

**Mayor**  
James Kallander

**Council Members**  
Keith van den Broek  
James Kacsh  
David Allison  
Bret Bradford  
EJ Cheshier  
David Reggiani  
Robert Beedle

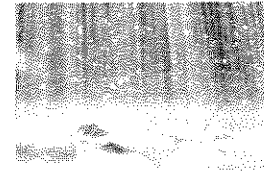
**City Manager**  
Mark Lynch

**City Clerk**  
Susan Bourgeois

**Deputy Clerk**  
Robyn Kincaid

**Student Council**  
Shyla Krukoff

**REGULAR COUNCIL MEETING  
SEPTEMBER 21, 2011 @ 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 - None
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)
  - a. Student Council Representative

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

4. Record excused absence of Council member Keith van den Broek from the 09-07-11 Regular Meeting
5. Record unexcused absence of Council member Bret Bradford from the 09-07-11 Regular Meeting
6. Ordinance 1086..... (page 1)  
An ordinance of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.36.035(c) to create a one-time filing requirement for qualified senior citizens, disabled veterans and their widows and widowers – 2<sup>nd</sup> reading
7. Ordinance 1087..... (page 5)  
An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.12.100 to authorize additional methods for procuring construction, supply and/or design services on City of Cordova projects – 2<sup>nd</sup> reading

**H. APPROVAL OF MINUTES..... (voice vote)**

8. September 7, 2011 Work Session Minutes..... (page 8)
9. September 7, 2011 Regular Meeting Minutes..... (page 11)

**I. CONSIDERATION OF BIDS**

**J. REPORTS OF OFFICERS**

10. Mayor's Report
11. Manager's Report
12. City Clerk's Report..... (page 16)
13. Staff Reports
  - a. **Josh Hallquist**, COR, Cordova Center Project..... (page 18)
  - b. **Cathy Sherman**, Cordova Center Phase 2

**K. CORRESPONDENCE**

14. Letter from State Archives in re citizen oversight task force for Exxon Valdez records..... (page 20)
15. Letter from AML seeking funding for Partnership for Rural America Campaign..... (page 23)  
in re Secure Rural Schools funding
16. Letter from Linda Kelly in re City land acquisition..... (page 24)
17. Email from AML in re SRS Proposal..... (page 25)
18. Letter from Mayor Kallander to USDoJ in re redistricting..... (page 26)
19. Letter from Clay Koplin in re AIGC land sale ordinance..... (page 28)
20. Letter from RCAC requesting letter of support in re invasive animal and plant species..... (page 31)

#### **L. EXECUTIVE SESSION**

21. Attorney advice regarding AIGCO negotiations

#### **M. ORDINANCES AND RESOLUTIONS**

22. Ordinance 1082..... (roll call vote)(page 37)  
An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Alaska Intrastate Gas Company of 4.21 acres of tidelands located in ATS 1004 – 2<sup>nd</sup> reading
23. Ordinance 1088..... (voice vote)(page 41)  
An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Alaska Intrastate Gas Company of approximately 4 acres of tidelands located in ATS 1004 – 1<sup>st</sup> reading
24. Resolution 09-11-39..... (voice vote)(page 68)  
A resolution of the City Council of the City of Cordova, Alaska, designating capital improvement projects

#### **N. UNFINISHED BUSINESS**

25. Anchor Auto/Marine request for landfill fee consideration in re tire disposal..... (voice vote)(page 70)

#### **O. NEW & MISCELLANEOUS BUSINESS**

26. Pending Agenda and Calendar..... (page 72)

#### **P. AUDIENCE PARTICIPATION**

#### **Q. COUNCIL COMMENTS**

27. Council Comments

#### **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.

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: September 15, 2011  
TO: Mayor and City Council  
SUBJECT: Ordinance 1086

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When State Assessor Steve Vasant came to Cordova in April, he confirmed a belief that this Council and previous Council's had long been hoping was accurate. He said that state statute had recently been changed which would allow for senior citizens and disabled veterans to file an application with the City Clerk only **ONE** time in order to receive a property tax exemption. Cordova has long been requiring annual filing of such paperwork and along with that comes a measure of stress for both the Clerk's office to administer the application process but more importantly stress upon the senior citizens themselves and their families. This ordinance puts our Code in line with adopted state statute and should make for a more user-friendly application process for Cordova's deserving seniors. Please note well that the Clerk's office will still monitor the seniors and disabled veterans annually, and will expect that those receiving the exemption will comply with 5.36.035 C (2) which says they will notify us if there is a change in status which makes them no longer eligible for the exemption.

I have attached all of CMC 5.36.035 because the proposed ordinance references other sections of that section of Code (specifically, 5.36.035 (B)).

Recommended Motion: Move to approve the consent calendar

Required Action: Majority roll call vote on the consent calendar

**CITY OF CORDOVA, ALASKA  
ORDINANCE 1086**

**AN ORDINANCE OF THE CITY OF CORDOVA, ALASKA, AMENDING CORDOVA  
MUNICIPAL CODE SECTION 5.36.035(C) TO CREATE A ONE TIME FILING  
REQUIREMENT FOR QUALIFIED SENIOR CITIZENS, DISABLED VETERANS AND  
THEIR WIDOWS AND WIDOWERS**

**BE IT ORDAINED** by the City Council of the City of Cordova, Alaska, that:

Section 1. Cordova Municipal Code 5.36.035(C) is amended to read as follows:

C. An exemption may not be granted under subsection (A) of this section, except upon written application for the exemption on a form approved by the state assessor. ~~for use by local assessors. An applicant who qualifies for the exemption under this section need not file an application for successive tax years if there is no change in ownership, in residency or permanent place of abode, or other factor affecting qualification for the exemption. A separate application~~ Applications must be filed no later than January 15 of the first year for which the exemption is sought. ~~each assessment year.~~ The city council, for good cause shown, may authorize the assessor to accept as timely filed an application filed after January 15 and before May 1 of the assessment year for which the exemption is sought. An application received after May 1 will be accepted as an application for the following assessment year. If the application is filed within the required time and is approved by the assessor, the assessor shall allow an exemption in accordance with the provisions of this section. The assessor shall require proof in the form the assessor considers necessary of the right to and amount of an exemption claimed under subsection (B) of this section and shall require a disabled veteran claiming an exemption under subsection (B) of this section to provide evidence of the disability rating. The assessor may require proof under this subsection at any time:

- ~~1. The property shall not qualify for an exemption if there is property tax, penalty or interest owing at the time of application;~~
- ~~2.~~ 1. If property is occupied by a person other than the eligible applicant and his/her spouse and minor children, an exemption applies only to the portion of the property permanently occupied by the eligible applicant and his/her spouse and minor children as a permanent place of abode;
- ~~3.~~ 2. It shall be the responsibility of every person who obtains an exemption under this section to notify the assessor of any change in ownership, residency, permanent place of abode or status of disability. A disabled veteran who has less than a permanent disability must submit an official disability percentage letter each year prior to January 15 showing a fifty percent or greater disability.

Section 2. This ordinance shall be effective thirty (30) days after its passage and publication. This ordinance shall be enacted in accordance with Section 2.13 of the Charter of the City of Cordova, Alaska, and published in a newspaper of general circulation within ten (10) days of its passage.

1<sup>st</sup> reading: September 7, 2011

2<sup>nd</sup> reading and public hearing: September 21, 2011

**PASSED AND APPROVED THIS 21<sup>st</sup> DAY OF SEPTEMBER, 2011**

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

ATTEST:

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

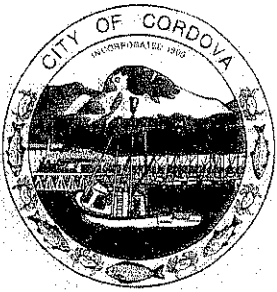
### 5.36.035 - Statutory property exemptions.

- A. The real property owned and occupied as the primary residence and permanent place of abode by a: (1) resident sixty-five years of age or older; (2) disabled veteran; or (3) resident at least sixty years old who is the widow or widower of a person who qualified for an exemption under subsection (A)(1) or (2) of this section, is exempt from taxation on the first one hundred fifty thousand dollars of the assessed value of the real property. Only one exemption may be granted for the same property and, if two or more persons are eligible for an exemption for the same property, the parties shall decide between or among themselves who is to receive the benefit of the exemption. Real property may not be exempted under this subsection if the assessor determines, after notice and hearing to the parties, that the property was conveyed to the applicant primarily for the purpose of obtaining the exemption. The determination of the assessor may be appealed under AS 44.62.560—44.62.570.
- B. To be eligible for an exemption under subsection (A) of this section for a year, the individual applying for an exemption must also meet requirements under one of the following:
1. The individual shall be eligible for a permanent fund dividend under AS 43.23.005 for that same year or for the immediately preceding year; or
  2. If the individual has not applied or does not apply for one or both of the permanent fund dividends, the individual would have been eligible for one of the permanent fund dividends identified in subsection (B)(1) of this section had the individual applied.
- C. An exemption may not be granted under subsection (A) of this section, except upon written application for the exemption on a form approved by the state assessor for use by local assessors. A separate application must be filed no later than January 15 of each assessment year for which the exemption is sought. The city council, for good cause shown, may authorize the assessor to accept as timely filed an application filed after January 15 and before May 1 of the assessment year for which the exemption is sought. An application received after May 1 will be accepted as an application for the following assessment year. If the application is filed within the required time and is approved by the assessor, the assessor shall allow an exemption in accordance with the provisions of this section. The assessor shall require proof in the form the assessor considers necessary of the right to and amount of an exemption claimed under subsection (B) of this section and shall require a disabled veteran claiming an exemption under subsection (B) of this section to provide evidence of the disability rating. The assessor may require proof under this subsection at any time:
1. The property shall not qualify for an exemption if there is property tax, penalty or interest owing at the time of application;
  2. If property is occupied by a person other than the eligible applicant and his/her spouse and minor children, an exemption applies only to the portion of the property permanently occupied by the eligible applicant and his/her spouse and minor children as a permanent place of abode;
  3. It shall be the responsibility of every person who obtains an exemption under this section to notify the assessor of any change in ownership, residency, permanent place of abode or status of disability. A disabled veteran who has less than a permanent disability must submit an official disability percentage letter each year prior to January 15 showing a fifty percent or greater disability.
- D. In this section:
1. "Disabled veteran" means a disabled person:
    - a. Separated from the military service of the United States under a condition that is not dishonorable, who is a resident of the state, whose disability was incurred or aggravated in the line of duty in the military service of the United States, and whose disability has been rated as fifty percent or more by the branch of service in which that person served or by the veterans' administration; or
    - b. Who served in the Alaska territorial guard, is a resident of the state, whose disability was incurred or aggravated in the line of duty while serving in the Alaska territorial guard, and whose disability has been rated as fifty percent or more;
  2. "Own and occupy" means:
    - a. Possession of an interest in real property, which interest is recorded in the office of the district recorder, or if unrecorded, is attested by a contract, bill of sale, deed of trust, or other proof in a form satisfactory to the assessor; and
    - b. Living on that property as one's primary residence;
  3. "Permanent place of abode" means a dwelling in which the person resides at least one hundred eighty-five days in the year prior to the exemption year and when absent, the dwelling is not leased or rented to another. This includes, but is not limited to, a mobile home or condominium and includes lots or outbuildings, or an appropriate portion thereof, which is necessary to convenient use of the dwelling unit;
  4. "Resident" means an applicant who has a fixed habitation in the state of Alaska for at least one hundred eighty-five days per calendar year, and, when absent, intends to return to the state of Alaska;
  5. "Senior citizen" means one who is sixty-five years of age or older before January 1 of the exemption year.
- E. When any real property exempt from taxation is leased, loaned or otherwise made available to or used by a private person, such person's interest shall be taxable. Taxes shall be assessed to such person and collected in the same manner as taxes assessed to owners of real property, except that taxes assessed shall be a lien only on the interest of such person in the property. When due, taxes so assessed shall constitute a debt due from such person to the city, and shall be recoverable by an action against such person. This remedy is available as an alternative to or as addition to the remedy of foreclosure of the interest of the person in the property.
- F. Temporary exemption from taxation of certain increases in assessed value of improvements.
1. There is an exemption from taxation for the increase of assessed value that is directly attributable to landscaping, or

new exterior maintenance or repair of an existing structure, and if the landscaping, exterior maintenance or repair, when completed, enhances the exterior appearance or aesthetic quality of the land or structure. An exemption may not be allowed under this subsection for the construction of an improvement to a structure if the principal purpose of the improvement is to increase the amount of space for occupancy or nonresidential use in the structure or for landscaping as a consequence of construction activities. An exemption under this subsection continues for three years commencing with the year in which the exemption is approved by the assessor.

2. An application for exemption under this subsection shall be filed with the assessor no later than March 1 of the year immediately following the year in which the landscaping, or exterior maintenance or repair of an existing structure, that is the subject of the application in whole or in part, may be appealed to the board of equalization, as provided in Section 5.36.130 of this chapter.
3. An exemption granted under this subsection expires at the end of three years and cannot be renewed. The granting of an exemption under this subsection does not affect changes in the assessed value of property that are attributable to causes other than the landscaping or exterior maintenance or repair of an existing structure that is the basis for the exemption. A reappraisal will be required prior to granting of a subsequent exemption.

(Ord. No. 1053, § 2, 9-2-2009)



# CITY OF CORDOVA

## *Office of City Manager*

City of Cordova  
602 Railroad Ave.  
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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)

August 31, 2011

Memo to City Council  
Re: Change in City Procurement Code

As a result of extensive discussions by the Cordova Center project staff with the City's Legal Counsel, and the Consultant hired to assist with the Cordova Center project, it has become apparent that the Cordova Municipal Code has not been kept up to date concerning modern procurement practices and methods. Our Legal Counsel has prepared the attached Ordinance to amend City Code to accommodate modern innovative procurement practices. As you can see, to utilize this process will require a proposal from the City Manager with reasons why the process is being recommended, approval from City Council, and review by the City's Legal Counsel to ensure that the process being used is legal. The Ordinance will still allow existing methods to be used if they are deemed best for a particular project. Approval of this Ordinance is an important step to ensure the City's future management of procurements and construction projects.

Thank you,

Mark Lynch  
City Manager

CITY OF CORDOVA, ALASKA  
ORDINANCE 1087

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
AMENDING CORDOVA MUNICIPAL CODE SECTION 5.12.100 TO AUTHORIZE  
ADDITIONAL METHODS FOR PROCURING CONSTRUCTION, SUPPLY AND/OR  
DESIGN SERVICES ON CITY OF CORDOVA PROJECTS**

**WHEREAS**, Cordova Municipal Code Chapter 5.12 generally requires the City of Cordova ("City") to award general-contractor construction management contracts, inter-governmental contracts, technical services agreements, real estate services agreements and other agreements in which the lowest responsive bidder does not necessarily correspond with the most efficient and capable bidder; and

**WHEREAS**, this lowest bidder requirement deprives the City of the necessary flexibility to devise the most beneficial and efficient agreement for construction, supplies and/or services; and

**WHEREAS**, it is in the City's best interest to expand the available procurement options so long as these options are still subject to City Council approval via ordinance and public discussion;

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

Section 1. Cordova Municipal Code Chapter 5.12 is amended to add Section 5.12.135 to read as follows:

5.12.135      Innovative Procurement Process

A. If the City Manager determines in writing that competitive sealed bidding or proposals are not in the best interests of the City, the City may procure supplies, services or construction by innovative procurement procedures under this Section.

B. Conditions for Use of Innovative Procurement.

- (1) A request to use an innovative procurement procedure shall be submitted to the Council in writing by the City Manager. The written request must include an explanation of the proposed innovative procurement procedure, how this procedure will achieve the best value, or why it is advantageous to the City due to new City needs, unique City needs, changed industry practice or new technologies.
- (2) Following approval under (1) of this section, the City Manager shall submit a detailed procurement plan to the City Attorney for review and approval before issuing public notice as required under Section 5.12.110(B). The plan shall, at a minimum, address the method of solicitation, scope, method of award, protest procedures, and proposed contract provisions. If the plan is submitted for a construction contract, the plan may address the use of a bonus in lieu of preferences.



C. Procurement Methods. Innovative Procurement Process would include, but not be limited to, such procurement methods as "design/build" and "General Contractor/Construction Manager" ("GC/GM").

Section 2. This ordinance shall be effective thirty (30) days after its passage and publication. This ordinance shall be enacted in accordance with Section 2.13 of the Charter of the City of Cordova, Alaska, and published in a newspaper of general circulation in the City, within ten (10) days after its passage.

1st reading: September 7, 2011

2nd reading and public hearing: September 21, 2011

**PASSED AND APPROVED THIS 21<sup>st</sup> DAY OF SEPTEMBER, 2011.**

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

ATTEST:

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

**CITY COUNCIL WORK SESSION  
SEPTEMBER 7, 2011 @ 6:30 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kallander* called the Council Work Session to order at 6:35 am on September 7, 2011 in the Library Meeting Room.

**B. ROLL CALL**

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

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

1. Audience Comments regarding agenda items

*Lynch* informed Council that *Kristin Carpenter* will be late but would like to address Council during the Work Session. Council agreed that she could speak and they would keep the meeting informal.

**D. WORK SESSION TOPIC**

2. Prioritization of Cordova's Capital Projects

*Mayor Kallander* overviewed for Council why they are going over the Capital Improvements Projects (CIP) list for the legislature. Stating that they want to have a good list with numbers they can get to their lobbyist and start the ball rolling early in the game. *Kacsh* suggested they remove from the current list what has already been taken care of.

**Starting list**

1. Hospital roof replacement & other minor exterior repairs
2. Breakwater Extension
3. North Fill Boat Ramp Improvements
4. Water / Wastewater plant upgrades
5. Shipyard Building
6. Public Safety Building
7. Shipyard Fill
8. Sawmill Ave Trail
9. South Fill Sidewalks
10. Recreation Building
11. High School Innovative Learning Program (ILP) Building

*Kallander* suggested removing items #2 and #3, these projects may be short on funds but are mostly funded and do not need to be on this list. *Lynch* offered that #11 has been funded through bond sales and does not need to be on the list either. *Kallander* asked if #4 could be removed since things are moving in a positive direction on the LT2. *Kacsh* suggested keeping it on the list just in case but it does not have to be very high. *Lynch* mentioned that in 2009 or 2010 Council passed a resolution that stated LT2 would be priority in 2012. *Kallander* asked the Clerk to look into it and get back to him with the resolution. *Kallander* suggested keeping the Hospital roof at #1. Council concurred.

*Kristin Carpenter* joined the meeting and informed Council that she worked last spring on getting a trail from the ferry terminal to town and thought it was going to be funded through grants, it was not;

however, she feels it is an important enough project to be on the CIP list. She mentioned that she had talked to DOT and they suggested that it could be a TRAK funding opportunity. She pointed out that they would have to decide who would be responsible for managing and maintaining the trail.

