewer cannery workers with the new cannery pass structure. This is actually good, because now the people, who come in, actually use the facility.

An area I have noticed a slight decrease is with temporary campers. I wonder if this corresponds to the bridge being washed out and less visitors to Cordova in general. Odiak Camper Park remains full of long term users throughout the summer.

Attendance numbers remain strong for the Bidarki Recreation facility. People seem to be enjoying the new weight room and cardio layout. Unfortunately we have a couple of machines out of order, mainly due to high usage. We are going to have to continue to replace older equipment to keep up with the demand. The fitness craze is still running strong in Cordova! Tot time has also had a good following this quarter. Moms and Tots have told us many times how much they appreciate this activity.

Summer Camp, Daily Fitness Classes, New Pool Liner and Popular Parks...We are running strong!



City of Cordova - Parks and Recreation Dept.  
Bidarki Rec. Center 2nd Quarter 2012

2nd Quarter Revenue 2012

Month	Drop in	Passes	Programs	S.Cabin	Odiak	Other	Total
April	\$ 559.00	\$ 3,255.00	\$ 260.00	\$ 345.00	\$ 365.50		\$ 4,784.50
May	\$ 730.00	\$ 7,485.00	\$ 2,250.00	\$ 425.00	\$ 2,054.62	\$ 1,400.00	\$ 14,344.62
June	\$ 589.00	\$ 6,310.00	\$ 2,349.00	\$ 630.00	\$ 10,322.20		\$ 20,200.20
Total	\$ 1,878.00	\$ 17,050.00	\$ 4,859.00	\$ 1,400.00	\$ 12,742.32	\$ 1,400.00	\$ 39,329.32

City of Cordova - Parks and Recreation Dept.  
Bidarki Rec. Center 2nd Quarter 2011

2nd Quarter Revenue 2011

Month	Drop in	Passes	Programs	S.Cabin	Odiak	Other	Total	Pool
April	\$ 420.00	\$ 2,380.00	\$ 500.00	\$ 85.00	\$ 16.80		\$ 3,401.80	
May	\$ 883.00	\$ 5,575.00	\$ 2,951.00	\$ 540.00	\$ 5,348.24	\$ 1,750.00	\$ 17,047.24	
June	\$ 541.00	\$ 3,235.00	\$ 2,810.00	\$ 370.00	\$ 7,796.60		\$ 14,752.60	
Total	\$ 1,844.00	\$ 11,190.00	\$ 6,261.00	\$ 995.00	\$ 13,161.64	\$ 1,750.00	\$ 35,201.64	

## **PUBLIC WORKS DEPARTMENT**

### **2nd Quarter Report**

April – May - June  
2012

The Public Works Department is comprised of 6 Divisions. Major activities relating to 4 of these Divisions include the following:

#### **ADMINISTRATION DIVISION**

A wide variety of issues came up requiring my attention including, but not limited to, the following:

- Provided coordination assistance to the Alaska DOT in clearing avalanche debris April 17
- Provided input to the Planning and Zoning Commission and City Council concerning the limits of responsibility for public utility lines
- Made a trip to Anchorage to take recycled materials up and to bring back a variety of supplies for City use
- Scheduled the baler facility for paving and began site preparations
- Assisted the Planning Dept. with reviewing City Code
- Detailed new direction for LT2 Rule compliance measures
- Updated DEC Environmental Health Division with LT2 Rule compliance planning

Sincerely,  
Moe Zamarron  
Director of Public Works

#### **FACILITIES MAINTENANCE DIVISION**

This includes one ½ time position to conduct building repairs and service mechanical components and one full-time custodial position. The following buildings are repaired and maintained in whole or in part by this Division.

- City Hall / Police Station
- Library / Museum
- Chamber of Commerce
- Bidarki
- Pool
- City Shop
- Harbor Restrooms (Custodial only)

Daily rounds are conducted of each building to ensure systems are functioning properly. Often small repairs are required such as repairing or replacing hinges, stuck windows, squeaky doors, weather-stripping, switches, light bulbs, installing signs, painting, etc.

#### **POOL**

Normal boiler upkeep activities

### LIBRARY / MUSEUM

Made plans to repair water system difficulties

### CHAMBER OF COMMERCE

Nothing to report.

### EYAK WATER TREATMENT PLANT

Miscellaneous minor repairs.

Assisted with machinery replacement

### BIDARKI

Nothing to report

### WASTEWATER TREATMENT PLANT

Miscellaneous minor repairs.

### CITY SHOP

Miscellaneous minor repairs.

### CUSTODIAL

Daily cleaning / trash pickup rounds are conducted at the following buildings:

- Bidarki
- Harbormaster's Office
- Harbor North Restroom
- City Hall / Police Station
- Library / Museum / Council Chambers

## **STREETS DIVISION**

A wide variety of issues came up including, but not limited to, the following:

- Greatly increased safety awareness and training efforts
- Started street repair work and sweeping
- Prepared plans for spring maintenance and capital project activities
- Continued OSHA compliance measures
- Coordinated street repair efforts with the highway paving project

## **REFUSE DIVISION**

A wide variety of issues came up including, but not limited to, the following:

- Hired Charles Vaught as Refuse Forman
- Started repairs to the excavator
- Began regular safety training
- Prepared the baler site for paving

City of Cordova  
**PUBLIC WORKS DEPARTMENT**  
**2nd Quarter Report**

April, May, & June  
2012

**WATER & WASTEWATER DIVISION**

DAILY WORK DUTIES

Water Sources are checked daily/seven days a week for chlorine residual, turbidity, pH, UVT and general operations (Orca, Murcheson, & Meals). Three locations within the system are checked daily/ five days a week for chlorine residual, turbidity, and general operations (Harbor, Bidarki, & Hospital). Morning sewer lifts station checks (Whiskey Ridge, Murcheson, Eyak, Ferry Dock, Morpac, & Main lift station (South Second ST.)). Operate sludge dewatering system. Make polymer & Cl<sub>2</sub> for STP. Deliver sludge to 17 mile. Routine lab work & plant maintenance.

WEEKLY WORK DUTIES

Collect bi-weekly coliform samples. Clean the Wastewater Treatment Plant and Lift Stations. Calibrate meters/monitoring equipment. Download/transfer all data from all three sources. Test/ check back-up generators. Exercise Micro Screen Drums.

MONTHLY WORK DUTIES

Quality control / Quality assurance for Lab. EPA/DEC wastewater reports, DEC water reports, DEC DBP (Disinfection Byproducts Rule) Reports. Read water meters. Deliver shut-off notices, disconnect for nonpayment. Collect monthly samples. Backwash filters at Eyak WTP. Check catchments. Drain, Cleaned/Wash Micro Screen Room & chlorine contact chamber, flush hydrants to freshen up water mains.

MISCELLANEOUS

- Performed 26 water sample test for customers (PWSAC, Ocean Beauty, Trident North, & other customers).
- Performed 26 locate, throughout the City limits where water/sewer mains are available.
- Performed 18 water shut-off/turn on, due to nonpayment, requested by the customers, or emergency shut-offs.
- Hauled load of chlorine to Meals WTP 23 times.
- Hauled load of chlorine to Orca 65 times.
- Plowed around STP & Eyak WTP 2 times.
- Hauled fuel to dewater day tank 29 times
- Made/hauled load of chlorine for Wastewater Treatment plant 49 times.
- Shoveled snow off 9 fire hydrants
- Ran Eyak Filter Plant 24 hrs for 10 days and 8 hrs for 4 days in the month of April 2012.
- Acid washed Orca's chlorine generator cells.
- Received water complaints (color & odor) adjusted treatment settings.

- City Crew to Trident South Facility, found water leaks, hoses, and water fixtures fully open running water with no one using it. Advised Trident South staff & manager in regards to water usage & conservation, due to water shortage.
- Installed new pump & motor into position #1 at Odiak Lift Station.
- Worked on Eyak WTP chlorine injection pump, powder activated carbon line.
- Met with PWSAC's Fish Hatchery care takers & water samplers. Gave them the reason why sample bottles are filled, just above the fill line.
- Responded to pump fail alarm at Odiak, cleared alarm.
- Worked on composite sampler in WWTP.
- Troubleshoot pump #2 at Odiak LS. Cleared plugged pump #2, back in service.
- Took 2000 & 2010 Ford F250s to shop for tire repairs.
- Worked with Bill Howard & Rick Johnson, clearing out obstruction inside water service line at Library (unsuccessful). Water service line does not have water pressure for adequate use. Water service line might be damaged.
- Met Paul Jensen at Heney TC AA-3 in regards to valve box needing repaired.
- Patched hole in micro screen wall.
- Fixed oil leak on gen set in Ferry Terminal LS.
- Troubleshoot dewater pump in dewater bldg (bad circuit breaker).
- Troubleshoot library water service line. Water service line has a leak.
- Received 2 20' container van for material storage.
- Worked on dewater discharge line.
- Inspected Copper River Seafood's water meter vault. Manhole lid needed to be smaller, too heavy to be removed by one operator. Owner stated that they would help lift manhole to read meter.
- Worked on Ferry Terminal & Morpac LS.
- Worked on blower # 3 at STP.
- Prepped for library dig.
- Made repairs on fine screen, on STP (replaced solenoid).
- Dug new water service line for library. Library has plenty water pressure, but water bathroom fixtures still plugged or needing replaced.
- Called out to Murcheson chlorine alarm.
- Located valve box for 105 Bluff Trail and investigated water leak. Water leak between valve box & owners home. Advised owner of findings & leak needed to be repaired.
- Replaced OCS panel view for chlorine gen, in Orca WTP.
- Replaced thermal/float switch for cells of chlorine gen set, at Eyak WTP.
- Built shelves inside one of the van container, for parts.
- Met with Stephen Schmid in regards to sewer line repair, between Ambrosia & Schmid Apartments on First St. Sewer repair completed and everyone is happy.
- Met with Rick Johnson in regards to library water leak in the middle of conference room. Isolated valves & leak stopped.
- Hired Mike Smith to work on dewater building gas monitor (back on-line).
- Hired Paul Cloyd to finish electrical work at Eyak WTP (completed).
- Help locate services at Johnson's residence on Gildness Subd, below Woodland Drive.
- Responded to possible water leak at 210 Boardwalk Way. Found snow melt, not water leak.
- Worked on waste oil heater.

- Troubleshoot Orca chlorine generator with Whitney Equipment tech. Found one of the chlorine cells faulty. Placed order for new one.
- Worked on pista grit, not creating a vacuum to pump out grit. Found break, fixed, placed back on-line.
- Called out to emergency water shut-off at Heney TC # A-6, water service line broken.
- Called out to a No water complaint, at Ferry Dock. Found that water valve was accidentally turned off by AMH staff. Water restored to Ferry Dock.
- Flushed fire hydrant at Power Creek Road.
- Checked on hydrant that was damaged during snow removal at Alpine Subdivision. Hydrant yanked off, but sign of water leak.
- Troubleshoot heating at Library & Museum.
- Worked on lab certification WSM0412 Proficiency Study (Water) and DMRQA Study 32 (Wastewater).
- Changed out Giardia & pre-filter cartridges at Orca WTP, for Orca Lodge.
- Worked on pista grit and effluent composite sampler pick up line.
- Replaced polymer pump in dewater building.
- Checked on Elementary dumping food grease in sewer manhole on Federal Way.
- Located sewer main clean out behind CEC, for oil contaminated soil removal.
- Responded to Trooper's Dock valve box that was accidentally hit by CEC.
- Made repairs on Eyak WTP drain pipe.
- Responded & repaired damaged manhole on Railroad Avenue, by Bayside Storage.
- Checked on leaky manhole on Odiak Slough by Shellhorns. Poured concrete to patch damaged area on manhole.
- Whiskey Ridge pump clogged with debris. Cleared debris & back in service.
- Repaired water service leak at 207 Council Avenue.
- Completed Lab audit with ADEC. Lab passed audit.
- 103 Bluff Trail customers repaired water leak.
- Inspected sewer main on CEC alleyway with video camera.
- Replaced cells for chlorine generator at Orca WTP.
- Responded to possible diesel spill on Council Avenue between Mews Apartments & Brian Arnold's home. Unable to locate source of diesel spill.
- Met with Whitney Equipments' Tech, Rick Harrington. Inspected all chlorine generators.
- Checked on space # 18 & 19 Lakeshore Drive. Advised tenant to fill out Costumer Utility Agreement with the City.
- Met with Dave Strickland with Anchorage Weather Station in regards to relocating temperature gauge.
- Inspected sewer manhole extension by Wilson Construction by Renner's home.
- Inspected utility easement on 1013 Whitshed Road.
- Responded to possible sewer leak at library (water leak on heating line).
- Inspected/located sewer service connection for 1025 Whitshed Rd.
- Made copies of water & sewer main maps for Harris Sand & Gravel (HSG).
- Cleaned valve box at First St & Council Ave for HSG.
- Vactored manhole by OK restaurant for HSG.
- Located valve boxes on Copper River Highway from Cliff Trail to EWTP, for HSG road rehab.
- Repaired manhole top on Odiak Slough.