**Beedle** joined the meeting at 6:45 PM

**Lynch** suggested it could be added to the list in a similar fashion as the ILP building had been, keeping it on the priority list but seek other funding opportunities at the same time. **Carpenter** added that TRAK funding would require a resolution of support from Council that would also take responsibility of maintenance for the trail. **Kallander** asked if she would help with raising the funds for the project. **Carpenter** agreed. **Kallander** asked the City Manager to work with staff and **Carpenter** to draft the needed resolution to get the project going. **Carpenter** mentioned that there would have to be some talk with property owners along the route and that the City could move guard rails back and give the land as a contribution that could count towards match money. They would need design and survey money and would guess the project could be several hundred thousand dollars. **Lynch** asked if the new scenic byway designation could be a funding source option. **Carpenter** replied that she had looked into it last year and it is a possibility. **Kacsh** said he would like a ballpark figure before asking the legislature for money for it. **Kallander** asked **Carpenter** to figure an estimate and bring it back to them.

**Kallander** moved back to the waste water topic. **Lynch** stated he had talked to DEC and heard that Portland was successful. **Kallander** stated that they have been moving forward and does not think the City needs to be looking for big bucks for the project at this time. **Lynch** stated that **Moe Zamaron** had discovered a cheaper option and that if they can stay in compliance 11 out of 12 months the compliance order may be lifted. **Kallander** asked for consensus to move it lower on the list. Council concurred.

**Reggiani** clarified that the recreation building also included a new pool. **Beedle** stated he would like to see a harbor cost study for replacing the new harbor be added to the list. **Kacsh** stated he would like to suggest a south-fill expansion. **Kallander** suggested that may go hand in hand with the sawmill avenue extension. **Kacsh** pointed out they have promised the people that they would get rid of the current City Hall building and the only way to do that is to get a new Police and Fire building soon or they will be pouring money into the old building. **Reggiani** suggested they move sawmill extension and south-fill expansion up the list. **Kallander** stated that **Sam Greenwood** is already working on Sawmill Ave. The Council discussed which way the fill would have to go to expand. **Lynch** asked if the recreation building should go to P&Z and that if Council isn't sure on one or two buildings that maybe it would warrant another work session. **Kallander** suggested sending it to P&Z and that Council can prioritize it now. **Kallander** asked if they wanted sawmill above shipyard? One is a money maker and one is not but both are needed. **Lynch** stated that there is a huge cost differential. Legislation would fund a shipyard building before a fill expansion. He added that **Bitney** would like Council to keep their list to five or so items. **Beedle** suggested Council rank the top five then place the others. **Lynch** suggested the shipyard building be #2 and Sawmill expansion #3. **Beedle** stated he would like to see the Harbor be high on the list. **Reggiani** stated he would like the sawmill expansion be #2 and shipyard building #3. Council concurred.

**Beedle** again opined that the harbor should be high on the list. **Kallander** asked if there is an idea of the life of the harbor. **Beedle** stated that without that breakwater it is looking at 5-years but definitely not as far as 20-years out. **Kacsh** suggested that if it truly is that close then maybe it should be on the City's budget. **Kallander** asked for concurrence to make Harbor #4. **Allison** suggested doing the cost analysis ourselves then move it up the list. The removal of the Sound Developer and the breakwater extension will change things. **Beedle** stated that he is okay with that as long as it is a priority. **Lynch** clarified that Council would like a Harbor cost study to be on this year's City budget. Council concurred.

**Kacsh** suggested the Pool and the Rec center be split to two different things since he feels the State does not like to fund Pools. **Lynch** reminded Council that a Pool is eligible for funding if it is connected to a school building. **Reggiani** added that it would just have to be a combined program. He suggested that they keep them on the same line for this list and just use that we will get the pool side of the project bonded as a selling point. **Kacsh** stated that it is a high community priority but it doesn't need to be high on this list. He reminded Council that they promised the community they would get rid of the Bidarki building so there needs to be some action towards that end, he added that the current building is a money hole. **Kallander** stated that the south fill sidewalks are fundable if they are looking for small projects to fund. **Cheshier** asked how the shipyard fill will work with the Samson deal. **Kallander** stated that the Samson deal is a go but they are still unsure of space. **Beedle** suggested it should stay on the list for the future. **Kallander** asked Council where they wanted sidewalks. He added that it would be a much more modest project to appeal to the legislation next to the high dollar items. **Cheshier** suggested keeping it under the Sawmill Avenue expansion. **Lynch** reviewed the list.

#### Ending list

1. Hospital roof replacement & other minor exterior repairs
2. Sawmill Ave Trail + South-fill Expansion
3. Shipyard Building
4. South Fill Sidewalks
5. Shipyard Fill
6. Public Safety Building
7. Recreation Building + Pool Replacement
8. Water / Wastewater plant upgrades (LT2)
9. Ferry Terminal to town Trail

**Kallander** asked **Cathy Sherman** if she felt the Civic Center will need more money and should be on this list. She replied that she is trying not to have to go back but maybe some small specific items can be funded easily through this route. **Kallander** asked **Sherman** to identify some specific items and get back to them. **Beedle** stated that they are in desperate need of sidewalks around the harbor. **Kallander** agreed. **Kacsh** stated that he is not sure it is a project that is ready to be on this list. He suggested a boardwalk over the rocks would give the cars more space for parking. **Cheshier** agreed that it is hard not to run people over out there especially when the cannery workers are on break. **Kallander** asked staff to look at sidewalk estimates. **Kacsh** suggested that it is something that can be put on the City's budget to start.

#### E. AUDIENCE PARTICIPATION - None

#### F. COUNCIL COMMENTS - None

#### G. ADJOURNMENT

**M/Reggiani S/Kacsh** to adjourn the work session at 7:28 PM.  
Hearing no objection, the meeting was adjourned.

Approved:

Attest:

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

**CITY COUNCIL REGULAR MEETING  
SEPTEMBER 07, 2011 @ 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 September 07, 2011, 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 were *Mayor James Kallander*, Council members *James Kacsh*, *David Allison*, *EJ Cheshier*, *David Reggiani*, *Robert Beedle* and Student Council representative *Shyla Krukoff*. Council Members *Bret Bradford* and *Keith van den Broek* were absent. Also present were City Manager *Mark Lynch*, City Clerk *Susan Bourgeois* and Deputy City Clerk *Robyn Kincaid*.

**D. APPROVAL OF REGULAR AGENDA**

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

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

**E. DISCLOSURES OF CONFLICTS OF INTEREST**

*Mayor Kallander* asked if Council member *Kacsh* would not include himself in the conversation of agenda item 18 because of his employment at Anchor Auto/Marine. *Kacsh* agreed.

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

1. Guest Speakers – none
2. Audience comments regarding agenda items – none
3. Chairpersons and Representatives of Boards and Commissions – none

**G. APPROVAL OF CONSENT CALENDAR**

*Mayor Kallander* informed Council that the Consent Calendar was before them. Council member *Kacsh* pulled number 6 from the consent calendar and it was placed as agenda item 20a.

4. Record excused absence of Council member Keith van den Broek from the 08-17-11 Regular Meeting
5. Ordinance 1086

An ordinance of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.36.035(c) to create a one-time filing requirement for qualified senior citizens, disabled veterans and their widows and widowers – 1<sup>st</sup> reading

6. Ordinance 1087

~~An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.12.100 to authorize additional methods for procuring construction, supply and/or design services on City of Cordova projects – 1<sup>st</sup> reading~~

7. City Manager leave adjustment

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

**H. APPROVAL OF MINUTES**

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

8. August 17, 2011 Public Hearing Minutes
9. August 17, 2011 Regular Meeting Minutes

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

## I. CONSIDERATION OF BIDS - none

## J. REPORTS OF OFFICERS

9. Mayor's Report – he reported that he has met with the Planner and they are moving forward on the Samson deal. **Bruce Lamoureux**, CEO of Providence will be coming to town for a meeting with staff at the hospital on September 13. He also met with **Lynch** and a contract officer from Providence as well as with our attorneys discussing our Charter and bylaws and trying to decide what if anything needs to be changed. He and **Lynch** may run to Anchorage for a quick meeting with attorneys on these Providence matters. He has initiated some remediation on the Governor's veto of the hospital roof. AIGCO – ball is in their court – Holly sent them a letter and their attorney has not responded – nor to phone calls.

10. Manager's Report – he reported that he has been concerned lately about the workload of staff and the stress they have been under. He gave the example of how **Cindy Appleton** is away for a week and human resources, grants administration and insurance close down while she is away, there is no backup and she does all those things. These are observations that he thought Council would be interested in knowing. **Reggiani** asked **Lynch** for a status update on the Children's Memorial Park project. Lynch said the bid was let in July and Eagle has the contract and they have a completion date of October 1, 2011. The project cost is in the \$30,000 range and the penalty for not completing timely is \$100 per day. Eagle's contract was for filling, grading and pouring foundations for equipment and installing equipment. Then City workers would install the fencing in the spring. **Mayor Kallander** said there may be a misunderstanding because in speaking to Eagle, they believe that the City did not prepare the site with the fill that was anticipated before Eagle was to do their work. **Beedle** asked if any news about the Sound Developer. **Lynch** said it's in USCG's hands – only concern is where they will put it – right now the plan is as it has always been to put it up n corner by boat haulout facility. USCG said if we change our minds, it can be between us and whoever gets the bid.

11. City Clerk's Report – **Bourgeois** reported that she would be advertising for seats that are coming available on a few City Boards and Commissions – **Mayor Kallander** asked that she get him a list of the ones who are still interested in remaining in their appointments. **Bourgeois** also reported that there was plenty of money within the Council budget for those interested in attending AML in Fairbanks – however, it would take her moving money from the Council Contingency line item into the travel line items – she just wanted the ok from Council to do so. **Kacsh** suggested that there be money spent on trips to Juneau. **Mayor Kallander** agreed and **Bourgeois** said that at least two Mayoral trips to Juneau were included in her calculations and still would fall within the budget once Contingency was transferred to travel line items.

### 12. Staff Reports

a. **Josh Hallquist**, COR, Cordova Center Project – not present

b. **Cathy Sherman**, Cordova Center Phase II – she would report for Hallquist as well as Cordova Center Phase II. **Sherman** gave an update of actual construction activities, stating that all concrete pours should be completed by mid-October. Windows submittals are still forthcoming – in Dokoozian's court now. Redden removal went well – completed in three days. Weekly construction meetings have been streamlined – no longer are outstanding cases discussed in these meetings – they are being handled separately (by the negotiating teams) – keeps these meetings more productive. Phase II – we are working on different ways to approach contracts – November 1 still Phase II documents deadline. As far as funding for Phase II – Rasmusen Foundation and other pockets of money are still being looked into.

**Mayor Kallander** backtracked and asked **Shyla Krukoff**, Student Council Representative to give her report to Council. **Krukoff** said the next AASG meeting would be in Anchorage and then the spring meeting is in Kodiak and we are trying to send four students (Cordova sponsored it last spring). The Student Council is hoping to have a ski hill day and a university day this year.

c. **Ashley Royal**, Finance Director, City Financials (ytd 2011) – discussion ensued regarding how the budget process would go this year. **Lynch** suggested beginning talks at the first meeting in October but to wait until the first November meeting for any action because that is when the 3<sup>rd</sup> quarter sales tax data would be in by. Council agreed.

d. **Ashley Royal**, Finance Director, Sales Tax Delinquencies update – he stated that 2 businesses continue to be delinquent and these are businesses which have had difficulties staying up-to-date for years. The next step was to take action per code. **Kacsh** said that Code needed to be followed – there were no longer special circumstances. **Beedle** felt he needed more information. **Reggiani** agreed that staff has to follow code. **Lynch** said that he will proceed with following Code unless he is directed otherwise.

## K. CORRESPONDENCE

14. Letter from Governor in re: FY2012 capital budget projects
15. Letter from Lynch in re EVOSTC Cordova Center funding
16. Letter from Harvill's in re Council appreciation
17. Letter from Nancy Bird, PWSSC in re land purchase request
18. Letter from Shawn Stimson, Anchor Auto/Marine in re used tire disposal
19. Letter from RCAC in re project suggestions

**Allison** thanked the **Harvill's** for their letter. He also commented on the Anchor Auto/Marine letter and said he would like to find a way to recycle tires and if there is a way to support that he would be interested in pursuing that. **Mayor Kallander** said that **Sean Stimson** suggested this to him and he asked for a letter on the matter which is why this is before Council. He said that Napa is providing somewhat of a service because people are dumping tires on their lot and they do pay to have them hauled away and they do pay at the landfill.

**M/Cheshier** that Council waives the dump fees for the tires.

Motion had no second and the Clerk opined that Council should not take action on a correspondence item. **Cheshier** asked that it could be placed on the next agenda as an action item.

## L. ORDINANCES AND RESOLUTIONS

### 20. Resolution 09-11-38

A resolution of the City Council of the City of Cordova, Alaska joining the national moment of remembrance of the 10<sup>th</sup> anniversary of September 11<sup>th</sup>

**M/Reggiani S/Cheshier** to approve Resolution 09-11-38 a resolution of the City Council of the City of Cordova, Alaska joining the national moment of remembrance of the 10<sup>th</sup> anniversary of September 11<sup>th</sup>.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

### 20a. Ordinance 1087

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.12.100 to authorize additional methods for procuring construction, supply and/or design services on City of Cordova projects – 1<sup>st</sup> reading

**M/Kacsh S/Reggiani** to adopt Ordinance 1087 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.12.100 to authorize additional methods for procuring construction, supply and/or design services on City of Cordova projects.

**Kacsh** said he pulled this from the consent calendar because he was fearful that it was a way to bypass a favorable system (i.e. the bid process). So he was asking for more information. **Lynch** said that the protection against this is that Council must still review and approve what the manager recommends. There was discussion concerning the use of these innovative approaches – we are hopeful to use this for Cordova Center Phase II. Our attorney, **Steve Hutchings** is a proponent of this – he wrote the ordinance for us and **Dan Chandler**, our consultant on Cordova Center is also in favor of this change.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

## M. UNFINISHED BUSINESS

21. Prioritization of Cordova's Capital Projects – follow up discussion from work session

At this time Council wanted to make certain that Lynch had an accurate list that they can agree on and can come back to them in a resolution for the next meeting. The list was as follows:

1. Hospital roof
2. Saw Mill Ave Trail and South Fill expansion
3. Shipyard building
4. South Fill sidewalks
5. Shipyard fill
6. Public Safety building
7. Recreation building
8. Water / Wastewater plant
9. Ferry Office trail

## N. NEW & MISCELLANEOUS BUSINESS

22. Harbor dumpsters

*Lynch* said that *Dale Muma* and *Greg Rankin* both expressed concern about moving them back to the top of the ramps – there had been pollution issues. *Mayor Kallander* said that CDFU had initiated moving the dumpsters originally. *Kacsh* said that the garbage is coming to neighboring businesses – like Napa. After some discussion Council seemed committed to a solution but not necessarily moving the dumpsters back.

23. Council concurrence of Mayor's appointment to fill vacancy on the HSB

*M/Reggiani S/Kacsh* to approve Mayor Kallander's appointment of Tim Joyce to the Health Services Board, to serve a three-year term that will expire in August 2014.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

24. Pending Agenda and Calendar

*Lynch* mentioned that per the Resolution that was passed concerning 9/11, the Fire and Police departments would have a joint ceremony on Sunday morning at 9am around the flagpole at City Hall in honor of the 10 year anniversary of 9/11.

*Lynch* said he would be scarce from September 22 – 30 as his son and daughter-in-law will be in town. He will also be gone for AML November 7 – 11.

## O. AUDIENCE PARTICIPATION – None

## P. COUNCIL COMMENTS

25. Council Comments

*Reggiani* offered kudos to Public Works department because with all this rain of late (15+ inches), the drainage fix that had been completed a few years ago on Birch is working perfectly. He supports finding a solution to the dumpsters in the harbor issue rather than just moving them back to where they had been. He supports more frequent dumpings even if outside of the Harbor enterprise fund – would prefer people to use the dumpsters.

*Allison* he thought that when *Hahn* was Manager, he had brought an idea forward about dumpsters being placed at the baler or elsewhere for people to dump trash if they missed their pickup day or if they prefer to dump themselves (i.e. avoid dog, bear problems). He also asked the procedure for a letter to get in a Council packet – if cc'd to Council does it get into a packet? Mayor and Council discussed and that is the



case – if a letter is cc'd to Council it will appear in a Council packet under correspondence unless it is defamatory or discriminatory toward a person, etc.

*Cheshier* also thanked the Harvill's for their letter. He said as far as garbage he agrees with extra dumpsters.

*Beedle* opined that the South Fill Lots that we sold could have been generating revenue for the City all summer long and that they should not have been tied up until sold.

Council recessed for 5 minutes at 9:20 to prepare the room for executive session.

#### **Q. EXECUTIVE SESSION**

26. Cordova Center financial update

*M/Reggiani S/Kacsh* to enter into an executive session to discuss a Cordova Center Financial update, matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

The executive session lasted from 9:31pm until 9:54pm.

27. Attorney advice regarding Spartan

*M/Cheshier S/Allison* to enter into an executive session to receive attorney advice regarding Spartan, matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

The executive session lasted from 9:55pm until 10:01pm.

28. Attorney advice regarding CASI

*M/Reggiani S/Allison* to enter into an executive session to seek attorney advice regarding CASI, matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

The executive session lasted from 10:01pm until 10:14pm.

#### **R. ADJOURNMENT**

*M/Allison S/Beedle* to adjourn the regular meeting at 10:15pm.

Vote on motion: 5 yeas, 0 nays, 2 absent (Bradford, van den Broek).

Approved: September 21, 2011

Attest: \_\_\_\_\_  
Susan Bourgeois, City Clerk

## CITY CLERK'S REPORT TO COUNCIL

*September 21, 2011 Regular Council Meeting*

**Date of Report:** September 14, 2011

**Council/Mayor Matters:** completed post-9/07/11 work session and regular meeting clean-up, printing, signing, scanning, advertising, distributing and posting on City website, minutes, ordinances, resolutions etc.; completed pre-09/21/11 public hearing and regular meeting prep, compiling, writing, editing, minutes, resolutions, ordinances, other agenda items from different departments, attorney, manager, Mayor or Vice-Mayor and Council; post agendas and packets to City website

**Property Tax Matters/Deputy Clerk:** we handled everyday responses to property tax requests from banks, mortgage companies, citizens, other departments; ensured the receipt of first half payments which were due by August 31; **Robyn** is coordinating with assessors for their fall visit to begin preparations for 2012 tax roll; **Robyn** spent time working on Capital software downloads etc. to ensure accuracy of penalties and interest on delinquent first-half accounts for 2011 taxes; Robyn attended assessing training in Wasilla – see her report

**Elections:** sent an occasional voter registration form to Division of Elections

**Records Requests:** daily phone calls and/or drop-ins with Clerk's department questions, property tax questions and procedural matters; a copy of the City Budget was requested so I put it online on the Finance Department's page of the City of Cordova website; spoke with Harbor Master about a Commissioner's request concerning Open Meetings Act and inability to change meeting dates and times without sufficient public notice

**Invoices:** coded, approved & submitted regular department bills for payment to accounts payable; signed City payroll and accounts payable checks

**City Vehicles and Equipment:** renewed registrations for City vehicles through online DMV service

**Attorney Contact:** worked with Holly on future ordinance regarding code change for water/ sewer and garbage rates

**General Office:** continued planning for AML conference in November in Fairbanks; prepared public notices for possible Council quorums at various meetings/gatherings around town; attended staff meeting of 9/12/11;

**Other:** began work on Council and Clerk 2012 budgets; received preliminary information from ABC Boar concerning liquor license renewals upcoming for 2012 – right to protest will be presented before Council at upcoming meetings; received and posted School Board meeting packet to the City website; worked with MuniCode to edit the appearance of City Charter on the City Code webpage

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## A MEMO FROM ROBYN KINCAID, DEP CITY CLERK

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DATE: September 15, 2011

TO: Mayor & City Council

SUBJECT: Alaska Association of Assessing Officers Introduction to the Assessment Process Training

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In April the State Assessor, Steve Van Sant, came to Cordova to give the Council training on Board of Equalization (BOE) and did a mini audit of the Clerk's office assessment records. While he found everything to be in order with our assessments he reported back to the City that he felt the Clerk's office should have some formal training on the assessment process. That training opportunity came available through The Alaska Association of Assessing Officers. I attended the Introduction to the Assessment Process Course 1A, in Wasilla August 31-September 1. This training, facilitated by Steve Van Sant and his assistant Wendy Lawrence, spent a great deal of time going over how mill rates are effected, where the state and federal funding help comes in, basic legal property identifies, as well as the parts of State Statute that specifically deal with the assessment process. This training was very valuable and will aide our office in not only helping our contracted assessor but also answering our community questions about what the City's assessment of their property means to them. I'm looking forward to this year's assessments to be able to put into practice what I learned.

# Memo

**To:** Mayor and City Council  
**From:** Josh Hallquist  
**CC:** Mark Lynch, City Manager; Moe Zamarron, Director of Public Works  
**Date:** September 15, 2011  
**Re:** Cordova Center Progress Update

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Last update was on July 27, 2011.

## PROGRESS

Since the last update:

- West wall complete A to K line
- Completed footings for K to M line walls and stair
- Completed lower Cistern Walls and backfilled
- Completed upper Cistern and F line duct chase footings
- Poured slab for lower portion of lower Cistern
- Completed I and J line intermediate footings and piers
- Poured 1<sup>st</sup> floor and Stage slabs
- Installed cistern drain to exterior manhole
- Backfilled west wall E - K line to interior pier elevation
- Completed North stair wall and retaining wall
- Set structural steel B to E line 1<sup>st</sup> floor to 3<sup>rd</sup> floor truss elevation
- Installed steel decking B to E line 1<sup>st</sup> thru 3<sup>rd</sup> floor
- Installed in floor heating loops 2<sup>nd</sup> and 3<sup>rd</sup> floors B to E line
- Installed below grade piping for 2<sup>nd</sup> floor

Major items to complete in the next two weeks:

- Pour 3<sup>rd</sup> floor slab B to E
- Pour 2<sup>nd</sup> floor slab B to E
- Pour upper Cistern east wall
- Pour upper portion of lower cistern floor
- Form and Pour E-F line duct chase walls
- Backfill upper cistern and duct chase
- Form and pour F-line footing and pier
- Form walls K to M line
- Backfill 2<sup>nd</sup> floor to grade E to K-line

- Set 3<sup>rd</sup> floor structural steel E to K
- Start truss erection B to F line
- Begin forming 3-line wall F to G

## **SCHEDULE**

Latest Construction schedule shows substantial completion 3/21/12. The currently approved substantial completion date is 11/03/11. We will be approving a later date, however the exact date is dependent on ongoing claim negotiations. Cathy and OAC continue to negotiate with DC regarding schedule and extended overhead with CCPM and MRV assistance. Negotiations are going slower than desired, however they have been able to consistently and systematically reduce the extra cost associated with these items.

## **BUDGET**

- The eleventh application for payment was received and is being processed.

## **ISSUES / PROBLEMS**

- Architect continues to visit site on a bi-monthly basis.
- Architect falling off Phase II design schedule. First deliverable (base line drawings to design teams) slipped by over a month and still delinquent.
- Contractor continues to make claims related to earlier delays, however the pace has slowed.
- Recent Contractor claims regarding concrete wall prep, tube welding, and steel stud framing have been unfounded and rejected. (Scraping the bottom of the barrel)
- Continue to monitor schedule progress and request additional concrete and structural crews to meet original activity durations.

Josh Hallquist

# STATE OF ALASKA

## DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT

Sean Parnell, GOVERNOR

POB 110525  
141 Willoughby Avenue  
Juneau, AK 99801-1720  
Phone: 465-2241  
Fax: 465-2465

### DIVISION OF LIBRARIES, ARCHIVES & MUSEUMS

#### ALASKA STATE ARCHIVES

<http://archives.state.ak.us/>

Linda Thibodeau, Director

August 15, 2011

James Kallander, Mayor  
City of Cordova  
POB 1210  
Cordova, AK 99574

Dear Mayor Kallander:

We're addressing this message to you because Cordova is within the *Exxon Valdez* Oil Spill region, and you may have personal involvement in some aspect of the spill or recovery or documentation.

Oil spill litigation lasted five years and was nearly as complex as the remediation process. The State of Alaska was deeply involved in litigation and the Alaska Department of Law and the State's contract attorney firm generated huge quantities of documents. State records law required the Attorney General to retain case records 15 years after settlement, followed by Alaska State Archives review of historical value.

Until recently all case files were in storage and public access was limited. That ended in 2010 when 15 years elapsed since the case closed. The State Archives now must appraise, weed, arrange and describe about 7,000 boxes of *Exxon Valdez* Oil Spill litigation records.

These records involve and will influence all Alaskans and all Americans as few other records will. We applied to the National Historical Publications and Records Commission (NHPRC) ~ the National Archives grants agency ~ for funds to take on this very large project. We received funding and beginning October 1, 2011 two professional archivists will spend two years attending to these records.

Our proposal includes a citizen oversight task force of 5 people to watch our progress and provide expert advice about technical questions the records present that go beyond those with which historians and archivists usually deal. Litigation records present a number of legal, technological, socioeconomic and regional issues on which we'll need help as we plan the records' long term future. And we certainly want to include residents of the area injured by the oil spill in our work. Now that funds are available we need ~ *very quickly for maximum impact* ~ to set the committee up, and we need a pool of appropriate candidates we can consider ahead of time.

We're wondering whether you may know individuals who have qualifications we need and may be interested in participating. Or perhaps you'd be willing to serve yourself? With this letter we've included an outline of what we're looking for. Please review it and if you can recommend anyone with the skills and the interest please let us know. Due to short term time considerations we would like to see responses by September 1.

Thank You,

*Larry Hibpshman*

L. E. Hibpshman, Archivist III



AN EXXON VALDEZ OIL SPILL LITIGATION RECORDS ARCHIVES OVERSIGHT TASK

**WHAT WOULD IT BE, DO & LOOK LIKE?**

(06/20/2011)

WHO ARE WE & WHAT ARE WE DOING?

We're the Alaska State Archives. We're mandated by law to manage & provide public access to historically valuable Alaska District, Territorial & State Government records (*Alaska Statutes* 40.21).

One very significant public record series is the *Exxon Valdez Litigation Records*. Until recently they were still considered current office work files & were unavailable to the general public. In December 2009 their status changed & the State Archives is ready to organize & make them available for study & research ~ *& also much better known to the public.*

We applied to the *National Historical Publications & Records Commission* for money to do this. NHPRC is the National Archives grants agency. We were successful and expect to begin a 2 year project October 1 2011. Among other things the project calls for a citizen oversight Task Force.

WHY DO WE WANT A CITIZEN OVERSIGHT GROUP?

Although the citizen group won't have regulatory powers it provides the State Archives a unique opportunity: *To move outside its parochial archives world & its Southeast Alaska mentality; to directly & effectively involve the Alaskan public, & to encourage maximum awareness involvement & access.* These records involve & will influence all Americans as few others will. The citizen group can help us achieve 2 goals:

- Plan for & manage important issues that affect the records
- Improve our contacts with those we serve across the State of Alaska, particularly in the area the spill occurred

HOW WOULD THE CITIZEN TASK FORCE BE ORGANIZED & WHO ARE WE LOOKING FOR?

We want an *effective* citizen group, and *we're not necessarily looking for archivists!* It's important not to think in strictly archives & records management terms. We don't work in a vacuum. Records concerns are only one kind of technical knowledge we need. We need people with technical-scientific, regional, legal, cultural, & inter-governmental experience; especially those who were directly involved in the spill.

We want to encourage public participation, improve public awareness of the State Archives; and let our citizens influence our activities. Citizen group members need to have:

- Specialized knowledge or experience
- Familiarity with complex issues & conditions involved
- Ability to make useful suggestions or observations

It may be hard to recruit highly qualified, highly motivated people, but if we do, the public will be the primary beneficiary. The oversight group could influence how the State Archives & other institutions provide public access far into the future.

The Task Force should be small (about 5) to avoid becoming unwieldy. Here are the kinds of people we're particularly interested in:

- 1 person familiar with technical response
- 1 attorney or paralegal familiar with legal issues involved & especially with the issue of access restrictions
- 1 representative of a cultural institution in the oil spill sub-region
- 1 representative of oil spill sub-region communities (government, business, Native)
- 1 archivist or librarian whose collection includes Exxon Valdez resources

### WHAT WOULD THE OVERSIGHT TASK FORCE DO?

Provide public oversight, expert technical guidance & efficient public outreach. It would meet at about 6 month intervals to review, discuss & prepare advisory statements on three major issues: 1) Public access; 2) Publicity; 3) Ongoing development. Task Force members can also recommend the best means to project staff, to publicize the collection within their community and region.

*Meeting activities should include:*

- Review work progress & suggest project development 60%
- Review, suggest & endorse public information activities 10%
- Review & recommend restrictions policy 10%
- Review & endorse national utility development 10%
- Review & endorse NHPRC reports 10%
- 100%

### HOW WILL THE OVERSIGHT TASK FORCE MEET?

It will meet virtually. Unfortunately the grant doesn't provide travel funds & current State policies discourage travel. There is no compensation for travel or other expenses. But we believe tele- and video- conferences can be effective. Because Alaska is a huge area the Division of Libraries, Archives & Museums has more than ordinary experience with electronic meetings. The public will be invited to Task Force meetings.

### WHEN WILL THIS HAPPEN?

We expect to begin work October 1, 2011 & continue for two years. The initial oversight meeting will occur soon after the project starts & the final meeting will occur long enough before the end of the project so oversight comments & recommendations can be included in the final project report.

### WHY ARE WE DOING THIS NOW?

If we wait to organize until the project starts it will take several months to get going. This will limit the Task Force's effectiveness & may even counter project goals. We're hoping to set up a structure now so that once the project begins the group can organize & start work.

### WHAT YOU CAN DO TO HELP?

Think about the project & how it will impact your constituency. Think who you know who may have the right background ~ & may be able & willing to participate. Or are there resources to find candidates we can rely on? Tell us about them. And keep in touch.

*Preserve the past · Educate Alaskans · Realize potential*

THE ALASKA STATE DIVISION OF



LIBRARIES, ARCHIVES, & MUSEUMS





September 12, 2011

City of Cordova  
P.O.B. 1210  
Cordova, Alaska 99574

RECEIVED  
SEP 15 2011  
City of Cordova

Dear Mayor Kallander and Council Members,

As you know, the City of Cordova received approximately \$1,180,531 in Secure Rural Schools money (Timber Receipts) this last year alone. These funds have been of critical importance to many of our timbered boroughs and cities. School budgets will take a terrible hit if these funds go away. However, with the challenges being faced by our federal government and the attention (and thus, funding) going to high-population, metropolitan areas in the U.S., there is less and less interest by Congress and the Obama Administration to continue to fund this program.

The Alaska Municipal League has been an active member in the Partnership of Rural America Campaign, a spinoff of the National Forest Counties and Schools Coalition. The Partnership Campaign has spent thousands of dollars flying county/borough/school officials to Washington D.C. to talk to members of Congress about the importance of Secure Rural Schools money and many other tasks needed to secure this funding. To date, some Alaskan communities have been committed to sending money to this group to pay for the work that they do. Many communities have not, mostly because they probably weren't aware of the work being done by this organization.

To that end, the Alaska Municipal League and all other Leagues in the western states, are asking members that have received timber receipt funds, to provide what they can to help this organization continue to work on the stabilization of these revenues. Last year, the State of Alaska received \$24 million from this program to supplement local funding for education services and road. As the federal and state government continue to push more and more of the needed services down to the local government level, we can hardly afford to lose some of the funding that make those services possible.

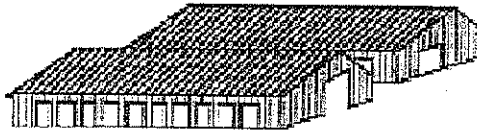
Checks can be sent to the Alaska Municipal League (as we will also be sending money to this group) or you can send it direct to the Partnership for Rural America Campaign, 1400 North Dutton Avenue, Suite 24, Santa Rosa, California 95401. If you have any questions about this letter, please feel free to call me.

Sincerely,

Kathie Wasserman  
Executive Director

# **BAYSIDE STORAGE**

350 Seafood Lane  
Box 265  
Cordova, AK 99574  
(907)424-3109



August 21, 2011

Mark Lynch  
City Manager  
City Council Representatives  
City of Cordova  
Box 1210  
Cordova, AK 99574

Re: Purchase proposal lot 4A, block 5, North Fill

Dear Mr. Lynch and Council Members,

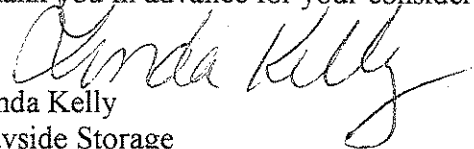
Bayside Storage would like to enter into an agreement to purchase addition #2, lot 4A, Block 5, North Fill Development. We realize this lot is substandard size and not suitable for building. Bayside Storage proposes to use the lot for snow removal needs and would be willing to sign an agreement stating we would not build a structure on the lot. While we prefer to purchase the property, leasing would also be acceptable if it was affordable and renewable for subsequent years.

When we purchased our last two lots the lot listed above was a designated snow dump and still is according to the city land use maps. Our building plans for buildings 4-5 and 6 were contingent on having this lot to use as a snow dump consistent with the designated usage. Last summer the entire lot was fenced off as a city impound yard making snow removal for us extremely difficult.

In the alternate to this request we ask the City consider removing the east and north fence sections during the winter months so the lot could be used for its designated purpose which was voted on and approved by City Council. This solution would be quick, inexpensive and easy to achieve. This lot is not used for impounding in the winter and has had almost no use at all since being fenced.

In the spirit of working with local business we ask the council consider our request or offer suggestions that might resolve our snow removal issues.

Thank you in advance for your consideration.

  
Linda Kelly  
Bayside Storage

Cc: City Council Members

**From:** Matt Fellows [<mailto:mfellows@naco.org>]  
**Sent:** Thursday, September 15, 2011 7:41 AM  
**To:** Kathie Wasserman  
**Subject:** NACo - SRS Hearing Next Week

FOR IMMEDIATE RELEASE  
Thursday, September 15, 2011  
[PERMALINK](#)

CONTACT: [Crystal Feldman](#), [Spencer Pederson](#) or [Jill Strait](#)  
202-226-9019

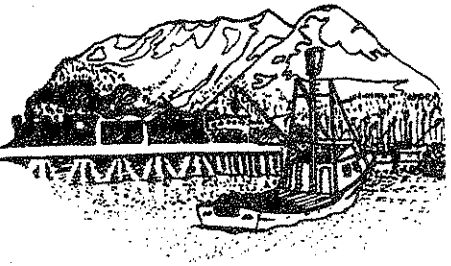
## **Draft Secure Rural Schools Proposal Will Create Jobs and Restore Healthy, Active Forest Management**

**WASHINGTON, D.C.** – The House Natural Resources Committee will hold a hearing next week on a draft proposal to address the expiration of the Secure Rural Schools (SRS) program. The draft proposal, the *[National Forest County Revenue, Schools and Jobs Act of 2011](http://naturalresources.house.gov/UploadedFiles/SRS2011DiscussionDraft.pdf)*, (<http://naturalresources.house.gov/UploadedFiles/SRS2011DiscussionDraft.pdf>) is a long-term solution that would provide rural counties with a stable revenue stream, create jobs, grow rural economies, and restore active, healthy forest management.

The Subcommittee on National Parks, Forests and Public Lands will hold a legislative hearing on the draft bill on Thursday, September 22<sup>nd</sup> at 10:00AM.

*"This draft proposal takes action to address the decades-long problem of declining federal timber sales and the need to restore this stable source of revenue to rural communities and schools," said Natural Resources Committee Chairman Doc Hastings. "In these tough economic times, the federal government cannot afford to forever finance a program that was a short-term solution to a long-term problem."*

# CITY OF CORDOVA



September 15, 2011

Chief, Voting Section  
Civil Rights Division  
United States Department of Justice  
Room 7254-NWB  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Reviewer:

Please consider these comments in support of the Alaska redistricting plan submitted on August 9, 2011 by the Alaska Redistricting Board (Proclamation Plan) for preclearance under Section 5 of the Voting Rights Act.

The community of Cordova is a small city (pop. 2,239) located near the mouth of the Copper River at the head of Orca Inlet on the eastern side of Prince William Sound. Cordova is a relatively isolated community not connected by road or rail. Commercial fishing is the main industry, with approximately half of all households in the community having at least one person involved in either fishing or processing.

The area around Cordova has been the historical home to the Eyak and Chugach. Census figures for 2010 show that Alaska Natives in Cordova comprise less than 9% of the total population, and the community is now populated with a mix of races. Both the Native Village of Eyak and the Chugach Regional Corporation continue to be active organizations in the community, and are involved heavily in local issues related to land management, health care, resource development, and education.

Early in the process there were numerous groups that submitted different ideas for plans. These draft plans placed Cordova in numerous different districts. This was a major concern for our community because the 2010 census figures revealed our current district had lost population. We didn't know where we would end up, and it was clear we needed to get involved. A request for a public hearing in Cordova was submitted to the Board, and a hearing was held on April 21, 2011 at the Cordova Public Library.

Throughout the entire hearing, it was made abundantly clear by the Alaska Redistricting Board that there was a priority for insuring there would be no retrogression of Alaska Native voting strength. In addition, efforts were made to insure that districts complied with Alaska Constitution requirements for districts with populations that share socio-economic similarities.

The plan submitted by the Redistricting Board for preclearance has moved Cordova from Benchmark House District 5/Senate District C over to the new Proclamation House District 35/Senate District R.

Here are the reasons this letter is written in support of the Proclamation Plan submitted for preclearance:

- Due to declining population numbers (HD5 was the most under populated by 22%), it is unlikely that Cordova would be able to remain in a district that extends down into Southeast Alaska. In order to achieve an ideal House district size of 17,755, Cordova must be shifted into a new district.
- Since Cordova is heavily reliant upon commercial fishing, marine transportation, and hydroelectric power, a strong sentiment was expressed to the Board to include this community into a district with coastal communities of similar socio-economic conditions.
- Proclamation House District 35/Senate District R contains communities such as Kodiak, Dillingham, Yakutat, and others that are very similar geographically and socio-economically to Cordova. These communities also share similar diversified ethnic populations.
- The proposed plan will continue to include Cordova in a district effective for Alaska Natives. Proclamation Senate District R is 48.65% total Alaska Native population.