- Gathered materials for hydrant repair at Alpine Subdivision, damaged during Snowpocalypse.
- Repaired & cleaned valve boxes, manholes, & cleanouts throughout Copper Hwy & Main Street for state road rehab.
- Responded/called out to plug storm drain on Seafood LN by Trident North.
- Prepared for pool draining.
- CEC found damaged roof drain pipe that was a source of I&I, which was the source of heating fuel contamination of the Wastewater Treatment Plant. City provided a 6 inch repair band to repair the damaged pipe.
- Met Trever Kudrna with Electric Power Systems in regards to working on the Water/Sewer's SCADA system. Took Trever to tour Water Treatment plants, booster stations, Wastewater Treatment Plant, & lift stations.
- Reported someone stealing power from one of the lift stations. Police Dept was notified.
- Worked on Orca WTP (water line air locked, backwashed pipe). Put back on-line.
- Informed Trident Fish Oil Plant that their water meter off-line and needed to be repaired.
- 

Sincerely,  
 Malvin Fajardo  
 Water / Wastewater Superintendent

# Planning Department

## Memorandum

To: City Council, Mark Lynch, City Manager  
From: Samantha Greenwood, City Planner  
Date: 7/17/2012  
RE: Quarterly Report, 2nd Quarter 2012

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The following is a summary of the activities the Planning Department has been involved in during the 2nd quarter period.

- Proposal packet Lot 6 SFDP
- Terminated Lease to purchase agreement with Cordova Kitchen
- Created and Implemented a vacation of utility easement forms and process
- Continued work on Shoreside, final contract review and plat work
- Installed and learning GPS Trimble software
- Worked with Parks and Recreation and state for alternative RV parking for summer
- Worked with state to get sublease out to CVW and NOAA
- Worked with Allstate insurance and state flood coordinator on local flood insurance request
- Working with Joanie on Hazard mitigation plan
- GIS work EOM maps
- Worked on Chapter 18 code
- A survey of land for the trade between Samson and the city is being done
- Lot 3 Southfill and Lots 1-4 Original Townsite have closed and will be recorded by May 15<sup>th</sup>
- Lot 6 SFDP out for proposals
- Learned Dreamweaver software to update front page of web page and help assistant city manager
- Joanie Behrends, Dick Groff and I did some public education for Flood Safety Awareness week April 23 – 27 at the health fair;
- Worked with Joanie updating Hazard mitigation plan
- Worked on Shoreside sale and lease agreement back in their court for review
- Worked with Public works, parks and rec and assistant city manager to get recycle and dog waste station responses to NVE.
- Working on editing all of Chapter 14 public services with Public Works (water lines)
- Working on Chapter 16 Building codes
- Worked on Chapek/ Hammersmith exception
- Working on creating lease templates for ground lease, city land and buildings and city land private buildings
- Snow load ordinance was passed at the July 5 City council meeting, effective date will be 9/1 this will allow a month of public education about the code change.
- Met with State Fire Marshal and Paul Trumblee to talk about building heights, ladders and the state fire marshal program.



### **Building Permits for 2nd Quarter**

- Staff issued one Building Permit on May 1, 2102 for a snow roof, shed & covered stairs in Heney Trailer Court.
- Staff issued one Building Permit on May 1, 2012 for the replacement of a snow damaged storage shed and installation of siding on Railroad Avenue.
- Staff issued one Building Permit on May 2, 2012 for the upgrade and repairs to the existing plumbing and electrical systems in a building on Fifth Street.
- Staff issued one Building permit on May 3, 2012 for the construction of single directional snow roof on 4<sup>th</sup> Street.
- Staff issued one Building Permit on May 24, 2012 for the replacement of a 20' x 76' section of building damaged by snow on Haida Lane.
- Staff issued one Building Permit on May 29, 2012 for a single family residence on Gandil Drive.
- Staff issued one Building Permit on June 1, 2012 for the replacement of an arctic entry on West Davis Avenue.
- Staff issued one Building Permit on June 14, 2012 for residential repairs due to snow damage on Whitshed Road.
- Staff issued one Building Permit on June 22, 2012 for a 10' x 12' attached storage structure on First Street.
- Staff issued one Building Permit on June 28, 2012 for the replacement of a roof and associated work on Chase Avenue.

## **CORDOVA VOLUNTEER FIRE DEPARTMENT**

### **Quarterly Report**

In the 2nd quarter the Cordova Volunteer Fire Department responded to 32 calls for Fire, Rescue and EMS for a total of 138 member hours. Including emergency calls, the volunteers of the fire department participated in the regular Thursday night meetings, public education and other activities for a total of 1683.5 member hours.

Additionally, 9 new members of our Department have taken the Emergency Trauma Technician (ETT) course and passed by Joanie Behrends. Upcoming training will be to get these folks trained as Emergency Medical Technician's (EMT).

Many hours have been spent writing a Assistance to Firefighters (AFG) grant for a new fire engine in hopes to replace our two old engines, the 1964 John Bean and our 1972 FWD Seagraves with a small match from the city of 5 %.

Progress to the Ambulance billing is finally in the final stages of being implemented. And two additional tsunami sirens will be added to our community, hopefully before winter arrives.

Please see attached detail monthly activity sheets attached for more information on fire department activities.

## Monthly Activity 4-12

			Attendance	Hours	Total Man Hours
<b>Date</b>	<b>Thursday Meetings</b>				
4/5	Run Reviews		5	1	5
4/5	ER Orientation		4	1	4
4/5	Managing the Mayday		11	4	44
4/12	Ambulance Inventory		8	1	8
4/12	Business Meeting and Anunual Elections		23	2.5	57.5
4/12	Officers Meeting		8	1.5	12
4/19	Enging Inventory		15	2	30
4/26	IV Training		4	1.5	6
4/26	Pumper Relay		19	1.5	28.5
	<b>Total</b>		<b>97</b>	<b>16</b>	<b>195</b>
<b>Date</b>	<b>Public Education Taught</b>				
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Date</b>	<b>Other Activities</b>				
4/4	Explorer Training		1	1.5	1.5
4/9	Ambulance Inventory		1	2	2
4/9	Meeting about Medic Schedule		3	1	3
4/16	Wash M-8 and M-7		1	2.5	2.5
4/18	Washed R-1		1	2.5	2.5
4/26	Clean the Station and Washed Squad 6		1	5	5
4/28	Head Shave		12	2	24
4/28	Health Fair		6	6	36
	<b>Total</b>		<b>26</b>	<b>22.5</b>	<b>76.5</b>
<b>Date</b>		<b>Fire Runs</b>			
4/18	12-31	Avalanche at 5 Mile	4	6	24
4/24	12-32	Fire Alarm at Badarki Center	13	0.5	6.5
		<b>Total</b>	<b>17</b>	<b>6.5</b>	<b>30.5</b>
<b>Date</b>		<b>Amb. Runs</b>			
4/16	12-031	Disoriented man lying in the snow	3	0.5	1.5
4/21	12-032	Medical Transport	3	1.5	4.5
4/22	12-033	Medical Transport	3	1	3
		<b>Total</b>	<b>9</b>	<b>3</b>	<b>9</b>
		<b>Total hours for the month of April</b>			<b>311</b>

## Monthly Activity 5-12

			Attendance	Hours	Total Man Hours
<b>Date</b>	<b>Thursday Meetings</b>				
5/3	Purple Thursday		21	4	84
5/10	Business Meeting		22	1.5	33
5/10	Officers Meeting		7	1.5	10.5
5/17	Ladder Training		17	2	34
5/24	Situational Awareness		22	2.5	55
5/31	Situational Awareness: Fire Drill		20	2.5	50
5/31	Situational Awareness: EMS Drill		11	2.5	27.5
	<b>Total</b>		<b>120</b>	<b>16.5</b>	<b>294</b>
<b>Date</b>	<b>Public Education Taught</b>				
5/15	Mt. Eccles Elementary School CPR		2	4.5	9
5/16	Mt. Eccles Elementary School CPR		2	3.5	7
5/17	Mt. Eccles Elementary School CPR		2	1.5	3
5/23	CPR and AED Class		1	6	6
	<b>Total</b>		<b>7</b>	<b>15.5</b>	<b>25</b>
<b>Date</b>	<b>Other Activities</b>				
5/2	6 month probationary member check off list		7	2	14
5/2	Explorer training		1	1	1
5/8	Cleaning the grill		1	4	4
5/10	Ambulance inventory		5	1	5
5/19	Pumper operations		6	3	18
5/24	Situational Awareness class preparation		1	3	3
5/24	Ambulance inventory		4	1	4
5/25	Ambulance inventory		2	1	2
	<b>Total</b>		<b>27</b>	<b>16</b>	<b>51</b>
<b>Date</b>		<b>Fire Runs</b>			
5/5	12-33	Diesel odor	1	0.5	0.5
5/26	12-34	Unconfirmed fire at the Mormon Church	14	0.5	7
		<b>Total</b>	<b>15</b>	<b>1</b>	<b>7.5</b>
<b>Date</b>		<b>Amb. Runs</b>			
5/2	12-034	Woman in pain	3	1	3
5/6	12-035	Man having a seizure	4	1	4
5/11	12-036	Medical Transport	2	2	4
5/23	12-037	Female fainted	3	1	3
5/23	12-038	DOA	2	0.5	1
5/26	12-041	Assist USCG helicopter	2	1	2
5/29	12-042	Medical Transport	3	2	6
5/30	12-043	Man fell	3	1	3
		<b>Total</b>	<b>22</b>	<b>9.5</b>	<b>26</b>
		<b>Total hours for the month of May</b>			<b>403.5</b>

## Monthly Activity 6-12

			Attendance	Hours	Total Man Hours
<b>Date</b>	<b>Thursday Meetings</b>				
6/7	Run reviews		6	1	6
6/7	Medic issues		8	2	16
6/7	Ventilation		20	2	40
6/14	Business meeting		23	2	46
6/21	O2 saturation		5	3	15
6/21	Live fire training		16	4	64
6/28	Extrication		24	3	72
	<b>Total</b>		<b>102</b>	<b>17</b>	<b>259</b>
<b>Date</b>	<b>Public Education Taught</b>				
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Date</b>	<b>Other Activities</b>				
6/9	Flashlight installation		1	1	1
6/10	Ambulance inventory		13	2.5	32.5
6/10	ETT training		5	2	10
6/12	ETT class		9	52	468
	<b>Total</b>		<b>28</b>	<b>57.5</b>	<b>511.5</b>
<b>Date</b>		<b>Fire Runs</b>			
6/15	12-35	Possible car fire	13	0.5	6.5
6/26	12-36	Automated alarm at Ocean Beauty	11	0.5	5.5
6/26	12-37	Automated alarm at Ocean Beauty	1	0.5	0.5
		<b>Total</b>	<b>25</b>	<b>1.5</b>	<b>12.5</b>
<b>Date</b>		<b>Amb. Runs</b>			
6/1	12-044	3 Unresponsive people	3	2	6
6/3	12-045	Man fell	4	1	4
6/8	12-046	Woman with heart pain	9	1	9
6/12	12-047	Medical transport	2	1	2
6/12	12-048	Medical transport	2	1	2
6/17	12-049	Medical transport	3	1	3
6/18	12-050	Medical transport	2	2	4
6/19	12-051	Woman vomiting	3	1	3
6/19	12-052	man with severe burns	3	1	3
6/19	12-053	Medical transport	3	1.5	4.5
6/20	12-054	man with cut on his head	3	1	3
6/22	12-055	Man hit by 700lb object	3	1	3
6/22	12-056	Medical transport	2	2	4
6/30	12-057	Medical transport	2	1	2
		<b>Total</b>	<b>44</b>	<b>17.5</b>	<b>52.5</b>
		<b>Total hours for the month of June</b>			<b>835.5</b>

To: City Council; City Manager; City Clerk  
CC: Historical Society, Library Board  
From: Cathy Sherman, Assistant City Manager & Museum Director  
**2<sup>nd</sup> Quarter Report -- Information Services Department**



#### **CORDOVA HISTORICAL MUSEUM:**

- **Visitation:** 2128 **CHS members:** 277
- **Exhibits:** Kristin Link – Nature's Sketchbook; Fish Follies 2012
- **Programs:** 'Alaska Goes Hollywood;' Three Days of Kristin Link Sketch Workshops.
- **School Class Visits:** Native Life; Films in Alaska, Fishing History of Cordova and Prince William Sound.
- **Staff** worked on **finishing the History of Cordova publication** – off to printer and published this fall! **Research** for USFS, Native Village of Eyak, Copper River Watershed Project and numerous individuals. Worked with 1% for art committee for Cordova Center.
- Applied for and received **grant-in-aid from Alaska State Museum** for Phase II exhibit design for the museum.
- **CHS annual dinner** – History of Skiing and the Ski Hill in Cordova; annual budget.
- Submitted **museum memories** to newspaper.
- **Assisted Pioneer Igloo** members with Certified Local Government grant application.