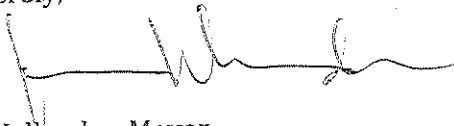
In conclusion, this letter supports the Proclamation because Cordova is included with communities that are geographically and socio-economically similar, and we will continue to be in a district effective for Alaska Natives.

The Redistricting Board came to this community, conducted an open meeting that was well attended, and gave fair and open consideration to all the comments and concerns that were expressed. This is how good government should operate.

Again, please consider this as a request to approve preclearance for the Proclamation plan as submitted by the Alaska Redistricting Board.

Thank you for reviewing and considering this request. If there are any questions or a need for additional information, please don't hesitate to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Kallander', written over a horizontal line.

Jim Kallander, Mayor  
City of Cordova

Clay Koplin  
100 Jensen Drive  
Cordova, Alaska 99574  
(907) 424-3536 Telephone  
(907) 424-5527

RECEIVED  
JUN 29 2011  
City of Cordova

June 29, 2011

Cordova City Council  
Cordova Mayor  
Cordova City Manager

12 noon  
TM

RE: Correspondence for inclusion in the next Council packet regarding ordinance 1082, Real Estate Agreement Authorizing Conveyance to AIGCO of 4.21 Acres of Tidelands in ATS 1004

Dear Council, Mayor, and Manager,

The subject agreement does not meet the City Manager's stated objective of his June 17, 2011 memo, of "set performance conditions concerning permitting, fill, and implementation timelines that would need to be met concerning this transaction." There are several fatal flaws in this agreement which I feel do not meet standards of care or exercise the Council's fiduciary responsibility to manage public assets with care and diligence. The deficiencies in this agreement include, but are not limited to:

- 1) **Accuracy.** Section 1. Sale of Property references 4.21 – include "acres" to designate land quantity and more importantly, the referenced parcel description "See Attachment 4" is not included – there is no attachment 4. Also, none of the attachments show basic mapping elements including an area map and the acreage of the parcel for citizens to determine where and how much land the City is selling in relation to nearby lands.
- 2) **Capability.** One of the three essential elements of a contract is capability. The purchase terms in section 2.2 b. essentially obligates the City to "carry" or finance half the purchase price for 90 days. If the buyer is not capable of the \$109,986 purchase price, then there should be grave reservations as to whether the buyer is capable of financing and executing a multi-year multi-million dollar performance contract.
- 3) **Property Development.** The City is offering free fill with no reciprocal consideration. The contract allows the buyer to add additional fill beyond the 4.21 acres without limitation, but does not state whether or not that additional fill will also be offered for free. The property development paragraph **does not require the buyer to do anything.** Please do diligence and carefully read that the Buyer "intends to place fill on the property and create a pad for use by Buyer in association with its intended development of the property with a gas utility..." The purchase agreement should clearly state what the City's desired outcome is, for example: The buyer SHALL fill not more than 4.21 acres according to a fill and development plan reviewed and approved by the Cordova Planning

and Zoning Commission, and SHALL, within two years, have all necessary and approved permits in hand including those required by the City of Cordova, and SHALL, within two years of permitting, substantially complete construction and operation of a gas facility capable of delivering gas resources to the community of Cordova. Section c. (1) considers adjacent development and ties other City development to the performance of this sale and mingles responsibilities between the buyer and seller – you should consider deleting this section or revising it to clearly state the City's intention to expand the fill area and that the design for the buyer's fill must be conducted in such a way as to allow future expansion of the fill and will require a fill plan that addresses this and must be approved by the City before fill commences. **Section 8 should be deleted in its entirety.** It allows the buyer to fill without limitation additional property outside of the other terms of the agreement, and purchase them at a predetermined price, with no performance criteria. **THIS POSES HUGE RISK TO THE CITY OF CORDOVA.** According to the terms of this sales agreement, the buyer could fill 20.21 acres, survey it, buy it at a per-acre price, and assume ownership. They could sell, develop, or otherwise manage the additional 15 acres as they see fit with no recourse by the City of Cordova.

- 4) **Representations and Warranties.** Sections 9.1 and 9.2 obligate the City of Cordova to a page and a half of assurances and environmental warranties, while the one sentence of section 9.3 obligates the Buyer to signing the closing documents to secure ownership of the property only. **THIS POSES HUGE RISK TO THE CITY OF CORDOVA.** There are no standard protections in place to assure that the Buyer is licensed to do business in the state of Alaska, that they are a licensed contractor or Corporation, that they are insured adequately, that they will indemnify the City of Cordova from their employees, agents, or litigation in association with their development work, etc.
- 5) **Environmental Protection.** There are not warranties by the buyer before, during, or after the term of the agreement that in any way holds them responsible for any environmental catastrophes on either the fill area or the City's quarry, whether the buyer's fault or not. **THIS POSES HUGE RISK TO THE CITY OF CORDOVA.**
- 6) **Dispute Resolution.** Section 10.8 states where a dispute will be settled which mitigates a small risk in comparison to actual resolution of a dispute. There is no language stating what a dispute is or how it will be arbitrated, litigated, or otherwise settled. **THIS POSES HUGE RISK TO THE CITY OF CORDOVA.**
- 7) **Contract Performance.** There is no clause or section which indicated what happens to the property if the Buyer does not perform the construction of a gas facility, or under what terms the City would resume ownership of the parcel. If the intent is for the City to encourage development of a gas facility and one doesn't get built, then the land should revert to the City for development of its next highest and best use for Cordova. There is no requirement for the Buyer to execute a performance bond to assure that if the lot gets half filled and the Buyer is not capable of completing the fill work, that at least the fill project will get completed. **THIS POSES A RISK TO THE CITY OF CORDOVA.**

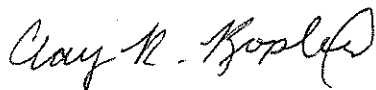
- 8) **Contract Elements.** Contracts typically require additional assurances and deliverables of both parties to a contract, including mutual indemnification, proof of adequate insurance through the entire term of the contract, and several elements mentioned above including environmental responsibility to the property, performance bonding, and dispute resolution.

In summary, this sales agreement assigns huge risk to the City of Cordova and does not adequately state the desired performance of the Buyer. It assigns almost no risk to the buyer, and as such represents a "lopsided" contract. This agreement is almost a blending of a land sale agreement with a project performance contract to build a gas handling facility and should either be separated into two documents, or tailored to the much riskier and financially intensive project execution aspect of the agreement. As a concerned citizen, I strongly recommend that the deficiencies of this agreement are numerous and critical in nature, and that this agreement should be discarded in its entirety and redrafted by competent parties. Corrections to this deficient draft would be so extreme as to warrant a new first reading. In redrafting an agreement, I strongly urge the City Council to direct the City Manager to seek new and additional resources for this critical and somewhat controversial Ordinance. Those resources could include enlisting the services of a competent lands attorney – Schadt law offices and perhaps others are available in Anchorage. The City should ask their insurer to review the agreement to assure that they are comfortable with the management of risk in the contract – insurers are glad to provide this service for free. I took the liberty of contacting the Alaska Municipal League as a concerned citizen and discovered that they are willing to review this document (Grady Fisher, [gradyf@amljia.org](mailto:gradyf@amljia.org)) at no charge despite the fact that the City of Cordova is no longer a member of the Joint Insurance Association of AML (JIA).

My intention was to address the council with these concerns at last night's meeting, but the packet I picked up at City Hall last Friday had the old dates of June 21 and 22 on it, and I did not at that time get an indication or later hear advertisements indicating other than a standard Wednesday meeting schedule.

I plan to address the Council at your next meeting and inquire about these concerns, and have hurried to submit these by today noon for inclusion in this Friday's Council meeting packet as correspondence for your consideration.

With Great Concern,



Clay Koplin





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

In Anchorage: 3709 Spenard Road / Suite 100 / Anchorage, Alaska 99503 / (907) 277-7222 / FAX (907) 277-4523  
In Valdez: P.O. Box 3089 / 130 South Meals / Suite 202 / Valdez, Alaska 99686 / (907) 834-5000 / FAX (907) 835-5926

**MEMBERS** September 8, 2011

Alaska State  
Chamber of  
Commerce  
Mayor Jim Kallander  
City of Cordova  
PO Box 1210  
Cordova, AK 99574

Alaska Wilderness  
Recreation & Tourism  
Association

Dear Mayor Kallander,

Chugach Alaska  
Corporation

I'm writing to seek your support for a proposal we recently made to Gov. Sean Parnell that we believe would help reduce the threat posed to Alaska's economy and environment by invasive plant and animal species.

City of Cordova

City of Homer

As explained in the enclosed copy of our letter to the governor, Alaska has already experienced damaging invasions by non-indigenous species, and the risk of additional invasions grows every day. Our proposal is that the governor designate from existing staff a Non-Indigenous Species Coordinator in each state agency that deals with this issue.

City of Kodiak

City of Seldovia

City of Seward

These coordinators would be tasked with monitoring the issue from the perspective of their own agency's responsibilities. They would report annually to the governor, advising him as to any new measures they considered needed to deal with the problem of actual or threatened invasions.

City of Valdez

City of Whittier

Community of  
Chenega Bay

It is worth noting that this action would not involve the creation of a new agency, the promulgation of new regulations, or the hiring of new staff. Rather, its chief intent is to ensure that state resources already devoted to the problem of invasive species are being utilized in the smartest and most cost-effective way possible.

Community of  
Tatitlek

Cordova District  
Fishermen United

If you would care to join us in this effort, we would suggest you write a letter to the governor stating that you endorse the views in our Aug. 1 letter, and enclose with your letter a copy of our letter. We would be happy to make a presentation on the issue to your organization if requested.

Kenai Peninsula  
Borough

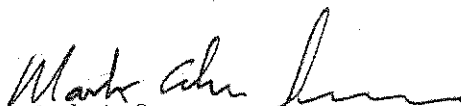
Kodiak Island  
Borough

Thank you for considering this request and our views on this matter. Please feel free to contact me if you would like to discuss it or have questions.

Kodiak Village Mayors  
Association

Sincerely,

Oil Spill Region  
Environmental  
Coalition

  
Mark A. Swanson  
Executive Director

Port Graham  
Corporation

Encl: Aug. 1, 2011, letter from PWSRCAC to Gov. Sean Parnell

Prince William Sound  
Aquaculture  
Corporation



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

In Anchorage: 3709 Spenard Road / Suite 100 / Anchorage, Alaska 99503 / (907) 277-7222 / FAX (907) 277-4523  
In Valdez: P.O. Box 3089 / 130 South Meals / Suite 202 / Valdez, Alaska 99686 / (907) 834-5000 / FAX (907) 835-5926

#### MEMBERS

August 1, 2011

Alaska State  
Chamber of  
Commerce

Honorable Sean Parnell  
Governor of the State of Alaska  
P.O. Box 110001  
Juneau, AK 99811-0001

Alaska Wilderness  
Recreation & Tourism  
Association

Dear Governor Parnell:

Chugach Alaska  
Corporation

City of Cordova

City of Homer

City of Kodiak

City of Seldovia

City of Seward

City of Valdez

City of Whittier

Community of  
Chenega Bay

Community of  
Tatitlek

Cordova District  
Fishermen United

Kenai Peninsula  
Borough

Kodiak Island  
Borough

Kodiak Village Mayors  
Association

Oil Spill Region  
Environmental  
Coalition

Port Graham  
Corporation

Prince William Sound  
Aquaculture  
Corporation

On behalf of the Alaskans in the Exxon Valdez oil spill region with or for whom we work to help ensure that the transportation of North Slope crude oil by tankers from the marine terminal in Valdez is safe and uninterrupted, we would like to bring to your attention and seek your leadership in addressing the threat posed by aquatic nuisance species and other non-indigenous species to the regional and state economies, to the environment, and/or to human health.

The Prince William Sound Regional Citizens' Advisory Council is an independent non-profit corporation whose mission, as authorized in Section 5002(b)(3) of the Oil Pollution Act of 1990, includes "environmental monitoring of the terminal facilities in Prince William Sound and the crude oil tankers operating in Prince William Sound." Its board members represent organizations and communities from throughout the *Exxon Valdez* oil spill region.

In carrying out its environmental monitoring responsibilities, the council has had to address the issue of ballast water discharges from oil tankers in Prince William Sound. Those discharges pose problems to the environment both from the standpoint of oily water in the ballast tanks and organisms in ballast water from other waterways of the U.S. that may be discharged into Prince William Sound prior to a tanker's loading at the Valdez terminal.

To aid the council in its work, one of its staff people was appointed to the Invasive Species Advisory Committee approximately a decade ago. And, in 2008, thanks to support from the Palin/Parnell administration, the council was again able to have a staff member appointed to this committee, which is a panel of non-federal experts and stakeholders authorized by executive order to advise the federal National Invasive Species Council. That appointment helped the council stay current with developments in the invasive species arena of importance to Alaska.

As you know, in recent years, invasive species of various kinds have become an increasing threat to Alaska's waters, lands, fish, and wildlife. These invaders are damaging salmon, trout, and groundfish habitat and they hold the potential to significantly harm the sport and commercial fishing industries,

aquaculture, tourism, subsistence, and other vital uses dependent upon healthy marine and terrestrial environments.

Noteworthy are actual problems seen in Alaska already. One example is the destruction of the valuable Alexander Creek king salmon fishery by northern pike, which are also suspected in the decline of the Deshka River king salmon fishery.

Pike are a significant threat to the world-renowned Kenai River salmon fishery, as well, but it is also threatened by reed canarygrass, an invasive weed introduced to the Kenai Peninsula for erosion control and/or agricultural purposes. This invader can choke streams and wetlands so that spawning salmon are unable to proceed upstream. It can further degrade salmon habitat by increasing siltation and impeding tree growth.

As has been widely reported, in other areas of the United States, such as the Great Lakes region, noxious aquatic invasive species such as zebra mussels have become well-established and have caused enormous biological and economic damage.

In addition to the potential for natural in-migration of invasive species, particularly with a trend of warming waters, Alaska experiences an ongoing threat from: (1) the discharge of ballast water in or near Prince William Sound from oil tankers traveling to the Valdez Marine Terminal, and similar discharges into other waterways of the state, and (2) hull fouling on or in ships from around the world or from coastwise traffic to Alaska, including, but not limited to, fishing vessels as well as oil tankers.

By some estimates, the vast majority of marine invasive species are introduced via ballast water discharges and hull fouling. While open-ocean ballast-water exchange is increasingly being utilized to reduce the risk of non-indigenous species being introduced to our state's waters, most observers now believe the end-state of protection from ballast-water-borne invasions ultimately will only come from onboard or onshore treatment of ballast water.

Although the state of Alaska has taken some actions to address marine and terrestrial invasive species, the threat from both continues to grow, calling for greater vigilance and action from all of us to prevent more of them from gaining footholds in Alaska. Were that to happen, it could cause enormous harm to the state's many industries and jobs directly or indirectly dependent upon the health of our fish and other marine organisms, as well as on the marine and terrestrial environments that are unique to Alaska.

To help combat these threats, we recommend that you consider directing the designation of a Non-Indigenous Species Coordinator from existing state personnel in each key state agency. These coordinators would be responsible for advising the Office of the Governor on: (1) the status of the threats from non-indigenous species; (2) the expansion and improvement of research and monitoring efforts; (3) the development and implementation of prevention strategies; (4) the progress in curbing or eliminating importation of non-indigenous marine species through ballast water and/or hull fouling.

Additionally, after consultation with relevant non-governmental entities such as those outlined below, we recommend that the Coordinators prepare and submit an annual

report to the Office of the Governor on the findings and actions of the agencies as outlined in 1-4 above, along with recommendations, as appropriate, for consideration by the Alaska Legislature.

To facilitate state agencies working on non-indigenous species issues in obtaining input, assistance, and coordination from a wide spectrum of stakeholders, we urge that your administration extend outreach to other entities within Alaska such as the commercial and sport fishing industries; the shipping industry; the University of Alaska; the soil and water conservation districts; the Alaska Native community; the general public; federal agencies such as the U.S. Coast Guard, NOAA, the U.S. Fish and Wildlife Service, and the National Park Service; the Alaska Invasive Species Working Group; Alyeska Pipeline Service Company; the regional citizens' advisory councils for Prince William Sound and Cook Inlet, and other organizations as appropriate.

We look forward to hearing from you on this issue and urge your consideration of these recommendations. We stand ready to work with you and your administration in any way that would be helpful should you decide to move forward on actions to help prevent harmful invasions of Alaska's marine and terrestrial ecosystems by non-indigenous invasive species.

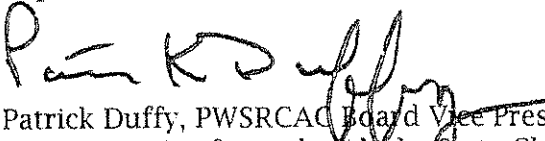
Sincerely,



Mark Swanson  
Executive Director



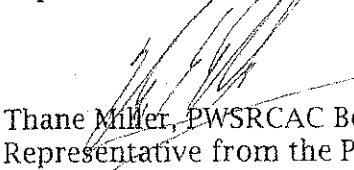
Dorothy Moore, PWSRCAC Board President  
Representative from the City of Valdez



Patrick Duffy, PWSRCAC Board Vice President  
Representative from the Alaska State Chamber of Commerce



Sheri Buretta, PWSRCAC Board Treasurer  
Representative from the Chugach Alaska Corp.



Thane Miller, PWSRCAC Board Secretary  
Representative from the Prince William Sound Aquaculture Corporation

*Patience Andersen Faulkner*

Patience Andersen Faulkner, PWSRCAC Board Member  
Representative from the Cordova District Fishermen United

*Rochelle van den Broek*

Rochelle van den Broek, PWSRCAC Board Member  
Representative from the City of Cordova

*ALVIN R. BURCH*

Alvin Burch, PWSRCAC Board Member  
Representative from the Kodiak Island Borough

*Jane Eisemann*

Jane Eisemann, PWSRCAC Board Member  
Representative from the City of Kodiak

*Larry Evanoff*

Larry Evanoff, PWSRCAC Board Member  
Representative from the Chenega Corporation & Chenega IRA Council

*John French*

John French, PWSRCAC Board Member  
Representative from the City of Seward

*Cathy Hart*

Cathy Hart, PWSRCAC Board Member  
Representative from the Alaska Wilderness Recreation & Tourism Association

*Marilynn Heddell*

Marilynn Heddell, PWSRCAC Board Member  
Representative from the City of Whittier

*Blake Johnson*

Blake Johnson, PWSRCAC Board Member  
Representative from the Kenai Peninsula Borough

*Stephen Lewis*

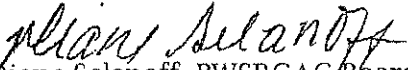
Stephen Lewis, PWSRCAC Board Member  
Representative from the City of Seldovia



Iver Malutin, PWSRCAC Board Member  
Representative from the Kodiak Village Mayors Association



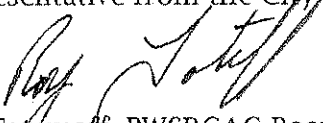
Walter Parker, PWSRCAC Board Member  
Representative from the Oil Spill Region Environmental Coalition



Diane Selanoff, PWSRCAC Board Member  
Representative from the Port Graham Corporation



Stan Stephens, PWSRCAC Board Member  
Representative from the City of Valdez



Roy Totemoff, PWSRCAC Board Member  
Representative from the Tatitlek Corporation & Tatitlek Village IRA Council



John Velsko, PWSRCAC Board Member  
Representative from the City of Homer

cc: Hon. Gary Stevens, President, Alaska Senate  
Hon. Kevin Meyer, Senate Majority Leader  
Hon. Charlie Huggins, Senate Minority Leader  
Hon. Mike Chenault, Speaker, Alaska House of Representatives  
Hon. Alan Austerman, House Majority Leader  
Hon. Beth Kerttula, House Minority Leader  
Alyeska Pipeline Service Company  
17<sup>th</sup> District, United States Coast Guard  
Member Entities, Prince William Sound Regional Citizens' Advisory Council

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: September 15, 2011  
TO: Mayor and City Council  
SUBJECT: Ordinance 1082

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Please see email which follows from City Attorney Holly Wells. She has explained to me that Ordinance 1082 must be dealt with by Council since it was approved at a first reading on June 22, 2011. She has put Ordinance 1088 before you tonight for first reading as well and has explained in her email that although the two ordinances seem very similar, the attachments differ significantly. As she explains, Council's wishes which had been conveyed to the attorney in executive session are expressed in Ordinance 1088 (via the attachments).

Recommended Motion: Move to adopt Ordinance 1082.

Recommended Subsidiary Motion: Move to postpone Ordinance 1082 indefinitely.

Required Action: Majority voice vote

**Susan Bourgeois**

---

**Subject:** Ordinance 1088 v. Ordinance 1082

**From:** Holly Wells [<mailto:hwells@BHB.com>]

**Sent:** Thursday, September 15, 2011 3:40 PM

**To:** Susan Bourgeois

**Subject:** RE: Ordinance 1088 v. Ordinance 1082

Susan,

The following is a brief summary of the events surrounding the AIGC land sale, Ordinance No. 1082 and Ordinance No. 1088:

Ordinance No. 1082 was introduced on June 22, 2011. During that meeting, Council raised several issues regarding the terms of the Agreement and the City Manager agreed to research these issues and discuss negotiations with the City Attorney. Specifically, the Council wanted assurance that the property would be returned to the City in the event that AIGC was unable or unwilling to develop a gas utility facility on the property and wanted to reduce the boundaries of the proposed property. The City Manager and City Attorney worked with AIGC to revise the agreement to meet the Council's requests and to include a Performance Deed of Trust, which would effectively result in a return of the property to the city upon default by AIGC. While drafting the Performance Deed of Trust, issues arose regarding the ability for AIGC to secure financing with a Performance Deed of Trust in place. On August 3, 2011, an executive session was conducted in which these and other sensitive issues surrounding the sale were raised with City Council and the Council directed the City Attorney to renegotiate several aspects of the agreement with AIGC. Accordingly, the City Attorney and City Administration revised the agreement to meet Council's concerns and is introducing the newly revised agreement, a performance deed of trust, and all other attachments in Ordinance No. 1088. Thus, while this ordinance greatly resembles the original ordinance, the attachments, namely the agreement, the performance deed of trust, and even the property description differ significantly.

Let me know if you need anything or have any additional questions.

Thanks,

Holly Wells

Birch Horton Bittner & Cherot

direct 907-263-7247

fax 907-276-3680

**CELEBRATING 40 YEARS OF EXCELLENCE**

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**CITY OF CORDOVA  
ORDINANCE 1082**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
AUTHORIZING THE CONVEYANCE TO ALASKA INTRASTATE GAS COMPANY  
OF 4.21 ACRES OF TIDELANDS LOCATED IN ATS 1004**

**WHEREAS**, pursuant to CMC 5.22.060(A)(1), the City Council directed the City Manager to negotiate directly the disposal of approximately 4.25 acres of tidelands (the "Property") with Alaska Intrastate Gas Company (the "Purchaser"); and

**WHEREAS**, it is in the best interests of the City to sell the Property to the Purchaser for not less than its appraised fair market value, and the purchase price for the Property is not less than its appraised fair market value; and

**WHEREAS**, the form of a Purchase and Sale Agreement and its attachments to be executed in connection with the disposal of the Property by the City is attached to this Ordinance and it appears that such documents are in appropriate form and are appropriate instruments for the purposes intended.

**BE IT ORDAINED** by the City Council of the City of Cordova, that:

Section 1. The City Manager is authorized and directed to convey the Property to Purchaser in accordance with the terms in the Purchase and Sale Agreement. The form and content of the Purchase and Sale Agreement now before this meeting hereby are in all respects authorized, approved and confirmed, and the City Manager hereby is authorized, empowered and directed to execute and deliver the Purchase and Sale Agreement, its attachments, and a Warranty Deed reflecting the terms in the Purchase and Sale Agreement on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as he shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said documents now before this meeting, and from and after the execution and delivery of said documents, the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the documents as executed.

Section 2. The disposal of the Property authorized by this ordinance is subject to the requirements of City Charter Section 5-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

1<sup>st</sup> reading: June 22, 2011

2<sup>nd</sup> reading and public hearing:

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF JULY 2011.**

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

ATTEST:

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

**Susan Bourgeois**

---

**Subject:** Ordinance 1088 v. Ordinance 1082

**From:** Holly Wells [<mailto:hwells@BHB.com>]  
**Sent:** Thursday, September 15, 2011 3:40 PM  
**To:** Susan Bourgeois  
**Subject:** RE: Ordinance 1088 v. Ordinance 1082

Susan,

The following is a brief summary of the events surrounding the AIGC land sale, Ordinance No. 1082 and Ordinance No. 1088:

Ordinance No. 1082 was introduced on June 22, 2011. During that meeting, Council raised several issues regarding the terms of the Agreement and the City Manager agreed to research these issues and discuss negotiations with the City Attorney. Specifically, the Council wanted assurance that the property would be returned to the City in the event that AIGC was unable or unwilling to develop a gas utility facility on the property and wanted to reduce the boundaries of the proposed property. The City Manager and City Attorney worked with AIGC to revise the agreement to meet the Council's requests and to include a Performance Deed of Trust, which would effectively result in a return of the property to the city upon default by AIGC. While drafting the Performance Deed of Trust, issues arose regarding the ability for AIGC to secure financing with a Performance Deed of Trust in place. On August 3, 2011, an executive session was conducted in which these and other sensitive issues surrounding the sale were raised with City Council and the Council directed the City Attorney to renegotiate several aspects of the agreement with AIGC. Accordingly, the City Attorney and City Administration revised the agreement to meet Council's concerns and is introducing the newly revised agreement, a performance deed of trust, and all other attachments in Ordinance No. 1088. Thus, while this ordinance greatly resembles the original ordinance, the attachments, namely the agreement, the performance deed of trust, and even the property description differ significantly.

Let me know if you need anything or have any additional questions.

Thanks,  
Holly Wells  
Birch Horton Bittner & Cherot  
direct 907-263-7247  
fax 907-276-3680

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**CITY OF CORDOVA  
ORDINANCE 1088**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
AUTHORIZING THE CONVEYANCE TO ALASKA INTRASTATE GAS COMPANY  
OF APPROXIMATELY 4 ACRES OF TIDELANDS LOCATED IN ATS 1004**

**WHEREAS**, pursuant to CMC 5.22.060(A)(1), the City Council directed the City Manager to negotiate directly the disposal of approximately 4 acres of tidelands (the "Property") with Alaska Intrastate Gas Company (the "Purchaser"); and

**WHEREAS**, it is in the best interests of the City to sell the Property to the Purchaser for not less than its appraised fair market value, and the purchase price for the Property is not less than its appraised fair market value; and

**WHEREAS**, the form of a Purchase and Sale Agreement and its attachments to be executed in connection with the disposal of the Property by the City is attached to this Ordinance and it appears that such documents are in appropriate form and are appropriate instruments for the purposes intended.

**BE IT ORDAINED** by the City Council of the City of Cordova, that:

Section 1. The City Manager is authorized and directed to convey the Property to Purchaser in accordance with the terms in the Purchase and Sale Agreement. The form and content of the Purchase and Sale Agreement now before this meeting hereby are in all respects authorized, approved and confirmed, and the City Manager hereby is authorized, empowered and directed to execute and deliver the Purchase and Sale Agreement, its attachments, and a Warranty Deed reflecting the terms in the Purchase and Sale Agreement on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as he shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said documents now before this meeting, and from and after the execution and delivery of said documents, the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the documents as executed.

Section 2. The disposal of the Property authorized by this ordinance is subject to the requirements of City Charter Section 5-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

1<sup>st</sup> reading: September 21, 2011

2<sup>nd</sup> reading and public hearing: October 5, 2011

**PASSED AND APPROVED THIS 5<sup>th</sup> DAY OF OCTOBER 2011.**

---

James Kallander, Mayor

ATTEST:

---

Susan Bourgeois, City Clerk

## REAL ESTATE SALE AGREEMENT

**Agreement**, effective \_\_\_\_\_ (the "Effective Date"), by and between the City of Cordova, Alaska (hereinafter referred to as "the City" or "Seller") and Alaska Intrastate Gas Company, an Alaska corporation (hereinafter referred to as "AIGCO" or "Buyer").

### WITNESSETH:

1. **Sale of Real Property.** AIGCO agrees to purchase, and the City of Cordova agrees to sell and convey to AIGCO 4.21 acres (183,185 sq. ft.) of waterfront tidelands located in ATS 1004 adjacent to the existing fill pad at Ocean Dock, as depicted in the attached Attachment 1, Attachment 2 and Attachment 3. The property (hereafter referred to as "the Property") to be purchased is approximately a 4.21-acre parcel described as follows:

*See Attachment 4.*
2. **Purchase Price.** The purchase price of the Property shall be as determined on the basis of \$26,125.00 per acre for the approximately 4.21-acre parcel for a total purchase price of \$109,986.00, subject to adjustment as provided under paragraph 8, below.
- 2.1 **Purchase Terms.** The full purchase price to be paid by the Buyer to the Seller for the purchase of the Property shall be paid in cash in two (2) payments, as follows:
  - a. One-half of the Purchase Price, in the amount of \$54,993.00, shall be paid at the Closing of this transaction by wire transfer of immediately available funds to an account designated by Seller prior to Closing, or by delivery of a cashier's check payable to order of Seller at Closing.
  - b. The second one-half of the Purchase Price, in the amount of \$54,993.00, shall be paid by Buyer within 90 days after closing. To secure such obligation Buyer shall execute a note and deed of trust in favor of Seller encumbering the Property.
- 2.2 **Performance Deed of Trust.**
  - a. Buyer shall enter into a Performance Deed of Trust from Buyer, as Trustor, to Title Company, as Trustee, with Seller as Beneficiary, in the form attached hereto as Attachment 5 and to secure the obligations of Buyer to develop the Property as provided in Section 7 of this Agreement and the Performance Deed of Trust.
  - b. The Performance Deed of Trust shall be delivered at or prior to closing by Buyer to escrow agent.
3. **Title.** Seller shall convey to Buyer good and marketable title in and to the Property by Warranty Deed with full warranties of title, free and clear of all encumbrances, excepting the following (the "Permitted Exceptions"):

- a. Reservations and exceptions in U.S. Patent and/or in Acts authorizing the issuance thereof;
  - b. Miscellaneous easements, covenants, conditions, restrictions of record, including notes on plats of the Property which do not materially impair the value of the Property or its suitability for continued use as a commercial property by Buyer.
  - c. All exceptions depicted in a preliminary title report from the Title Insurer as defined in Section 3.2 of this Agreement.
  - d. Reservations and exceptions required under Alaska law and the laws of the City of Cordova, Alaska, including but not limited to the Public Trust Doctrine, AS 38.05.820, and Article VIII, Section 3 of the Alaska Constitution.
- 3.1 Title Policy.** Seller will provide to the Buyer an ALTA owner's title insurance policy (the "Title Policy") issued by a title insurer mutually agreed upon by the parties (the "Title Insurer"). On the Closing Date, the Seller will cause the Title Policy to be issued to the Buyer in an amount equal to the purchase price containing only the above-mentioned title exceptions and any other exceptions to coverage waived or approved by the Buyer.
- 3.2 Title Defects.** In the event Seller is unable on the Closing Date to deliver good and marketable title to the Property because of any defect in the title to the Property excepting the Permitted Exceptions, Buyer may elect any one of the following procedures:
- a. Accept the subject real property subject to such defects;
  - b. Extend closing for such time as may be mutually agreeable to the parties to afford Seller time for curing said defects up to thirty (30) days; or
  - c. Terminate this Agreement upon notice to Seller.
- 3.3** If Buyer makes the election set forth in subparagraph 3.2b., at the expiration of said thirty (30) day extension if such title defects have not been cured, Buyer may then elect either of the other procedures provided above as subparagraphs 3.2a. or 3.2c. If Buyer shall make the election set forth in subparagraph 3.2c., upon delivery of such notice, this agreement shall terminate.
- 4. Closing.** The Buyer and the Seller agree that the purchase will be consummated as follows:
- 4.1 Title Transfer.** The Seller agrees to convey title to the Property to the Buyer at Closing.
- 4.2 Closing Date.** This transaction shall close on or before the expiration of sixty (60) days from and after the Effective Date of this Agreement (the "Closing Date"). Either party shall have the right to extend closing for an additional thirty (30) days upon two (2)

business days' advance written notice to the other. The closing will take place at the offices of the Title Insurer.

- 4.3. **Closing Costs.** Buyer shall pay the fee for recording the Deed, the premium for the Title Policy, and for all fees and costs Seller incurred to third-parties in the transaction, including without limitation costs of appraisal, attorneys' fees and costs, closing costs and escrow fees. Buyer shall bear the expense of their own counsel. Unless otherwise specified herein, if the sale of the Property contemplated hereunder does not occur because of a default on the part of Buyer, all escrow cancellation and title fees shall be paid by Buyer; if the sale of the Property does not occur because of a default on the part of Seller, all escrow cancellation and title fees shall be paid by Seller.
5. **Possession.** Possession of the Property will be delivered to the Buyer on the Closing Date.
6. **Risk of Loss.** All risk of loss with respect to the Property shall be borne by the Seller until closing on the Closing Date and shall transfer to the Buyer upon completion of closing.
7. **Property Development.** Buyer shall place fill on the Property and create a pad for use by Buyer in association with its intended development of the Property with a gas utility send out facility as depicted, in concept, in Attachment 1, Attachment 2 and Attachment 3. In association with such development, Buyer and Seller agree as follows:
  - a. **Fill Material to be Provided by City.** The City will provide fill material at no additional cost or expense to Buyer from the Fleming Spit quarry area in sufficient quantity to permit Buyer to create a 4.21 acre fill pad on the Property. Buyer will quarry (blast), remove and transport the fill materials from the Fleming Spit quarry to the Property at its sole cost and expense. Buyer shall fill the Property no more than three (3) years after the Effective Date of this Agreement.
  - b. **Survey.** After installation of the pad, Buyer will procure a survey of the area of the fill pad, including the full extent of the toe of such fill area upon the tideflats, to establish a precise description of the parcel and its boundaries, and to determine the total tideflat acreage covered by the fill. Buyer shall pay for the full costs of such survey and a copy of it shall be provided to the Seller. Buyer shall prepare an amendment to this Agreement incorporating the new property description, at its own expense, to be approved by the City Manager.
  - c. **Permitting.** Buyer shall acquire all required building, zoning and other permits for development of the Property and the City Administration shall support Buyer's permit applications. Buyer shall complete permitting on the overall project no more than two (2) years after the Effective Date of this Agreement.
  - d. **Substantial Completion.** Substantial completion of the send out facility must be complete no more than five (5) years after the Effective Date of this Agreement.



- e. **Adjacent City Tideland Development.** Concurrent with Buyer's project, the City intends to engage in a similar fill project that will surround three (3) sides of the Property. Buyer agrees to coordinate its efforts to acquire required permits with the City's efforts to acquire permits related to its fill project. The parties agree to cooperate with one another in that regard so that any and all required permits may be timely issued to the Buyer and to the City, respectively, and each party's project might be completed as soon as possible and within the timelines set out in subparagraph 7.c., above.

- 8. **Adjustment of Purchase Price.** In the event the survey procured by Buyer under subparagraph 7.b above shows that the fill pad covers more than 4.21 acres but no more than 4.5 acres, the amount of acreage over and above 4.21 acres but not 4.5 acres shall be prorated at the rate of \$26,125.00 per acre and the amount determined thereby shall be paid by Buyer to Seller, in cash, within 30 days after completion of the survey. In the event the survey procured by Buyer under subparagraph 7.b above shows that the fill pad covers less than 4.21 acres, the amount by which the actual acreage is less than 4.21 acres shall be pro-rated at the rate of \$26,125.00 per acre and the amount determined thereby shall be paid by Seller to Buyer, in cash, within thirty (30) days after completion of the survey. In the event that the fill pad exceeds 4.5 acres Seller has no obligation to sell the additional filled area to Buyer.

9. **Representations and Warranties.**

- 9.1 **General Warranties of Seller.** Seller hereby represents and warrants to Buyer as follows:

- a. Seller's Disclosure Statement shall disclose any and all material physical or mechanical defects on the Property or in any improvement erected upon the Property which are known to Seller as of the Closing Date.
- b. All the documents executed by the Seller which are to be delivered to Buyer at Closing will be duly executed and delivered by Seller; will be legal, valid, and binding obligations of Seller; will be sufficient to convey title to Buyer as agreed herein; and do not now and at the closing will not violate any provisions of any agreement to which Seller is a party or is otherwise subject to.

9.2 **Seller's Environmental Warranties.**

- a. As used in this paragraph 9.2, the following terms shall have the following meanings:
  - (1) "Hazardous Materials" means any dangerous, toxic or hazardous pollutant, contaminant, chemical, waste, material or substance as defined in or governed by any federal, state or local law, statute, code, ordinance, regulation, rule or other requirement relating to such substance or otherwise relating to the environment or human health or safety, including without limitation any waste, material, substance, pollutant or contaminant

that might cause any injury to human health or safety or to the environment or might subject the Company to any imposition of costs or liability under any Environmental Law.