#### **CORDOVA PUBLIC LIBRARY:**

- **Visitation:** 6859
- **Circulation:** 2386 **ListenAlaska:** 207
- **Internet Use:** **WiFi Use:** 1121
- **Materials Added to Collection:** 350 **Interlibrary Loans:** 88
- **Staff** worked on continuing assessments of the core collection in Alaskan and adult fiction; VHS cassettes and audio books.
- **Patron computers** were upgraded and cleaned; DeepFreeze installed;
- **Friends of the library** conducted book sales throughout the quarter and will hold a meeting at the end of the summer season.
- Staff worked to begin **OWL (Online With Libraries)** project. This will increase broadband speeds to provide faster internet connections, assist libraries with cost of broadband, provide new desktop and laptop computers for library patron use; provide videoconferencing equipment for libraries.
- Staff welcomed the **new library director – Miriam Dunbar**. She began her position on July 1<sup>st</sup>.



## INFORMATION SERVICES:

- Worked with **Arctic Information Technology** on upgrades to library patron computers; transition to Total Care; coordination with pool staff for new controller and continued set up of EOC laptops
- **Painted** meeting room; **cleaned** janitor's room and furnace room.
- Completed Fire Marshall Inspection and **fire system inspection**.
- Worked with public works dept. to replace **toilets**; fix sinks.
- Worked with sewer and water on **temp water service** to building.
- Updated web page on regular basis; posted **city notices** on Facebook as well as KLAM, KCHU.
- Coordinated weekly advertisements with **Cordova Times**.
- Researched **ISP providers** for city.
- Assisted with recycling transfer; dog waste dispenser stations; public health nurse request for distribution of condoms in harbor; coordinated and cleaned banners; updated visitor book; cleanup day; junk car stuff; and completed three employee newsletters.
- Assisted City Clerk and Representative Thomas' office with **Bridge Naming Ceremony** and publicity. Now completing process of providing photos of event to Veterans in attendance as well as offices of Representative Thomas and Senator Murkowski.

# **MEMO, City of Cordova**

FROM: Ashley Royal, Finance Director  
TO: City Manager, Mayor and City Council  
Date: July 25, 2012  
RE: Monthly Report

This is a Six page report, thru June 30, 2012.

- Cash and Investments report, all funds
- Revenue and Expenditure Report compared to Budget for General Fund
- Revenue and Expenditure Report compared to budget all funds except School Project and Cordova Center
- Cordova Center Project Report – summary
- School Project Report – summary
- Capital Projects Status Summary Report

This mid-year report reflects all the entries relating to interfund transfers anticipated in the initial budget and authorized recently per ordinance.

The Cash and Investments report shows comparison of 12/31/10 to 12/31/11 to 6/30/12. The report is divided in two parts – the top part showing the balances by general ledger account number, and where the money actually resides. The bottom part shows how the money is allocated between the various funds of the City. A lot has changed since 2010 in the fund structure of the general ledger. Sewer and Water Fund has been divided into separate funds. The Enterprise Funds now each have a corresponding separation of their respective capital projects and depreciation reserve, and in the case of Refuse the landfill reserve.

The financial statement for the General Fund is broken down by major categories for revenue, and by department. The first column is for the month of June, 2012. The second column is for 2012 year-to-date (YTD). The third column is the 2012 adopted budget. The fourth column is the difference in the YTD and the Budget, and the last column is the percent received or spent YTD.



The third page is a financial for all funds, except the School Project and Cordova Center.

The fourth page is a comprehensive summary report for the Cordova Center. It is designed to give an overview on one page. It's a pretty standard format, with the first column showing the comprehensive budget as known at this time. The second column is for all transactions recorded prior to 2012. The third column is for the remaining amounts known. And the fourth column is for actual transactions thus far in 2012.

The fifth page is designed to show the status of the School Project at the present time, for management purposes. The initial State Budget is shown in the first column, for reference and comparison to the second column, which is the total available per the general ledger. The third column is all the transactions actual prior to 2012. The fourth column is actual YTD for 2012.

The sixth page is a new report designed to show the status of all the capital projects, except the Cordova Center and School, which are reported separately. The report answers several relevant questions summarized on one page:

- Is the project partially funded by grant or loan and such proceeds as initially budgeted?
- How much is now expected to be received from grant or loan, if not as initially budgeted?
- Expenditure initially budgeted for the project compared to what is now expected?
- Is an amendment to the budget expected to be necessary before the close of this year?
- Will the project be finished in the current year?
- Will the project be continued or rolled over into 2013?

Respectfully submitted by:  
Ashley Royal  
Finance Director, City of Cordova

CITY OF CORDOVA  
FUND SUMMARY  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
TAXES	106,773.60	1,382,190.55	5,507,136.66	4,124,946.11	25.1
LICENSES & PERMITS	105.00	7,697.60	17,800.00	10,102.40	43.2
OTHER GOVERNMENTAL	.00	1,196,089.39	2,453,553.00	1,257,463.61	48.8
LEASES & RENTS	4,391.80	61,616.11	186,050.00	124,433.89	33.1
LAW ENFORCEMENT	4,277.27	109,762.26	307,234.00	197,471.74	35.7
D. M. V.	7,184.28	34,446.22	74,500.00	40,053.78	46.2
PLANNING DEPARTMENT REVENUE	150.00	7,458.50	14,500.00	7,041.50	51.4
RECREATION DEPT REVENUE	10,206.00	32,134.00	71,900.00	39,766.00	44.7
POOL REVENUE	625.00	4,403.00	23,200.00	18,797.00	19.0
SALE OF PROPERTY	56.00	2,871.00	9,600.00	6,729.00	29.9
INTERFUND TRANSFERS IN	437,673.66	626,041.96	852,083.84	226,041.88	73.5
OTHER REVENUE	1,717.16	103,614.84	81,146.00	( 22,468.84)	127.7
STATE DEBT SERVICE REIMBURSE	.00	643,961.00	975,707.41	331,746.41	66.0
	573,159.77	4,212,286.43	10,574,410.91	6,362,124.48	39.8

EXPENDITURES

CITY COUNCIL	108.82	4,774.84	26,150.00	21,375.16	18.3
CITY CLERK	14,726.92	117,148.89	225,616.00	108,467.11	51.9
CITY MANAGER	19,786.28	121,103.90	384,638.00	263,534.10	31.5
FINANCE	27,611.99	176,413.85	358,832.00	182,418.15	49.2
PLANNING DEPARTMENT EXPENSE	19,112.85	107,351.20	193,564.00	86,212.80	55.5
DEPARTMENT OF MOTOR VEHICLE	3,017.27	24,244.81	67,072.00	42,827.19	36.2
LAW ENFORCEMENT	58,909.96	373,401.95	815,460.00	442,058.05	45.8
JAIL OPERATIONS	18,112.45	95,200.77	200,289.00	105,088.23	47.5
FIRE & EMS	22,521.31	154,919.80	308,606.00	153,686.20	50.2
DISASTER MANAGEMENT DEPT.	.00	.00	510.00	510.00	.0
INFORMATION SERVICES	29,841.35	177,723.11	371,526.00	193,802.89	47.8
FACILITY UTILITIES	20,063.70	104,797.41	145,500.00	40,702.59	72.0
PW ADMINISTRATION	9,883.52	58,827.73	105,746.00	46,918.27	55.6
FACILITY MAINTENANCE	15,095.74	71,053.28	197,522.00	126,468.72	36.0
STREET MAINTENANCE	35,802.41	231,503.79	572,912.00	341,408.21	40.4
SNOW REMOVAL	.00	14,392.16	60,861.00	46,468.84	23.6
EQUIPMENT MAINTENANCE	17,069.79	124,656.54	274,998.00	150,341.46	45.3
PARKS MAINTENANCE	12,055.94	45,190.17	100,715.00	55,524.83	44.9
CEMETERY MAINTENANCE DEPT.	3,598.04	3,598.04	8,218.00	4,619.96	43.8
RECREATION - BIDARKI	33,764.05	184,641.92	339,175.00	154,533.08	54.4
POOL	14,044.71	113,271.81	258,059.00	144,787.19	43.9
SKI HILL	3,470.01	38,449.41	58,400.00	19,950.59	65.8
NON-DEPARTMENTAL	83,363.69	222,750.11	342,830.00	120,079.89	65.0
LONG TERM DEBT SERVICE	.00	1,018,130.58	1,699,076.18	680,945.60	59.9
INTERFUND TRANSFERS OUT	.00	749,945.73	749,945.73	.00	100.0
TRANSFERS TO OTHER ENTITIES	23,180.84	1,407,835.04	2,328,170.00	920,334.96	60.5
	485,141.64	5,741,326.84	10,194,410.91	4,453,084.07	56.3
	68,018.13	( 1,529,040.41)	380,000.00	1,909,040.41	