- (2) "Environmental Laws" means all applicable federal, state, local and foreign laws, rules, regulations, codes, ordinances, orders, decrees, directives, permits, licenses and judgments relating to pollution, contamination or protection of the environment (including, without limitation, all applicable federal, state, local and foreign laws, rules, regulations, codes, ordinances, orders, decrees, directives, permits, licenses and judgments relating to Hazardous Materials in effect as of the date of this Agreement).
  - (3) "Release" shall mean the spilling, leaking, disposing, discharging, emitting, depositing, ejecting, leaching, escaping or any other release or threatened release, however defined, whether intentional or unintentional, of any Hazardous Material.
- b. To Seller's knowledge, the Property is in material compliance with all applicable Environmental Laws.
  - c. To Seller's knowledge, Seller has obtained, and maintained in full force and effect, all environmental permits, licenses, certificates of compliance, approvals and other authorizations material to the conduct of its business and the ownership or operation of the Property (collectively, the "Environmental Permits") and has conducted its business in compliance with all terms and conditions of the Environmental Permits.
  - d. To Seller's knowledge, except as set forth in the Seller's Disclosure Statement: (i) no Hazardous Materials have been generated, treated, contained, handled, located, used, manufactured, processed, buried, incinerated, deposited, stored, or released on, under or about any part of the Property, (ii) the Property and any improvements thereon, contain no asbestos, urea, formaldehyde, radon at levels above natural background, polychlorinated biphenyls (PCBs) or pesticides, and (iii) no aboveground or underground storage tanks are located on, under or about the Property, or have been located on, under or about the Property and then subsequently been removed or filled. If any such storage tanks exist on, under or about the Property, such storage tanks have been duly registered with all appropriate governmental entities and are otherwise in compliance with all applicable Environmental Laws.
  - e. Except as disclosed by Seller to Buyer, Seller has not received any written notice alleging in any manner that Seller is, or might be potentially responsible for any Release of Hazardous Materials on or from the Property, or any costs arising under or violation of Environmental Laws.

- f. The Property is not and has not been listed on the United States Environmental Protection Agency National Priorities List of Hazardous Waste Sites, or any other list, schedule, law, inventory or record of hazardous or solid waste sites maintained by any federal, state or local agency.
- g. Seller has disclosed and delivered to Buyer all environmental reports and investigations which Seller has obtained or ordered with respect to the Property.
- h. To Seller's knowledge, no part of the Property has been used as a landfill, dump or other disposal, storage, transfer, handling or treatment area for Hazardous Materials, or as a gasoline service station or a facility for selling, dispensing, storing, transferring, disposing or handling petroleum and/or petroleum products.

**9.3 General Warranties of Buyer.** Buyer hereby represents and warrants that all the documents executed by the Buyer which are to be delivered to Seller at closing will be duly executed and delivered by Buyer and will be legal, valid, and binding obligations of Buyer.

**10. Miscellaneous.** It is further agreed as follows:

**10.1 Time.** Time is of the essence of this Agreement.

**10.2 Notice.** All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when personally delivered or five (5) days after mailing if mailed by first class mail, return receipt requested, or upon confirmation of successful transmission, if sent by facsimile, or other electronic transmission device. Notices, demands and communications to Buyer and Seller will, unless another address is specified in writing, be sent to the address indicated below:

Notices to Buyer:

Francis L. Avezac  
President  
Alaska Intrastate Gas Company  
645 "G" Street, Suite 732  
Anchorage, Alaska 99501

Notices to Seller:

Mark Lynch  
City Manager  
City of Cordova  
P.O. Box 1210  
Cordova, Alaska 99574

With Copy To:

John W. Colver  
Jones & Colver, LLC  
3201 "C" Street, Suite 203  
Anchorage, Alaska 99503

**10.3 Survival.** The covenants, representations and warranties of the Buyer and the Seller herein contained will be effective on the date hereof, on the closing date and will survive closing.

- 10.4 Brokerage.** Neither Seller nor Buyer has dealt with any broker in connection with this transaction, and each party agrees to indemnify, defend, and hold harmless the other from any claim made by any broker alleging entitlement to any fee or commission as a result of having dealt with the indemnifying party.
- 10.5 Integration.** This instrument constitutes the entire agreement between the Buyer and the Seller in regard to Buyer's purchase of the Property from Seller and there are no agreements, understandings, warranties or representations between the Buyer and the Seller regarding this transaction except as set forth herein. The parties have not executed any other documents contemporaneously herewith regarding any other aspects of their mutual transactions.
- 10.6 Binding Effect.** This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto.
- 10.7 Modifications.** This Agreement shall not be modified other than by a written instrument, executed by both parties.
- 10.8 Governing Law.** This Agreement shall be governed by and interpreted in accordance with Alaska law. Any litigation arising out of or in connection with this Agreement shall be conducted in the Superior Court for the Third Judicial District at Anchorage, Alaska. The parties specifically agree that the jurisdiction and venue of such court are proper and further agree to submit themselves to the jurisdiction of that court.
- 10.9 No Presumption against Drafter.** The parties hereto hereby acknowledge that this transaction is the result of arm's-length negotiations between the parties hereto, in which Seller and Buyer have each taken part, and that the terms and conditions are not to be and shall not be construed against either party either by reason of such party's responsibility for drafting the documents related to this transaction or for any other reason. Each party has had full opportunity to review this transaction with legal and tax counsel of their choice. Therefore this Agreement and each and every other document related to this transaction or executed pursuant to the terms of this Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing an instrument to be drafted.

**IN WITNESS WHEREOF,** this instrument has been executed by the parties effective as of the date set forth above.

**SELLER:**

CITY OF CORDOVA

**BUYER:**

ALASKA INTRASTATE GAS COMPANY

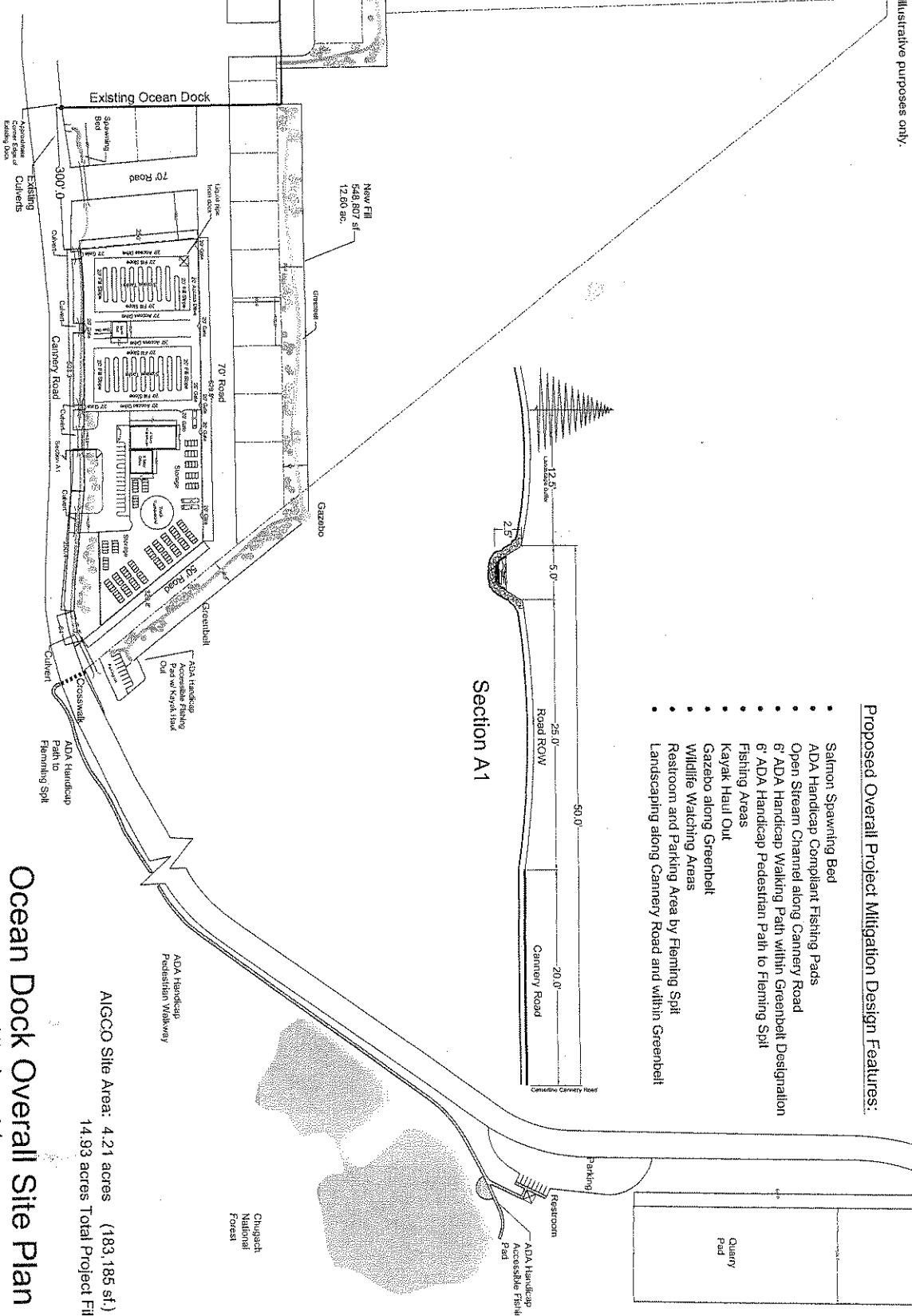
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Its: \_\_\_\_\_

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

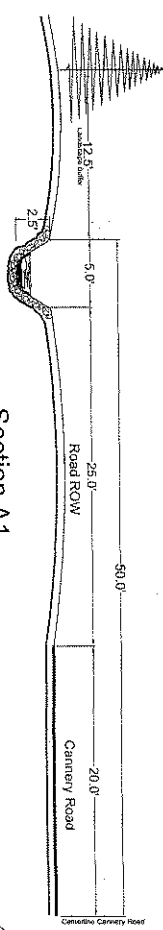
This map was created for illustrative purposes only.



SP-14 Preliminary Concept for Discussion Purposes Only



### Section A1



### Proposed Overall Project Mitigation Design Features:

- Salmon Spawning Bed
- ADA Handicap Compliant Fishing Pads
- Open Stream Channel along Cannery Road
- 6' ADA Handicap Walking Path within Greenbelt Designation
- 6' ADA Handicap Pedestrian Path to Fleming Spit
- Fishing Areas
- Kayak Haul Out
- Gazebo along Greenbelt
- Wildlife Watching Areas
- Restroom and Parking Area by Fleming Spit
- Landscaping along Cannery Road and within Greenbelt

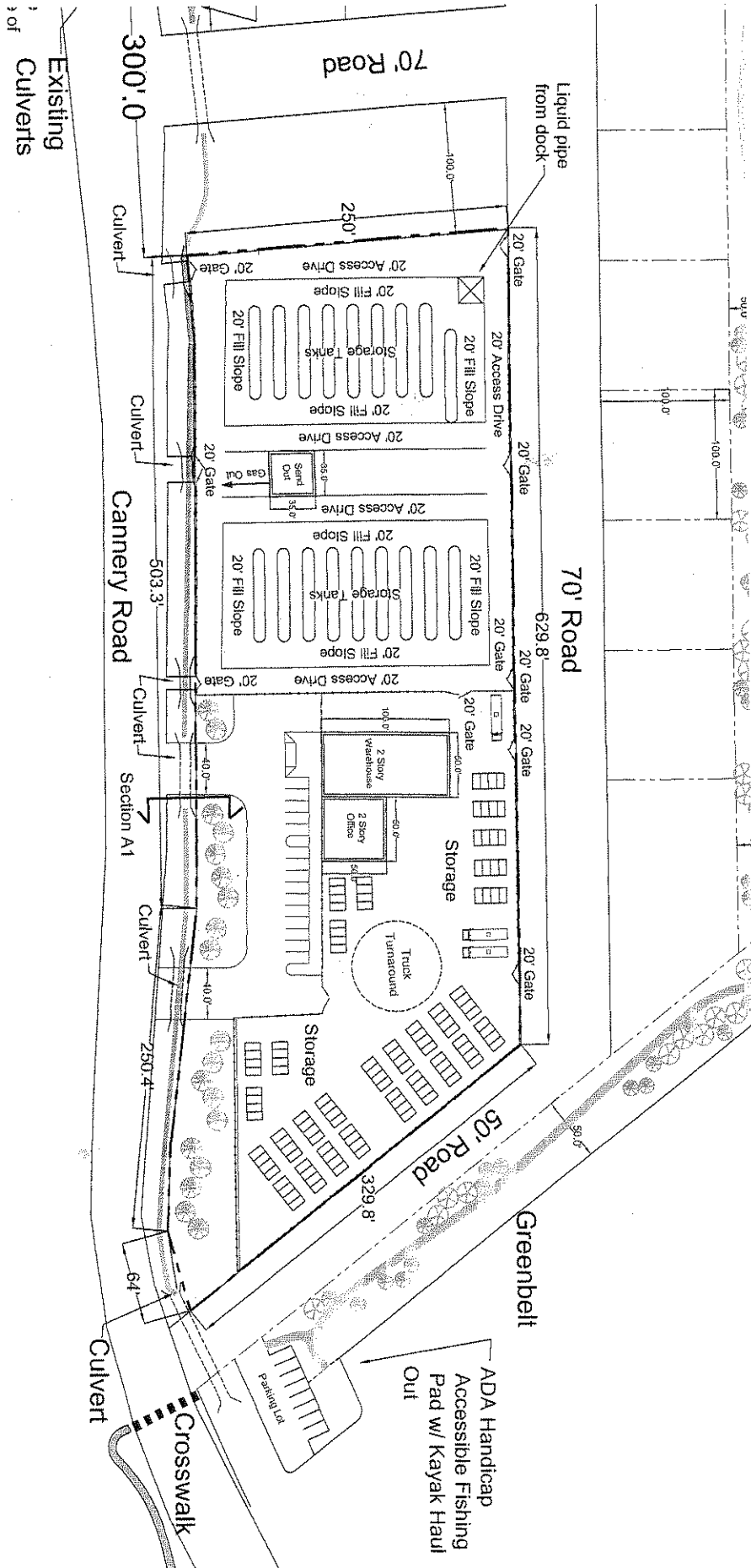
## Ocean Dock Overall Site Plan

Attachment 1

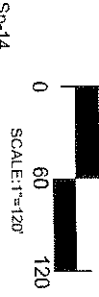
AIGCO Site Area: 4.21 acres (183,185 sq ft)  
14.93 acres Total Project Fill

Chugach National Forest

This map was created for illustrative purposes only.



Existing  
Culverts

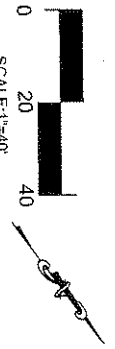
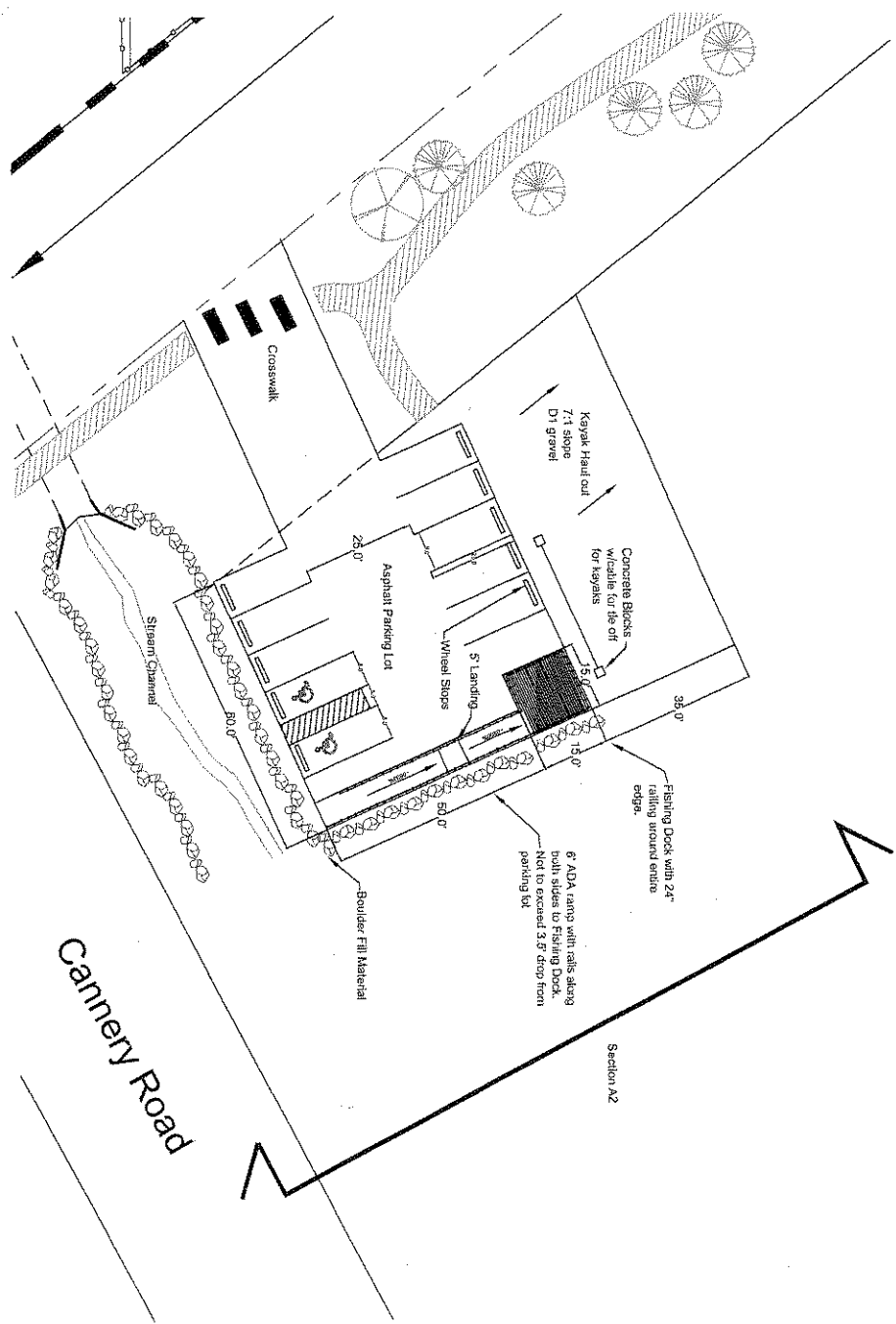
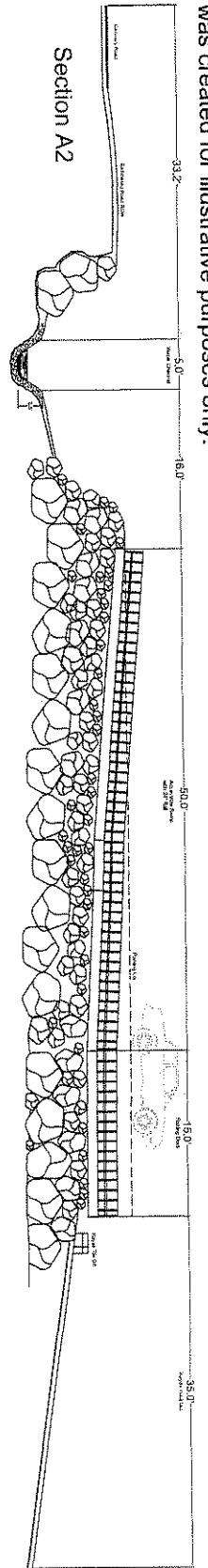


Sp-14

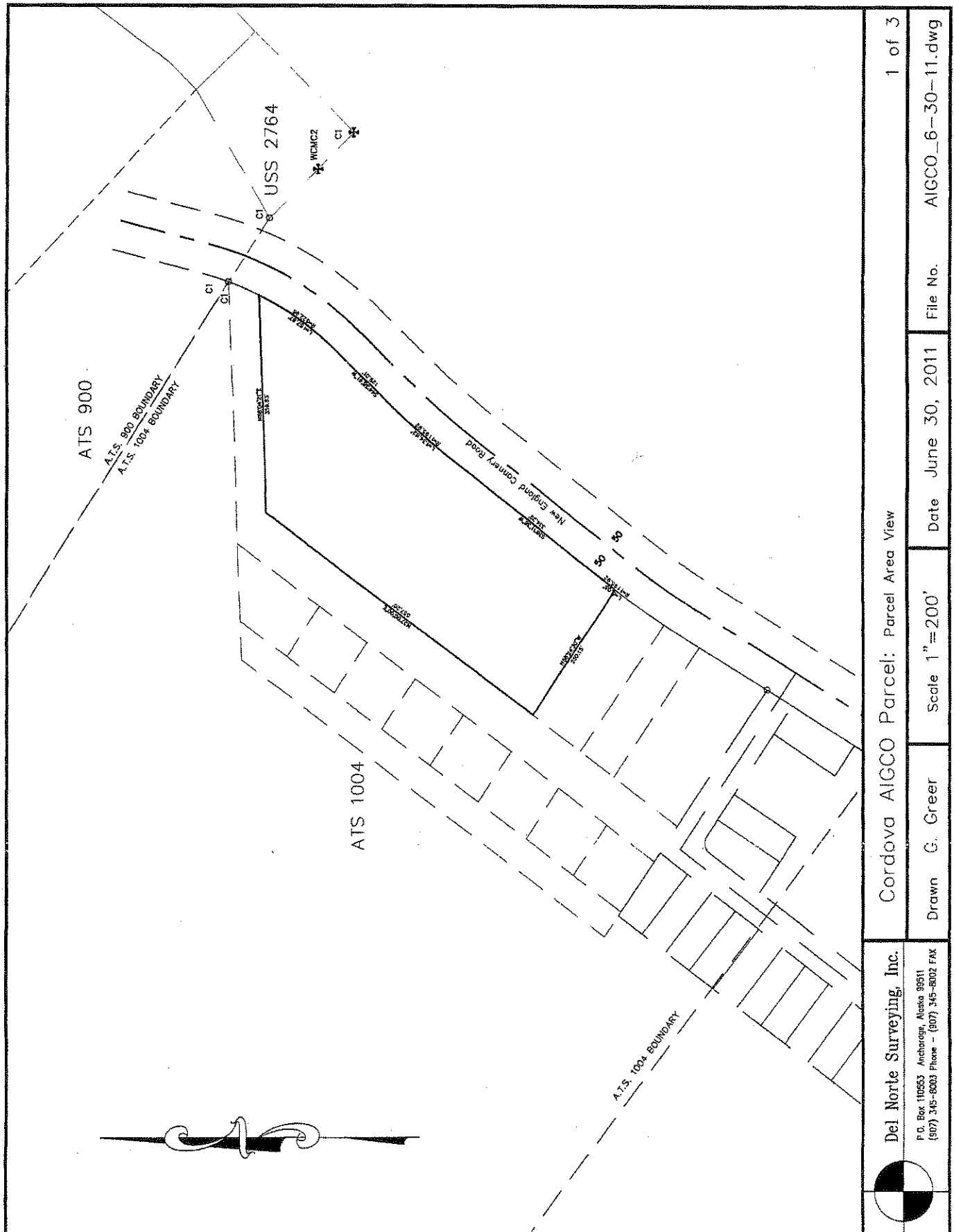
# AIGCO Ocean Dock Site Plan Attachment 2

AIGCO Site Area: 4.21 acres (183,185 sf.)  
14.93 acres Total Project Fill

This map was created for illustrative purposes only.

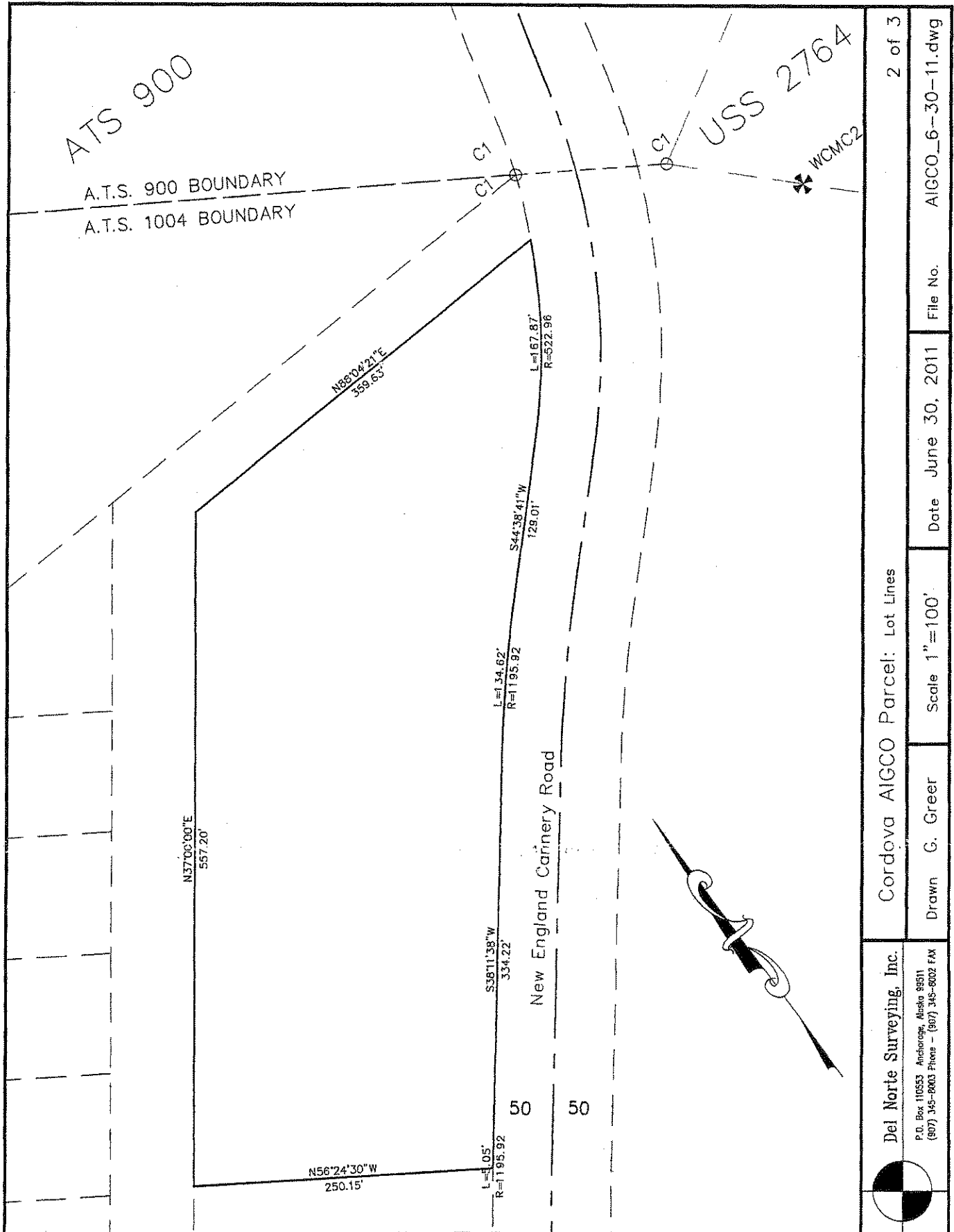


# ADA Fishing Dock and Kayak Haul Out Attachment 3



Del Norte Surveying, Inc.		Cordova AIGCO Parcel: Parcel Area View		1 of 3	
P.O. Box 110553 Anchorage, Alaska 99511 (907) 345-8003 Phone - (907) 345-8002 FAX		Drawn	G. Greer	Date	June 30, 2011
		Scale 1"=200'		File No.	AIGCO_6-30-11.dwg





AIGCO Parcel

A tract of land within the easterly portion of Alaska Tidelands Survey No. 1004, per Plat 76-2, filed in the Cordova Records Office on May 5, 1976 and the easterly portion of Alaska Tidelands Survey No. 900, per Plat 77-2, filed in the Cordova Records Office on February 18, 1977 and more particularly described as follows:

COMMENCING FOR REFERENCE at the brass cap monument W.C.M.C. No. 2 U.S. Survey No. 2764;

Thence N 45°02' W, 115.50' to Corner 1, Tract A, Alaska Tidelands Survey No. 900;

Thence N 57°30' W, 125.47' to Corner 1, Tract B, Alaska Tidelands Survey No. 900 which is coincident with Corner 1, Alaska Tidelands Survey No. 1004 and is a point on the westerly Right of Way of New England Cannery Road (Orca Road);

Thence along a curve to the right, coincident with the westerly Right of Way of the New England Cannery Road, having a radius of 522.96 feet, an arc length of 55.26 feet, a chord bearing of S 23°13'33" W, and chord length of 55.24 feet to the TRUE POINT OF BEGINNING for this description;

Thence along a curve to the right, coincident with the westerly Right of Way of the New England Cannery Road, having a radius of 522.96 feet, an arc length of 167.87 feet, a chord bearing of S 35°26'56" W, and chord length of 167.15 feet;

Thence S 44°38'41" W, 129.01 feet continuing coincident with the westerly Right of Way of the New England Cannery Road;

Thence along a curve to the left, having a radius of 1195.92 feet, an arc length of 134.62 feet, a chord bearing of S 41°25'12" W, and chord length of 134.55 feet;

Thence S 38°11'38" W, 334.22 feet;

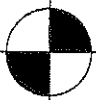
Thence along a curve to the left, having a radius of 1195.92 feet, an arc length of 5.06 feet, a chord bearing of S 38°04'22" W, and chord length of 5.05 feet, from which the most easterly corner of the Ocean Dock Subdivision, per Plat 83-7, filed in the Cordova Records Office on July 26, 1983, bears S 33°06'04" W, 302.82 feet, said point being the intersection of the easterly Right of Way of Sea Gull Avenue and the westerly Right of Way of New England Cannery Road;

Thence departing the westerly Right of Way of the New England Cannery Road, N 56°24'30" W, 250.15 feet across tidelands;

Thence N 37°00'00" E, 557.20 feet across tidelands;

Thence N 88°04'21" E, 359.63 feet across tidelands to the POINT OF BEGINNING and the TERMINUS of this description.

Containing 4.00 acres, more or less.



Del Norte Surveying, Inc.

P.O. Box 110553 Anchorage, Alaska 99511  
(907) 345-8003 Phone - (907) 345-8002 FAX

Cordova AIGCO Parcel: Parcel Description

3 of 3

Drawn G. Greer

Date June 30, 2011

File No. AIGCO\_6-30-11.dwg

## ATTACHMENT 5

### CORDOVA RECORDING DISTRICT

Recording requested by and  
after recording, return to:

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

### PERFORMANCE DEED OF TRUST

This PERFORMANCE DEED OF TRUST (this "Deed of Trust") is made this \_\_\_\_ day of \_\_\_\_\_, 2011 (the "Effective Date"), by ALASKA INTRASTATE GAS COMPANY, an Alaska Corporation (the "Trustor"), whose address is 645 G Street, Suite 732, Anchorage, Alaska 99501, to PACIFIC NORTHWEST TITLE OF ALASKA, INC. (the "Trustee"), whose address is 3201 C Street, Suite 110, Anchorage, Alaska 99503, for the benefit of the CITY OF CORDOVA (the "Beneficiary"), whose address is P.O. Box 1210, Cordova, Alaska 99574.

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

See Exhibit A.

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

2. **COMMENCEMENT AND SUBSTANTIAL COMPLETION OF CONSTRUCTION; OPERATIONAL OBLIGATIONS.** On or before the date five (5) years after the Effective Date, Trustor shall substantially complete construction of the Facility on the Property as required under the Real Estate Agreement signed by the parties on \_\_\_\_\_, 2011. Upon written request of Trustor received by Beneficiary not less than six (6) months before the expiration of the five (5) year period to attain substantial completion, Beneficiary may extend the period to attain substantial

completion by up to an additional two (2) years if it finds that Trustor has made satisfactory progress toward substantial completion. For purposes of this Section 2 and Section 7.2 of this Performance Deed of Trust, the term "substantially complete" shall mean the stage of progress of construction when the Facility is sufficiently complete so that the facility is capable of being used by Trustor for its intended purposes.

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

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

**4.1 Warranties**

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

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

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

**4.3 Construction.** Trustor shall commence and complete construction of the Project, and will otherwise fulfill all of its covenants and obligations to Beneficiary in accordance with the terms and conditions of this Deed of Trust.

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

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

**4.6 Legal Actions.** Trustor will appear in and defend any action or proceeding before any court or administrative body purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and will pay all costs and expenses, including cost of evidence of title, title insurance premiums, and any fees of attorneys, appraisers, environmental inspectors, and others, incurred by Beneficiary or

Trustee, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust and in any nonjudicial foreclosure of this Deed of Trust.

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

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

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

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

## **6. REMEDIES UPON DEFAULT.**

**6.1 Foreclosure of Deed of Trust.** Upon the occurrence of any event of default under this Deed of Trust, Beneficiary may cause the Property to be sold by foreclosing this Deed of Trust in any manner then permitted by law. Trustee may act as agent for Beneficiary in conducting any such sale.

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

## **7. TRUSTEE.**

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

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

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

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

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

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

After deducting all of the costs, fees, and expenses of Trustee and of this trust, including the cost of title search and title insurance and reasonable attorneys' fees in connection with the sale, Trustee shall pay the proceeds of the sale to the Beneficiary.

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

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

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

## **8. HAZARDOUS SUBSTANCES.**

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

8.1.1 Trustor will not cause or permit any Hazardous Substance to be brought upon, kept, used, or generated by Trustor, its agents, employees, contractors, or invitees, in the operation of the Property unless the use or generation of the Hazardous Substance is necessary for the prudent operation of the Property in the ordinary course of Trustor's business and operations and in compliance with all Environmental Laws.

8.1.2 Trustor will at all times and in all respects and at its own expense comply with all Environmental Laws.

8.1.3 At any time, and from time to time, if Trustee so requests, Trustor shall forward to Trustee the most recent environmental review, audit, assessment and/or report relating to the Property procured by Trustor, at the sole cost and expense of Trustor.

8.1.4 Trustor will, at its sole expense, take all actions as may be necessary or advisable for the clean-up of Hazardous Substances on or with respect to the Property, including without limitation all removal, containment and remedial actions in accordance with all applicable laws, and shall further pay or cause to be paid all clean-up, administrative and enforcement costs of governmental agencies with respect to Hazardous Substances on or with respect to the Property if obligated to do so by contract or by law. Trustor will immediately notify the Trustee should Trustor become aware of any actual or potential liability, lien, or violation with respect to Hazardous Substances stored, disposed or released in, on or about the Property. Trustee may require from Trustor assurances that Trustor is taking all actions as may be reasonably required for the clean-up of Hazardous Substances in or with respect to any of the Property; provided, that for all purposes under this Section. Trustor shall, upon the Trustee's request therefor, provide the Trustee with, and the Trustee shall be fully protected in relying upon, without further investigation or further duty to determine

whether any removal, containment and/or remedial actions are satisfactory, either (A) the written approval of such actions by any independent environmental consultant selected by Trustor and not objected to in writing by Trustee or Beneficiary within thirty (30) days after receipt of notification of Trustor's selection; or (B) written notice from Trustor that Trustor is contesting in good faith any such requirement by appropriate legal proceedings.

## **8.2 Definitions.** As used in this Section 8:

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

8.2.2 "Hazardous Substance" means any substance or material now or hereafter defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any Environmental Laws. Trustor is expressly permitted to engage in the handling, transferring, storing or processing of propane, methane, butane or any other natural gas product on the Property so long as it does so in compliance with all applicable Environmental Laws.