CITY OF CORDOVA  
FUND SUMMARY  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
101 GENERAL FUND	573,159.77	4,212,286.43	10,574,410.91	6,362,124.48	39.8
104 CITY PERMANENT FUND	107,338.46	1,220,488.30	1,110,858.73	( 109,629.57)	109.9
203 AMBULANCE REPLACEMENT FUND	.00	.00	7,050.00	7,050.00	.0
205 VEHICLE REMOVAL/IMPOUND FUND	.00	33,000.00	33,000.00	.00	100.0
401 GENERAL PROJ & GRANT ADMN	434,058.00	534,076.16	454,808.00	( 79,288.16)	117.4
410 CHIP SEAL C.I.P.	111,618.57	111,618.57	261,618.57	150,000.00	42.7
502 HARBOR ENTERPRISE FUND	91,504.85	241,249.82	1,010,956.14	769,706.32	23.9
503 SEWER ENTERPRISE FUND	59,445.49	319,923.49	627,210.00	307,286.51	51.0
504 WATER ENTERPRISE FUND	65,287.52	285,638.81	675,593.42	389,954.61	42.3
505 REFUSE ENTERPRISE FUND	83,535.95	384,397.92	852,300.00	467,902.08	45.1
506 ODIK CAMPER PARK	10,089.02	12,148.50	53,662.00	41,513.50	22.6
602 HARBOR & PORT PROJECTS	.00	46,411.66	1,760,000.00	1,713,588.34	2.6
603 SEWER PROJECTS	.00	.00	113,500.00	113,500.00	.0
604 WATER PROJECTS	.00	100,000.00	201,500.00	101,500.00	49.6
605 SOLID WASTE PROJECTS	.00	50,000.00	642,000.00	592,000.00	7.8
702 HARBOR FUND DEP'N RESERVE	.00	70,000.00	70,000.00	.00	100.0
703 SEWER FUND DEP'N RESERVE	.00	50,000.00	50,000.00	.00	100.0
704 WATER FUND DEP'N RESERVE	.00	4,236.25	4,236.25	.00	100.0
805 LANDFILL FUND	.00	50,129.60	50,000.00	( 129.60)	100.3
911 E-911 SPECIAL REVENUE FUND	.00	17,237.71	50,000.00	32,762.29	34.5
	1,536,037.63	7,742,843.22	18,602,704.02	10,859,860.80	41.6
<u>EXPENDITURES</u>					
101 GENERAL FUND	485,141.64	5,741,326.84	10,194,410.91	4,453,084.07	56.3
104 CITY PERMANENT FUND	945,676.57	945,676.57	945,676.57	.00	100.0
333 2012 SNOWPOCALYPSE	595.59	876,288.46	.00	( 876,288.46)	.0
401 GENERAL PROJ & GRANT ADMN	70,337.14	304,375.63	504,808.00	200,432.37	60.3
408 SCHOOL ILP BUILDING	.00	30,441.33	.00	( 30,441.33)	.0
410 CHIP SEAL C.I.P.	.00	.00	200,000.00	200,000.00	.0
435 HOSPITAL REPAIR PROJECT	7,620.38	7,620.38	.00	( 7,620.38)	.0
502 HARBOR ENTERPRISE FUND	75,411.45	592,127.91	1,010,956.14	418,828.23	58.6
503 SEWER ENTERPRISE FUND	46,510.68	345,611.74	627,210.00	281,598.26	55.1
504 WATER ENTERPRISE FUND	51,424.39	399,358.54	675,593.42	276,234.88	59.1
505 REFUSE ENTERPRISE FUND	77,299.71	509,091.02	831,325.00	322,233.98	61.2
506 ODIK CAMPER PARK	7,873.24	22,441.84	53,662.00	31,220.16	41.8
602 HARBOR & PORT PROJECTS	84,361.75	121,624.90	1,790,000.00	1,668,375.10	6.8
603 SEWER PROJECTS	6,325.06	24,346.23	264,000.00	239,653.77	9.2
604 WATER PROJECTS	29,322.27	32,373.07	252,000.00	219,626.93	12.9
605 SOLID WASTE PROJECTS	.00	.00	832,000.00	832,000.00	.0
	1,887,899.87	9,952,704.46	18,181,642.04	8,228,937.58	54.7
	( 351,862.24)	( 2,209,861.24)	421,061.98	2,630,923.22	

City of Cordova  
Cordova Center  
6/30/2012

Account Number	Account Title	Total Project Budget	Prior Years Actual	2012	2012
				Current year Budget	Current year Actual
426-300-40325	Investment Earnings	90,770.90	90,770.90	0.00	0.00
426-300-42195	Cordova Center Design	23,109.00	23,109.00	0.00	0.00
426-300-42200	Not Yet Known	0.00	0.00	0.00	0.00
426-300-43000	Deferred Revenue	0.00	(387,361.70)	387,361.70	387,361.70
426-310-42410	DOI FY03 S.2708	994,000.00	994,000.00	0.00	0.00
426-310-42420	HUD EDI B-04-SP-AK-0040	994,100.00	994,100.00	0.00	0.00
426-310-42430	DCCED 05-DC-039	25,000.00	25,000.00	0.00	0.00
426-310-42440	DCCED 06-DC-101	1,000,000.00	1,000,000.00	0.00	0.00
426-310-42450	DCCED 10-DC-011	1,000,000.00	1,000,000.00	0.00	0.00
426-310-42460	DCCED 11-DC-197	2,500,000.00	2,500,000.00	0.00	0.00
426-310-42470	DCCED 11-DC-626	2,000,000.00	2,000,000.00	0.00	0.00
426-310-45480	EVOSTC - Fed Grant	7,000,000.00	846,628.67	6,153,371.33	0.00
426-390-49998	Transfer from Permanent Fund	1,500,000.00	1,500,000.00	0.00	0.00
426-390-49999	Transfer from General Fund	0.00	0.00	0.00	0.00
<b>Total Revenue</b>		<b>17,126,979.90</b>	<b>10,586,246.87</b>	<b>6,540,733.03</b>	<b>387,361.70</b>
426-401-00000	Phse I - From City Money	1,515,100.00	446,499.98	1,068,600.02	160,249.62
426-402-00000	Phse II - From City Money	0.00	0.00	0.00	939.60
426-411-00000	Phse I - DOI FY03 S.2708	994,000.00	994,000.00	0.00	0.00
426-412-00000	Phse II - DOI FY03 S.2708	0.00	0.00	0.00	0.00
426-421-00000	Phse I - HUDEDI B04SP-AK-0040	994,100.00	994,100.00	0.00	0.00
426-422-00000	Phse II - HUDEDI B04SP-AK-0040	0.00	0.00	0.00	0.00
426-431-00000	Phse I - DCCED 05-DC-039	25,000.00	25,000.00	0.00	0.00
426-432-00000	Phse II - DCCED 05-DC-039	0.00	0.00	0.00	0.00
426-441-00000	Phse I - DCCED 06-DC-101	1,000,000.00	1,000,000.00	0.00	0.00
426-442-00000	Phse II DCCED 06-DC-101	0.00	0.00	0.00	0.00
426-451-00000	Phse I - DCCED 10-DC-011	1,000,000.00	1,000,000.00	0.00	0.00
426-452-00000	Phse II - DCCED 10-DC-011	0.00	0.00	0.00	0.00
426-461-00000	Phse I - DCCED 11-DC-197	2,500,000.00	2,500,000.00	0.00	0.00
426-462-00000	Phse II - DCCED 11-DC-197	0.00	0.00	0.00	0.00
426-471-00000	Phse I - DCCED 11-DC-626	2,000,000.00	2,000,000.00	0.00	0.00
426-472-00000	Phse II - DCCED 11-DC-626	0.00	0.00	0.00	0.00
426-481-00000	Phse I - EVOSTC	7,000,000.00	846,628.67	6,153,371.33	1,150,088.23
426-482-00000	Phse II - EVOSTC	0.00	0.00	0.00	0.00
426-901-00000	Interfund Transfers Out	0.00	0.00	0.00	0.00
<b>Total Expenditures</b>		<b>17,028,200.00</b>	<b>9,806,228.65</b>	<b>7,221,971.35</b>	<b>1,311,277.45</b>
<b>Net Totals</b>		<b>98,779.90</b>	<b>780,018.22</b>	<b>(681,238.32)</b>	<b>(923,915.75)</b>

Account Number	Account Title	State Budget	Per GL Total Available	Per GL 2008 - 2011	Per GL 2012
<b>School Capital Project</b>					
<b>Revenue</b>					
420-300-40100	Bond Issue Proceeds	16,610,704.59	16,610,704.59	16,610,704.59	.00
420-300-40325	Investment Earnings	.00	262,168.89	262,168.89	.00
420-300-43000	Deferred Revenue	.00	.00	823,948.04-	823,948.04
<b>Transfers</b>					
420-393-41005	Transfer to School Dist	.00	200,000.00-	200,000.00-	.00
Total Revenue:		16,610,704.59	16,672,873.48	15,848,925.44	823,948.04
<b>Mt Eccles Gym Addition</b>					
420-403-50220	CM (by consultant)	91,982.00	91,982.00	91,982.00	.00
420-403-52100	Land Purchase	205,759.91	205,759.91	205,759.91	.00
420-403-52110	Site Investigation	.00	.00	.00	.00
420-403-52140	Design Services	413,919.00	413,919.00	413,919.00	.00
420-403-52150	Construction	6,090,955.00	6,084,932.89	6,084,932.89	.00
420-403-52160	Equipment	151,222.00	151,222.00	151,222.00	.00
420-403-52170	District Admn Overhead	229,955.00	243,536.97	243,536.97	.00
420-403-52180	Art	22,996.00	22,996.00	22,996.00	.00
420-403-52190	Project Contingency	.00	.00	.00	.00
Total Mt Eccles Gym Addition:		7,206,788.91	7,214,348.77	7,214,348.77	.00
<b>Mt Eccles Renovation</b>					
420-405-50220	CM (by consultant)	166,730.00	166,730.00	166,730.00	.00
420-405-52140	Design Services	833,650.00	830,398.89	830,398.89	.00
420-405-52150	Construction	7,491,425.00	7,491,425.00	6,668,354.05	694,051.29
420-405-52160	Equipment	487,202.00	487,202.00	487,202.00	.00
420-405-52170	District Admn Overhead	416,825.00	441,085.82	440,208.73	14,095.80
420-405-52180	Art	41,683.00	41,683.00	41,683.00	390.00
420-405-52190	Project Contingency	.00	.00	.00	.00
Total Mt Eccles Renovation:		9,437,515.00	9,458,524.71	8,634,576.67	708,537.09
Total Expenditure:		16,644,303.91	16,672,873.48	15,848,925.44	708,537.09
Net Grand Totals:		33,599.32-	.00	.00	115,410.95

City of Cordova									
Capital Projects Status Report									
As of June 30, 2012									
		Grant	Grant/Loan	Grant/Loan	Adopted	Expenditure	Amend	Finish 2012	Rollover 2013
Project	Fund#	or Loan	\$ Budget	\$ Expected	\$ Budget	\$ Expected	Budget	Y/N	Y/N
GIS	401		\$0	\$0	\$20,000	\$20,000	no	no	yes
Code Revisions	401		\$0	\$0	\$50,000	\$50,000	no	no	yes
Dispatch Radio Consoletts	401		\$0	\$35,000	\$15,000	\$50,000	yes	yes	no
Report Writing System	401		\$0	\$0	\$0	\$3,808	yes	yes	no
Evidence Locker System	401		\$0	\$0	\$20,000	\$20,000	no	yes	no
Surveillance Jail Dispatch	401		\$0	\$0	\$15,000	\$15,000	no	yes	no
Code Blue	401	Grant	\$1,155	\$1,155	\$4,655	\$4,655	no	yes	no
DHS 12 EMPG	401	Grant	\$8,000	\$8,000	\$16,000	\$16,000	no	yes	no
DHS 13 EMPG	401	Grant	\$8,000	\$8,000	\$16,000	\$16,000	no	yes	no
DHS 09 SHSP	401	Grant	\$0	\$74,524	\$0	\$74,524	yes	yes	no
DHS 10 SHSP	401	Grant	\$0	\$8,943	\$0	\$9,556	yes	yes	no
Southern Region Matching Grant	401	Grant	\$1,250	\$1,250	\$2,500	\$2,500	no	yes	no
Disaster Mgt Supplies	401		\$0	\$0	\$6,500	\$6,500	no	yes	no
Mt Eccles Estate Culvert	401		\$0	\$0	\$25,000	\$60,000	yes	yes	no
4th St Upgrade	401		\$0	\$0	\$25,000	\$0	no	no	yes
First Street Rehab	401/603/604		\$0	\$0	\$128,000	\$128,000	no	yes	no
Tot Lot	401		\$0	\$0	\$25,000	\$25,000	no	yes	no
Bidarki door replacment	401		\$0	\$0	\$10,000	\$10,000	yes	yes	no
Blue Van Replacment	401		\$0	\$0	\$12,700	\$12,700	no	no	yes
Weight Room Equip	401		\$0	\$0	\$7,243	\$7,243	no	yes	yes
Boiler Replacment	401		\$0	\$0	\$10,000	\$10,000	no	no	yes
Automated Chemical Dosing	401		\$0	\$0	\$47,790	\$49,000	yes	yes	maybe
UV system	401		\$0	\$0	\$18,690	\$25,000	yes	yes	no
New Pool Liner	401		\$0	\$0	\$115,730	\$125,000	yes	yes	no
ILP Building	408		\$0	\$0	\$0	\$80,000	yes	yes	no
Chip Seal	410	Grant	\$150,000	\$0	\$200,000	\$50,000	no	yes	yes
Hospital Capital Proj	435	Grant	\$0	\$2,000,000	\$0	\$2,000,000	yes	yes	yes
North Fill Dock	602	Grant	\$350,000	\$350,000	\$350,000	\$350,000	no	yes	yes
Breakwater Extension	602	Grant	\$1,400,000	\$2,011,000	\$1,400,000	\$2,011,000	yes	yes	no
Harbor Boardwalks	602		\$20,000	\$20,000	\$20,000	\$20,000	no	yes	no
Harbor Study	602		\$20,000	\$20,000	\$20,000	\$20,000	no	yes	no
Odiak Lift Station	603		\$0	\$0	\$14,000	\$16,500	yes	yes	no
WWTP Sreen House	603	Grant	\$40,000	\$0	\$58,000	\$0	no	no	yes
WWTP Siding	603		\$0	\$0	\$45,000	\$0	no	no	yes
WWTP disinfection, permit	603	Loan	\$31,500	\$0	\$105,000	\$20,000	no	yes	no
Water Tank Clean Repair	604		\$0	\$0	\$50,000	\$0	no	no	yes
Spruce St Wtr main repairs	604		\$0	\$0	\$15,000	\$0	no	no	yes
LT2 Compliance	604	Grant/Loan	\$0	\$60,000	\$0	\$60,000	yes	no	yes
Solid Waste Cell Expansion	605	Grant	\$35,000	\$0	\$150,000	\$0	no	no	no
Bailer Paving	605	Grant	\$115,000	\$55,488	\$382,000	\$79,269	no	yes	no
Grader	605	Grant	\$210,000	\$0	\$300,000	\$0	no	no	unknown