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

## **10. MISCELLANEOUS.**

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

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



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

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

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

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

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

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

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

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

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

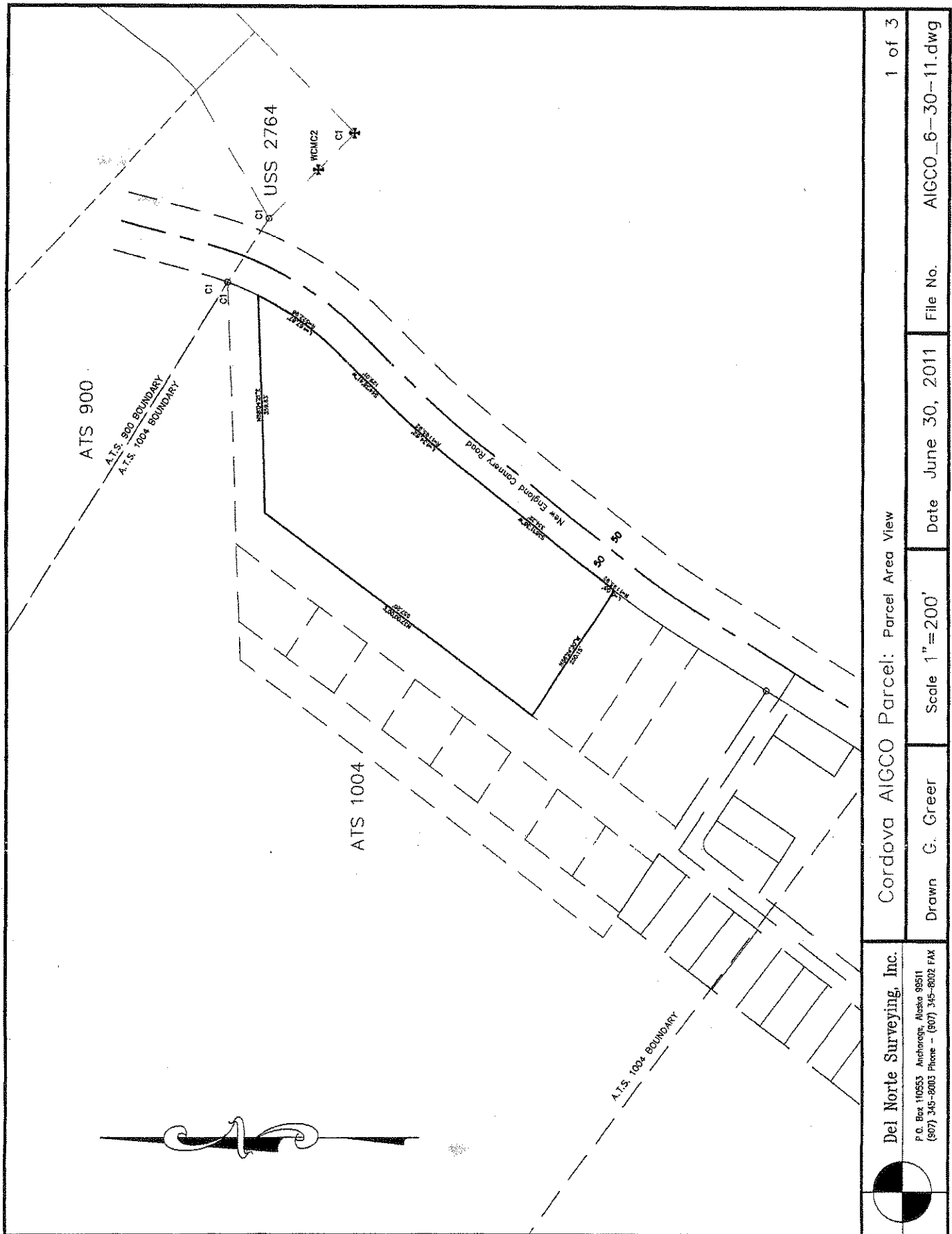
TRUSTOR: ALASKA INTRASTATE GAS COMPANY

By: \_\_\_\_\_  
Francis L. Avezac, President

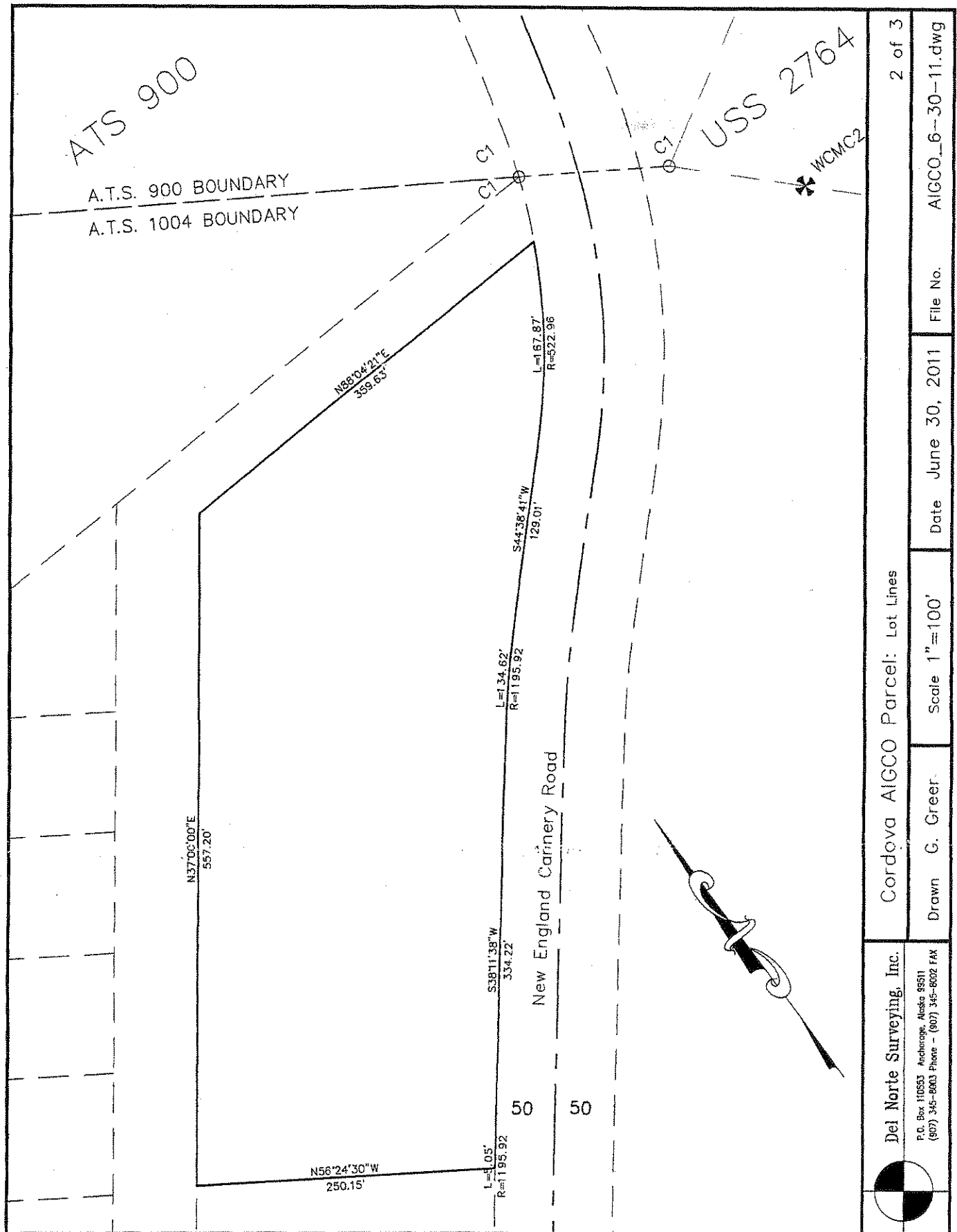
STATE OF ALASKA                    )  
  ) ss:  
THIRD JUDICIAL DISTRICT        )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2011, by Francis L. Avezac, President of ALASKA INTRASTATE GAS COMPANY, an Alaska Corporation, on behalf of said Corporation.

\_\_\_\_\_  
Notary Public in and for Alaska  
My commission expires: \_\_\_\_\_



Del Norte Surveying, Inc. P.O. Box 110553 Anchorage, Alaska 99511 (907) 345-9003 Phone - (907) 345-9002 FAX		Cordova AIGCO Parcel: Parcel Area View		1 of 3	
Drawn G. Greer		Scale 1"=200'		Date June 30, 2011	File No. AIGCO_6-30-11.dwg



AIGCO Parcel

A tract of land within the easterly portion of Alaska Tidelands Survey No. 1004, per Plat 76-2, filed in the Cordova Records Office on May 5, 1976 and the easterly portion of Alaska Tidelands Survey No. 900, per Plat 77-2, filed in the Cordova Records Office on February 18, 1977 and more particularly described as follows:

COMMENCING FOR REFERENCE at the brass cap monument W.C.M.C. No. 2 U.S. Survey No. 2764;

Thence N 45°02' W, 115.50' to Corner 1, Tract A, Alaska Tidelands Survey No. 900;

Thence N 57°30' W, 125.47' to Corner 1, Tract B, Alaska Tidelands Survey No. 900 which is coincident with Corner 1, Alaska Tidelands Survey No. 1004 and is a point on the westerly Right of Way of New England Cannery Road (Orca Road);

Thence along a curve to the right, coincident with the westerly Right of Way of the New England Cannery Road, having a radius of 522.96 feet, an arc length of 55.26 feet, a chord bearing of S 23°13'33" W, and chord length of 55.24 feet to the TRUE POINT OF BEGINNING for this description;

Thence along a curve to the right, coincident with the westerly Right of Way of the New England Cannery Road, having a radius of 522.96 feet, an arc length of 167.87 feet, a chord bearing of S 35°26'56" W, and chord length of 167.15 feet;

Thence S 44°38'41" W, 129.01 feet continuing coincident with the westerly Right of Way of the New England Cannery Road;

Thence along a curve to the left, having a radius of 1195.92 feet, an arc length of 134.62 feet, a chord bearing of S 41°25'12" W, and chord length of 134.55 feet;

Thence S 38°11'38" W, 334.22 feet;


Thence along a curve to the left, having a radius of 1195.92 feet, an arc length of 5.06 feet, a chord bearing of S 38°04'22" W, and chord length of 5.05 feet, from which the most easterly corner of the Ocean Dock Subdivision, per Plat 83-7, filed in the Cordova Records Office on July 26, 1983, bears S 33°06'04" W, 302.82 feet, said point being the intersection of the easterly Right of Way of Sea Gull Avenue and the westerly Right of Way of New England Cannery Road;

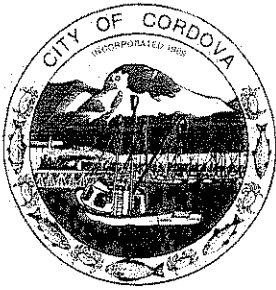
Thence departing the westerly Right of Way of the New England Cannery Road, N 56°24'30" W, 250.15 feet across tidelands;

Thence N 37°00'00" E, 557.20 feet across tidelands;

Thence N 88°04'21" E, 359.63 feet across tidelands to the POINT OF BEGINNING and the TERMINUS of this description.

Containing 4.00 acres, more or less.

	Del Norte Surveying, Inc.		Cordova AIGCO Parcel: Parcel Description		3 of 3
	P.O. Box 110553 Anchorage, Alaska 99511 (907) 345-8003 Phone - (907) 345-8002 FAX		Drawn G. Greer	Date June 30, 2011	File No. AIGCO_6-30-11.dwg



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*

September 14, 2011

Memo to City Council

Re: 2012 CIP List – Electronic Health Records

Bruce Lamoureux, CEO of Providence Alaska visited Cordova on Tuesday September 13<sup>th</sup>. During his visit we talked about some future issues with CCMC and one topic that came up is the matter of Electronic Health Records (EHR). Currently there is a Federal mandate for all hospitals and physicians to implement EHR by 2014. The current estimated cost for the system is \$750,000 to \$1,000,000, and Mr. Lamoureux indicated that there are no grants available to implement this federal mandate.

In 2010 EHR was on our CIP, but was removed in 2011, as I recall, due to the uncertainty of who would be managing CCMC in the future. Now that we know, and based on my conversation with Mr. Lamoureux, I recommend that EHR be placed back on the 2012 CIP list. I recommend placing it in the top five, and as high as possible, since without funding in 2012 the City might be faced with having to fund this with no state or federal funding support.

Thank you,

Mark Lynch  
City Manager

Recommended Motion: I move to amend Resolution 09-11-39 to place Electronic Health Records at number \_\_\_\_ on the City of Cordova's 2012 CIP list.

**CITY OF CORDOVA, ALASKA  
RESOLUTION 09-11-39**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
DESIGNATING CAPITAL IMPROVEMENT PROJECTS.**

**WHEREAS**, the Cordova City Council has identified several Capital Improvement projects that will benefit the citizens of Cordova, and in several cases the entirety of Prince William Sound; and

**WHEREAS**, the City Council of the City of Cordova has identified the following Capital Improvement projects as being critical to the future well being and economy of Cordova and the surrounding area:

1. Hospital roof replacement & other minor exterior repairs
2. South Fill Expansion & Sawmill Avenue Extension
3. South Fill Sidewalks
4. Shipyard Building
5. Shipyard Fill
6. Public Safety Building
7. Recreation Building
8. Water / Wastewater Plant upgrades
9. Ferry Trail

and;

**WHEREAS**, some or all of these projects will be submitted to State or Federal legislators and agencies as Capital Improvement projects in the City of Cordova, Alaska.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby designates the above listed projects as Capital Improvement projects.

**PASSED AND APPROVED THIS 21<sup>st</sup> DAY OF SEPTEMBER, 2011**

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

ATTEST:

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

# Memo

**To:** Mayor and City Council  
**From:** Moe Zamarron, Director of Public Works  
**CC:** Mark Lynch, City Manager  
**Date:** September 21, 2011  
**Re:** Used tire disposal

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## TOPIC DESCRIPTION

Investigate used tire accumulation within the City of Cordova and assess impact on public and private resources.

- Used tires represent a significant drain on public resources primarily in the areas of the associated ecological disturbance and the reduction in usable airspace at the city landfill.
- NAPA, the sole receiver of used tires other than the City, accepts on the order of 300 used tires per year through new tire sales. Because of unauthorized dumping on their property they are called on to dispose of 2,000 tires or more each year.

## COST PARAMETERS

Costs associated with used tire disposal affect both public and private entities.

- Used tires ultimately end up in the City landfill either directly or through channels requiring repeated handling by solid waste division personnel. Annual labor costs for handling, transportation and final placement are about \$2,300. Landfill space lost to tire disposal equals 18,000 cubic feet. Airspace in the 17 mile landfill, taking into account processing, permitting and administrative costs approximately \$0.35 per cubic foot. Airspace cost is \$6,300 and combined with labor equals \$8,600 annually. Fees and disposal rates cover about \$4,900 of this for an annual loss of \$3,700.
- NAPA spends \$4,800 each year in disposal fees and transportation and receives about \$600 toward that expense.

## SUMMARY

Attention should be directed toward a cooperative solution that addresses collection, handling and disposal efforts and the cost relating to each. This may include specialized transport and processing equipment, shared collection efforts and final use options.

Thank you,  
Moe Zamarron



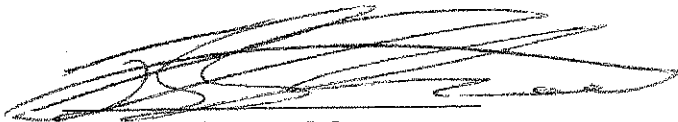
Anchor Auto/Marine, Inc.  
P.O. Box 2342  
Cordova, Alaska 99574  
907-424-7278

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

August 10, 2011

Attn: Mayor/City Council

As you may or may not be aware, Anchor Parts (Napa) provides a convenient service to the citizens of Cordova. We provide a drop off location for citizens to dispose of their old used tires. This prevents unnecessary disposal of tires into the dumpsters around town, and also hopefully prevents those from disposing these old tires into the ocean, or heaving them onto the side of the road somewhere. We utilize the landfill to haul these tires to when we have an end dump full or more. It is a fairly costly endeavor for us to do this as we are charged for use of the end dump truck and the cost of someone hauling the load(s) to the landfill. In addition, we are charged fees for landfill usage by the City of Cordova. We have recently learned as well, that people have been told by garbage department personnel to drop off their tires behind Napa, ( this results in tires that may or may not have originated from our store) thus resulting in us incurring the cost of disposal for tires we did not even originally sell. We would like to ask for consideration of waiver of the landfill fees, as this is saving our community from unwanted waste, and makes it convenient for people to come by anytime of the day or night and drop off the tires. Please consider this request at your next earliest convenience. Thank you.

A handwritten signature in black ink, appearing to read 'Shawn Stimson', written over a horizontal line.

Shawn Stimson, Manager

## **PENDING AGENDA**

BP Oil Spill Drill in Valdez September 28, 2011 – Council involvement – see email from Joanie Behrends – attached here

Capital Priorities List Meeting – **December 2011, March 2012, June 2012, September 2012, December 2012**

## **Committees:**

Cordova Center Committee: Tim Joyce, Sylvia Lange, VACANCY, Darrel Olsen, Larue Barnes, VACANCY, Valerie Covell, David Roemhildt, Dan Logan, Nancy Bird, and Cathy Sherman

Fisheries Advisory Committee: David Reggiani, PWSAC; Ken Roemhildt, Seafood Sales; Jim Holley, AML; Torie Baker, Marine Advisory Program Coordinator; VACANCY; and Brian Marston, ADF&G

Cordova Trails Committee: Elizabeth Senear, VACANCY, Jim Kallander, Toni Godes, and David Zastrow

Public Services Building Design Committee: David Reggiani - Chairman, Chief Baty, Martin Moe, Jim Kaesh, Dick Groff, Mike Hicks, Tom Bailer

## Susan Bourgeois

---

**From:** Behrends Family <alaska.behrends@gmail.com>  
**Sent:** Tuesday, August 23, 2011 9:55 PM  
**To:** Susan Bourgeois  
**Subject:** Re: Evacuation plan for Cordova

You bet...

BP will be conducting a drill on September 28th and has invited Cordova to join in the exercise to whatever extent we so choose. In the event of a real drill, Council would immediately meet together and follow procedures in the Emergency Operation Plan for oil spills, which would include choosing and sending an individual to Valdez as a liason, as well as setting up a local information office in Cordova.

When we met with Trish Baker (from BP), they were potentially interested in participating and we WILL have a liason over in Valdez that day to make contact with (Dan Logan, former USFS District Ranger and active Disaster Management Team member) ...should they have any any questions for the Emergency Operations Center over there. They could practice the actual procedure for obtaining information. Dan will be a real asset for them to work with over in Valdez. My suggestion/hope would be for Council to meet for 1-2 hours the morning of the spill and go through the actual procedures. I would be there with them and walk them through each step...as a training.

If you would like me to write a letter to the Council for you to read, I would be happy to. smiles, joanie

On Tue, Aug 23, 2011 at 1:55 PM, Susan Bourgeois <[cityclerk@cityofcordova.net](mailto:cityclerk@cityofcordova.net)> wrote:

Joanie,

I was going to put a note on Council's pending agenda for the meeting of September 7 about the oil spill drill that BP is conducting on September 28. What is it that I need them to discuss or decide? Something about their involvement? Can you summarize for me what we intended to ask of Council.

Thanks,

Susan

→ forgot...oops -  
doing it 9/21/11  
instead

Susan Bourgeois, City Clerk

City of Cordova, Alaska

PO Box 1210

Cordova, AK 99574

907-424-6248

Cell 907-253-6248

# September 2011

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
4	5 Labor Day—City Hall Offices Closed	6	7 6:30 work session 7:30 reg mtg LMR	8	9	10
11	12	13 P&Z Commission Mtg 7pm CH	14 Hrbr Cms 7pm CH HSB 7pm LMR Sch Bd 7pm HSL	15	16	17
18	19 —Clerk SERVS—	20 5:30 Prks & Rec LMR —Clerk SERVS—	21 —Clerk SERVS— 7:15 pub hrg LMR 7:30 reg mtg LMR	22 —Mgr Family visit—	23 —Mgr Family visit—	24
25	26 —Mgr Family visit— —Clerk ANC—	27 —Mgr Family visit— —Clerk ANC—	28 —Mgr Family visit— —Clerk ANC— BP Oil Spill Drill in Valdez	29 —Mgr Family visit—	30 —Mgr Family visit—	Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib

# October 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room						1
2	3	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 Hrbr Cms 7pm CH HSB 7pm LMR Sch Bd 7pm HSL	13	14	15
16	17	18 Alaska Day—City Hall Offices Closed	19 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	20	21	22
23	24	25 5:30 Prks & Rec LMR	26	27	28	29
30	31					Location Legend CH—City Hall Conference Room LMR—Library Meeting Room

# November 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	3 —Clerk in FBX—	4 —Clerk in FBX—	5 —Clerk in FBX—
6 —Clerk in FBX—	7 —Clerk in FBX— —AML—FBX—	8 P&Z Commission Mtg 7pm CH —Clerk in FBX— —AML—FBX—	9 Hrbr Cms 7pm CH HSB 7pm LMR Sch Bd 7pm HSL —AML—FBX—	10 —AML—FBX—	11 Veteran's Day—City Hall Offices Closed —AML—FBX—	12
13	14	15	16 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	17	18	19
20	21	22 5:30 Prks & Rec LMR	23	24 Thanksgiving—City Hall Offices Closed	25 Thanksgiving—City Hall Offices Closed	26
27	28	29	30			

# December 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	8	9	10
11	12	13	14 Hrbr Cms 7pm CH HSB 7pm LMR Sch Bd 7pm HSL	15	16	17
18	19	20 5:30 Prks & Rec LMR	21 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	22	23	24
25	26 Christmas holiday— City Hall Offices Closed	27	28	29	30	31