City of Cordova  
602 Railroad Ave.  
P.O. Box 1210  
Cordova, Alaska 99574  
Phone: (907) 424-6100  
Fax: (907) 424-6000  
Email: [policechief@cityofcordova.net](mailto:policechief@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of Chief of Police*

### Memo

To: City Manager Mark Lynch  
From: Chief Bob Griffiths  
Subject: 2<sup>nd</sup> Quarter 2012 Report  
Date: July 25, 2012

### PATROL

The Cordova Police Department received a total of 549 Calls for Service. From these Calls for Service, a total of 102 investigative cases were generated. There were a total of 40 arrests made.

There were 75 citations written for the past quarter. There were 54 warnings given in the past quarter to drivers for violations in lieu of issuing a citation.

### PERSONNEL

Officer Shane Musgrave announced his appointment to the Steamboat Springs Colorado Police Department and will be leaving the department mid-June.

April 8<sup>th</sup>-14<sup>th</sup> we recognized our dispatchers for National Telecommunication Week

### JAIL

During the past quarter the Cordova Police department housed 42 inmates for a total of 94 man-days.

### DMV

DMV was open 36 days for the quarter. Currently on Spring/Summer schedule of Thursday, Friday and Saturday from 8 a.m. to 3:30 p.m. 821 customers completed transactions totaling \$47,696.00

### TRAINING

Officer Shane Musgrave attended the Glock Armorers School. I attended the Alaska Peace Officers' Association annual training conference in May.

### PROJECTS

The Jail surveillance camera upgrade was complete with the addition of new exterior cameras around the exterior of the city hall.

On June 5<sup>th</sup> & 6<sup>th</sup>, 911 consultant George Molczan was in town and met with the E-911 Committee and reviewed the 911 procedure currently used in dispatch.

June 19<sup>th</sup> & 20<sup>th</sup> Richard with ProComm was in town for a site visit in preparation for the dispatch radio narrow-banding project; the CCMC radio system was inspected. Joe Quickel with Alaska Homeland Security was also in town and assisted in planning for the project.

### PUBLIC RELATIONS

Our department participated in the Cancer Walk on April 28<sup>th</sup> by hosting a bake sale in the City parking lot. Approximately \$250 was raised by the bake sale and all proceeds were donated to the Cancer Walk fund.



## UNITED STATES BOARD ON GEOGRAPHIC NAMES

In reply please use this address:  
U. S. Geological Survey  
523 National Center  
Reston, Virginia 20192-0523

June 22, 2012

James Kallander, Mayor  
City of Cordova  
PO Box 1210  
Cordova, Alaska 99574-1210

Dear Mayor Kallander:

This is to inform you that the U.S. Board on Geographic Names, at its June 14, 2012 meeting, approved the proposal to apply the new name Mount Chosin Few to an unnamed summit in Valdez-Cordova Census Area, Alaska. The name has been entered into the Geographic Names Information System, the nation's official geographic names repository, which is available and searchable online at <http://geonames.usgs.gov>. The entry reads as follows:

**Mount Chosin Few**: summit; elevation 8,084 ft.; located in the Chugach National Forest, in the Chugach Mountains, 6 mi SE of Cordova Peak, 28 mi NE of Cordova; named in honor of U.S. troops who fought in the Battle of Chosin Reservoir on the Korean Peninsula; Valdez- Cordova Census Area, Alaska; Sec 18, T12S, R2E, Copper River Meridian; 60°49'47"N, 145°08'01"W; USGS map – Cordova (D-4) SE 1:25,000. Not: De Long Peak.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Lou Yost", is written over the typed name.

Lou Yost  
Executive Secretary  
Domestic Names Committee  
U.S. Board on Geographic Names



# STATE OF ALASKA

## DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

### NORTHERN REGION PRECONSTRUCTION

SEAN PARNELL, GOVERNOR

2301 PEGER ROAD  
FAIRBANKS, ALASKA 99709-5399  
TELEPHONE: (907) 451-2238  
TDD: (907) 451-2363  
FAX: (907) 451-5126

In Reply Refer To:  
Copper River Highway Copper Delta Bridge #0339  
Project No.: 60555  
June 27, 2012

Mr. Tim Joyce  
Mayor  
City of Cordova  
P.O. Box 1210  
Cordova, AK 99574-0120

Dear Mr. Joyce:

The Alaska Department of Transportation and Public Facilities (DOT&PF) is proposing to replace the Copper Delta Bridge (#0339) with a bridge of greater length. The project corridor lies in the T16S, R3E, Section 7 of the Copper River Meridian in the Cordova B-3 USGS (1:63, 360 scale) quadrangle (Figure 1).

Pursuant to AS 41.35.070, Preservation of Historic, Prehistoric, and Archaeological Resources Threatened by Public Construction, DOT&PF finds that no historic properties would be affected by the proposed project.

#### **Project Description**

Since 2009 the volume of water flowing under Bridge #339 on the Copper River Highway has significantly increased. The volumes in the Copper River have not changed, but the proportion of flow in the channel crossed by Bridge #339 has increased due to water being diverted from other channels of the braided river.

The increased flow combined with the narrow bridge opening has scoured away the channel bed under the bridge. The bridge has been closed since August 20, 2011, because the vertical and lateral capacity of the pier piles has been compromised. We are proposing to replace the bridge, which is now 401 feet and increase the length of the new bridge to approximately 800 feet to accommodate the increase in flow of water.

This project will replace the existing, but failed, Copper River Bridge #339 at milepost 36 on the Copper River Highway near Cordova, Alaska. The new bridge will remain in the same location. Because the bridge is now closed, a temporary bridge will not be needed to detour traffic, but may be needed for the replacement because piers have been undercut by the current and would not be likely to support a crane or other bridge-replacement related equipment. The road will be raised 2 to 3 feet on both sides of the bridge. The proposed new 2-lane bridge will have an increased hydrologic opening created by a longer span length and deeper pier embedments to work in both current and anticipated future hydraulic flows. A guidebank may potentially be added on the eastern side of the bridge to help alleviate damage to a smaller bridge (Bridge #340) to the east of Bridge #339 (Figure 2).

**Area of Potential Effect**

The Area of Potential Effect (APE) for the proposed project extends 800 feet on the northern side and 300 feet on the southern side of the existing road centerline for the entire length (Figure 2). This APE will extend 1,500 feet from the edge of the bridge on the west side, and 2,000 feet on the east side.

The reason for extending the APE on the northern and eastern sides is to take into account the potential to add guidebanks and spurs or groins on the northern side of the river in order to armor the riverbanks. There is a smaller bridge (#340) to the east of the Copper Delta Bridge #339 that could potentially be damaged if there was a shift in the river. The potential guidebank could help alleviate any damage to this bridge. Ground disturbance will be limited to previously disturbed areas. Most proposed work or equipment staging would take place within the right-of-way. In the case that the guidebank is added, it will remain within the proposed APE. All material sites would be contractor furnished.

**Identification Efforts**

DOT&PF conducted a search of the Alaska Heritage Resource Survey (AHRS) database on 4/25/2012 and only 1 AHRS site was identified in the project area. Copper River and Northwestern Railway rail-bed, COR-00398, constructed between 1908 and 1911 is located on the East side of the Copper River. The Copper River and Northwestern (CR&NW) Railway ran between Cordova and the Kennecott Copper Mine northeast of Chitina. The line was abandoned in 1938, after which time, most of the rails were removed and use of the route was limited to locals at the Cordova and Chitina ends, and military units stationed at Cordova until the end of World War II. In the 1950s and 1960s, the Copper River Highway was built over the rail-bed between Cordova and the north side of the Million Dollar Bridge (MP 49). This seasonal road consisted typically of one to two-lane segments of gravel fill. The 1964 Good Friday Earthquake severely damaged the highway and several of its bridges. The State of Alaska began converting the highway to a two-lane all weather gravel road in the 1970s. Since the 1970s, the State of Alaska has replaced most of the bridges and paved portions of the highway near Cordova. In 1977, a portion of the highway between MP 37 and 41 was realigned.

In 1973, a 26-mile section of the old rail-bed between Chitina and the Tasnuna River was listed on the National Register of Historic Places (NRHP). Because the highway had not been constructed over this portion of the rail-bed, this section preserved its original rail-bed appearance and several associated railroad engineering features. In 1993, Rolfe Buzzell of the Alaska Office of History and Archaeology prepared a draft NRHP nomination for the overall rail-bed and associated features from Cordova to Kennecott. The nomination recommended that some portions of the rail-bed “that retain their historic appearance and have physical integrity are considered eligible.” However, Buzzell noted, “If the railbed has been subsequently graded to create a roadbed, the segment is not eligible unless there are significant tangible material remains of the railbed, such as dry masonry, an elevated railbed or log cribbing still in place under the roadbed.” The integrity of most sections of the rail-bed that underlie the highway has never been evaluated. However, in 2004, a 1.75 mile segment of the rail-bed near the Cordova Airport (MP 13) was determined not eligible for the NRHP. This segment was determined to lack integrity because of modifications such as removal of rails and ties, grading, widening and resurfacing of the original rail-bed.

While the remaining segments of rail-bed which underlie the Copper River Highway have not been evaluated for the National Register, they possess a similarly compromised integrity, no longer maintaining a rail-bed appearance. Buried beneath the road bed, portions of rail-bed in the project area have also likely been damaged by recurring high water and flood events on the Copper River. The potential for rail-bed features in the project area to be intact is low.

Due to the APE lacking high points and being situated in an active flood plain, the DOT&PF's Northern Region staff archaeologist Ben Storey categorizes the area as having low potential to contain subsurface archaeological resources.

**Finding of Effect**

DOT&PF finds that no historic properties are present in the APE, and that no historic properties would be affected by the proposed project. The following statements provide the basis for this finding (1) there are no historic properties present within the APE, and (2) the project would not affect any characteristics of historic properties outside and adjacent to the APE that qualify those properties for inclusion into the NRHP and (3) there is low potential for sub-surface cultural resources in the project area.

The Copper Delta Bridge was constructed in 1977 and does not meet the age requirements of 45 years or older set by the DOT&PF to be considered eligible for the National Register of Historic Places and is not of exceptional significance under Criterion Consideration (g).

Under the Alaska Historic Roads Programmatic Agreement Interim Guidance which is currently under development by FHWA, DOT&PF, and the State Historic Preservation Officer (SHPO), has identified a core group of Alaska roads to be treated as eligible for the National Register of Historic Places (NRHP). This project does not affect any of these roads.

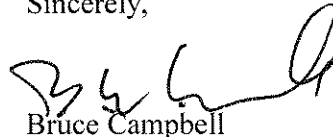
**Consultation Efforts**

On November 16, 2011, Bruce Campbell (Regional Environmental Manager for DOT&PF Northern Region) and Jacob Woodcock (Cultural Resource Specialist for the DOT&PF Northern Region) met with the SHPO. In that meeting SHPO agreed with the DOT&PF's belief that the proposed project had no potential to affect historic properties due to the age of the bridge (1977), low potential for archaeological resources, and absence of known cultural resources in the vicinity of the project.

The DOT&PF is sending No Historic Properties Affected findings letters to the following parties: the State Historic Preservation Office (SHPO), City of Cordova, Cordova Historical Society, Chugach Alaska Corporation, Tatitlek Corporation, Eyak Corporation, Native Village of Eyak, and the United States Forest Service (USFS).

If you wish to comment on this finding, I can be reached at the address above, by telephone at (907) 451-2238, or by e-mail at [bruce.campbell@alaska.gov](mailto:bruce.campbell@alaska.gov). However, please note that to receive consideration, your comments must be received within thirty days of your receipt of this correspondence.

Sincerely,




Bruce Campbell  
Regional Environmental Manager

Sincerely,



Jacob Woodcock  
Cultural Resource Specialist

mj/smb 

Enclosures:

Figure 1: Project Location and Vicinity Map

Figure 2: Area of Potential Effect

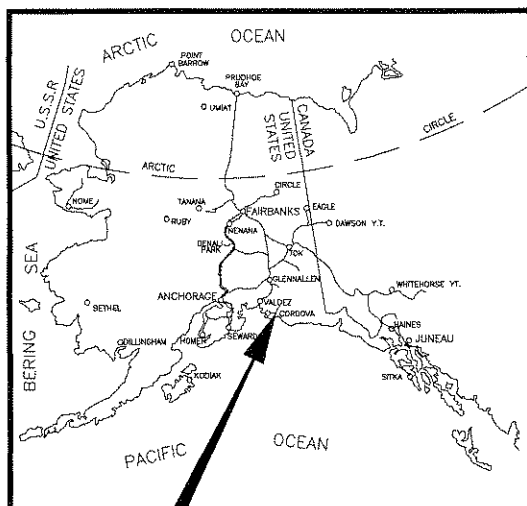
Electronic cc:

Russell Johnson, P.E., Engineering Manager, DOT&PF, Northern Region

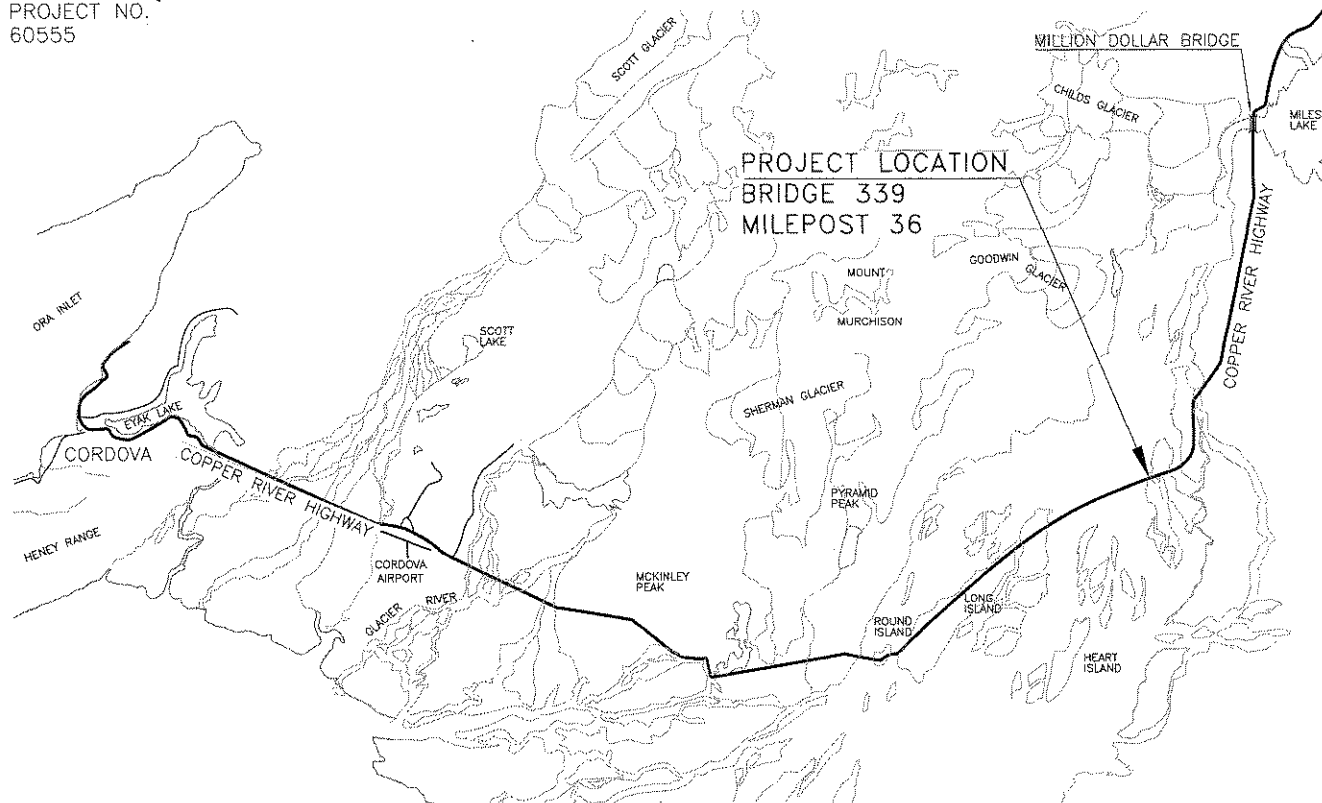
Melissa Jensen, Environmental Impact Analyst, DOT&PF, Northern Region

Kathy Price, Cultural Resource Specialist, DOT&PF, Statewide

V:\Hwy\60555 Bridge 339\5 Environmental\1 Scoping\Scoping drawings\Scoping 60555-VICINITY Thu, 16/Feb/12 11:53am

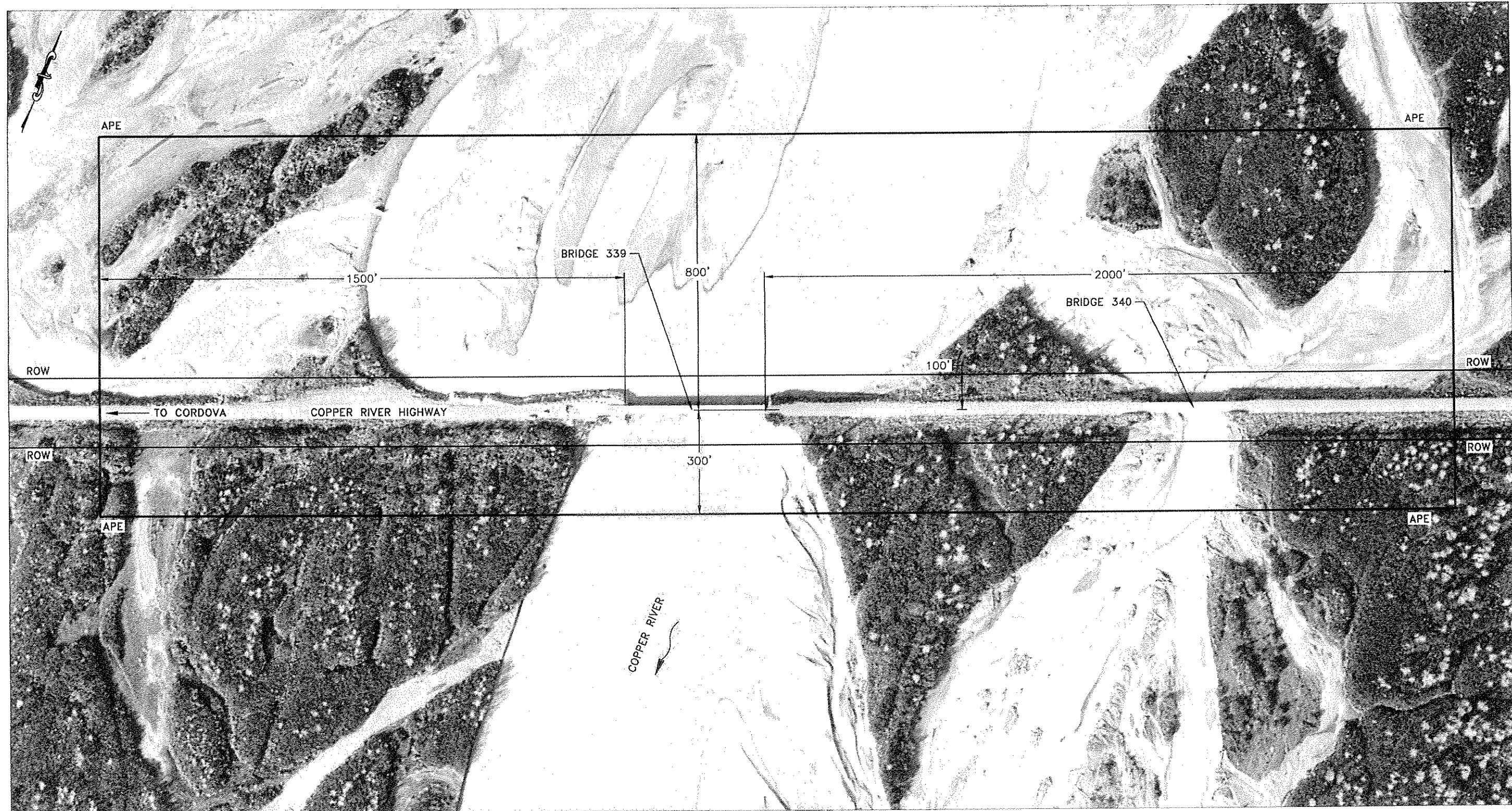


PROJECT NO.  
60555

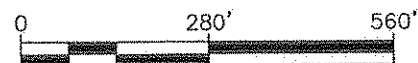


STATE OF ALASKA Department of Transportation and Public Facilities APPLICANT/AGENT: State of Alaska 2301 Peger Rd. Fairbanks, Ak 99709	
COPPER RIVER HIGHWAY COPPER DELTA BRIDGE 339 VICINITY MAP	
PROJECT NUMBER: 60555	
DATE: FEB. 16, 2012	SHEET: 1 OF 2

V:\Hwy\60555 Bridge 339\5 Environmental\1 Scoping\Scoping drawings\Scoping 60555-APE Thu, May/24/12 11:33am

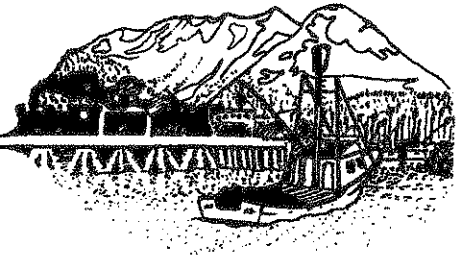


APE - AREA OF POTENTIAL EFFECT  
ROW - RIGHT OF WAY



STATE OF ALASKA Department of Transportation and Public Facilities APPLICANT/AGENT: State of Alaska 2301 Peger Rd. Fairbanks, Ak 99709	
COPPER RIVER HIGHWAY COPPER DELTA BRIDGE 339 AREA OF POTENTIAL EFFECT	
PROJECT NUMBER: 60555	
DATE: MAY 24, 2012	SHEET: 2 OF 115

# CITY OF CORDOVA



July 06, 2012

Alaska National Guard  
Attn: Major General Katkus  
Camp Denali Building 49140  
Fort Richardson, AK 99505

Major General Katkus:

On behalf of the City of Cordova and her grateful citizens, I want to personally thank you and the Alaska National Guard for assisting during the 2011-2012 snowpocalypse event in Cordova. The City staff and EOC personnel were impressed with how quickly you and the men and women under your command came to the aid of the citizens of Cordova. The very least we can offer the members of the 297<sup>th</sup> military police company is a meal of Cordova's finest Copper River Red Salmon. Please enjoy this small token of Cordova's appreciation.

Thank you,

Jim Kallander, Mayor  
City of Cordova

cc: Lieutenant Colonel Emma Thyen



July 19, 2012

Mayor Kallander and the Cordova City Council,

I hereby resign my seat on the City Council of the City of Cordova. Due to personal reasons, I will no longer meet the specific residency requirements of this office beyond September 2012. With this knowledge, I believe it is prudent and in the best interest of the City that I vacate my seat immediately in order to avoid any perceived prejudice or conflict. I also hereby resign my seat on the Health Services Board for the same reason.

Keith van den Broek



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# PRINCE • WILLIAM • SOUND • COMMUNITY • COLLEGE

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*Office of the President*

Mr. Mark Lynch, City Manager  
City of Cordova  
PO Box 1210  
Cordova, Alaska 99574

July 16, 2012

Dear Mr. Lynch:

Now that I understand the correct process for applying for a lease of space at the Cordova High School, I am writing to request that the process begin for this. I would like to extend apologies for not knowing this was the process.

As you know, Prince William Sound Community College has been in and intends to remain in Cordova for the foreseeable future, meeting the higher education needs of the community and citizens there and throughout our service area. That service area, incidentally, covers more than 44,000 square miles – an area equivalent to the State of Ohio. In the midst of flatline funding from the state and the stagnation of grant funding across the nation, PWSCC is facing significant budgetary challenges. This has necessitated our identifying ways to save on our budget, and we have remained committed to doing this with minimal impact on educational programming.

Moving the PWSCC-Cordova campus to Cordova High School will reduce cost while at the same time improving the dual credit program, which accounts for the majority of PWSCC educational programming in Cordova. The dual credit classes would be more accessible to high school students, and the students would not have to walk to the PWSCC campus at some risk crossing a major road.

Cordova City Ordinance 5.22.040 requires that the purpose for the space be delineated. As stated above, we would operate all of the PWSCC-Cordova programming from the



high school site, including the dual-credit program, the Adult Basic Education program, and regular degree-seeking classes. In all cases where adults would be on campus, the programming will be limited to after 4:00pm, with classes prior to that being delivered directly to students' home computer through a new program the college has acquired. The computer program allows us to deliver classes to personal computers in the same manner we do through interactive television.

I would be happy to appear before City Council to discuss this proposal more fully. Theresa Keel, Cordova School District Superintendent, is supportive of this proposal and may also provide further information.

I look forward to hearing from you or an appropriate designee.

Best Regards,

A handwritten signature in black ink, appearing to read 'P. Wes Lundburg', written over a horizontal line.

P. Wes Lundburg  
Interim President

# Memorandum

To: City Council  
Thru: Samantha Greenwood, City Planner  
Date: July 12, 2012  
Re: Requests for purchase of lot  
Lot 6, Block 2, South Fill Development Park

---

## **PART I. GENERAL INFORMATION:**

File No.: 02-473-140  
Address & Survey: 127 Harbor Loop Road, South Fill Development Park, Lot 6, Block 2  
Zoning: Waterfront Commercial Park  
Requested Action: Purchase from City for not less than fair market value  
Zoning: Waterfront Commercial

## **PART II. BACKGROUND:**

The City has received a letter from an interested buyer for Lot 6 Block 2 South Fill Development Park. This property is zoned waterfront commercial and the lot is 12,900 square feet.

This lot is located in the South Fill Development Park (see map) and is zoned waterfront commercial. This lot was not used this summer for boat trailer parking; it has been used in the past for this. There are no structures on the lot. This lot is shown on the 2012 Land Disposal Committee maps as available for sale.

Planning and Zoning met on July 11, 2012 to discuss a recommendation to City Council on the disposal of Lot 6 Block 2 South Fill Development Park.

In the past, discussions included the option of trading Lot 6 for Lot 3 to accommodate roadways for the future South Fill expansion. However, upon further review by the Planning Department and City Manager, it was felt that City-owned Lots 1 and 2 provide adequate roadway opportunities and therefore, the lot trading option is not needed.

## **Planning Commission**

At the Planning Commission hearing a motion was made to dispose of Lot 6, Block 2, South Fill Development Park

- **Lot 6, Block 2, South Fill Development Park**  
M/Greenwood S/Srb "I move to recommend to City Council to dispose of Lot 6, Block 2, South Fill Development Park by procedure #4 to request sealed proposals to lease or purchase the property"

Yeas: Bailer, Reggiani, Srb, LoForte, Greenwood, McGann  
Nay: None  
Absent: Pegau  
6-0 motion passes

### **PART III. REVIEW OF APPLICABLE CODE:**

5.22.060 - Methods of disposal for fair market value.

A. In approving a disposal of an interest in city real property for fair market value, the council shall select the method by which the city manager will conduct the disposal from among the following:

1. Negotiate an agreement with the person who applied to lease or purchase the property;
2. Invite sealed bids to lease or purchase the property;
3. Offer the property for lease or purchase at public auction;
4. Request sealed proposals to lease or purchase the property.

### **PART IV. STAFF RECOMMENDED MOTION:**

#### **Motion for Approval:**

“I move that the City dispose of Lot 6 Block 2 South Fill Development Park for not less than fair market value as outlined in chapter 5.22.060A   \*  ”

\*It is intended that the maker of the motion select one of the four methods in the applicable code section above and insert such in the blank in the recommended motion.

# Memorandum

**To:** City of Cordova Planning Commission  
**From:** Samantha Greenwood, City Planner  
**Date:** 10/12/2011  
**Re:** Disposal of City property

---

## **PART I. GENERAL INFORMATION:**

File No.: 02-473-140  
Requested Action: Recommendation to City Council  
Address & Survey: 127 Harbor Loop Road, South Fill Development Park, Lot 6, Block 2  
Zoning: Waterfront Commercial Park

## **PART II. BACKGROUND:**

This lot is located in the South Fill Development Park (see map).and is zoned water front commercial. This lot was not used this summer for boat trailer parking ,it has been used in the past for this. There are no structures on the lot.

## **PART III. REVIEW OF APPLICABLE CRITERIA:**

Planning Department Staff has consulted with Public Works Supervisor and determined that the lot is not being used for snow storage. The Harbor Master has no concerns with the disposal of this lot. This property is noted on the land disposal map produced by the Land Disposal Committee and updated by the Planning and Zoning board (2011) as available for sale.

## **PART IV. STAFF RECOMMENDATION:**

The staff recommends that the Planning Commission recommend to City Council to dispose of Lot 6, Block 2 of the South Fill Development Park.

**PART VI. SUGGESTED SPECIAL CONDITIONS:**

None

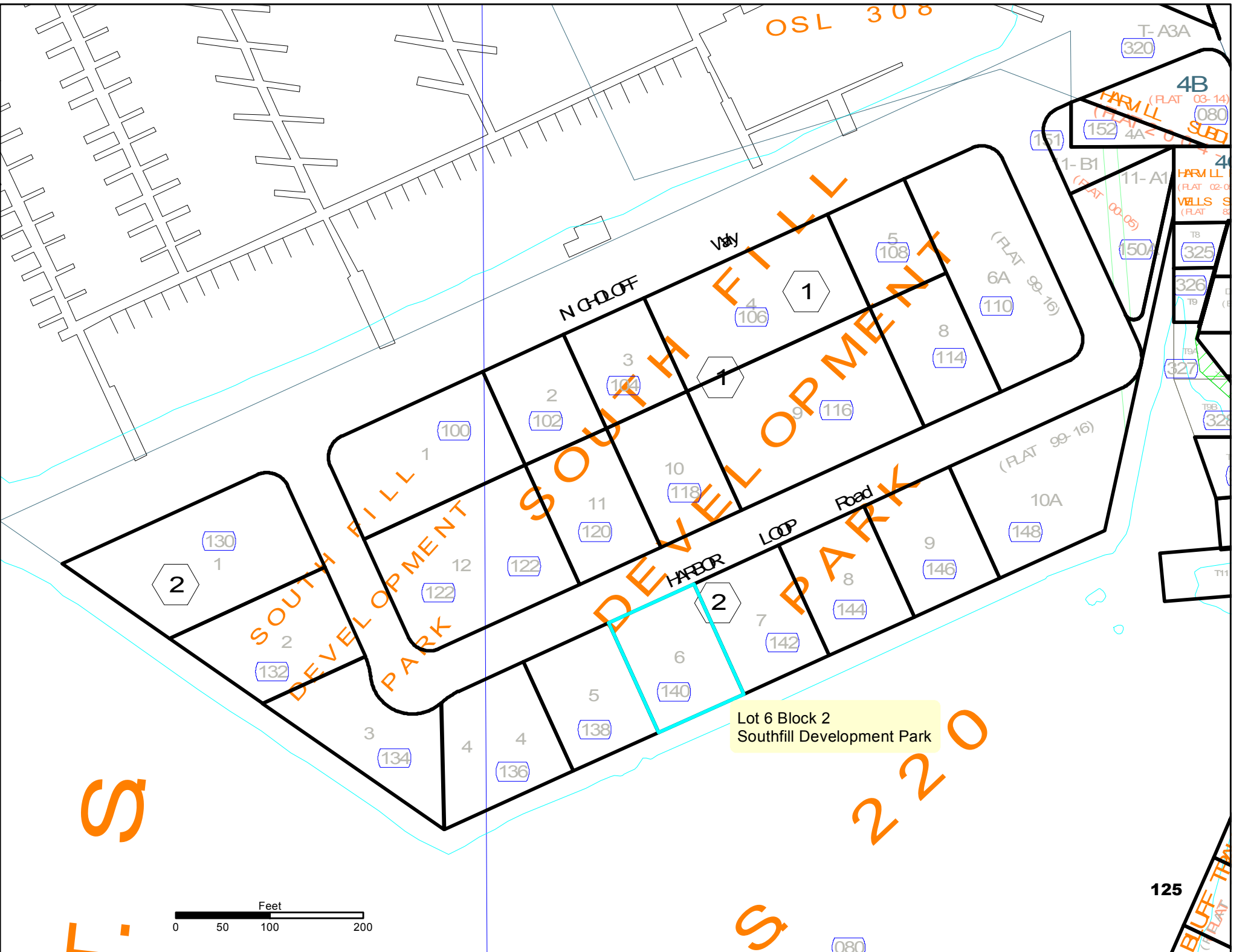
**PART VII. SUGGESTED MOTION:**

“I move that Planning Commission recommend to City Council to dispose of Lot 6, Block 2, South Fill Development Park based on the findings in as contained in the staff report.”

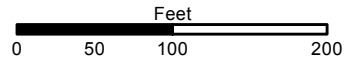


Lot 6, Block 2  
Southfill Development Park





Lot 6 Block 2  
Southfill Development Park



# Memorandum

**To:** City Council  
**From:** Sam Greenwood, City Planner  
**Date:** 7/27/2012  
**Re:** Update of land disposal maps

## **PART I. BACKGROUND:**

- March 8<sup>th</sup> 2011 P&Z Meeting land disposal maps reviewed by Commission
- April 12<sup>th</sup> 2011 P&Z Meeting review and update land disposal maps
- June 14<sup>th</sup> 2011 P&Z Meeting continue review and update of land disposal maps
- July 12<sup>th</sup> 2011 P&Z Meeting final review of land disposal maps, land disposal categories and annual review and update policy of land disposal maps
- November 8, 2011 P&Z Meeting Resolution to city council to approve the land disposal maps and annual update schedule
- November 16<sup>th</sup> 2011 City Council meeting the P&Z 2011 land disposal maps and annual update resolution was passed
- At the December 13<sup>th</sup> 2012 P&Z meeting the 2012 Land disposal maps update and resolution were approved and recommended to city council
- March 7<sup>th</sup> 2012 City Council meeting the Land disposal maps and updates were approved by city council
- June 12<sup>th</sup> 2012 P&Z discussion of Land disposal categories and updating land disposal maps—motion was tabled until Public works could attend and participate in the discussion
- July 10, 2012 P&Z meeting discussion of Lot 2 Block 3 CIP land disposal designation was discussed and decided.

## **PART II. GENERAL INFORMATION:**

At the July 10, 2012 P&Z meeting the disposal of Lot 2 Block 3 Cordova Industrial Park was discussed. P&Z determined that the land disposal maps should be updated in the middle of the year. There have been numerous letters of interest on this lot since the contract between the city and the Cordova Kitchen was terminated.

P&Z determined that Lot 2 Block 3, Cordova Industrial Park should be updated from unavailable to available.

- **Lot 2, Block 3, CIP ~ Land Disposal**

**Reggiani** ~ restated the motion “I move to approve Resolution 12-05 a resolution of the Planning and Zoning Commission of the City of Cordova, Alaska, recommending that Lot 2, Block 3 of the Cordova Industrial Park be updated to available and added to the 2012 Land Disposal Maps.”

Reggiani ~ Call for the question

Yeas: Bailer, Reggiani, Srb, LoForte, Greenwood, McGann

Nay: None

Absent: Pegau

6-0 motion passes

## **PART III. SUGGESTED MOTION:**

“I move City Council accept resolution 12-05 from the Planning and Zoning Commission.”



**CITY OF CORDOVA, ALASKA  
PLANNING AND ZONING COMMISSION  
RESOLUTION 12-05**

**A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF CORDOVA, ALASKA, RECOMMENDING THAT LOT 2, BLOCK 3 OF THE CORDOVA INDUSTRIAL PARK BE UPDATED TO AVAILABLE AND ADDED TO THE 2012 LAND DISPOSAL MAPS TO THE CITY OF CORDOVA'S CITY COUNCIL.**

**WHEREAS**, the City of Cordova's City Manager and City Planner are directed by the Cordova Municipal Code Section 5.22.040(C) – Application to lease or purchase the City Manager shall refer an application from a qualified applicant to the City Planner. If the City Planner finds that the real property is available for lease or purchase, the City Planner shall schedule the application for review by the Planning Commission not later than its next regular meeting; and City of Cordova's Planning and Zoning Commission directed by the Cordova Municipal Code Section 5.22.040(D) – Application to lease or purchase The Planning Commission shall review the application, and recommend to the City Council whether the City should accept the application, offer the real property interest for disposal by one of the competitive procedures in Section 5.22.060, or decline to dispose of the real property interest.

**WHEREAS**, the City of Cordova's Planning and Zoning Commission has determined that updating the 2012 land disposal maps at this time with Lot 2, Block3 of the Cordova Industrial Park is important to maintain consistency and provide current status to the public and the Council

**WHEREAS**, the City of Cordova's Planning and Zoning Commission has determined that Lot 3 Block 2 of the Cordova Industrial Park should be designated as available on the land disposal maps.

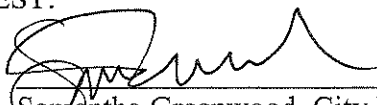
**WHEREAS**, having updated maps will benefit the citizens of Cordova by providing maps for public review; and

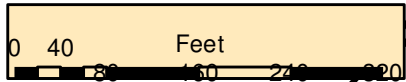
**NOW, THEREFORE, BE IT RESOLVED THAT** the City of Cordova's Planning and Zoning Commission recommends that Lot 2, Block 3 of the Cordova Industrial Park be updated to available and added to the 2012 Land Disposal Maps to the City of Cordova's City Council.

**PASSED AND APPROVED THIS 13<sup>th</sup> DAY OF JULY, 2012**

  
Tom Bailer, Chairman

ATTEST:

  
Samantha Greenwood, City Planner



Whiskey Ridge  
Trading Company

Seafood Lane  
Lot 2 Block 3

Industry Rd

Marine Way

Cordova Outboard

Breakwater Ave

Railroad Ave

Copper River High ay

128

28

# Memorandum

To: City Council

Thru: Samantha Greenwood, City Planner

Date: July 11, 2012

Re: Requests for disposal of lot: Lot 2, Block 3, Cordova Industrial Park

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## **PART I. GENERAL INFORMATION:**

Requested Action: Dispose of lot for not less than fair market value

## **PART II. BACKGROUND:**

The City has received letters of interest for Lot 2 Block 3 Cordova Industrial Park (see attached map). The Planning and Zoning Commission met on July 10, 2012 to discuss a recommendation to City Council on the disposal of Lot 2 Block 3 Cordova Industrial Park.

### **Planning Commission**

At the Planning and Zoning Commission meeting a motion was made to dispose of Lot 2 Block 3 Cordova Industrial Park as follows:

- **Lot 2, Block 3 CIP ~ Letters of Interest**

M/Reggiani S/Greenwood "I move to recommend to City Council to dispose of Lot 2, Block 3, Cordova Industrial Park by procedure #4 request sealed proposals to lease or purchase the property."

Yeas: Bailer, Reggiani, Srb, LoForte, Greenwood, McGann

Nay: None

Absent: Pegau

6-0 motion passes

## **PART III. REVIEW OF APPLICABLE CODE:**

5.22.060 - Methods of disposal for fair market value.

A. In approving a disposal of an interest in city real property for fair market value, the council shall select the method by which the city manager will conduct the disposal from among the following:

1. Negotiate an agreement with the person who applied to lease or purchase the property;
2. Invite sealed bids to lease or purchase the property;
3. Offer the property for lease or purchase at public auction;
4. Request sealed proposals to lease or purchase the property.

## **PART IV. STAFF RECOMMENDED MOTION:**

### **Motion for Approval:**

"I move that the City dispose of Lot 2 Block 3, Cordova Industrial Park for not less than fair market value as outlined in chapter 5.22.060A \_\_\_\*\_\_\_".

\*It is intended that the maker of the motion select one of the four methods in the applicable code section above and insert such in the blank in the recommended motion.

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: July 24, 2012

TO: Mayor and City Council

SUBJECT: Filling Council Seat A vacancy

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Please see the Charter reference below. The charter section is somewhat vague as to the exact procedure, but in the past, there has been a nomination from the floor and then a vote is conducted. A majority voice vote of the remaining six (i.e. 4 yeas) will then be required to fill the seat. The duly elected candidate will occupy seat A until the next regular election which is March 5, 2013. Then on March 5, 2013, seat A will be up for election for a regular three year term (as it was up in 2013 anyway). I have included two letters from interested individuals who have verified that they are willing and able to fill the vacancy if Council so elects them to. In the event that there are multiple nominees, the City Attorney has advised that we use ballots to conduct the election.

Charter:

**Section 2-10. - Mayor and Council: Vacancies.**

The council, by majority vote of its remaining members, shall fill vacancies in the office of mayor and in its own membership, to serve for the unexpired terms or until the vacancies are filled at elections as provided herein; provided that, if the number of vacancies in the council is such that the council no longer has enough members to constitute a quorum, then the remaining members of the council shall appoint only the minimum number of council members required to enable the council to have a quorum.

If the office of mayor or council member becomes vacant prior to the filing period for the next regular election, and the unexpired term of such office extends beyond the time when the terms of the office to be filled at such election begin, then such vacancy shall be filled by the voters at such regular election for the unexpired term.

STAFF RECOMMENDATION: Move to nominate \_\_\_\_\_ to fill the vacancy in Council seat A until the next regular election on March 5, 2013.

REQUIRED ACTION: Majority (4) vote of remaining members of Council (6).

Tim Joyce  
P.O. Box 555  
Cordova, AK 99574

Mayor Jim Kallander  
P.O. Box 1210  
Cordova, AK 99574

July 22, 2012

Dear Mayor Kallander:

The recent resignation by Keith Van Den Broek from the Cordova City Council has left the city council without seven members. The city Charter and city ordinances allow for the city council to appoint a new member to the council to fill a vacant seat until the next regularly scheduled election. I would ask the Cordova City Council to consider appointing me to the city council to fill that seat until the next election. Thank you.

Sincerely

Timothy L Joyce

To: City Clerk  
City of Cordova

From: Charles K. Weaverling  
Box 895  
Cordova

Re: Open Council Seat

RECEIVED  
JUL 24 2012  
City of Cordova

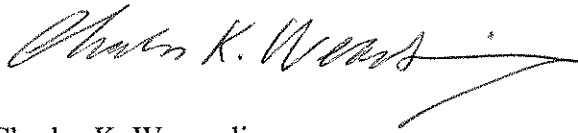
24 July, 2012

Dear Ms. Bourgeois,

I am writing to express my interest in filling the council seat recently vacated by Keith Van Den Broek until the next election.

Thank you very much.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles K. Weaverling", with a long horizontal flourish extending to the right.

Charles K. Weaverling



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](mailto:citymanager@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

July 25, 2012

Memo to City Council  
Re: Proposed 2013 Budget & Fee Meeting Schedule

I have attached a draft proposal for our 2013 Budget Meetings. Please review and give feedback if this schedule is acceptable or needs adjustment.

Thank you,

Mark Lynch  
City Manager

**CITY OF CORDOVA**  
**2013 PROPOSED BUDGET SCHEDULE**

DATE		EVENT
9/04/2012		Departments receive excel budget worksheet
10/03/2012	Regular Mtg	
09/28/2012		Dept's deadline to submit requests for additional personnel or wage increases to human resources.
	Regular Mtg	Budget Work session to discuss Revenue.
10/01/2012 thru 10/05/2012		Dept Heads meet with City Manager and Finance Director to work out details of Dept Budgets and fee structure.
10/12/2012		Dept's deadline to submit completed budget worksheets, including narratives, line item justifications and capital items or projects, and written explanation of additional personnel, wage increases, fee changes, and significant changes in operation budgets to Finance Director.
10/12/2012		Human Resources provides budget of personnel costs to City Manager & Finance Director.
10/17/2012	Worksession	Worksession prior to Regular Meeting - City Manager Submits Draft Proposed Budget to City Council & Discussion of Fees and Revenues.
10/30/2012	Worksession	Worksession prior to Regular Meeting - Discussion of Fees and Revenues.
11/01/2012	Worksession	Finalize 2013 Fees and Revenue Estimates
11/06/2012	Worksession	Discussion of Budget Expenses
11/07/2012	Worksession	Discussion of Budget Expenses
11/08/2012	Worksession	Finalize Budget Expenses
11/12 - 11/16/2012		AML conference Fairbanks
11/20/2012	Worksession	Finalize Budget (if necessary)
11/28/2012	Special Mtg	Special Mtg - First Reading - to adopt fee schedule
12/05/2012	Regular Mtg	Public Hearing and Adoption of 2013 Budget Public Hearing and adoption of fee schedule



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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: July 26, 2012

TO: Mayor and City Council

SUBJECT: School Board Council Representative

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With Keith van den Broek's resignation from Council, there is a vacancy on the School Board. Council maintains a representative on the School Board and that seat will have to be filled. Mayor Kallander should appoint a Council member and the Council should then vote to concur.

RECOMMENDED MOTION: Move to approve Mayor Kallander's appointment of a City Council representative to the School Board until the certification of the next regular election in March 2013.

REQUIRED ACTION: Majority voice vote.

## **Pending agenda:**

Capital Priorities List Meeting – **September 2012, December 2012**

## **Committees:**

### ***Cordova Center Committee:***

***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

***Public Services Building Design Committee:*** David Reggiani - Chairman, Chief Bob (Griffiths), Martin Moe, Jim Kacsh, Dick Groff, Mike Hicks, Tom Bailer

***E-911 Committee:*** Chief Bob Griffiths – Chairman, Bret Bradford, Gray Graham, Dick Groff, Mike Hicks (and/or Paul Trumblee), David Allison, George Covell

**Calendars:** 3 months' of calendars are attached hereto

August 2012; September 2012; October 2012

# August 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib			1 6:00 hsb LMR 6:30 wksn LMR 7:30 reg mtg LMR	2	3	4
5	6	7	8 Sch Bd 7pm HSL	9	10	11
12	13	14 P&Z Commission Mtg 7pm CH	15 7:30 reg mtg LMR	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31 2012 1st half prop taxes due	Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib

# September 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Mtg Rm HSL—High Sch Lib						1
2	3 Labor Day—City Hall Offices Closed	4	5 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	6	7	8
9	10	11 P&Z Commission Mtg 7pm CH	12 Sch Bd 7pm HSL Hrbr Cms 7pm CH	13	14	15
16	17	18	19 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	20	21	22
23	24	25	26	27	28	29
30						Location Legend CH—City Hall Conference Room LMR—Library Mtg Rm HSL—High Sch Lib

# October 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib	1	2	3  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	4	5	6
7	8	9  P&Z Commission Mtg 7pm CH	10  Sch Bd 7pm HSL Hrbr Cms 7pm CH	11	12	13
14	15	16	17  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	18 Alaska Day—City Hall Offices Closed	19	20
21	22	23	24	25	26	27
28	29	30	31  2012 2nd half prop taxes due			Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib