

Mayor
James Kallander

Council Members
Tim Joyce
James Kacsh
David Allison
Bret Bradford
EJ Cheshier
David Reggiani
Robert Beedle

City Manager
Mark Lynch

City Clerk
Susan Bourgeois

Deputy Clerk
Tina Hammer

Student Council
Carl Ranney

**REGULAR COUNCIL MEETING
OCTOBER 17, 2012 @ 7:30 PM
LIBRARY MEETING ROOM**



AGENDA

A. CALL TO ORDER

B. INVOCATION AND PLEDGE OF ALLEGIANCE

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

C. ROLL CALL

Mayor James Kallander, Council members Tim Joyce, 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 – John Bost of Mikunda Cottrell to present the City’s 2011 audit
2. Audience comments regarding agenda items..... (3 minutes per speaker)
3. Chairpersons and Representatives of Boards and Commissions
(Harbor, HSB, Parks & Rec, P&Z, School Board)
4. Superintendent’s Report..... (page 1)
5. Student Council Representative’s Report

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

6. Record excused absences of Council members Bret Bradford and Robert Beedle from the
10/03/12 Regular Council Meeting

H. APPROVAL OF MINUTES

7. Minutes of 09-05-12 City Council Joint Work Session..... (page 4)
8. Minutes of 09-19-12 City Council Work Session..... (page 5)
9. Minutes of 10-03-12 City Council Work Session..... (page 7)
10. Minutes of 10-03-12 City Council Regular Meeting..... (page 9)

I. CONSIDERATION OF BIDS

J. REPORTS OF OFFICERS

11. Mayor’s Report
12. Manager’s Report..... (page 13)
13. City Clerk’s Report..... (page 14)
14. Staff Reports - 3Q 2012 Quarterly Reports
 - a. Ashley Royal, Finance Director..... (page 15)
 - b. Paul Trumblee, Fire Marshal, CVFD..... (page 18)
 - c. Moe Zamarron, Public Works Director..... (page 24)
 - d. Miriam Dunbar, Library Director..... (page 30)
 - e. Samantha Greenwood, City Planner..... (page 33)
 - f. Buck Adams, UBS Financial, City Investments..... (page 34)
 - g. Susie Herschleb, Park & Recreation Director..... (page 65)

K. CORRESPONDENCE

15. Full Value Determination letter from the Office of the State Assessor 10-01-12..... (page 67)

L. ORDINANCES AND RESOLUTIONS

16. Substitute Ordinance 1098..... (roll call vote)(page 68)

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code Chapter 3.36 to clarify the authority and responsibilities of the School Board – 2nd reading

17. Ordinance 1099..... (voice vote)(page 71)

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code 5.22.040 and enacting Cordova Municipal Code 5.22.090 K to clarify procedures for leasing city-owned school buildings – 1st reading

M. UNFINISHED BUSINESS

N. NEW & MISCELLANEOUS BUSINESS

18. Council approval of *Today in America* TV show segment..... (voice vote)(page 76)
19. Council approval of Notice to Proceed for SRTS project..... (voice vote)(page 78)
20. Council decision on property disposal, Lot 6, Block 2 South Fill DP..... (voice vote)(page 109)
21. Council decision on property disposal, Lot 2, Block 3 Cordova Industrial Park..... (voice vote)(page 134)
22. Pending Agenda and Calendar..... (page 159)

O. AUDIENCE PARTICIPATION

P. COUNCIL COMMENTS

23. Council Comments

Q. EXECUTIVE SESSION

24. Cordova Center Phase I & II Financial Updates
25. City of Cordova Financial Audit for 2011

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.

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you may contact 424-6200 for assistance.**

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Superintendent's Report to Cordova City Council

October 10, 2012

Maintenance

Broken Window Elementary School

One of the windows in the common area was vandalized sometime between the night on Sep 29 and the morning of Sep 30. The new window is being ordered through capitol glass and should be here and installed by Nov 1st.

Sewer Clog ILP Building

There was a massive sewer clog in the new ILP building coming up in the toilet. The clog was 115' away from the building. All of the evidence suggests that it has been a problem for a while and is just now showing up. That sewer line is something that we will need to keep an eye on to make sure that we don't have an installation problem.

Water Leak Kitchen High School

When the wind was blowing excessively we were getting water into the kitchen at the High School. All the signs show that the water is being forced under the siding. The weather wall is starting to show water damage and has a small bug infestation.

Playground Elementary

The contracted repairs have been approved by the Insurance, but still waiting for underwriting. North Pacific Erectors are moving forward; however, reconstruction of the covered playground will not begin until spring of 2013. The playground equipment has a manufacturing/delivery timeline of @ 60 months, but we are working to expedite the timeline to try to have the playground complete by fall of 2013.

Lean-to High School

The contracted repairs have been approved by the Insurance, but still waiting for underwriting. North Pacific Erectors are moving forward, and predict that the vocational building at the high school should be complete by the end of November.

Elementary Window Leaks

We have received an estimate for window repairs; however, it is not specific. We have asked Dar-Con and Capital Glass to prepare a report that includes photographs, perceived problems, and detailed solutions. Capital Glass re-caulked the windows, to see if that helps; however, we haven't had much rain (ironically) since, so we don't have anything to report.

Budget

Please see attached documents. Local and State contributions based on the State funding template that includes recently released property values and a student ADM projected for the 13-14 school year.

A	B	C	D	E	F	G	H	I	J	K	L	M	
			UPDATED 11/3/11				D x .00265	E x .45	D x .002	F x .23	Lesser of G or H	Greater of I or J	K + L
											</		

**CITY COUNCIL JOINT WORK SESSION
WITH THE CORDOVA SCHOOL BOARD
SEPTEMBER 05, 2012 @ 6:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kallander called the Council Joint Work Session to order at 6:30 pm on August 2, 2012, in the Library Meeting Room.

B. ROLL CALL

CITY COUNCIL: Present for roll call were *Mayor James Kallander* and Council members *James Kacsh*, *David Allison*, *Bret Bradford*, *EJ Cheshier*, *David Reggiani* and *Robert Beedle*. Council member *Tim Joyce* was present via teleconference. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

SCHOOL BOARD: Present for roll call were Board members *Pete Hoepfner*, *Dan Reum* and *Kate Alexander*. Board Members *Shawn Gilman* and *Jon Nichols* were absent. Also present was Superintendent *Theresa Keel*.

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience comments regarding agenda items - none

D. WORK SESSION TOPIC

2. Discussion of a draft ordinance updating the School Board section of the Cordova Municipal Code
Reggiani said that he, *Theresa Keel* and *Mark Lynch* had not gotten together since the last work session. He said we were down to the last few sections of the ordinance language. *Hoepfner* said at the School Board meeting the ordinance had been discussed and they were fine with the 3.36.080 (A&B).

The work continued with discussion on 3.36.080 C. The school district clarified that funding was their number one priority and they wanted to ensure that they would not affect funding by collecting on leases. They agreed that the City should have the last say on who the buildings are leased to long-term. After lengthy back and forth discussion, it was agreed upon to read as follows: "Leases with a term of 30 or more consecutive days shall be in accordance with CMC 5.22."

Reggiani thought discussion should turn to maintenance. *Kacsh* mentioned that he really doesn't want to see a committee. *Alexander* said there was a facilities committee within the district already – she also would not like to see another committee. *Hoepfner* agreed that it could get accomplished between School facilities staff and City facilities staff and he believed that this whole section (3.36.090) is not necessary. There was agreement that a preventative maintenance program be instituted for all City buildings.

In wrapping up the work session, *Mayor Kallander* asked *John Bitney*, City Lobbyist, to talk for a minute about his lobbying efforts in Juneau. *Bitney* explained how when different groups lobby in Cordova all the legislators are thinking is Cordova, so how we act and what we say reflects on all of Cordova. *Mayor Kallander* agreed that there needs to be better cooperation between all those who go to Juneau lobbying on behalf of the City of Cordova.

E. ADJOURNMENT

M/Allison S/Reggiani to adjourn the work session

Hearing no objection the work session was adjourned at 7:29 pm

Approved: October 3, 2012

Attest: _____

Susan Bourgeois, City Clerk

**CITY COUNCIL WORK SESSION
SEPTEMBER 19, 2012 @ 6:00 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Vice Mayor David Reggiani called the Council Work Session to order at 6:00 pm on September 19, 2012 in the Library Meeting Room.

B. ROLL CALL

Present for roll call were *Vice Mayor David Reggiani* Council members *Tim Joyce, James Kacsh, David Allison, EJ Cheshier* and *Robert Beedle*. *Mayor James Kallander* and Council member *Bret Bradford* were absent. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience Comments regarding agenda items - none

D. WORK SESSION TOPIC

2. Public Works Director, *Moe Zamarron*, discussion of Public Works Department spending
Zamarron provided Council with a spreadsheet that summarized the overages within the Public Works department divisions over the course of 2012. *Moe* wanted to clarify that it has been a tough year for the divisions as well as the entire City. He went on to explain that we have received many grants but all grants (DEC grants) require hefty City matches. 30% is often the required match and 30% of a big number is a big number. He said that the 2012 overages are mostly due to the snow but that wasn't the only contributing factor. Some of our equipment has been sorely lacking proper maintenance and in water and wastewater we are overspending in order to meet stringent regulations being placed upon us. His estimate for the end of year shortage for all divisions within Public Works together is \$342,500. He believes that within the budget he foresees us having the ability to cover \$195,000 of that. Therefore, \$147,500 would be the more realistic number for a shortage. This is 2012 information.

As far as 2013, he foresees approximately \$3.6M in need and low interest loans equaling approximately \$2.5M of that. Which still leaves a pretty big number for matches for 2013; he understands this will be discussed at budget.

He doesn't expect answers tonight but instead has his full staff here to answer questions of Council so this can be understood; i.e. how did we get here.

Reggiani began by asking if these overage amounts are dollars *Moe* anticipates spending or that has already been spent in 2012. *Zamarron* said that most have already been spent. A few were yet to be spent but like the narrow band radios are mandated to be purchased by 2013. *Joyce* had a specific question about "heavy equipment repairs" he wondered if these funds couldn't be taken from depreciation accounts that are already in place; i.e. as long as the repairs would/could prolong the life of the piece of equipment. *Zamarron* said he would look into balances of those accounts. He also has been looking into re-outfitting some of our existing pieces of equipment with snow removal capabilities.

Kacsh said that enterprise funds must carry themselves, i.e. rates to support expenses. The streets department on the other hand is a general fund division within Public Works. *Cheshier* asked about loans in place. *Zamarron* said these low-interest loans are fairly easy to obtain and we are able to de-obligate and shift them around. We have access to them and don't pay any interest until we use portions of them. *Lynch* mentioned how some of these expenditure, although unbudgeted were approved by Council and so as in the past we will have a budget amendment resolution coming before Council in the latter months of the year to capture all of such in one fell swoop. *Joyce* reiterated and specified that he

thinks at least three of the items listed under Refuse (4. Heavy equipment repairs, 5. Heavy vehicle repairs and 6. Baler machine repairs) should be looked at considering the depreciation accounts that have been set up and contributed to over the years for funding. That is to say, only if it will extend the life of the equipment; not routine maintenance.

E. AUDIENCE PARTICIPATION - none

F. COUNCIL COMMENTS

Beedle thanked *Moe* for the presentation.

Cheshier said “ditto”.

Allison thanked the staff members for coming out to answer questions; he is supportive of the projects.

Joyce asked *Moe* to get with *Lynch* to determine depreciation and whether the equipment is worth fixing or not.

Reggiani also thanked *Moe* and all the staff for coming.

G. ADJOURNMENT

M/Allison S/Kacsh to adjourn

Hearing no objection the meeting was adjourned at 6:32

Approved: October 17, 2012

Attest: _____
Susan Bourgeois, City Clerk

**CITY COUNCIL WORK SESSION
OCTOBER 03, 2012 @ 6:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Vice Mayor David Reggiani called the Council Work Session to order at 6:53 pm on October 03, 2012 in the Library Meeting Room.

B. ROLL CALL

Present for roll call were *Vice Mayor David Reggiani* and Council members *Tim Joyce*, *James Kacsh* and *EJ Cheshier*. *Mayor James Kallander* was present via teleconference. Council members *David Allison*, *Bret Bradford* and *Robert Beedle* were absent. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience Comments regarding agenda items - none

D. WORK SESSION TOPIC

2. 2013 Budget – Revenue projections/discussion

Lynch presented revenues to Council and mentioned that in lieu tax payments was budgeted for 2013 at \$400,000 and that would be the last year for those payments. *Lynch* also did some digging with *Bitney's* help on Forest Receipts (Secure Rural Schools Funding) and they determined that this is the last year it is authorized (i.e. 2013) and the amount will be 95% of the 2012 amount. That payment comes in January so what we received in January of 2012, we should see 95% of that in January of 2013. On his worksheet, *Lynch* said he had those as lower estimates so Council can jot these numbers down. Roads should be \$93,488 and schools should be \$869,679 whereas *Lynch* had estimated \$80,000 and \$800,000 respectively. *Lynch* moved on to a \$400,000 transfer from Permanent fund which is the amount we budgeted for 2012 to cover the reorganization of the hospital (i.e. Providence contract, etc.) and it had been determined that that was a capital item therefore the transfer from permanent fund to cover it. He didn't know how Council felt about it for the coming year. Last year there was a \$400K loan as well as a \$400K payment - \$250K for Providence's contract and \$150K for the salary and benefits of the hospital administrator. There was discussion around the table and Council concurred that the \$400K transfer from Permanent fund should be scratched if it was for operating expenses (i.e. hospital operations and a salary). *Lynch* said he would do so.

Questions from Council before *Lynch* got into his sales tax discussion/calculations/estimate:

Joyce: asked why Planning Department permit fees have gone from \$4,500 to \$20,000. *Lynch* said they have a job posted presently for a City Building Inspector and the \$20,000 is a guess for the revenues that will now be captured due to the inspections etc. that he will perform that until now builders have had to bring people in from Anchorage to do.

Kacsh opined that \$20K was a high guess for an unknown – he would prefer a low estimate when it comes to unknown revenues. *Mayor Kallander* said that inspections run about \$2K + overhead. He is a big supporter of this because it is cost-effective for the community. Second, the City will now have inspected buildings which are safer and good for the community. He thinks \$20K is a reasonable number. *Reggiani* reminded that we typically come back to revenues two or three times during the budget process so we can further refine this number.

Sales Tax: *Lynch* used averages and extrapolated and used prior years back five years and known numbers and arrived at a projected amount for 2013 to be \$4.456M. Using the same extrapolation, he said the 2012 numbers were really close to the actuals. He felt comfortable using \$4M as a revenue

amount for sales tax for 2013. **Joyce** just wanted to ensure that the 66% increase from 2011 to 2012 was not a fluke or an error because of so it would skew the extrapolated amount that **Lynch** was using for 2013. **Reggiani** asked for clarification and if the \$1.8M was an actual or an estimate and **Lynch** said it was an actual that was in the books.

Kacsh went on to say that he opined that \$4M was too high of an estimate to use for 2013. He likes to base sales tax on prior years fishing and he also thinks there have been big projects that are now completed. School projects, Cordova Center Phase I etc. He thinks on an average fishing year not as much is spent the following year. **Lynch** said he budgeted flat. \$4M is projected for 2012 and he budgeted flat \$4M for 2013. **Mayor Kallander** said that seining may have been an average year but gillnetters had an exceptional year (probably an all-time record for revenue) and he thinks fishermen spend in the same year they earn in order to get the tax deduction. He is ok with the \$4M or they can be adjusted down a bit if Council chooses to do so. **Reggiani** said he agrees \$4.5M is way too high and \$4M that **Lynch** put in is appropriate. As far as raw fish tax, **Lynch** said his source at the state said that it should be flat and 2013 might be similar to 2012.

E. AUDIENCE PARTICIPATION - none

F. COUNCIL COMMENTS - none

G. ADJOURNMENT

M/Joyce S/Cheshier to adjourn

Hearing no objection the meeting was adjourned at 7:25 pm

Approved: October 17, 2012

Attest: _____
Susan Bourgeois, City Clerk

**CITY COUNCIL REGULAR MEETING
OCTOBER 03, 2012 @ 7:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Vice Mayor David Reggiani called the Council Regular Meeting to order at 7:30 pm on October 03, 2012, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Vice Mayor David Reggiani led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were Council members *Tim Joyce*, *James Kacsh*, *David Allison* (teleconference), *EJ Cheshier*, and *David Reggiani*. *Mayor James Kallander* was also present via teleconference. Council members *Bret Bradford* and *Robert Beedle* were absent. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

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

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

E. DISCLOSURES OF CONFLICTS OF INTEREST - none

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

Cheshier said the HSB just met this evening and they approved the 2013 calendar budget and they will bring forward that and the capital budget to Council at their next meeting.

Kacsh mentioned that Parks and Recreation Commission would be meeting on October 9.

Reggiani said that P&Z would be meeting next Tuesday (October 9).

4. Superintendent's Report

Theresa Keel was present and asked if there were questions on her written report. She said they were still waiting for the results of the window assessment for Mt. Eccles. *Reggiani* asked if there was any info on the broken window at Mt. Eccles. *Keel* just said that it occurred on Saturday night and they are working on getting it replaced and they have a lot of ears out there. *Joyce* asked about boiler #1. She explained that boiler #1 was offline and she doesn't anticipate ever needing it again. Between the waste oil burner and the other smaller boiler there is no need. There should be some energy savings on this decision. She will bring a question to her board concerning what to do with boiler #1. *Kacsh* asked about a student council representative. *Bourgeois* said that she was in touch with the student council advisor and a new student should be attending Council meetings again soon.

G. APPROVAL OF CONSENT CALENDAR

Vice Mayor Reggiani informed Council that the consent calendar was before them.

5. Resolution 10-12-44

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into an agreement with Appraisal Company of Alaska for tax year 2013 assessment services in the amount of fifteen thousand dollars (\$15,000)

6. Record excused absence of Council member Bret Bradford from 9/19/12 Regular Council Meeting
Vote on Consent Calendar: 5 yeas, 0 nays, 2 absent (Bradford, Beedle). Joyce-yes; Cheshier-yes; Kacsh-yes; Reggiani-yes and Allison-yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Cheshier S/Joyce to approve the minutes.

7. Minutes of 09-19-12 City Council Public Hearing

8. Minutes of 09-19-12 City Council Regular Meeting

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

I. CONSIDERATION OF BIDS - None

J. REPORTS OF OFFICERS

9. Mayor's Report

Mayor Kallander stated that he met with *Cathy, Mark, Tim* and the *Vice Mayor* to discuss strategies for raising capital for the Civic Center. He also had a good phone call with *Theresa Keel* about some of these issues that are before us concerning the school. He is putting together a trip to DC and *Bitney* will come along. It will be for two days, October 22, 23, he has a place to stay and it will mostly be on his nickel. Murkowski's staff is setting him up to meet with the whole delegation; he will be trying to raise capital for the Civic Center. He has spoken with *O'Halloran* and he will try to get us somehow in the transportation bill for the 36 mile bridge project and also recently DoT has lowered the limit on the Eyak River Bridge and you'd be hard-pressed to move a piece of heavy equipment over there now. On Monday he is meeting with Commissioner Streur and he will explain to him how hard we tried to work out a deal regarding Ilanka remaining at the hospital. He will also ask for guidance on obtaining capital for electronic health records. *Joyce* thanked the Mayor and commented that he thinks he's going down the right road.

10. Manager's Report

Lynch reported that Council should strike the line in his report that mentions a memo in the packet regarding SRTS. He was scrambling at the last minute and neglected to take that out. He intended to try to write such a memo. We did have a good meeting, *Sam, Moe, Reggiani, Bradford* and *Theresa*, and at this point it's looking positive. The North Fill floating dock is moving along; two piles are in and two are being driven. The dock should be in early spring, no later than May 1.

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

12. Staff Reports – none

K. CORRESPONDENCE

13. Mayor Kallander letter to Tom Bailer in re Health Care housing

L. ORDINANCES AND RESOLUTIONS

14. Substitute Ordinance 1098

An ordinance of the City Council of the City of Cordova, Alaska, adopting Cordova Municipal Code 3.36.080 and 3.36.090 to clarify the authority and responsibilities of the School Board – 1st reading

M/Kacsh S/Joyce to adopt Substitute Ordinance 1098

An ordinance of the City Council of the City of Cordova, Alaska, adopting Cordova Municipal Code 3.36.080 and 3.36.090 to clarify the authority and responsibilities of the School Board

Reggiani said he and *Mark* and *Theresa* had a very productive meeting last week. Insurance was agreed upon, the City would provide but the Superintendent would be the designee at the school. *Joyce* agreed that the insurance is most cost-effective to all be under the City due to the savings in paying out

deductibles (i.e. at School and/or Hospital). Especially, it is appropriate for the Superintendent and Hospital administrator to be the designees at those locations. He also didn't believe it was a bad idea to have it in code that the lease income be designated directly for the school district. He said such leasing (more than 30 days) needs to go through a public process. **Cheshier** agreed. **Mayor Kallander** said he agrees with **Joyce** as well; he said there are differing responsibilities. The Council's is to all taxpayers equally; the School District's (School Board's) is to education. He believes the process on leasing the school building should go through the School Board, the Planning Commission and then to Council. **Kacsh** said that this needs to be decided when 5.22 comes before us again. He thinks that should happen really soon. **Reggiani** agreed; he thinks 5.22 should now be looked at and that the School Board should be the gatekeeper on leases at schools. **Joyce** said he is in support of this ordinance tonight and would also agree that 5.22 should be next. **Theresa Keel** said her concern now is the timeline of putting leases through 5.22 – the process could be very time consuming and she is unsure if the new lease would/could be completed timely enough. **Reggiani** said he would work on 5.22 with the **Joyce** and **Theresa** and get first reading in the next packet. **Joyce** opined that the key edit to 5.22 will be the part that speaks to where the funds go; presently any City lease payments enter directly into the General Fund. **Mayor Kallander** thanked **Theresa** and he was glad that the Board realized that there was no public process on the initial lease to the PWSCC. He also said that it still sticks in his craw that the School Board's own policy speaks to the need to present a budget to the Council by November 1 yet you and the School Board President were adamant to not have that included in this ordinance. **Mayor Kallander** said that having that codified would hold Council's feet to the fire; i.e. Council would have to act on the School's presented budget within 30 days. **Keel** clarified that the original ordinance language had much more in it than just the November 1 budget deadline, she is not at all opposed to that and in fact is presenting this year's at the October 17 City Council budget work session.

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

M. UNFINISHED BUSINESS - none

N. NEW & MISCELLANEOUS BUSINESS

15. Pending Agenda and Calendar

Kacsh asked who would be working on 5.22 – **Reggiani** said he and **Joyce** and **Keel** would ensure they would get together and have it ready for the October 17 meeting.

O. AUDIENCE PARTICIPATION

Tom Bailer 304 Orca Inlet Drive spoke about the Mayor's letter of response to him concerning hospital housing. He hopes to get the answers to his questions when the research is done. He said that he could have said the hospital over \$12,000 this past year in housing costs and no one was even interested.

P. COUNCIL COMMENTS

16. Council Comments

Mayor Kallander thanked the Council for keeping this to a short meeting.

At 8:20 pm with no objection, **Vice Mayor Reggiani** said the meeting was in recess to clear the room for executive sessions. At 8:30 pm Council came back into session.

Q. EXECUTIVE SESSION

17. Cordova Center Phase I & II Financial Updates

M/Joyce S/Kacsh to go into executive session to discuss Cordova Center Phase I & II financial updates, which are 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, Beedle). Motion passes.

Council entered executive session at 8:30 pm (the City Manager, Cathy Sherman the City Clerk stayed for the executive session); Council came out of executive session at 8:47 pm.

18. Personnel matters

M/Joyce S/Kacsh to go into executive session to discuss personnel matters, which are 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, Beedle). Motion passes.

Council entered executive session at 8:47 pm (the City Manager and the City Clerk stayed for the executive session); Council came out of executive session at 9:00 pm.

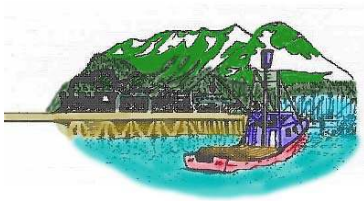
R. ADJOURNMENT

M/Joyce S/Cheshier to adjourn the regular meeting at 9:01 pm

Hearing no objection the meeting was adjourned.

Approved: October 17, 2012

Attest: _____
Susan Bourgeois, City Clerk



City of Cordova
602 Railroad Ave.
P.O. Box 1210
Cordova, Alaska 99574

Phone: (907) 424-6200
Fax: (907) 424-6000
Email:

citymanager@cityofcordova.net

CITY OF CORDOVA

Office of City Manager

October 10, 2012 Manager's Report (for 10/17/12 Council meeting)

Personnel issues: Information Services Director, Facilities Superintendent, and Finance Director positions have been advertised. We are also looking to fill a Mechanic and Equipment Operator in Public Works, and a Labor/Maintenance position in Parks & Rec.

Safe Routes to School: Memo is in your packet to move the project forward.

Hospital Roof: Construction is under way and still on schedule to have "substantial completion" by October 23rd. Crews may remain after that to complete flashings, snow guards, etc.

Harbor Study & Boardwalks: I have asked DHI to suspend work on Harbor planning until our new Harbormaster is in place. Boardwalk design work continues.

Breakwater/Fill Project: Project underway and on schedule. Should be completed before the end of October.

Science Center Lease/Purchase Negotiation: No new proposals have been received since my last communication with them.

School Window Issue: An estimate has been received and our attorney has been asked for a recommendation on how to proceed, and is reviewing information.

Shipyard Fill: Permitting work underway by DHI Engineering.

North Fill Floating Dock: Pile installation is complete, and concrete plank replacement should begin soon. The ramp will be closed once plank replacement begins. The goal is for the dock to be in place and fully functional for the 2013 fishing season (no later than May 1, and sooner if weather allows).

Ambulance Billing: We are waiting for Medicare to send us a billing number before we can proceed.

Samson Lot Swap: Working on electrical portion of move. Samson attorneys are reviewing contract.

South Fill Expansion: We have been negotiating with a facilitator to conduct Public meetings.



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

Phone: 907.424.6248
Fax: 907.424.6000
Cell: 907.253.6248
E-mail: cityclerk@cityofcordova.net

CITY CLERK'S REPORT TO COUNCIL

October 17, 2012 Regular Council Meeting

Date of Report: October 10, 2012

Things I need feedback on:

- Nothing at this time

Things I have been working on:

- Signed paychecks/other AP checks
- Prepared agendas and packets for public hearing, regular mtg and work session on October 17, 2012
- Responded to varied requests from the public, mortgage companies, banks, in re assessed values, mill rates, taxes owing, etc.
- Hired a new Deputy Clerk – Tina Hammer began work with the City on October 8 – yea!!
- Worked with Council member Reggiani on Ordinance 1099
- Passed on the MOA with DoT for Whitshed Pedestrian/Bike pathway to City Attorney as was directed at last Council meeting, awaiting review from Attorney
- Began preparations for City Assessor visit in November in re 2013 assessing
- Spent the last week training the new Deputy Clerk – she is quickly picking up property tax duties and is learning how to create agenda packets – welcome Tina Hammer
- Worked with Senator Gary Stevens office in re his visit to Cordova October 14 – 16
- Collected staff quarterly reports
- Conferred with attorney in re Code updates while she was here for P&Z training
- Continued to act as registrar for State Division of Elections, sent in many registration applications and absentee ballot applications
- Advertised and noticed Council teleconference call with *Today in America* producers
- Advertised and noticed P&Z attorney training session on variances
- Furnished Chief of Police with “Oath of Office” cards to swear in his three new police officers
- Responded to Eyak Corporation in re SLUP lot lease information requested

MEMO, City of Cordova

FROM: Ashley Royal, Finance Director
TO: City Manager, Mayor and City Council
Date: October 10, 2012
RE: Monthly Report

I have included the basic budget to actual comparison reports. Over the next few weeks we will be going over the details of each department, division and fund during our budget work sessions.

Although the general fund revenue shows less YTD percentage, compared to annual budget, than the expenditures for the same time period, remember that we haven't yet received the fish tax. When that has been received, the revenue compared to YTD expenditures should appear more favorable.

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

CITY OF CORDOVA

GENERAL FUND

FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2012

	September, 2012 PERIOD ACTUAL	YTD ACTUAL	ANNUAL BUDGET	REMAINING BUDGET	PCNT YTD/Budget
REVENUE					
TAXES	687,376.41	3,843,720.50	5,507,136.66	1,663,416.16	69.8%
LICENSES & PERMITS	60.00	7,755.00	17,800.00	10,045.00	43.6%
OTHER GOVERNMENTAL	294,223.00	1,624,403.14	2,453,553.00	829,149.86	66.2%
LEASES & RENTS	10,585.05	120,864.27	186,050.00	65,185.73	65.0%
LAW ENFORCEMENT	9,834.50	182,821.67	307,234.00	124,412.33	59.5%
D. M. V.	10,937.00	70,763.14	74,500.00	3,736.86	95.0%
PLANNING DEPARTMENT REVENUE	450.00	10,838.70	14,500.00	3,661.30	74.7%
RECREATION DEPT REVENUE	9,587.50	49,690.50	71,900.00	22,209.50	69.1%
POOL REVENUE	1,942.50	6,345.50	23,200.00	16,854.50	27.4%
SALE OF PROPERTY	0.00	2,871.00	9,600.00	6,729.00	29.9%
INTERFUND TRANSFERS IN	37,673.66	739,062.94	852,083.84	113,020.90	86.7%
OTHER REVENUE	320.80	104,921.00	81,146.00	(23,775.00)	129.3%
STATE DEBT SERVICE REIMBURSMEN	0.00	932,894.25	975,707.41	42,813.16	95.6%
Total Revenue	1,062,990.42	7,696,951.61	10,574,410.91	2,877,459.30	72.8%
EXPENDITURES					
CITY COUNCIL	221.69	6,904.68	26,150.00	19,245.32	26.4%
CITY CLERK	4,771.94	161,133.50	225,616.00	64,482.50	71.4%
CITY MANAGER	15,343.31	198,534.24	384,638.00	186,103.76	51.6%
FINANCE	15,622.25	260,772.98	358,832.00	98,059.02	72.7%
PLANNING DEPARTMENT EXPENSE	7,718.00	151,870.22	193,564.00	41,693.78	78.5%
DEPTARTMENT OF MOTOR VEHICLES	2,736.79	37,235.67	67,072.00	29,836.33	55.5%
LAW ENFORCEMENT	25,848.20	529,888.98	815,460.00	285,571.02	65.0%
JAIL OPERATIONS	7,857.60	136,840.46	200,289.00	63,448.54	68.3%
FIRE & EMS	15,892.31	207,417.91	308,606.00	101,188.09	67.2%
DISASTER MANAGEMENT DEPT.	0.00	0.00	510.00	510.00	0.0%
INFORMATION SERVICES	11,478.88	261,006.93	371,526.00	110,519.07	70.3%
FACILITY UTILITIES	8,058.54	132,577.38	145,500.00	12,922.62	91.1%
PW ADMINISTRATION	4,971.78	87,379.59	105,746.00	18,366.41	82.6%
FACILITY MAINTENANCE	9,637.11	112,315.46	197,522.00	85,206.54	56.9%
STREET MAINTENANCE	18,823.13	341,795.57	572,912.00	231,116.43	59.7%
SNOW REMOVAL	23,986.44	38,378.60	60,881.00	22,502.40	63.0%
EQUIPMENT MAINTENANCE	9,659.82	177,452.56	274,998.00	97,545.44	64.5%
PARKS MAINTENANCE	4,926.25	73,912.21	100,715.00	26,802.79	73.4%
CEMETERY MAINTENANCE DEPT.	578.22	11,025.65	8,218.00	(2,807.65)	134.2%
RECREATION - BIDARKI	14,775.73	274,969.26	339,175.00	64,205.74	81.1%
POOL	24,451.72	188,606.89	258,059.00	69,452.11	73.1%
SKI HILL	5,270.46	58,394.66	58,400.00	5.34	100.0%
NON-DEPARTMENTAL	44,296.36	333,874.38	342,830.00	8,955.62	97.4%
LONG TERM DEBT SERVICE	138,900.00	1,630,886.16	1,699,076.18	68,190.02	96.0%
INTERFUND TRANSFERS OUT	0.00	749,945.73	749,945.73	0.00	100.0%
TRANSFERS TO OTHER ENTITIES	169,014.17	2,044,094.21	2,328,170.00	284,075.79	87.8%
Total Expenditures	584,840.70	8,207,213.88	10,194,410.91	1,987,197.03	80.5%
Net Rev/Exp General Fund	478,149.72	(510,262.27)	380,000.00	890,262.27	

For Administration Use Only, 75% of the fiscal year has elapsed

CITY OF CORDOVA

GENERAL FUND

FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2012

Fund	REVENUE	September, 2012	YTD	ANNUAL	REMAINING	PCNT
		PERIOD ACTUAL	ACTUAL	BUDGET	BUDGET	YTD/Budget
101 GENERAL FUND		1,062,990.42	7,696,951.61	10,574,410.91	2,877,459.30	72.8%
104 CITY PERMANENT FUND		0.00	1,220,488.30	1,110,858.73	(109,629.57)	109.9%
203 FIRE DEPT. VEHICLE ACQUISITION		0.00	0.00	7,050.00	7,050.00	0.0%
205 VEHICLE REMOVAL/IMPOUND FUND		0.00	33,000.00	33,000.00	0.00	100.0%
401 GENERAL PROJ & GRANT ADMN		2,499.99	600,576.15	454,808.00	(145,768.15)	132.1%
410 CHIP SEAL C.I.P.		0.00	111,618.57	261,618.57	150,000.00	42.7%
502 HARBOR ENTERPRISE FUND		115,210.82	912,563.02	1,010,956.14	98,393.12	90.3%
503 SEWER ENTERPRISE FUND		58,364.36	500,092.31	627,210.00	127,117.69	79.7%
504 WATER ENTERPRISE FUND		53,010.20	556,332.10	675,593.42	119,261.32	82.3%
505 REFUSE ENTERPRISE FUND		74,434.27	641,510.95	852,300.00	210,789.05	75.3%
506 ODIK CAMP PARK		27,511.18	51,058.30	53,662.00	2,603.70	95.1%
602 HARBOR & PORT PROJECTS		0.00	124,541.36	1,760,000.00	1,635,458.64	7.1%
603 SEWER PROJECTS		0.00	0.00	113,500.00	113,500.00	0.0%
604 WATER PROJECTS		0.00	100,000.00	201,500.00	101,500.00	49.6%
605 SOLID WASTE PROJECTS		0.00	50,000.00	642,000.00	592,000.00	7.8%
702 HARBOR FUND DEP'N RESERVE		0.00	70,000.00	70,000.00	0.00	100.0%
703 SEWER FUND DEP'N RESERVE		0.00	50,000.00	50,000.00	0.00	100.0%
704 WATER FUND DEP'N RESERVE		0.00	4,236.25	4,236.25	0.00	100.0%
805 LANDFILL FUND		0.00	50,129.60	50,000.00	(129.60)	100.3%
911 E-911 SPECIAL REVENUE FUND		0.00	17,237.71	50,000.00	32,762.29	34.5%
Total Revenue		1,394,021.24	12,790,336.23	18,602,704.02	5,812,367.79	68.8%
EXPENDITURES						
101 GENERAL FUND		584,840.70	8,207,213.88	10,194,410.91	1,987,197.03	80.5%
104 CITY PERMANENT FUND		0.00	945,676.57	945,676.57	0.00	100.0%
205 VEHICLE REMOVAL/IMPOUND FUND		0.00	95.95	0.00	(95.95)	No Budget
333 2012 SNOWPOCALYPSE		5,064.97	892,730.90	0.00	(892,730.90)	No Budget
401 GENERAL PROJ & GRANT ADMN		64,395.36	436,752.94	504,808.03	68,055.09	86.5%
410 CHIP SEAL C.I.P.		0.00	26,434.15	200,000.00	173,565.85	13.2%
444 SHIPYARD FILL PROJECT		1,831.75	1,831.75	0.00	(1,831.75)	No Budget
448 SAWMILL AVENUE TRAIL PROJECT		0.00	1,930.00	0.00	(1,930.00)	No Budget
502 HARBOR ENTERPRISE FUND		51,120.80	894,873.36	1,010,956.14	116,082.78	88.5%
503 SEWER ENTERPRISE FUND		32,453.74	468,451.20	627,210.00	158,758.80	74.7%
504 WATER ENTERPRISE FUND		41,011.87	537,675.37	675,593.42	137,918.05	79.6%
505 REFUSE ENTERPRISE FUND		84,026.19	737,594.13	831,325.00	93,730.87	88.7%
506 ODIK CAMP PARK		4,084.06	33,695.34	53,662.00	19,966.66	62.8%
602 HARBOR & PORT PROJECTS		233,417.00	842,675.81	1,790,000.00	947,324.19	47.1%
603 SEWER PROJECTS		1,689.75	45,562.42	264,000.00	218,437.58	17.3%
604 WATER PROJECTS		13,834.82	49,346.50	252,000.00	202,653.50	19.6%
605 SOLID WASTE PROJECTS		0.00	80,558.60	832,000.00	751,441.40	9.7%
654 LT2 COMPLIANCE PROJECT		28,156.18	47,820.75	0.00	(47,820.75)	No Budget
Total Expenditures		1,145,927.19	14,250,919.62	18,181,642.07	3,930,722.45	78.4%
Net Rev/Exp		248,094.05	(1,460,583.39)	421,061.95	1,881,645.34	

For Administration Use Only, 75% of the fiscal year has elapsed

CORDOVA VOLUNTEER FIRE DEPARTMENT

Quarterly Report

In the 3rd quarter the Cordova Volunteer Fire Department responded to 80 calls for Fire, Rescue and EMS for a total of 457.5 member hours. Including emergency calls, the volunteers of the fire department participated in the regular Thursday night meetings, public education and other activities for a total of 1720.5 member hours.

Additionally the 2010 State Home Land Security (SHSP) Grant for a Portable Radio Dispatch Communication Center worth \$50,000.00 is in town. Chief Griffiths, Chief Hicks, Fire Marshal Trumblee went to Training in Anchorage in October and learned the function and operate this system, and will train more people on the system in the.

The City of Cordova was awarded \$214,000.00 no match Grant through the 2012 SHSP Grant, will know more details later this month.

Five members of the Fire Dept traveled to Sitka for the Annual Alaska State Fire Conference and learned new techniques in the fire service.

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

Monthly Activity 7-12

[illegible]

Date		Amb. Runs			
7/2	12-058	Man fell off a ladder	2	0.5	1
7/2	12-059	Woman with dizziness	3	1	3
7/2	12-060	Medical transport	3	2	6
7/3	12-061	Possible heart attack	4	1	4
7/4	12-062	Woman that fell	4	1	4
7/7	12-063	Fallen woman who is bleeding and unconscious	4	1	4
7/8	12-064	Medical transport	2	1.5	3
7/8	12-065a	Vehicle rollover	4	1.5	6
7/8	12-065b	Vehicle rollover	4	1.5	6
7/8	12-065c	Vehicle rollover	4	1.5	6
7/8	12-065d	Vehicle rollover	4	1.5	6
7/9	12-066	Assault at the Anchor Bar	4	1	4
7/10	12-067	Man hit with exploding tire	3	1	3
7/10	12-068	Medical transport	3	1	3
7/11	12-069	Man fell in the water	4	2	8
7/14	12-070	Possible Detox patient	3	1	3
7/18	12-071	Medical transport	3	1.5	4.5
7/18	12-072	Head injury	4	1	4
7/20	12-073	Head injury	4	1	4
7/23	12-074	Possible Overdose	5	3	15
7/25	12-075	Medical transport	3	1.5	4.5
7/28	12-076	Man passed out	3	1	3
		Total	77	29	105
		Total hours for the month of August			586.5

Monthly Activity 8-12

			Attendance	Hours	Total Man Hours
Date	Thursday Meetings				
8/2	Responder Ready class		21	3	63
8/9	Ambulance inventory		5	2	10
8/9	Business meeting		27	2	54
8/16	Code drills		9	3.5	31.5
8/16	Basic firefighting		19	3	57
8/23	Car fire training		23	4	92
8/30	Training videos		10	2.5	25
8/30	Extrication		20	2.5	50
	Total		62	10.5	158.5
Date	Public Education Taught				
	Total		0	0	0
Date	Other Activities				
8/9	Ambulance inventory		5	2	10
8/10	Driver training hours		1	2	2
8/15	Chili cook-off planning		4	8	32
8/16	Code drills setup		1	2.5	2.5
8/18	Chili cook-off		13	5	65
8/23	Moulage training		5	1.5	7.5
8/25	Car wash		14	8	112
8/28	Driver training hours		1	2.5	2.5
	Total		44	31.5	233.5
Date		Fire Runs			
8/2	12-44	Automated alarm at Ocean Beauty	13	0.5	6.5
8/3	12-45	Automated alarm at Orca Lodge	12	1	12
8/10	12-46	Automated alarm at Trident Seafoods, north pant	14	0.5	7
8/12	12-47	Automated alarm at Trident Seafoods, north pant	10	0.5	5
8/21	12-48	Controlled burn	1	0.5	0.5
8/21	12-49	Elevator fire phone at Sunset View	2	0.5	1
8/28	12-50	Flame coming out of a stove stack	1	0.5	0.5
		Total	53	4	32.5
Date		Amb. Runs			
8/2	12-077	Medical Transport	3	1.5	4.5
8/3	12-078	Medical Transport	4	1.5	6
8/5	12-079	Man that has fallen	4	1	4

8/5	12-080	Medical Transport	2	1.5	3
8/10	12-081	Medical Transport	2	1.5	3
8/11	12-082	Man vomiting blood	2	1.5	3
8/12	12-083	Medical Transport	2	2	4
8/16	12-084	Medical Transport	4	1	4
8/17	12-085	Woman with chest pain	4	1.5	6
8/17	12-086	Medical Transport	4	1	4
8/18	12-087	Medical Transport	3	1.5	4.5
8/19	12-088	Man fell off the dock	3	1	3
8/19	12-089	Medical Transport	3	2	6
8/21	12-090a	Motor vehicle accident	7	1	7
8/21	12-090b	Motor vehicle accident	7	1	7
8/21	12-090c	Motor vehicle accident	7	1	7
8/21	12-091a	Medical Transport	3	1.5	4.5
8/21	12-091b	Medical Transport	3	1.5	4.5
8/23	12-092	Man fell	3	0.5	1.5
8/24	12-093	Possible stroke	3	0.5	1.5
8/24	12-094	Medical Transport	2	1	2
8/25	12-095	Medical Transport	3	1	3
8/28	12-096	Medical Transport	3	1.5	4.5
8/28	12-097	Severe pain	3	0.5	1.5
8/28	12-098	Medical Transport	3	1	3
8/28	12-099	Possible intoxicated person	4	1	4
8/30	12-100	Medical Transport	2	1	2
8/30	12-101	Medical Transport	2	1	2
8/31	12-102	Medical Transport	2	1	2
		Total	97	34.5	112
		Total hours for the month of September			536.5

Monthly Activity 9-12

			Attendance	Hours	Total Man Hours
Date	Thursday Meetings				
9/6	HIPPA training		31	3	93
9/13	Business meeting		32	2	64
9/20	Diabetic emergencies		13	1.5	19.5
9/20	Inventory		10	3	30
9/27	SCBA air management		21	3	63
	Total		107	12.5	269.5
Date	Public Education Taught				
	Total		0	0	0
Date	Other Activities				
9/1	MDA fundraiser		10	6	60
9/10	Fittesting		1	3	3
9/17	Explorer meeting		1	1.5	1.5
9/23	Explorer meeting		2	1.5	3
9/17	2012 Alaska State Fire Conference		5	40	200
	Total		19	52	267.5
Date		Fire Runs			
9/3	12-51	Automated Alarm at Trident North Plant	6	0.5	3
9/5	12-52	Service call to residence	1	0.5	0.5
9/7	12-53	Sprinkler malfunction	2	1	2
9/10	12-54	Automated Alarm at Ocean Beauty	6	1	6
9/17	12-55	Automated Alarm at Ocean Beauty	9	0.5	4.5
		Total	24	3.5	16
Date		Amb. Runs			
9/1	12-103	Unresponsive man	4	0.5	2
9/4	12-104	CODE	4	2	8
9/5	12-105	Medical Transport	2	1.5	3
9/14	12-106	Medical Transport	4	1.5	6
9/15	12-107	Woman with numbness in her arms	4	0.5	2
9/15	12-108	Medical Transport	2	1.5	3
9/15	12-109	Woman that has fallen	3	1	3
9/24	12-110	Woman that has fallen	7	1	7
9/24	12-111	Medical Transport	4	1.5	6
9/24	12-112	Medical Transport	3	1.5	4.5
		Total	37	12.5	44.5
		Total hours for the month of October			597.5

PUBLIC WORKS DEPARTMENT

3rd Quarter Report

July – August - September
2012

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

ADMINISTRATION DIVISION

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

- Organized grant and loan funding for the various division projects
- Provided input to the Planning and Zoning Commission and City Council concerning lot sales
- Traveled to New Orleans to attend seminars at the Water Environment Federation Tech show
- Scheduled expansion plans for the baler facility
- Assisted the Planning Dept. with reviewing City Code
- Detailed new direction for LT2 Rule compliance measures
- Worked with Dee High Consultants on LT2 Rule compliance planning
- Contracted an engineer to evaluate mezzanine capacities for various City buildings

FACILITIES MAINTENANCE DIVISION

This includes one full time position to conduct building repairs and perform custodial functions. The following buildings are repaired and maintained in whole or in part by this Division.

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

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

POOL

Normal boiler upkeep activities

LIBRARY / MUSEUM

Made plans to repair water system difficulties

CHAMBER OF COMMERCE

Nothing to report.

EYAK WATER TREATMENT PLANT

Miscellaneous minor repairs.
Contracted for an evaluation of the concrete mezzanine

BIDARKI

Nothing to report

WASTEWATER TREATMENT PLANT

Miscellaneous minor repairs.

CITY SHOP

Miscellaneous minor repairs.

CUSTODIAL

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

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

STREETS DIVISION

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

- Continued to reinforce safety awareness and training
- Continued street repair work and chip sealing as weather allowed
- Prepared budget planning
- Continued OSHA compliance measures
- Coordinated street repair efforts with the highway paving project

REFUSE DIVISION

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

- Cleaned up baler and landfill sites in preparation for the DEC inspection visit
- Continued repairs to the landfill and baler equipment
- Oversaw baler site paving

WATER & WASTEWATER DIVISION

DAILY WORK DUTIES

Water Sources are checked daily/seven days a week for chlorine residual, turbidity, pH, UVT and general operations (Orca, Murcheson, & Meals). Three locations within the system are checked daily/ five days a week for chlorine residual, turbidity, and general operations (Harbor, Bidarki, & Hospital). Morning sewer lifts station checks (Whiskey Ridge, Murcheson, Eyak, Ferry Dock, Morpac, & Main lift station (South Second ST.)). Operate sludge dewatering system. Make polymer & Cl₂ for STP. Deliver sludge to 17 mile. Routine lab work & plant maintenance.

WEEKLY WORK DUTIES

Collect bi-weekly coliform samples. Clean the Wastewater Treatment Plant and Lift Stations. Calibrate meters/monitoring equipment. Download/transfer all data from all three sources. Test/ check back-up generators. Exercise Micro Screen Drums. Made/hailed chlorine for Wastewater Treatment Plant's clarifier & heads work to comply with APDES permit.

MONTHLY WORK DUTIES

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

MISCELLANEOUS

- Performed 42 water sample test for customers (PWSAC, Ocean Beauty, Trident North, & other customers).
- Performed 62 locate, throughout the City limits where water/sewer mains are available.
- Performed 7 water shut-off/turn on, due to nonpayment, requested by the customers, or emergency shut-offs.
- Hauled load of chlorine to Meals WTP 23 times.
- Installed & removed BFP for HSG 28 times, during the Copper River Highway & Main Street road rehab.
- Collected & shipped out lead & copper samples per ADEC regulations.
- Troubleshoot water meter at Copper River Seafood.
- Worked on UVT meter at Meals WTP.
- Repaired Refuse Facility's water meter.
- Repaired water leak at Dog Pound.
- Trail crew worked/maintained at Orca, Murcheson, Meals, & Heney catchment & trail.
- Water & trail crew made repairs on Heney water pipe line that was damaged during the heavy snow load.
- Made 3 new hose connection for 4" pump.
- Responded to HSG's request to locate water valve box for CTC's warehouse (No locates were turned in).
- Worked on Murcheson's chlorine generator.
- Took mixing zone samples per APDES permit.
- Worked on Wastewater Treatment Plant's effluent composite sampler pump & line.
- Used Vactor to clean Eyak lift station's wet well, it was full of grease.
- Worked on Water/Sewer structure on 10,000 ft view map for EPS, who is working on a controls proposal.
- Responded to power outage & cleaned water filters at Murcheson WTP.
- Power outage killed power to blower room & lab at Wastewater Treatment Plant, called in Paul Cloyd to troubleshoot. Found blown fuse on power contactor that prevents power to blower room & lab. Power restored.
- Did maintenance on Odiak lift station's generator.
- Received new pump & motor for Odiak lift station.
- Contacted Trident Seafood's Fish Oil Plant, in regards to making repairs on water meter.
- Contacted all of the fish processors in regards to water conservation, due to water shortage.
- Contacted Copper River Seafoods, in regards to replacing water meter (faulty meter).

- Did water valve boxes, manholes, & clean outs locates for HSG.
- Responded to Orca high turbidity alarm.
- Worked on Eyak lift station's sump pump.
- Prep for water service line relocation at Cedar St.
- Called to high turbidity alarm at Orca.
- Inspected Murcheson catchment intake for blockage. Blockage cleared.
- Met with Trevor & Curtis with Electric Power Systems to asses Water / Sewer structures, controls, & SCADA.
- Worked on Murcheson WTP & Cordova Police Department's lightings.
- Called out to high turbidity alarm at Orca WTP.
- Called out to found water valve box on Railroad Avenue by CEC.
- Did lighting maintenance at Mews booster station.
- Worked on pool chlorine generator.
- Made repairs on Meals chlorine injector.
- Replaced water meter at Copper River Seafoods.
- Discontinued water loop from Cedar Street & Spruce Street.
- Responded to possible water leak at Fisherman's camp. Found water service valve leaking. Maintenance personnel repaired leak.
- Met Russ & Jason with Electric Power Systems, in regards to radio study of radio communication.
- Replaced air relief valve at Murcheson chlorine analyzer.
- Did Wibby's QA/QC for State lab certification.
- Norton Corrosion worked on Wastewater Treatment Plant.
- North Pacific Erector worked on Wastewater Treatment Plant's shop roof.
- Glacier Glass replaced on Ford 2000 F250 and F450 windshields.
- Worked on Murcheson's chlorine generator.
- Contacted ADEC in regards to high concentration of lead & copper results, due to resident has been unoccupied for several years.
- Met with Cordova Watershed Project in regards to testing the water on Odiak pond and equipment training.
- Staff meeting at City shop in regards to equipment safety operations.
- Helped with City building maintenance.
- Checked on CEC dig on Whitshed & CRH.
- Did interviews for Sewer/Water Tech, Laborer I or II.
- Responded to Orca high turbidity alarm & re-checked Murcheson's chlorine generator.
- Set up samples for Watershed Project on Odiak pond.
- Met with Moe in regards to Orca water line support repairs. Support for the Orca water line is damaged & needs to be repaired.
- Did locate of water & sewer mains near CTC warehouse on Fisherman's Avenue.
- Cleaned Ferry Dock liftstation's wet well, with vacator truck.
- Installed fire hydrant for upper Spruce St.
- Responded to Orca high turbidity alarm.
- Performed locate for sewer manhole, line, and water service line for Samson Tug & Barge (for land swap).
- Took & mailed out TTHMs' & HAA5s' samples to MWH for analysis.
- Performed emergency locate on Adams Street for damaged water line, during sewer addition dig.
- Unloaded 16 pallet of salt at Murcheson WTP.
- Vactored sewer main on Adams Street.

- Performed maintenance on all chlorine analyzers.
- Cleaned filter baskets at Murcheson WTP.
- Cleaned valve boxes for Killer Whale Café's fire line & service line. Advised owner to make repair on service valve box. It is rubbing against box wall, making it difficult, or unable operate the valve.
- Met with State of AK's Security Vulnerability Assessment team.
- Replaced blower fan at Odiak lift station's dry well.
- Worked on Meals' chlorine injector pump.
- Worked on 4" water pump & hoses.
- Added lime to STP tanks, to raise pH level back up above 6.5 pH.
- Made repairs on Murcheson chlorine line.
- Repaired door knob & lock at Meals WTP.
- Contacted customers delinquent with their water/sewer bill.
- Called out to Orca high turbidity alarm & Murcheson low chlorine alarm.
- Made repairs on Alpine Subdivision's lower hydrant that was damaged by plow, during the heavy snow event.
- Installed new pump & motor at Odiak lift station.
- Made repairs on main valve on lower Alpine Subdivision.
- Spoke to Trident's Electrician in regards to installing water meter for Fish Oil Plant. Water meter installed & back in service.
- Met with ADEC STP Enforcement for surprise audit.
- Door hanged Commodore Apartments with shut notice due to non-payment of utility bill.
- Replaced Meals chlorine room's exhaust fan.
- Repaired (straightened) Meals gate & replaced bulk head fitting for chlorine tank.
- Called out to Murcheson & Orca, for high turbidity alarm.
- Responded to Wastewater treatment plant due to heavy rain event. Contacted ADEC in regards to heavy rain event (8.87 inches for one day)
- Located 2006 daily log files, during flooding for Moe.
- Replace pulsation damper at Meals WTP.
- Did inspection of Civic Center with contractors.
- Located & cleaned around fire hydrants around town.
- Called out to Orca & Murcheson for high turbidity alarm.
- Watched training videos on loader & grader operations.
- Added enzymes to Wastewater Treatment Plant's tanks 1, 2 & digester.
- Replaced worn out belts on blower # 2 at Wastewater Treatment Plant.
- Completed 90 day media Quality Control.
- Flushed fire hydrants on Power Creek Rd, 2nd & Council Ave, and Nicholoff Way & Railroad Ave.
- Worked on waste oil heater in dewater building.
- Contacted Gary McDowell in regards to connection permit for Rose Lodge.
- Checked on customers on Lakeshore Drive trailer court.
- Contacted McKinley Counter Tops in regards to our counter top order.
- Worked on HPC SOP.
- Offered Water /Sewer laborer to Orlando Mapili.
- Worked on Murcheson's chlorine tanks leak.
- Started freshening CT tank for Meals.
- Worked on Murcheson's turbidity & tank level with Boreal Controls.
- Installed/replaced PLC cards for Murcheson's control panel.

- Set up fire hydrant for contractor at Civic Center. Found fire hydrant on Browning Ave & 1st St broken. Was damaged during the heavy snow event. Fire hydrant repaired, back on-line.

2012 3rd Quarter Report from the Cordova Public Library

During July through September 2012:

- Visitation: 7689
 - Interlibrary Loans: 79
 - Internet Use: 1941 sessions
 - Materials Added: 569
 - Circulation: 414
 - Listen Alaska: 161
 - Wifi Use: 1695 sessions
 - Materials Deleted: 1051
- **Staff** started heavily weeding the VHS cassettes, and the Easy Books. Aja Ruzumny from the Alaska State Library spent a day training the staff about effective weeding of library materials.
 - **Summer Reading** ran from July 11 through August 15. A report about the program is attached.
 - Completed the Alaska State Library **Annual Report** for 2011.
 - **Storytime for Little Ones** started on August 22. It is twice a week and includes reading aloud, art and puppets.
 - **After school Art** started on September 6. It is also twice a week and students in grades 3rd through 6th grade create art projects in many different mediums.
 - **Outreach to Senior Citizens** started on September 25. Library materials are being brought to CCMC for the residents to enjoy each week.
 - **OWL Project** computers arrived and will be installed in October. High speed internet is to be provided, and teleconferencing opportunities will be available.
 - **Friends of the Library** ordered paperback books for the “Trick or Treat for Books” event.

Submitted by Miriam Dunbar, Library Director, Cordova Public Library

Cordova Public Library 2012 Summer Reading Program

Our program occurred on Wednesdays from 11 am until 1 pm. Most of our participants were under 7 years old. We usually read 3 books related to the weekly theme, did an art project, and had a prize box for those who were reading at home. For every hour the child read (or was read to) he would get a sticker and a prize. Our art projects were well received. Here are the projects we did:

Dreams & Wishes—Magic wands with glitter

Owls- Felt owls with wiggly eyes

Stars & Constellations-- Stars with glitter to put on the library wall

Moon—Rubbings with oil pastel

Bats & Nocturnal Animals—Bat ears and wings to wear

On the last day we had a party to celebrate the program. We read books about camping and ghosts, played the “What’s Missing?” game with camping equipment, had a pretend fire with a fan and tissue paper (a huge hit), had s’mores that had been made in a microwave oven, and had a visit from a forest ranger who talked about fire safety and Smokey the Bear. At the end, each child got to pick a special prize.

Children seemed to enjoy the program, and several parents told me that it was helping their families to do more reading at home.

Stats:

33 children signed up for the program.

19 children attended the end of program party.

2012 Summer Reading Program at the Cordova Public Library....*Dream Big*



Clockwise from left: Anna reads about owls, Ranger Bob explains how to have safe campfires, Miriam with everyone holding their prizes, and participants enjoy the pretend camp-





Planning Department Memorandum

To: City Council, Mark Lynch
From: Planning Department
Date: September , 2012
Re: 3rd Quarter Report

The purpose of this report is to summarize the major accomplishments of the Planning Department during the 3rd quarter of 2012 from July 1, 2012 to September 30, 2012.

- 23 Building Permits were issued this quarter
- 2 building permits were issued extensions
- Building permits reminders were advertised on KLAM, Cordova Times, and GCI scanner
- Snow load increase was advertised on KLAM, Cordova Times, and GCI scanner
- Code Chapters 8,14 and 16 have been going through editing process and continue to be worked on
- Samson Land Swap is moving forward; ROW vacated, utilities being addressed at this time and contract is being reviewed by Samson's lawyer
- Consulting with Profession facilitator to develop contract for the Southfill expansion meetings. Meetings will occur sometime this spring.
- Working with Joanie Behrends on updating the Hazard Mitigation Plan. The State requires the plan to be updated every 5 years to be eligible to apply for some grants
- Finalizing Shoreside sale, surveying and paperwork
- Finalizing Heny Court trailer issue
- Working with Chief Bob on addressing implementation.
- Issued land use permits, variances and encroachment permits.
- Addressed public questions, concerns and issues as they came up throughout the quarter.



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October 5, 2012

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

Dear Council Members and Staff,

As of September 30, 2012, the City of Cordova has a total of **\$14,388,985** (including accrued interest), on deposit with UBS, distributed among six funded accounts. Four of these accounts are under active investment management, three of which are fixed income accounts managed by Sage Advisors and one Permanent Fund account invested in the Pace balanced mutual fund program. The assets under active investment management totaled **\$12,223,581** between these four referenced accounts as of September 30, 2012.

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

Year to date, through September 30, 2012, the net returns for the three Permanent Fund accounts, which include a cash management account, has been 5.60%. The return for the three Central Treasury accounts, which consist of only fixed income investments and cash type instruments, was 2.46%. The combined net returns year to date for all six accounts held at UBS has been 4.21%.

*The balance of the Securities Based Lending credit line currently totals **\$1,977,952.***

The Euro zone debt crisis and a sharp slowdown in China, combined with slow growth in the US, resulted in central banks around the globe expanding their balance sheets dramatically in hopes of stimulating economic growth. These actions have helped the combined equity markets in the US and abroad continue the rally which started in June. Support levels for the markets continue to hold, at least for now, due to this massive global quantitative easing undertaken by the global central banks. In addition, the election in the USA has moved to center stage and will dominate the headlines for the next month. I have attached a presentation from our Wealth Management Research department, which reviews last quarter's activity and the outlook going forward into the fourth quarter of 2012.

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

Sincerely,

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

Attached: September, 2012 Performance reports Permanent Fund and Central Treasury accounts
2012 WBS Fourth Quarter Quarterly review and outlook research report.



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BUCK.ADAMS@UBS.COM

UBS Client Review

As of September 30, 2012

Prepared for

COC - Central Treasury

Accounts included in this review

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

What's inside

Executive summary.	2
Performance review.	3
Performance by account.	4
Important information about this report.	5

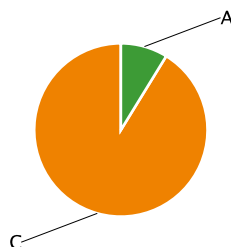
Executive summary

as of September 30, 2012

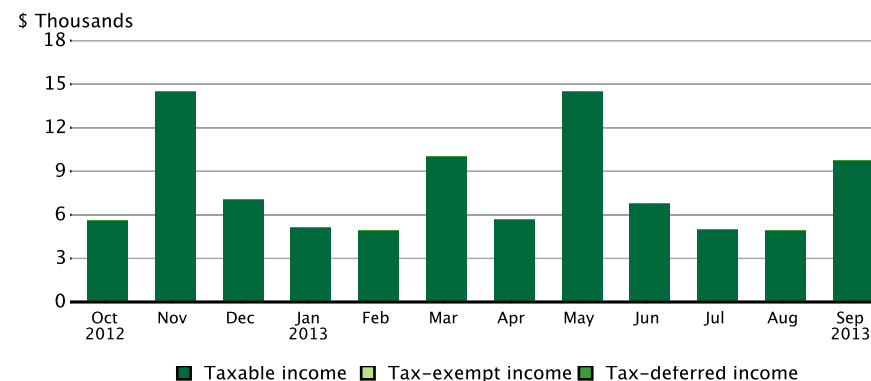
Asset allocation summary

	Value on Sep 30 (\$)	% of portfolio
A Cash and cash alternatives	442,222.80	8.77
B Equities	0.00	0.00
C Fixed income	4,598,324.01	91.23
U.S. fixed income	4,514,102.06	89.56
Non U.S. fixed income	84,221.95	1.67
D Alternative strategies	0.00	0.00
E Broad commodities	0.00	0.00
F Real estate	0.00	0.00
G Other	0.00	0.00
Total Portfolio	\$5,040,546.81	100%

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



Expected cash flow


Total expected cash flow: \$93,953.06

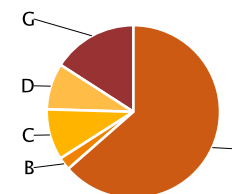
Cash flows displayed account for known events such as maturities and mandatory puts.

Equity sector analysis

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

Credit quality of bond holdings

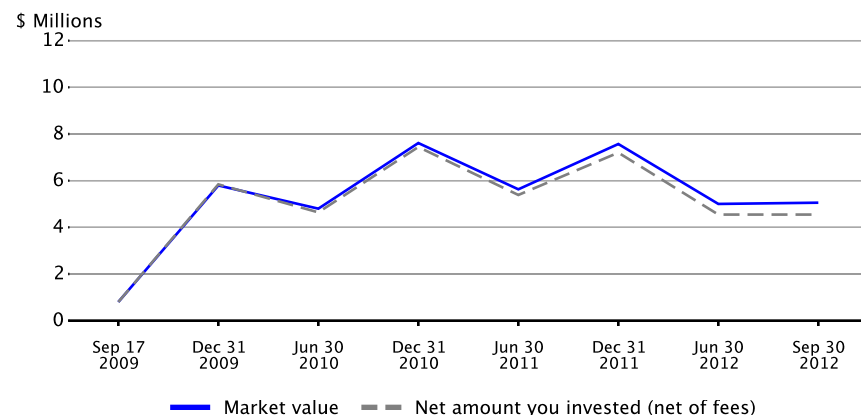
Insured credit rating	Issues	Value on Sep 30 (\$)	% of port.
A Aaa/AAA/AAA	32	2,920,052.44	63.55
B Aa/AA/AA	6	109,968.83	2.39
C A/A/A	26	439,897.32	9.51
D Baa/BBB/BBB	28	400,200.30	8.65
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	0	0.00	0.00
G Not rated	5	728,205.11	15.90
Total	97	\$4,598,324.01	100%



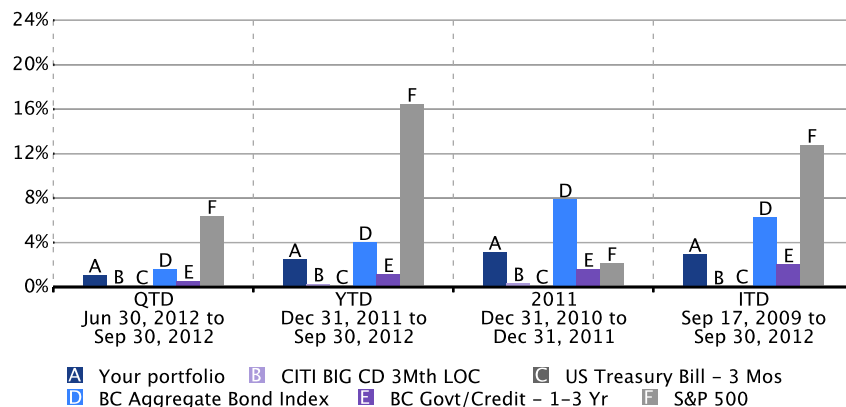
Performance review

as of September 30, 2012

Sources of portfolio value



Portfolio and selected benchmark returns



Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Sep 30, 2012
Opening value	5,002,602.54	7,570,835.68	7,612,402.78	800,000.00
Net deposits/withdrawals	-4,897.41	-2,665,557.43	-262,520.75	3,691,277.61
Div./interest income	21,155.08	79,275.18	92,630.50	280,825.81
Change in accr. interest	5,394.56	3,499.24	-8,969.64	12,994.91
Change in market value	31,651.25	67,853.34	137,292.79	270,807.69
Closing value	5,055,906.02	5,055,906.02	7,570,835.68	5,055,906.02
Net Time-weighted ROR	1.07	2.46	3.13	2.93

Net deposits and withdrawals include program and account fees.

Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Sep 30, 2012
Your portfolio	1.07%	2.46%	3.13%	2.93%
Cash and Cash Alt				
CITI BIG CD 3Mth LOC	0.07	0.26	0.29	N/A
US Treasury Bill - 3 Mos	0.02	0.05	0.07	0.09
Fixed Income				
BC Aggregate Bond Index	1.58	3.99	7.84	6.24
BC Govt/Credit - 1-3 Yr	0.52	1.11	1.59	1.99
Equities				
S&P 500	6.35	16.44	2.11	12.75

Performance by account

as of September 30, 2012

Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Sep 30, 2012
Performance start date	Value on Sep 30, 2012 (\$)	% of portfolio							
UC 03542 CT • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	1,995,080.69	39.46%	Net time-weighted		0.52%	1.63%	5.50%	3.73%
UC 03543 CT • BSA Risk profile: Conservative Return objective: Current Income	Sep 17, 2009	256,034.68	5.06%	Net time-weighted		0.02%	1.95%	0.12%	-9.40%
UC 04046 CT • MAC Wrap - SAGE INT FIXED Risk profile: Moderate Return objective: Current Income and Capital Appreciation	Feb 8, 2011	2,804,790.65	55.48%	Net time-weighted		1.52%	3.60%	N/A	5.63%
Total Portfolio	Sep 17, 2009	\$5,055,906.02	100%	Net time-weighted		1.07%	2.46%	3.13%	2.93%
						QTD	YTD	2011	ITD
						Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Sep 30, 2012
Benchmarks - Time-weighted returns									
Cash and Cash Alt									
CITI BIG CD 3Mth LOC						0.07 %	0.26 %	0.29 %	N/A %
US Treasury Bill - 3 Mos						0.02 %	0.05 %	0.07 %	0.09 %
Fixed Income									
BC Aggregate Bond Index						1.58 %	3.99 %	7.84 %	6.24 %
BC Govt/Credit - 1-3 Yr						0.52 %	1.11 %	1.59 %	1.99 %
Equities									
S&P 500						6.35 %	16.44 %	2.11 %	12.75 %



Disclosures applicable to accounts at UBS Financial Services Inc.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

Gain/Loss reporting for Puerto Rico Income Tax

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

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

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

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

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

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

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

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

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

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

Performance: This report presents accounts activity and performance starting December 31, 2002. For accounts opened prior to 12/31/02, this report does not include the complete accounts activity or performance of your accounts prior to that date. Information for accounts opened after 12/31/02 is reported as of the month end date of the first month of activity in the accounts. For consolidated reports the Performance Start Date will be the earliest performance start date of any of the individual accounts selected for the consolidation time

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

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

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

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



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

(i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

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

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

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

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

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

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

Net of Fees and Gross of Fees Returns: Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such

fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance.

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

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

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

Important information for former Piper Jaffray clients: As an accommodation to former Piper Jaffray clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006, the date Piper Jaffray accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or

completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

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

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

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

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

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UBS Client Review

As of September 30, 2012

Prepared for

COC - Permanent Fund

Accounts included in this review

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

What's inside

Executive summary.	2
Performance review.	3
Performance by account.	4
Important information about this report.	5

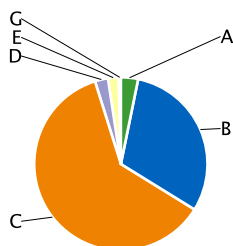
Executive summary

as of September 30, 2012

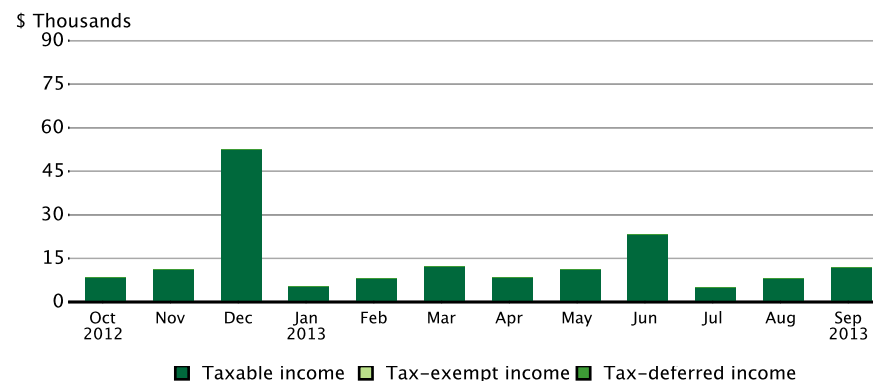
Asset allocation summary

	Value on Sep 30 (\$)	% of portfolio
A Cash and cash alternatives	296,808.07	3.19
B Equities	2,853,002.56	30.62
U.S. equity	2,139,498.99	22.96
Non U.S. equity	494,161.18	5.30
Global equity	219,342.40	2.35
C Fixed income	5,717,368.43	61.36
U.S. fixed income	5,339,521.32	57.31
Non U.S. fixed income	105,253.39	1.13
Global fixed income	272,593.71	2.93
D Alternative strategies	228,092.62	2.45
E Broad commodities	181,527.87	1.95
F Real estate	0.00	0.00
G Other	40,792.06	0.44
Total Portfolio	\$9,317,591.61	100%

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



Expected cash flow

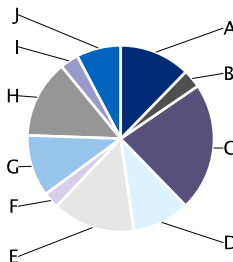

Total expected cash flow: \$165,750.27

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

Equity sector analysis

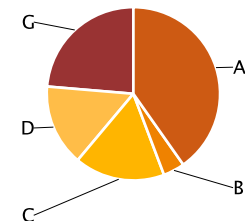
	Value on Sep 30 (\$)	% of equity
A Consumer discretionary	350,380.95	12.28
B Energy	90,670.50	3.18
C Finance	635,561.53	22.28
D Health care	285,137.19	9.99
E Industrials	409,179.08	14.34
F Materials	79,529.37	2.79
G Staples	305,289.97	10.70
H Technology	385,425.40	13.51
I Telecommunications	91,302.67	3.20
J Utilities	220,525.90	7.73
K Unclassified securities	0.00	0.00
Total equity	\$2,853,002.56	100%

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



Credit quality of bond holdings

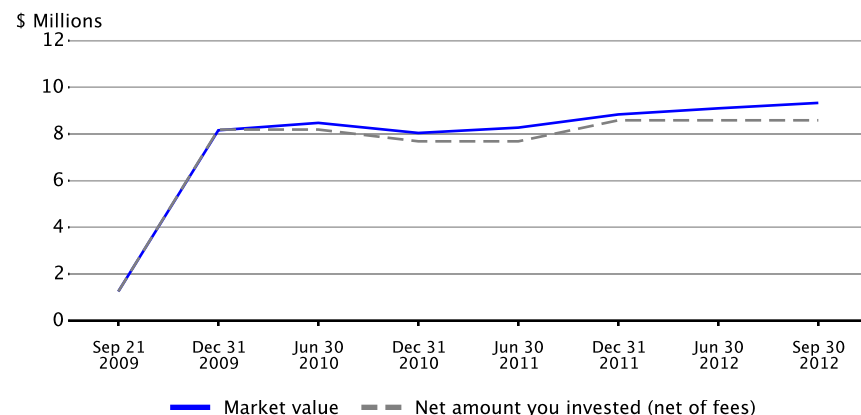
Insured credit rating	Issues	Value on Sep 30 (\$)	% of port.
A Aaa/AAA/AAA	25	1,150,160.73	40.23
B Aa/AA/AA	6	115,231.48	4.03
C A/A/A	25	485,148.40	16.85
D Baa/BBB/BBB	28	438,540.05	15.23
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	0	0.00	0.00
G Not rated	5	674,409.51	23.66
Total	89	\$2,863,490.17	100%



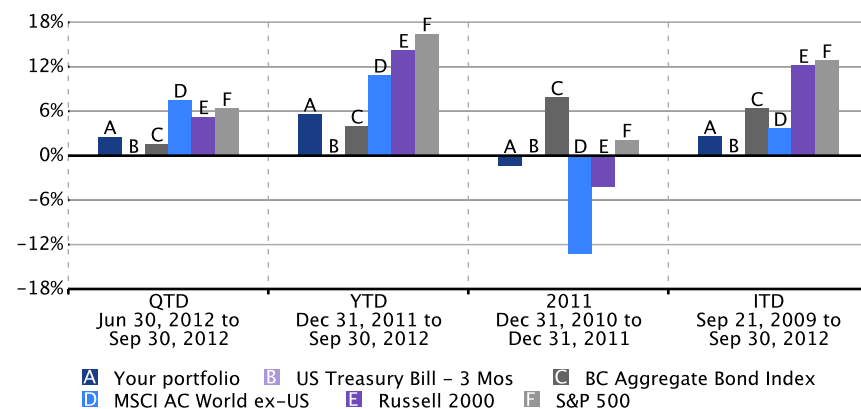
Performance review

as of September 30, 2012

Sources of portfolio value



Portfolio and selected benchmark returns



Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 21, 2009 to Sep 30, 2012
Opening value	9,099,918.73	8,838,201.86	8,044,831.22	1,250,948.90
Net deposits/withdrawals	-15,074.04	-44,560.45	842,497.01	7,196,607.44
Div./interest income	27,449.14	89,646.40	189,371.45	451,757.89
Change in accr. interest	2,343.03	-1,478.76	550.75	16,537.45
Change in market value	218,442.72	451,270.52	-239,048.57	417,227.89
Closing value	9,333,079.57	9,333,079.57	8,838,201.86	9,333,079.57
Net Time-weighted ROR	2.56	5.60	-1.41	2.58

Net deposits and withdrawals include program and account fees.

Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 21, 2009 to Sep 30, 2012
Your portfolio	2.56%	5.60%	-1.41%	2.58%
Cash and Cash Alt				
US Treasury Bill - 3 Mos	0.02	0.05	0.07	0.09
Fixed Income				
BC Aggregate Bond Index	1.58	3.99	7.84	6.36
Equities				
MSCI AC World ex-US	7.49	10.86	-13.33	3.66
Russell 2000	5.25	14.23	-4.18	12.17
S&P 500	6.35	16.44	2.11	12.83

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

Report created on: October 2, 2012

Performance by account

as of September 30, 2012

Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Sep 30, 2012
UC 03544	PF • BSA	Performance start date	Value on Sep 30, 2012 (\$)	% of portfolio					
	Risk profile: Conservative	Sep 21, 2009	1,909,368.30	20.46%	Net time-weighted	0.42%	0.49%	0.11%	-3.84%
	Return objective: Current Income								
UC 03546	PF • MAC Wrap - SAGE INT FXED	Nov 5, 2009	2,972,553.80	31.85%	Net time-weighted	1.39%	3.40%	4.12%	4.01%
	Risk profile: Conservative								
	Return objective: Current Income								
UC 04047	PF • Pace Multi Advisor	Dec 23, 2010	4,451,157.47	47.69%	Net time-weighted	4.32%	9.54%	-5.20%	2.37%
	Risk profile: Aggressive/Speculative								
	Return objective: Capital Appreciation								
Total Portfolio		Sep 21, 2009	\$9,333,079.57	100%	Net time-weighted	2.56%	5.60%	-1.41%	2.58%
						QTD	YTD	2011	ITD
						Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 21, 2009 to Sep 30, 2012
Benchmarks - Time-weighted returns									
Cash and Cash Alt									
US Treasury Bill - 3 Mos						0.02 %	0.05 %	0.07 %	0.09 %
Fixed Income									
BC Aggregate Bond Index						1.58 %	3.99 %	7.84 %	6.36 %
Equities									
MSCI AC World ex-US						7.49 %	10.86 %	-13.33 %	3.66 %
Russell 2000						5.25 %	14.23 %	-4.18 %	12.17 %
S&P 500						6.35 %	16.44 %	2.11 %	12.83 %



Disclosures applicable to accounts at UBS Financial Services Inc.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

Gain/Loss reporting for Puerto Rico Income Tax

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Important information for former McDonald

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

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

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

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

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UBS Client Review

As of September 30, 2012

Prepared for

COC - Total

Accounts included in this review

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

What's inside

Executive summary.	2
Performance review.	3
Performance by account.	4
Important information about this report.	6

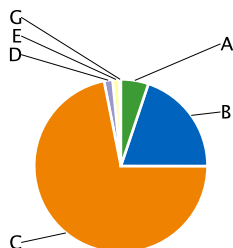
Executive summary

as of September 30, 2012

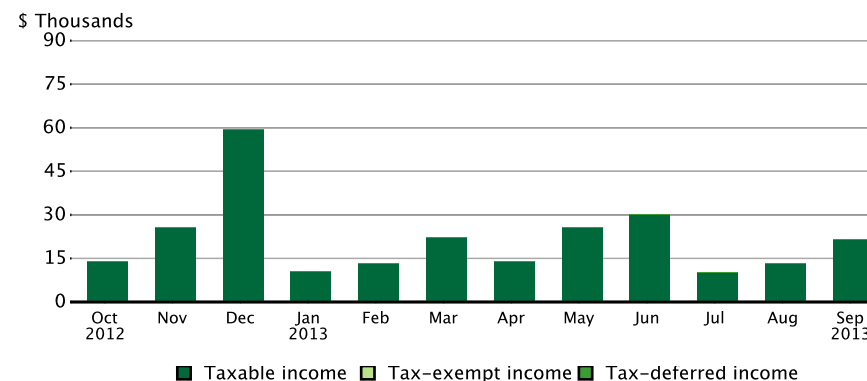
Asset allocation summary

	Value on Sep 30 (\$)	% of portfolio
A Cash and cash alternatives	739,030.87	5.15
B Equities	2,853,002.56	19.87
U.S. equity	2,139,498.99	14.90
Non U.S. equity	494,161.18	3.44
Global equity	219,342.40	1.53
C Fixed income	10,315,692.43	71.85
U.S. fixed income	9,853,623.38	68.63
Non U.S. fixed income	189,475.34	1.32
Global fixed income	272,593.71	1.90
D Alternative strategies	228,092.62	1.59
E Broad commodities	181,527.87	1.26
F Real estate	0.00	0.00
G Other	40,792.06	0.28
Total Portfolio	\$14,358,138.42	100%

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



Expected cash flow

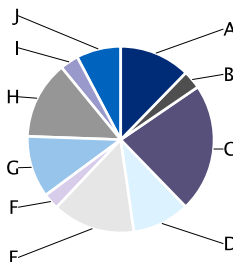

Total expected cash flow : \$259,703.33

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

Equity sector analysis

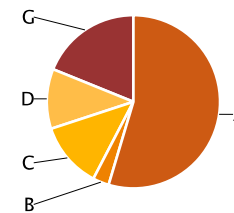
	Value on Sep 30 (\$)	% of equity
A Consumer discretionary	350,380.95	12.28
B Energy	90,670.50	3.18
C Finance	635,561.53	22.28
D Health care	285,137.19	9.99
E Industrials	409,179.08	14.34
F Materials	79,529.37	2.79
G Staples	305,289.97	10.70
H Technology	385,425.40	13.51
I Telecommunications	91,302.67	3.20
J Utilities	220,525.90	7.73
K Unclassified securities	0.00	0.00
Total equity	\$2,853,002.56	100%

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



Credit quality of bond holdings

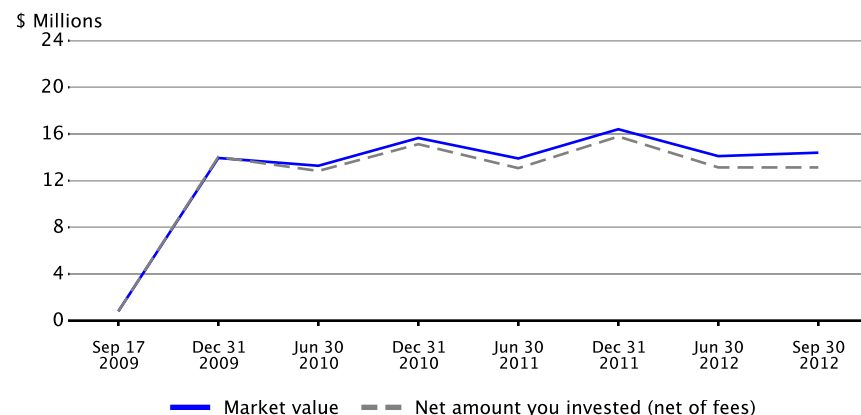
Insured credit rating	Issues	Value on Sep 30 (\$)	% of port.
A Aaa/AAA/AAA	33	4,070,213.17	54.61
B Aa/AA/AA	6	225,200.32	3.02
C A/A/A	26	925,045.72	12.32
D Baa/BBB/BBB	28	838,740.35	11.17
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	0	0.00	0.00
G Not rated	5	1,402,614.62	18.87
Total	98	\$7,461,814.18	100%



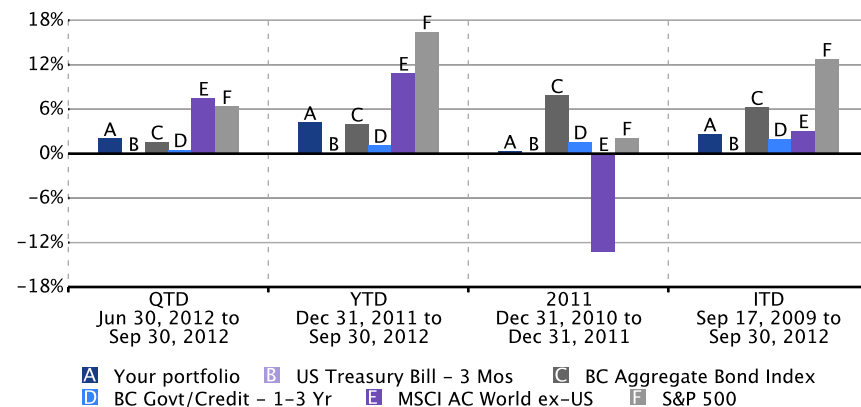
Performance review

as of September 30, 2012

Sources of portfolio value



Portfolio and selected benchmark returns



Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Sep 30, 2012
Opening value	14,102,521.27	16,409,037.55	15,657,234.00	800,000.00
Net deposits/withdrawals	-19,971.45	-2,710,117.88	579,976.26	12,138,833.95
Div./interest income	48,604.22	168,921.58	282,001.95	732,583.70
Change in accr. interest	7,737.58	2,020.49	-8,418.88	29,532.36
Change in market value	250,093.96	519,123.86	-101,755.78	688,035.58
Closing value	14,388,985.59	14,388,985.59	16,409,037.55	14,388,985.59
Net Time-weighted ROR	2.03	4.21	0.34	2.66

Net deposits and withdrawals include program and account fees.

Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD	YTD	2011	ITD
	Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Sep 30, 2012
Your portfolio	2.03%	4.21%	0.34%	2.66%
Cash and Cash Alt				
US Treasury Bill - 3 Mos	0.02	0.05	0.07	0.09
Fixed Income				
BC Aggregate Bond Index	1.58	3.99	7.84	6.24
BC Govt/Credit - 1-3 Yr	0.52	1.11	1.59	1.99
Equities				
MSCI AC World ex-US	7.49	10.86	-13.33	3.09
S&P 500	6.35	16.44	2.11	12.75

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

Report created on: October 2, 2012

Performance by account

as of September 30, 2012

Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Jun 30, 2012 to Sep 30, 2012	Dec 31, 2011 to Sep 30, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Sep 30, 2012
UC 03542	CT • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	1,995,080.69	13.87%	Net time-weighted	0.52%	1.63%	5.50%	3.73%
UC 03543	CT • BSA Risk profile: Conservative Return objective: Current Income	Sep 17, 2009	256,034.68	1.78%	Net time-weighted	0.02%	1.95%	0.12%	-9.40%
UC 03544	PF • BSA Risk profile: Conservative Return objective: Current Income	Sep 21, 2009	1,909,368.30	13.27%	Net time-weighted	0.42%	0.49%	0.11%	-3.84%
UC 03546	PF • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,972,553.80	20.66%	Net time-weighted	1.39%	3.40%	4.12%	4.01%
UC 04046	CT • MAC Wrap - SAGE INT FIXED Risk profile: Moderate Return objective: Current Income and Capital Appreciation	Feb 8, 2011	2,804,790.65	19.49%	Net time-weighted	1.52%	3.60%	N/A	5.63%
UC 04047	PF • Pace Multi Advisor Risk profile: Aggressive/Speculative Return objective: Capital Appreciation	Dec 23, 2010	4,451,157.47	30.93%	Net time-weighted	4.32%	9.54%	-5.20%	2.37%
Total Portfolio		Sep 17, 2009	\$14,388,985.59	100%	Net time-weighted	2.03%	4.21%	0.34%	2.66%

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

	QTD Jun 30, 2012 to Sep 30, 2012	YTD Dec 31, 2011 to Sep 30, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Sep 30, 2012
Benchmarks - Time-weighted returns				
Cash and Cash Alt				
US Treasury Bill - 3 Mos	0.02 %	0.05 %	0.07 %	0.09 %
Fixed Income				
BC Aggregate Bond Index	1.58 %	3.99 %	7.84 %	6.24 %
BC Govt/Credit - 1-3 Yr	0.52 %	1.11 %	1.59 %	1.99 %
Equities				
MSCI AC World ex-US	7.49 %	10.86 %	-13.33 %	3.09 %
S&P 500	6.35 %	16.44 %	2.11 %	12.75 %



Disclosures applicable to accounts at UBS Financial Services Inc.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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Quarterly review and outlook

Fourth quarter 2012

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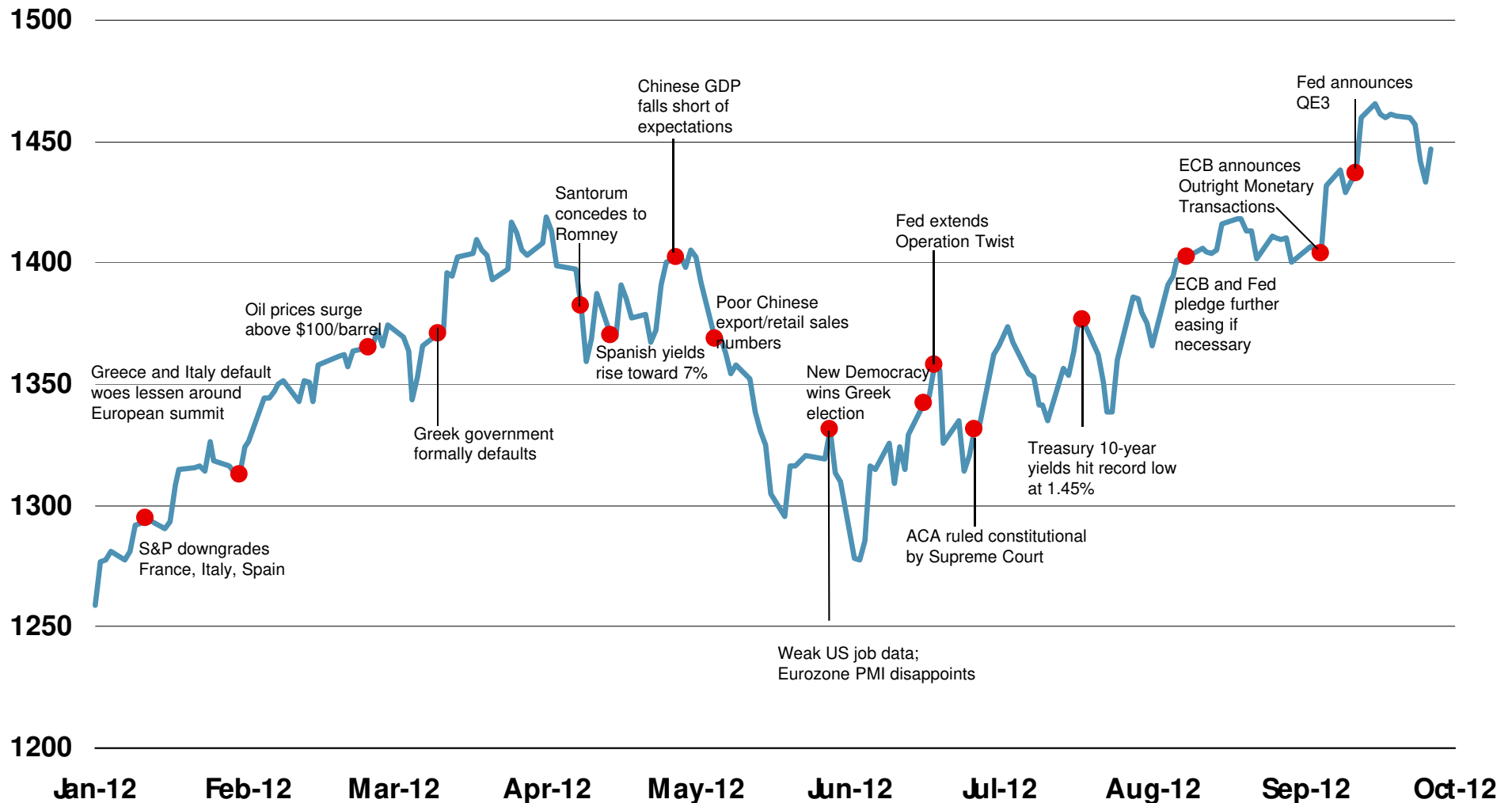
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2012 timeline of events

Charting the key events of 2012 that shook the S&P 500

S&P 500 price index, opening price



Source: Bloomberg, UBS WMR, as of 28 September 2012

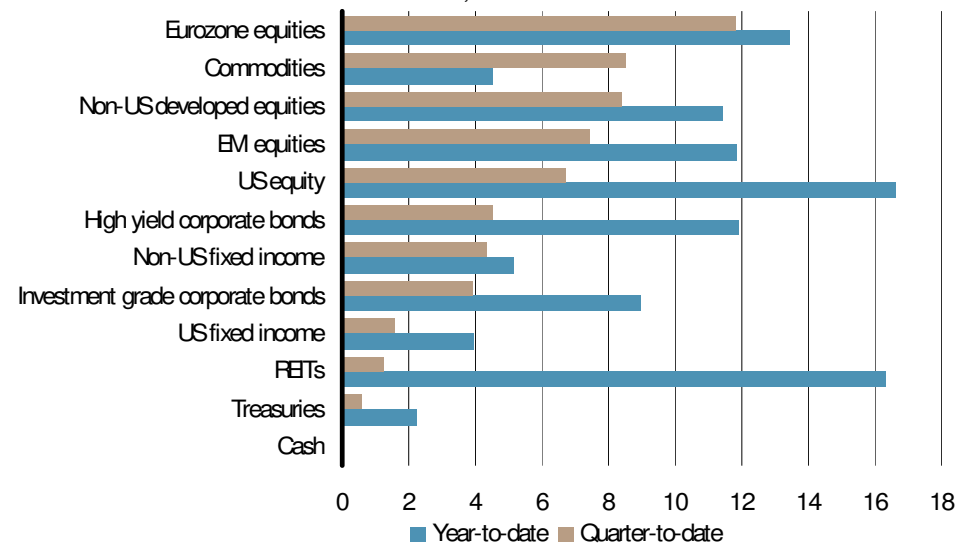
US economic data and financial market performance

Strong gains in financial markets despite weak global economy

- The eurozone debt crisis, a sharp slowdown in China and tepid growth in the US prompted global central banks to expand their balance sheet in hopes of reflation economic activity.
- Reflation efforts and the absence of material bad news boosted risk assets. The S&P 500, which gained nearly 6% in the third quarter, has risen roughly 15% during 2012. Eurozone equities led the way, rising nearly 12%. Commodities also recovered.
- Economic data in the US has been mixed. Housing has shown signs of a rebound, but labor market conditions remain weak. The unemployment rate still hovers above 8%, and payroll gains fell back below 100,000 in August.
- ISM manufacturing hovered near the expansion-critical 50 threshold throughout the quarter. Analysts have trimmed Q3 and Q4 GDP forecasts by 40 and 25 basis points, respectively.
- US gasoline prices once again moved back toward \$4 per gallon.

Third quarter 2012 performance snapshot

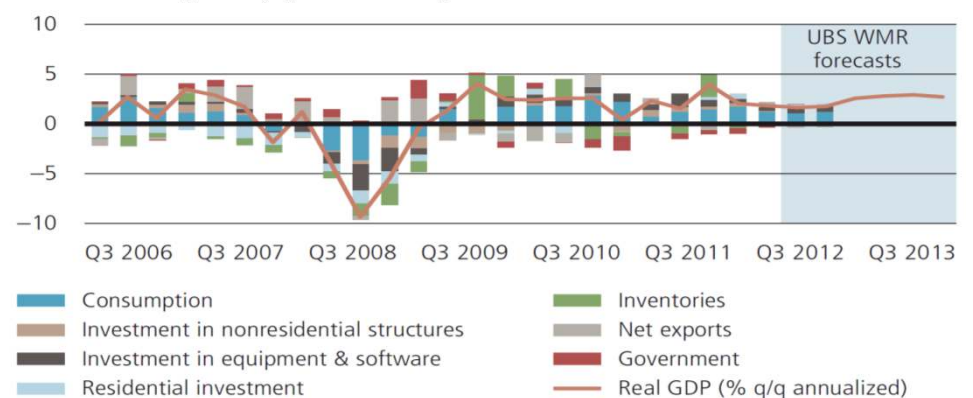
Total return of selected asset classes, in USD and %



Source: Bloomberg, Merrill Lynch Indices, UBS WMR, as of 28 September 2012

US growth to stay moderate into 2013

US real GDP growth, quarter-over-quarter annualized in %



Source: Thomson DataStream, UBS WMR, as of 24 September 2012. For full explanation of this table, please see Disclaimer.

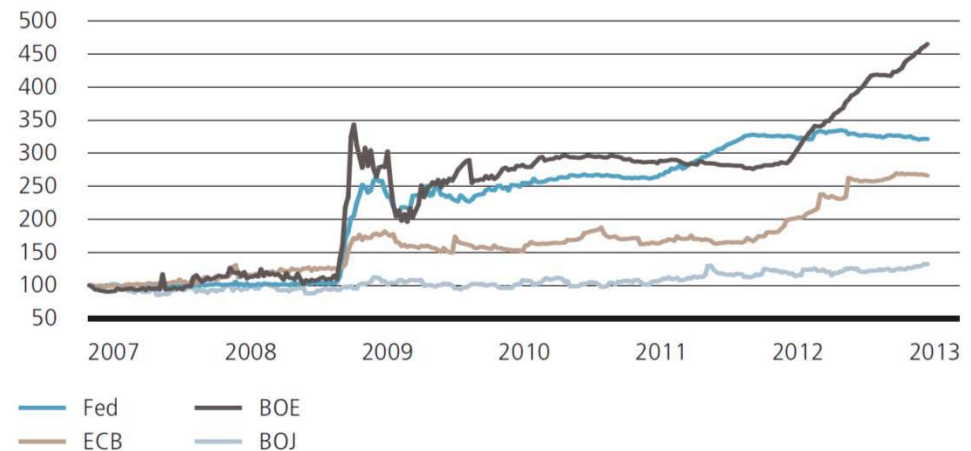
Policy measures and a lack of bad news sparked a rally

Third quarter defined by an “absence of malice” and reflation efforts

- Global monetary easing moved into full swing, with major central banks extending already accommodative monetary policy.
 - The European Central Bank (ECB) introduced the Outright Monetary Transactions (OMT) program in July which allows it to buy an unlimited amount of short-term sovereign bonds in the secondary market.
 - The US Federal Reserve (Fed) initiated a third phase of quantitative easing (QE3) in September amid rising inflation expectations.
- Geopolitical uncertainty remained elevated in Europe, Asia and the Middle East. Mass anti-US protests flared across the Arab world, anti-Japanese protests shook China, and Spaniards and Greeks took to the streets en masse to protest against austerity.
- Based on our expectations for earnings over the next year, the price-earnings ratio (P/E) for US stocks is close to the top of our fair value range at 13.5, suggesting limited upside.

Central banks have supported global reflation efforts

Size of central bank balance sheets, indexed to 100 at 1 January 2007



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

US equities remain within our fair value range

S&P 500 P/E calculated using normalized earnings



Source: Bloomberg, UBS WMR, as of 25 September 2012

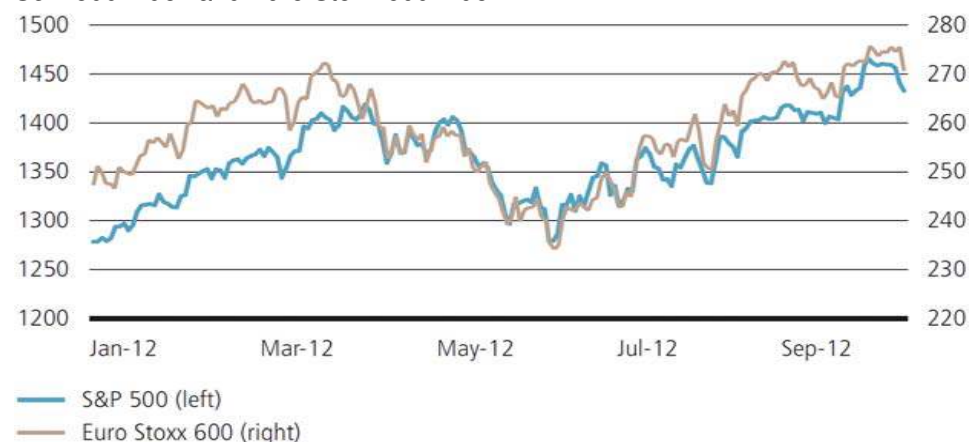
Further gains predicated on improved outlook

Fiscal policy risks and US elections loom large in the fourth quarter

- We believe that further gains in risk assets require outright improvement – not merely stabilization – in global macro conditions, including continued easing of eurozone risks, an agreement on the “fiscal cliff,” signs that Chinese policymakers will step up efforts to ease monetary and fiscal conditions and evidence that corporate profits are set to reaccelerate.
- Expansionary monetary policy should continue to support the real economy and financial markets. However, uncertainties related to the US elections and its aftermath loom large.
- We think the largest of these uncertainties – the US fiscal cliff – will be avoided. While a “grand bargain” (deficit cuts of \$4 trillion or more over the next 10 years) is probable next year, there is little chance of a sweeping agreement in 2012.
- With margins near historically high levels, subdued emerging market growth and more modest efficiency gains, companies should have a tough time beating earnings estimates.

Equity markets have rallied sharply

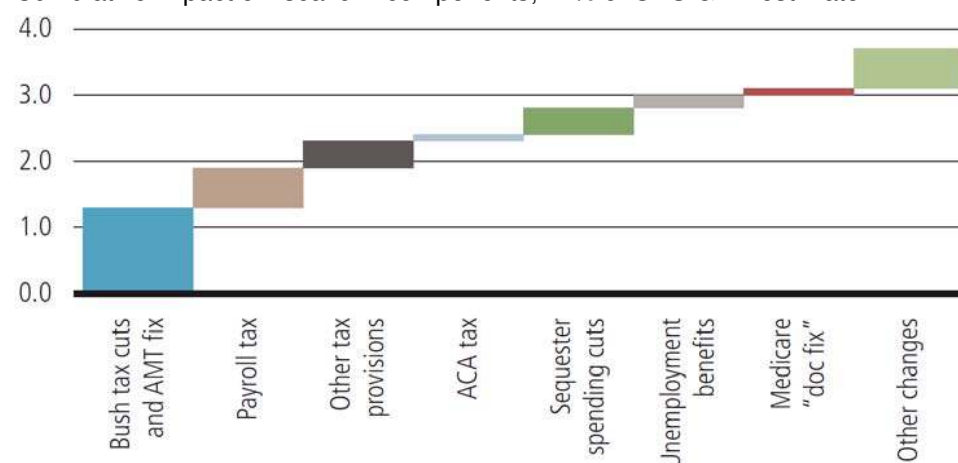
S&P 500 Index and Euro Stoxx 600 Index



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

Fiscal cliff impact should be devastating

Cumulative impact of fiscal cliff components, in % of UBS GDP estimate



Source: Congressional Budget Office, UBS WMR, as of 27 June 2012

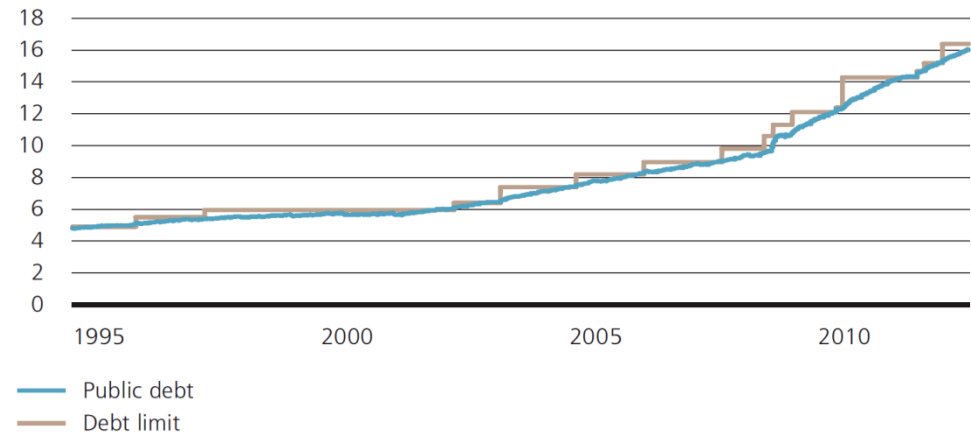
Macro conditions remain challenging

Geopolitical risks could undermine the economy and risky assets

- The macro environment remains challenging and the political outlook, uncertain. While central banks reduced tail risks, headwinds from tighter fiscal policy and deleveraging should continue in 2013. Sluggish growth, episodic increases in market volatility and less uniform performance prospects across risk assets will likely continue.
- The recent improvement in the eurozone could prove short-lived if elected officials backtrack on agreed reforms. With Germany balking at further bailout funds, sovereign credit quality could deteriorate, prompting renewed concerns of a re-escalation of the debt crisis.
- The failure of policymakers to respond to a further softening of growth in China should pose a daunting challenge to the global expansion.
- With market participants having shifted from being overly cautious to somewhat complacent about the risks, we believe the risks of a pullback into the year end are significant.

Debt ceiling debate to heat up in early 2013

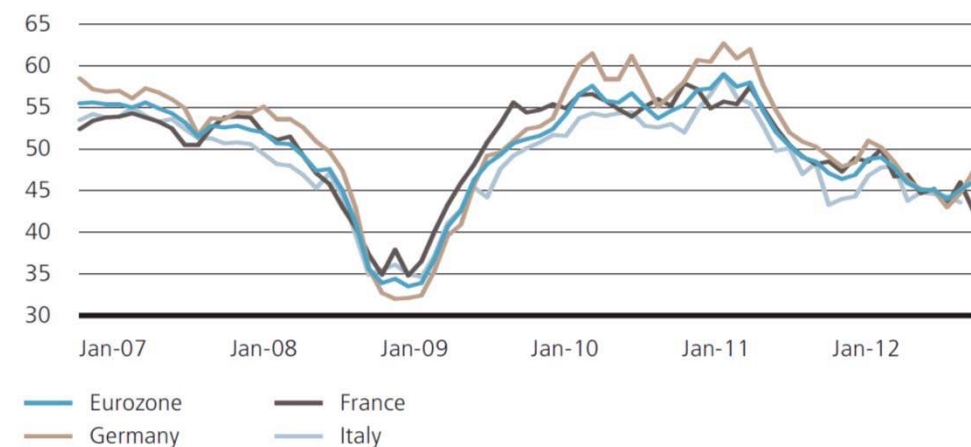
US public debt and statutory debt limit, in trillions of US dollars



Source: Bloomberg, UBS WMR, as of 21 September, 2012

Eurozone growth picture marginally improving

Manufacturing PMIs for the eurozone, in levels



Note: PMI = Purchasing Managers Index

Source: Thomson Reuters, UBS WMR, as of 27 September 2012

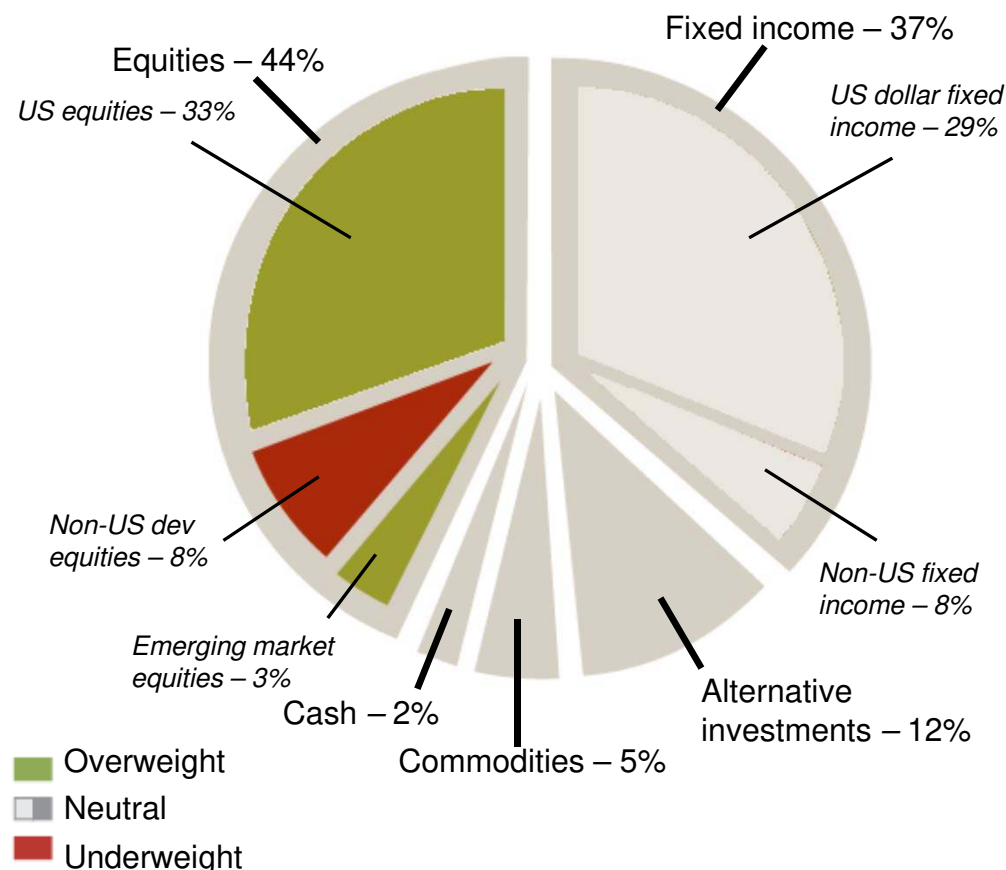
WMA Asset Allocation Committee recommendations

Neutral tactical preferences across main asset classes

- **Neutral tactical allocation to global equities:** Investors should remain allocated in line with their long-term oriented benchmarks.
- **Favor US and emerging markets:** Prefer the US for its defensive character and EM for growth potential. Less cautious on eurozone assets.
- Within US equities, **emphasize growth over value, small- and mid-caps over large-caps, and procyclical over defensive sectors.** Our favored sectors are Information Technology, Consumer Staples and Industrials.
- **Upgrade commodities, downgrade fixed income:** The downside for some commodity sectors is now more limited. As an offset, we downgrade fixed income.
- **No longer prefer US dollar-denominated bonds vs. foreign bonds:** Reduced risks in the eurozone remove a pillar of support for the dollar.
- **Favor US corporate credit, reduce preference for EM sovereign bonds:** Fundamentals support investment-grade and high-yield corporate bonds.

Current asset allocation

Model portfolio moderate risk profile, in %



Source: UBS WMR (for asset class comments) and Wealth Management Americas (WMA) Asset Allocation Committee (for the tactical view), as of 27 September 2012. Note: The benchmark allocations are provided for illustrative purposes only by UBS Investment Solutions for a hypothetical US investor with a moderate investor risk profile and total return objective. See "Sources of benchmark allocations and investor risk profiles" in the Appendix of the *Investment Strategy Guide* for a detailed explanation regarding the source of benchmark allocations and their suitability and the source of investor risk profiles. The current allocation percentages are derived from the benchmark allocations and the tactical deviation (provided by WMA Asset Allocation Committee). See "Deviations from benchmark allocation" in the Appendix of the *Investment Strategy Guide* regarding the interpretation of the suggested tactical deviations from benchmark. See "Nontraditional Assets" and "Description of Certain Alternative Investment Strategies" in the Appendix of the *Investment Strategy Guide* regarding Alternative Investments. See "Emerging Market Investments in the Appendix of the *Investment Strategy Guide* regarding Emerging Markets.

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CITY OF CORDOVA



3rd Quarter Revenue Report for Parks and Recreation

First glance at the totals from the 3rd quarter, it would appear that we are not doing as well as last year. The 3rd quarter membership totals are far below last year's 3rd quarter totals. Looking at the totals for the year, however, we are still ahead of last year, with \$2,000 more taken in from pass sales, up to now. This is due to the addition of the *Seasonal and weekly passes*. Most of the sales for the seasonal passes appear in the 2nd quarter. So we are still doing great, but the sales are at a different time of year. We should see a big bump in pass sales this coming 4th quarter with the Winter Passes and our annual November discount coming up. Attendance numbers have remained steady.

Our final report on Odiak will show a slight revenue increase from last year, with payments still coming in.

Summer Camp also did well, bringing in a bit more revenue with fewer sessions.

I am looking forward to the end of year totals; they should be greater than last year. I also believe that next year will be even better than this, with the addition of our improved pool facility, more fitness and recreation programming available and hopefully the snow will not get the best of us this winter.

All the best,

Jim Fritsch

CITY OF CORDOVA



Parks and Recreation

3rd Quarter Revenue 2012								
Month	Drop in	Passes	Programs	S.Cabin	Odiak	Other	Total	
July	\$ 827.00	\$ 635.00	\$ 3,498.00	\$ 245.00	\$ 11,778.00		\$16,983.00	
August	\$ 904.00	\$ 1,930.00	\$ 2,205.00	\$ 760.00	\$ 13,226.25	\$ 700.00	\$19,725.25	
September	\$ 710.00	\$ 2,080.00	\$ 710.00	\$ 420.00	\$ 10,422.22		\$14,342.22	
Total	\$ 2,441.00	\$ 4,645.00	\$ 6,413.00	\$ 1,425.00	\$ 35,426.47	\$ 700.00	\$51,050.47	
3rd Quarter Revenue 2011								
Month	Drop in	Passes	Programs	S.Cabin	Odiak	Other	Total	
July	\$1,256.00	\$6,551.00	\$3,765.00	\$280.00	\$9,724.12	\$50.00	\$21,626.12	
August	\$1,275.00	\$1,530.00	\$860.00	\$645.00	\$12,841.97	\$350.00	\$17,501.97	
September	\$614.00	\$3,204.00	\$200.00	\$510.00	\$12,488.28		\$17,016.28	
Total	\$3,145.00	\$11,285.00	\$4,825.00	\$1,435.00	\$35,054.37	\$400.00	\$56,144.37	
*	Deposit Totals to date = \$99,695.30							
	Last year at this time = \$98,565.38							



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Community and Regional Affairs

Sean Parnell, Governor
Susan K. Bell, Commissioner
Scott Ruby, Director

October 1, 2012

CERTIFIED/RETURN RECEIPT REQUESTED

7009-1410-0002-1547-4986

Mayor James Kallander
City of Cordova
P.O. Box 1210
Cordova, AK 99574

RE: 2012 FULL VALUE DETERMINATION

Dear Mayor Kallander:

As required by AS 14.17.510 (Public Schools Foundation Program), the Department of Commerce, Community, and Economic Development has determined that, as of January 1, 2012, the full and true value of taxable real and personal property within your municipality is as follows:

Real Property:	\$ 191,433,500
Personal Property	\$ 67,568,400
State Assessed Property (AS 43.56):	\$8,597,760
<hr/>	
TOTAL:	\$ 267,599,660

This full value determination may be appealed administratively by you within fifteen (15) days of receipt of this notice. In addition, AS 14.17.510 also allows for judicial review of the determination. If you have any questions concerning this full value determination for 2012, please contact our office at 269-4565 or 269-4605.

Sincerely,

Steve Van Sant
State Assessor

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: October 09, 2012

TO: Mayor & City Council

SUBJECT: Substitute Ordinance 1098

The City Council has met two times with the School Board in joint work sessions to discuss the Cordova Municipal Code section 3.36. Ordinance 1098 appeared before Council for first reading on September 19. Council referred Ordinance 1098 to staff for edits. Substitute Ordinance 1098 passed at first read on October 3, 2012. Tonight Substitute Ordinance 1098 is before council for a public hearing and then at the regular meeting for second reading and final approval.

RECOMMENDED MOTION: Move to adopt Substitute Ordinance 1098.

REQUIRED ACTION: Majority roll call vote.

SUBSTITUTE ORDINANCE 1098

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, ADOPTING
CORDOVA MUNICIPAL CODE 3.36.080 AND 3.36.090 TO CLARIFY THE AUTHORITY AND
RESPONSIBILITIES OF THE SCHOOL BOARD**

WHEREAS, the City of Cordova (“City”) is responsible to provide for a system of public schools for the municipality; and

WHEREAS, the system of public schools for the municipality is operated by a board of education (“School Board”); and

WHEREAS, two joint work sessions between the City Council and School Board were held to clarify the authority and responsibilities of the School Board regarding the maintenance and leases of the City-owned school buildings; and

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

Section 1. Cordova Municipal Code sections 3.36.080 and 3.36.090 are adopted as follows:

Chapter 3.36 - SCHOOL BOARD

3.36.010 - Existing board to continue.

3.36.020 - Members—Terms of office.

3.36.030 - Vacancy—Declaration of candidacy.

3.36.040 - Vacancy—Method of filling.

3.36.050 - Members—Oath.

3.36.060 - Powers and duties generally.

3.36.070 - Superintendent.

3.36.080 – School Maintenance

3.36.090 – School Facility leases

3.36.080 – School maintenance.

- a) The school board shall provide custodial services, routine maintenance and repair, and walkway snow removal for the city-owned school buildings and shall provide employees for these purposes. Routine repairs shall be all repairs of less than \$5,000 for a specific individual item or project.
- b) The city council shall provide insurance, major maintenance and all rehabilitation, repair and construction, water/sewer/refuse services, and snow removal from buildings and grounds for the city-owned school buildings. Major repairs shall be all repairs of more than \$5,000 for a specific individual item or project.

3.36.090 – School facility leases

Leases of the city-owned school buildings under school board management with a term of 30 consecutive days or more shall be in accordance with CMC 5.22.

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 the Cordova Times, a newspaper of general circulation in the City, within ten (10) days after its passage.

1st reading: October 3, 2012

2nd reading and public hearing: October 17, 2012

PASSED AND APPROVED THIS 17th DAY OF OCTOBER 2012.

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: October 10, 2012
TO: Mayor & City Council
SUBJECT: Ordinance 1099

The City Council is currently in the process of changing CMC 3.36 regarding School Board authority concerning maintenance and leasing of the City-owned school buildings. In the conversation at first reading of that ordinance (Substitute Ordinance 1098), Council suggested that 5.22 which is referred to in the new (soon to be adopted) code language should be looked at and amended to coincide with the changes they were making in 3.36. Therefore, Ordinance 1099 amending and 5.22 with the appropriate edits is before you tonight for first reading. As backup, there is included an email from the City auditor which speaks to the financial aspect of the lease payments.

RECOMMENDED MOTION: Move to adopt Ordinance 1099.

REQUIRED ACTION: Majority voice vote.

ORDINANCE 1099

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AMENDING CORDOVA MUNICIPAL CODE 5.22.040 AND ENACTING CORDOVA
MUNICIPAL CODE 5.22.090 K TO CLARIFY PROCEDURES FOR LEASING CITY-OWNED
SCHOOL BUILDINGS**

WHEREAS, City Council is in the process of adopting Substitute Ordinance 1098 which clarifies leases of city-owned school buildings and refers to said leases as being written in accordance with 5.22 of Cordova Municipal Code; and

WHEREAS, on first reading of Substitute Ordinance 1098, the City Council decided that it would be prudent to amend 5.22 soon to coincide with the added language of 3.36.090 in Substitute Ordinance 1098.

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

Section 1. Cordova Municipal Code section 5.22.040 is amended as follows and 5.22.090 K is enacted as follows:

5.22.040 - Application to lease or purchase.

- A. A person shall apply to the city manager in writing to lease or purchase an interest in city real property on a form approved by the city manager.

In the case of lease applications for space within the city-owned school buildings, a person shall apply to the school board. The school board has authority to negotiate lease terms consistent with this chapter. Acceptable applications will be forwarded to the city manager accompanied by a school board resolution.

The application shall include the following information:

1. The name of the applicant, and any other names under which the applicant does business;
2. The name of each affiliate (as defined in AS 10.06.990(2) or its successor) of the applicant;
3. The applicant's mailing address and the address of the applicant's registered office in the state, if applicable;
4. The use or purpose for which the applicant proposes to lease or purchase the property, including the following:
 - a. An application for a lease with a term exceeding one year for a commercial or industrial purpose shall include a development plan for the property providing for the development of a permanent commercial or industrial facility, which plan shall include the number of persons to be employed on the premises during the term of the lease, and any additional information required by the city manager, the city planner or the planning commission.
 - b. An application for a lease with a term not exceeding one year for a commercial or industrial purpose shall include a development plan for the property providing the information required by the city manager, the city planner or the planning commission.
 - c. Any other application shall state the use, value and nature of any improvements the applicant proposes to construct on the property, and any additional

ADDED LANGUAGE UNDERLINED/ DELETED LANGUAGE STRICKEN THROUGH

information required by the city manager, the city planner or the planning commission;

5. Evidence that the applicant meets the applicable qualifications in subsection B of this section; and
6. Any other information required by the city manager.

5.22.090 - Disposal by lease.

In addition to the other requirements in this chapter, a lease of city real property shall conform to the following requirements:

- A. The lease may not be assigned without the approval of the city, which may be granted at the sole discretion of the city council.
- B. The term of the lease may not exceed thirty years, including renewals, unless the city council approves a longer term upon finding that the longer term will be beneficial to the city or the citizens of Cordova in light of the purpose of the lease, the use of the premises and the nature of any improvements to be constructed thereon.
- C. A lease for fair market value having a term longer than two years shall be subject to a rental adjustment to fair market value at intervals no less frequent than every two years, but no such adjustment shall cause a reduction in the rent under the lease.
- D. A lease may grant the lessee one or more options to renew, provided that:
 1. The term, including all available renewal terms, does not exceed the term permitted under subsection B of this section; and
 2. Upon each renewal, the lease shall be subject to all provisions of this code in effect at the time of the renewal.
- E. The lease shall reserve to the city the right to designate or grant rights-of-way or utility easements across the leased premises without compensation; provided, that the lessee shall be compensated for any resulting, taking or destruction of improvements owned by the lessee, and provided further that the rent shall be adjusted to reflect any resulting reduction in the fair market value of the leased premises.
- F. A lease of commercial or industrial real property having a term of more than one year shall require substantial implementation of the development plan required under [Section 5.22.040\(A\)\(4\)\(a\)](#) within twelve months of approval of the lease by the council under [Section 5.22.010](#), unless at the time of such approval the council approves a longer period for substantial implementation.
- G. A lease of commercial or industrial real property having a term of one year or less shall:
 1. Prohibit the construction of improvements or other permanent alteration of the property, or the establishment of any enterprise or activity on the property that cannot be terminated on thirty days' notice; and
 2. Provide for termination by the city upon thirty days' written notice to the lessee.
- H. The lessee's performance under a lease shall be secured in the manner that the city council may require, including without limitation, a security deposit, surety bond or guaranty.
- I. Unless the council provides otherwise in authorizing the lease, the lessee shall pay rent to the city on an annual basis, in advance, with payments due upon commencement of the term and on each anniversary thereof during the term.
- J. The lease shall provide for payment of interest or a late fee for rent past due, and provide for recovery by the city of attorneys' fees and costs to the maximum extent allowed by law in the event the city is required to enforce the lease in court, and such additional provisions pertaining to defaults and remedies as the city manager may determine to be in the city's interest.

K. A lease of city-owned school buildings shall provide that payments received for rent shall be made payable to the Cordova School District and assigned to a special revenue fund designated by the school board.

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 the Cordova Times, a newspaper of general circulation in the City, within ten (10) days after its passage.

1st reading: October 17, 2012

2nd reading and public hearing: November 7, 2012

PASSED AND APPROVED THIS 7th DAY OF NOVEMBER 2012.

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

Sent: Wednesday, October 10, 2012 9:30 AM
To: Mark Lynch
Cc: John Bost
Subject: School Leasing

Mark,

In follow up to our yesterday conversation about the long-term lease of school facilities, I discussed with a few of our other partners and wanted clarify something that I said on the phone. I mentioned that the City can designate funds for a specific purpose outside of general education and that funding would be outside of the local funding cap. With a specific eye to the long-term lease, the City could enter into a long-term lease and simply assign the revenue to the school for a specific purpose. As long as the purpose is specific enough to warrant treatment as a special revenue fund (or an agency fund) then it would be outside the cap.

In practice, we have seen District's specifically earmark revenue streams for transportation, food service subsidies, and/or student activities. So those are a couple of items that might work if there is a need for funding for those items at the district.

Michelle Drew
Audit Director

Mikunda, Cottrell & Co., Inc.
3601 C Street, Suite 600 | Anchorage, Alaska 99503
P 907.278.8878 | **F** 907.278.5779
mdrew@mcc-cpa.com | www.mcc-cpa.com





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

CITY OF CORDOVA

Office of City Manager

October 11, 2012

Memo to City Council
Re: Today in America TV show

Over the past month the Mayor and I have had two teleconference meetings with producers of a Television show called "Today in America." It is hosted by Terry Bradshaw and is aired nationally. On October 11 we had an informational gathering consisting of three Council members, two chamber board members, the Mayor and myself. We spent about 45 minutes hearing about the program from their Associate Producer, Dave Corvair. The response at that meeting seemed positive, so this item is included on the Council agenda as an action item to authorize me to negotiate, and ultimately sign, a contract with Today in America. The cost to the City will be \$19,800, and we will own the rights to the 5 minute segment about Cordova. Additionally, the program airs once nationally, and 19 times in regional markets that the City gets to choose (total of 20 airings). Here are two links. The first is the show's website, and the second is specific details concerning what they do, and what we can expect.

www.todayinamericatv.com

<http://todayinamericatv.com/ApQt/e-package/>

Our attorney is currently reviewing the contract, and may have some edits, but I am attaching the original draft for your review.

Recommended action: Voice Vote.

I move to direct the City Manager to negotiate and sign a contract with Today in America with a total cost to the City of Nineteen Thousand Eight Hundred dollars (\$19,800.00).

Thank you,
Mark Lynch
City Manager

PARTICIPATION AGREEMENT

Date: October 2, 2012
Participant: **City of Cordova, Alaska**
Market: National (*See Distribution Checklist*)
Show: **Today in America with Terry Bradshaw**

Project No: TIAAn-95387dc/clom
Authorized by: Jim Kallender or Mark Lynch
Associate Producer: Dave Corvair
Feature: 5 minute feature

Today in America ("PRODUCTION COMPANY"):

- 1) PRODUCTION COMPANY will provide a complete licensed and insured production and scriptwriting team (field production, graphics, music, voice-overs, program editing, set design and lighting) for domestic taping and completion of feature for PARTICIPANT.
- 2) PRODUCTION COMPANY will provide PARTICIPANT with a copy of its segment, and hereby grants the PARTICIPANT complete licensing rights for legal and marketing/promotional purposes.
- 3) This feature will be used on the **Today in America** show airing one (1) time nationally on FOX Business Network, and 19 times regionally through a combination of ABC and/or FOX Broadcast Stations and/or Regional News Networks in up to 15 markets as indicated on the distribution checklist. All airings to occur 6:00 a.m. to 11:00 p.m.
- 4) PRODUCTION COMPANY will include the PARTICIPANT in conjunction with the promotions of the series in any available editorial articles, as well as, press releases distributed to relevant industry organizations targeting consumer and business networking sites.
- 5) In collaboration with PARTICIPANT, content to include but not limited to: **filming of visuals to be obtained at a pre-determined and mutually agreed upon location as indicated by PARTICIPANT and studio; participating city spokesperson interviews intended to communicate important information to viewers pertaining to city/industry details, and if possible, third party interviews applicable to city story and subject matter.**

City of Cordova, Alaska ("PARTICIPANT"):

- 1) PARTICIPANT will provide input into the scripting by filling out a PARTICIPANT questionnaire, reviewing and signing off on feature outline for accuracy, filling out and approving production schedules and providing literature as well as background information. PARTICIPANT is required to sign off and approve script and final edited segment before going to network. All press releases must be pre-approved by both parties prior to release.
- 2) PARTICIPANT understands and acknowledges that the PRODUCTION COMPANY will immediately begin work on certain aspects of the PARTICIPANT'S feature and delegate personnel in association with the development, promotion, scheduling, pre-production and production with the goal to have the script developed within thirty to forty-five days upon PARTICIPANT returning the Editorial Information Form.
- 3) \$19,800 USD is the total scheduling fee. PARTICIPANT will incur no additional cost relating to the parameters of this agreement.
- 4) PARTICIPANT acknowledges and agrees to pay the total scheduling fee as follows: 1/2 due thirty days from agreement execution, and 1/2 due sixty days from agreement execution.
- 5) PARTICIPANT, if appropriate, will provide end user for testimonial, company spokesperson, talent and products for shooting.

The parties agree that Florida law applies and the jurisdiction and venue for any action regarding this agreement shall lie exclusively in the courts of Broward County, Florida. Once both parties authorize this agreement, Participant does irrevocably commit to participate in the television program described above and does further agree to provide the questionnaire and literature in a timely manner. Production Company owns all rights to footage that is filmed. All aspects of the agreement will be completed within twelve months or sooner of agreement execution assuming Participant does not withhold reasonable approvals. As stated, Today in America and its national television show has no direct affiliation with the networks on which they air. Today in America purchases the time through cable providers, networks and/or other media sellers. This agreement contains the full and complete understandings between the parties whether written or oral, pertaining thereto, and cannot be modified except by a written instrument signed by each party hereto.

Authorized Representative - Participant

Company /Position/ Print name

Date

Today in America Representative

CEO of Today in America

Date



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

CITY OF CORDOVA

Office of City Manager

October 10, 2012

Memo to City Council
Re: Safe Routes to School Grant

A Safe Routes to School grant is available to Cordova in the amount of \$253,172.54. It was applied for by Cordova School District, who has asked the City to sign the Notice to Proceed with the state and administer the grant and oversee the project.

Initially there were several questions that the City needed answers to. One question was concerning the total amount of funds available, and it has been established that none of this grant has been expended, so the full amount is still available for the project. Also, there were questions concerning state maintenance of the infrastructure once installed, and the answers to that are on the attached e-mail response from Steve Soenksen. Mr Soenksen also verified in the e-mail that if the project goes over the engineer's estimated budget the SRTS project will still cover the additional costs without any City match.

Based on the information I have received to date I can recommend that Council authorize me to sign the Notice to Proceed and accept grant administration and project management. However, there will be a cost in additional personnel hours to City employees, and I am not sure exactly what the will be. If we are successful at filling our Facilities Superintendent position, which also includes project management, we should have it covered. If we don't get that position filled right away we would need to contract for project management on this project in much the same way we have on other recent project such as the breakwater, hospital roof, etc.

Recommended action: Voice Vote.

I move to direct the City Manager to sign the Notice to Proceed and to accept grant administration and project management for the Safe Routes to School project which has a total authorized budget of \$253,172.54.

Thank you,
Mark Lynch
City Manager

From: [Soenksen, Steven M \(DOT\)](#)
To: [Mark Lynch](#)
Subject: Re: City of Cordova SRTS questions
Date: Wednesday, October 10, 2012 3:10:41 PM

Hi Mark

Yes, the "final cost" will be known as the final design work is completed. We have a "project revision" form that can be completed to cover additional cost to complete this project. It is 100% federal funding, unique to other transportation projects that may require a local match.

This program does not require a match. It may in the near future. The community, through a public process designed these solutions and the federal money is available as a reimbursable grant to the city

Feel free to call me at 907 957 7550 if you have additional questions.

Thank you
Steve Soenksen

On Oct 10, 2012, at 12:23 PM, "Mark Lynch" <citymanager@cityofcordova.net> wrote:

Steve,

I'm not sure if this has been asked yet or not, but what if the project goes over the engineer's estimated budget? Does funding get adjusted, or is the City responsible for the additional costs?

Thanks,

Mark Lynch
City Manager
City of Cordova, AK

From: Soenksen, Steven M (DOT) [mailto:steve.soenksen@alaska.gov]
Sent: Wednesday, October 10, 2012 10:24 AM
To: Josh Hallquist; Potts, Glenn F (DOT)
Cc: Mark Lynch; tkeel@cordovasd.org
Subject: RE: City of Cordova SRTS questions

Josh:

I just spoke with Glenn Potts in our Northern Region Right-of Way Section. Our preliminary review is that you are correct on both points below. The short answer is no. However, it has been some time since we looked at this question and the specifics, Glenn would like to review the paperwork to be sure of this answer. We will contact you soon if there is additional information.

Essentially, as I understand it, the city is given permission to construct this facility in the state right-of-way as it is part of the locally planned improvements under the SRTS federal funding guidance. But the state would be responsible for maintaining it as with other elements in the state right-of-way constructed with federal funds. He did look at the site and is familiar with the location and thought it to be reasonable and appropriate improvement for the safety of children as a community project.

While a little extra care or possible reduced speeds may be necessary by snow removal crews, it is believed that the increase in safety is worth the effort. As a traffic calming measure, it will be effective in slowing down the traffic and increasing visibility of children in an area that they may be traveling in increasing numbers. Parents and public involvement indicated this improvement to the right of way is desirable (and necessary, for some) from a public safety perspective. Many thought that if this were improved, there would be more willingness to allow their children to walk to school. As I recall, almost 80+% of children live within a mile of the school. This link will serve a large part of those families. Field trips for the children would use this route as well.

As it is a hot topic, I would be available for a phone call or other contact to assist the community in putting this project together and on the street. Please let me know how we can assist.

Steve Soenksen, Coordinator
Alaska Safe Routes to School Program
907-465-4069 ofc
907-957-7550 cell

From: Josh Hallquist [<mailto:CCPM@cityofcordova.net>]
Sent: Wednesday, October 10, 2012 9:11 AM
To: Soenksen, Steven M (DOT)
Cc: citymanager@cityofcordova.net
Subject: City of Cordova SRTS questions

Steve,

The two questions that the City Manager needs written confirmation on for the city to proceed with the currently approved SRTS plan/project for Cordova public schools are as follows;

1. Will the city be responsible for maintaining the raised crosswalk section of Lake Ave in the future if damaged by state snow removal or in the event that lake avenue is re-paved? **NO**
2. Will the city be responsible for fixing any signs damaged by state snow removal? **NO**

It is my understanding from our conversation on 10-2-12 that the answer to both was

no. Please verify this in writing at your earliest convenience. I don't know if it would be possible to get a response this afternoon, but the City Manager would like to include the response in the city council packet which has a deadline of tonight. This is a hot topic for city council and it would be nice to tell them all concerns have been addressed and it is a go.

Thanks for your time and sorry for the rush!
Josh Hallquist
CCPM

Cordova Safe Routes To School Plan

Key Team Members (Core Group):

Kathy Zamudio – SRTS Coordinator, PTA Vice President, Parent
Karen Swartzbart – PTA, Parent
Erin Kurz, PTA President, Parent
Karen Peterson – PTA, Parent, Mt. Eccles Secretary
Laura Hanson – PTA, Parent, Mt Eccles Teacher
Linee Bradford – PTA Treasurer, Parent
Denise Hamberger – PTA, Parent
Linda Crider - Community Member, SRTS Trainer
Frank Wicks - Mt. Eccles Principal
Jim Nygaard - Cordova School District Superintendent
Moe Zamaron – Cordova Public Works Director

Existing Conditions (Targeted Areas of Concerns)

School Name Mt. Eccles Elementary School		School Population 176
Estimated Number of Students who currently walk and bike to school (If known)		Grades of Students at School
Walk 40	Bike 20	Pre/K - 6

Walking and Biking Transportation Assessment

There are currently no city sidewalks leading to Mt. Eccles Elementary School. Children walk either on the side of the road or in the street when coming to school. Mt. Eccles recently completed a renovation project and included new sidewalks in the front of and on the sides of the school. There is a curb ramp at the corner where Handicapped parking is located.

There are no changes in school policy regarding school district boundaries or ordinances for walking or biking to school at this time.

SRTS Goals

The purpose of this project is to establish improved pedestrian links between Mount Eccles Elementary School and adjacent neighborhoods where a large percentage of the students who attend the school reside. The intent of the project is to encourage students to walk to school, rather than be driven to school, and to

improve safety for students who do choose to walk.

- To develop safe pick up/drop off of riders so as to make it safer for walkers and bikers
- Increase number of walkers and bike-riders
- Build community awareness of and participation in the Safe Routes to School program
- Conduct "Safe Bike Driving" opportunities for 3rd - 6th grades by teaching lessons in the classrooms, school assemblies, bike club

Action Steps and Implementation for Infrastructure and Non-Infrastructure Projects

There are currently no sidewalks connecting Mount Eccles School to any neighborhood in the community. Students who walk to school do so in the street. Cordova is subject to heavy snowfall and snow plowing operations result in large snow berms, which constrict the width of the roadways. During these conditions, there really is no safe option for elementary school children to walk to school.

- Two new striped crosswalks at the corner of Adams Avenue and Second Street.
- Handicap access ramp on the north side of Adams Avenue coinciding with a new striped crosswalk across Adams Avenue at Third Street.
- New 6-foot wide sidewalk on the east side of Third Street between Adams Avenue and Lake Avenue.
- Raised crosswalk across Lake Avenue at Third Street, connecting the new sidewalk with the existing sidewalk on the south side of Lake Avenue.
- Storm drain improvements required as a result of the new sidewalk and Raised crosswalk on Lake Avenue.
- School crossing signage, as required by the new crosswalks, preferable flashing lights.

Safety Patrol

Volunteer 6th graders will be trained on safety procedures as well as Patrol member duties and responsibilities in preparation for our school's Safety Patrol program. This meets goals of education and encouragement as well as enforcement of safe walking to and from school as these students will be stationed at one of our most dangerous spots – the school pick up and drop off site. We expect the 6th graders to learn safe behaviors as well as model and police fellow students and encourage adults to be more thoughtful of their safety behaviors with their presence. Trainings will occur after school two days, and then practice patrol will occur for 3 days before students are officially on duty. We expect approximately 12 students to participate and will receive assistance, as needed, from the elementary school and the police department. We will hand out an evaluation form to the

students at the end of the training and monitor Safety Patrol effectiveness and ability to perform the expected duties to determine if we need to improve the training in the future. We also have ongoing Safety Patrol meetings as needed.

Safety Video Project

Volunteer 5th and 6th graders will work together to make walk/bike/traffic safety videos for fellow students and adults, especially targeting our changing school drop-off and pick-up areas. The video project meets goals of education and encouragement, and ties into engineering changes as the students will be learning about safety as it relates to our changing school zone with construction, new sidewalks, bike racks, etc. We expect 10-12 students to participate during lunch, after school, and on weekends in the winter and early spring of 2010, as well as again the following 2-3 school years. Secondary students, elementary school staff, police department and city planning department will all assist, as well as local advertising such as radio and TV ad channel. Club will choose videos to show at school.

Community Health Fair Booth

SRTS will prepare an interactive booth for community members at our annual Health Fair to educate, encourage and advertise SRTS events and safety behaviors, as well as solicit feedback from the community for awareness and evaluation purposes for engineering changes occurring in our town related to SRTS. The Health Fair is run by the Community Health Clinic and/or Family Resource Center and usually takes place one Saturday in April. We expect at least 100 community members to stop by our booth and more to walk by. We will evaluate effectiveness by how much participation we have compared to other booths at the fair, as well as attendance at the upcoming events. We had a booth set up last year and received lots of community feedback. This is another away to reach out to the community at large.

Safety Education Classes (Spring and Fall)

All of the elementary school students participated in a Safety Education Class fall 2009, and we hope to continue spring 2010, focusing on education and encouragement of safe walking and biking to school. Class will occur during PE or regular class time in the elementary school in Spring 2010, dates to be determined by school administrator, and will involve all students grades K-6. We hope to see increased safe biking practices and continue with low accident rate as result of safety education. Class was taught for 7th graders during all 2011. The class will occur prior to community bike ride and we

expect that students will be able to demonstrate what they learned in class during the community ride. We will also send home information that students learn in the class to increase family involvement and parent education. We plan to continue this program on a yearly basis.

(Alaska Safe Routes To School Spring Training)

We plan to send at least one SRTS committee member to the Alaska SRTS Spring Training in Anchorage, 2010. Alaska Safe Routes to Schools will pay for one member to attend.

(Two committee members from Cordova attended the Alaska SRTS Training in Anchorage, Fall 2010 and they also attended Bike Safety Workshop and became League Certified Instructors through the League of American Bicyclists.) We plan to increase SRTS awareness by offering bike safety 101 classes to the community.

Bike Trainer's Workshop w/ Linda Crider

Meets education goals of SRTS by training community members on how to teach children safe behaviors. Will take place in spring 2010 and may include up to 8 participants (we already have 7 trained participants from workshop fall 2009). Will take place in either public school facilities or city meeting room. Evaluations are part of the workshop.

PTA 'Back to Biking' Family Bike Safety/ Repair Night

After finding many bikes unsafe and in disrepair at our Bike Rodeo, we have decided to have a Bike Safety/Repair Night prior to our Community Bike Ride to check and repair bikes and teach parents how to check their families' bikes, as well as point out safety behaviors. We plan to have this in April or May 2010 at the high school gym and expect 20+ participants for this event that will meet education and encouragement goals. The police department will donate bikes to be worked on or auctioned/ given away to families that need them. The Cordova Family Resource Center will identify families that need bikes as well as encourage families to participate. We will have donations from the local bike shop as well as volunteer community members who are mechanics help with this activity. We hope to have fewer bikes to fix at the Community Bike Ride and will also evaluate effectiveness by participation.

(This activity will take place on a yearly basis at Mt. Eccles School.)

Community Bike Ride (late spring 2010)

This activity meets encouragement and education goals. Celebration of bike riding in Spring for community and families including bike check, helmet give-away for those without helmets, gear swap, safety lesson for all participants, and bike ride. Event will take place on a Saturday at the community hospital parking lot and Hendricks Park, with date depending on weather and fishing openers in May. Police department will donate food for event. Local bike shops and other businesses are expected to donate prizes and other community organizations such as Public Health Nurse will assist in event. Evaluation will be based on participation. Plan to continue this activity every other year.

Extra-Curricular Student Bike Workshop

We plan to have a 4-8th grade bike workshop for approx. 8-10 students following the Best Bicyclist on Earth workbook this spring, working toward education and encouragement goals. This is a more involved workshop for students, additional to the Safety Education Classes in the school, and will take 4-8 hrs after-school and/or on weekends with help from local mechanics and in coordination with local Boy Scouts and Girl Scouts. We expect to do this in a community space such as a church or high school classroom, depending on snow melt, as soon as kids have access to their bikes. We will evaluate effectiveness with student evaluation at the end of the workshop and participation in bike events of this age group.

Cordova City Police Safety Biking Incentive Program

Our SRTS committee facilitates the police incentive program by providing city police with coupons to give to students when they are 'caught' demonstrating healthy, safe walking and/or biking behaviors. This meets encouragement goal, but also supports education, and enforcement as police are looking out for kids' behavior and speaking with them. This program is mostly during the summer months as we have increased walking and biking with increased daylight. Local businesses and the PTA will donate additional money and goods/services for incentives and the police are excited to partner and give out coupons again as they found the results very positive. We found this program effective last summer as students were wearing helmets more often as determined by the police department and parents commented to us that they were reminded of the importance of safe behaviors when their child was given an incentive. We plan to have approx. 100 incentives, which covers about ½ of children aged 5-12 in the summer in our town.

PTA Back to School Night SRTS Parent Information Booth Sept. 2010

PTA sponsors a booth during the back to school nights of both elementary and secondary schools in September including SRTS information for families. We also use this opportunity to hand out SRTS reflectors to families. This meets education goal of SRTS. We can evaluate based on PTA membership taken at the booth, as well as note how many families take SRTS educational brochures and watch the student made videos. We expect approx. 50 families to stop by the booth. We plan to continue this activity after the renovation.

Walk to School Day Oct.

This will be our third year participating in Walk to School Day since fall 2008. Activities depend on our weather, and on the status of our school's remodeling project. Our first year we provided free breakfast along with other incentives and prizes. This year, because of construction, we provided hot chocolate and had to tone down our activities. We did include incentives for classes with the most walking/biking students and hot chocolate for all walkers/bikers, and door prizes for all participants. The construction project will determine how we celebrate Walk to school Day. At the minimum, we will again provide prizes, incentives and hot chocolate. This activity meets encouragement goals, and the parent hand-outs and incentives include educational materials. We expect at least 50 students to participate and we can evaluate effectiveness based on how many students sign the banner compared to last year.

Bear Aware Safety Program with USFS

Bear Aware program provided by United States Forest Service staff will occur again in the Fall of 2010 during the school day for all elementary students. This meets education goal of SRTS and addresses important safety issue for students in our town. Evaluation based on student knowledge of what to do when they encounter a bear as a walking or biking to school hazard. We hope the USFS will continue this program on a yearly basis.

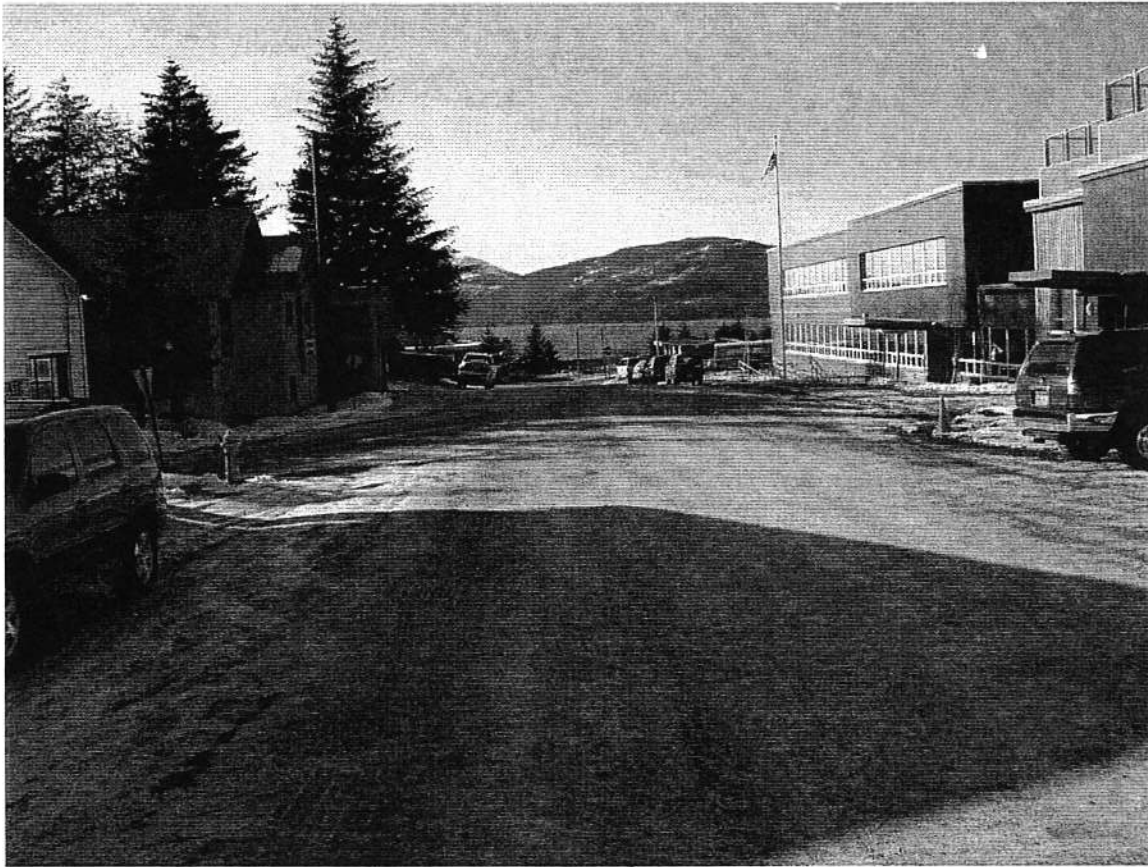


CORNER OF ADAMS AVE AND 3RD STREET

Notice car parked at current placement of crosswalk and pedestrians walking in the middle of the street.



A WINTER MORNING IN FRONT OF SCHOOL



ADAMS AVE, MT. ECCLES ON THE RIGHT
LOCATION OF RAISED PEDESTRIAN CROSSWALK IS
FROM THE YELLOW FIRE HYDRANT TO THE RED CONE.



LOOKING DOWN 3RD STREET FROM MT. ECCLES



CORNER OF ADAMS AND 2ND STREET

INFRASTRUCTURE / NONINFRASTRUCTURE APPLICATION

ALASKA Safe Routes to School

Alaska Department of Transportation and Public Facilities
s.1404 SAFETEA-LU

SafeRoutes

Alaska Safe Routes to School



Instructions

Submit three complete sets of the application, including all support materials to Safe Routes to School Coordinator, Alaska Department of Transportation and Public Facilities, PO Box 112500, Juneau, Ak 99811-2500. If you have questions, please contact srts@dot.state.ak.us. Or call 907-465-4069. The blank tables provide lines to complete this application by hand. If you are completing this application using a computer, please delete the blank tables so that you can insert paragraphs of information.

Type of Project Funding Requested

<input checked="" type="checkbox"/> Infrastructure Only	<input type="checkbox"/> Non-Infrastructure Only	<input type="checkbox"/> Infrastructure and Non-Infrastructure
Name of Community / School / School District Applying for Planning Grant Cordova, Alaska/ Mt. Eccles/Cordova School District		Total Amount of Funding Requested \$255,616.70 253,172.54
Contact Name Jim Nygaard Kathy Zamudio		Title CSD Superintendent Cordova SRTS Facilitator
Contact Mailing Address Cordova School District P.O. Box 1330 Cordova, AK 99574		Area Code – Telephone Number 907-424-3265 Contact E-mail Address jnygaard@cordovasd.org kazamudio@cordovasd.org

Proposed Improvements – Describe briefly – 50 words or less

Cordova would like to make infrastructure improvements directly around the school with high visibility crosswalks, flashing pedestrian crossing signs, and sidewalks leading to the school. We want to create a clearly designated walking path to the school. We would like to educate parents, students and the community at large with our SRTS Non-Infrastructure portion of grant.

Please answer the following questions. Please limit your answers to 8 pages or less for questions 1-8.

1. Does your school or community have a Safe Routes to School Plan? If not, does you school have a School Route Travel Plan or has your school or community utilized the Alaska Safe Routes to School Guidebook to undertake other assessments? Please include the following as applicable: a) Web address where SRTS Plan or School Travel Plan can be viewed. If not available on the web then include one copy of the plan with your application materials. b) If you do not have a SRTS Plan or School Travel Plan is your community working on a SRTS Plan or applying for a SRTS Planning Grant? c) If you have not developed a SRTS Plan please describe what assessments from the Alaska Safe Routes to School Guidebook you have undertaken or identify other types of assessments that were undertaken.

Cordova has a SRTS plan that has been in effect for the past two years. We have a SRTS "Core Group" which consists of PTA Board, one elementary teacher, two parents, the superintendent and community volunteer consultant who is a SRTS national trainer. Our elementary school just completed a two year renovation project which somewhat affected our SRTS plans. We adjusted them accordingly but were unable to complete some of the activities due to construction. We did accomplish several parts of our plan however: We taught pedestrian safety classes at the elementary school and "per-driver's" traffic safety class with the 7th graders. Video Club made safety videos about walking safely to school; Safety patrols were trained and deployed each afternoon to make sure younger students followed pathways to buses or to safe street crossings, where crossing guards assisted them. (This was often with construction vehicles in the area). Now that the construction on the renovation of the Elementary School is completed, we plan to proceed with our plan to incorporate the "infrastructure projects" along with additional non-infrastructure (education/encouragement) programs that we were not able to complete this year. We did complete the SRTS Parent survey and the Student Travel Survey prior to the renovation. We plan to administer these instruments again this fall, 2011 and again in the spring of 2012 to track our progress.

2. What are the demographics for each school affected by the proposed program or project?

School Name Mt. Eccles Elementary School		School Population 176
Estimated Number of Students who currently walk and bike to school (If known)		Grades of Students at School
Walk 40	Bike 20	Pre/K - 6
Percentage of students living within two miles of the school 75%		Distance eligibility for riding a bus One mile
Number of students eligible for busing because of hazard situation 0		Number of children not eligible for busing 119
Percentage of students eligible for free or reduced cost school meals 50 %		

Please provide other demographic information about the community or school that you think would be pertinent.

Cordova, Alaska is a fishing town located in Prince William Sound with a population of approximately 2200 (summer variations with increase from fishing industry and canneries.) Cordova has one elementary school serving grades Pre-kindergarten through 6th grade, and a middle/high school that serves 7th through 12th grades. Both school locations are within a mile of each other with the middle/ high school adjacent to the Copper River Highway (a state road) where it enters the downtown and harbor area. Mt. Eccles Elementary School is situated on a local road that sits at a corner opposite the utility company and Prince William Sound Community College.

Mt. Eccles has recently gone through a major renovation with the addition of a new gym. The renovation has changed the parking and pick up/drop off of students. Bussed students are picked up and dropped off in a different area. Parents and students need education on safely coming and going to school. There are still no sidewalks leading up to the school. The infrastructure part of this grant focuses on sidewalk, signage, and crosswalks.

The middle school, because it sits on a busy state highway, sees a lot of truck traffic (with fishing trailers and other large trucks), often at speeds higher than appropriate for school zones. This is especially dangerous during the dark winter days in Alaska. There is poor lighting at the intersection. We are asking for a high visibility crosswalk in this area.

Children are a major focus in this small community and their safety is paramount. Good fortune and local citizen awareness for children have kept significant crashes from amassing injury/fatality data. Cordovans prefer to focus on "prevention" and use the Safe Routes to School grant as a way to bring the community together, assess needs, and continue to see what partners and resources are available to insure children's safety.

3. What are the current conditions for bicycling and walking in your school area? (Photos may be included that will assist in illustrating the current situation.) Please include information on the following as applicable: What are the obstacles (physical or perceived) to walking and / or bicycling to and from your school? List any documented hazards such as accident data, traffic counts, community and school surveys or audits, speed surveys, and any other factors as appropriate. Show problems on included map as appropriate. Describe any existing activities or conditions at the affected schools that enhance biking or walking to school. These could be engineering changes already undertaken, events, classroom activities, enforcement or other items that make walking and biking easier, safer or a preferred transportation choice.

Many of the roads leading to boui school complexes lack sufficient waiking areas and well-marked designated crosswalks. A significant identified concern is the speed of cars/trucks along the roadways that are the school walking and bicycling routes. Speed limit signs need higher visibility with flashers for illumination during school let out and arrival times, along with an enforcement effort. The City of Cordova Police Department purchased a "Smart cart" speed message sign that they are co-locating for both school zone areas and moving to various spots on roads leading to schools and community facilities (library, recreation fields, downtown, etc.).

Visibility during the dark winter hours for children walking and bicycling is a major problem as in all of Alaska. Through education and encouragement programs with the Safe Routes to School Program, reflective tape is distributed to all students at the beginning of the school year, students and families are reminded about "being seen" in the dark.

Cars park in front of the school wherever there is a space, even if it is on a crosswalk. A clearly defined crossing area is needed to cross the street so that students are not having to cross the street in between parked cars. With a raised pedestrian crosswalk strategically located at school, pedestrians will have a safer, defined crossing path and vehicles will not be able to park in the crossing zone. We will plan several education strategies to encourage new crossing patterns with the new sidewalk and raised crosswalks. While many parents would like for their children to walk and bicycle to school, they want the assurance that there are safe routes, people are watching out for children's safety, and motorists are slowing speeds in school zones. In addition, they want training for their children to be safe pedestrians and bicyclists.

More photos are in packet.



CORNER OF ADAMS AVE AND 3RD STREET

Note car parked in crosswalk and pedestrians walking in middle of street.

4. Describe your proposed project / activity. Describe in detail how this project / activity will help to solve the concerns that were identified in question 3. Please include the following information as applicable: What is the proposed project / activity? For infrastructure projects, describe how the project will change the built environment. For noninfrastructure projects, describe how the activity will change walking / bicycling or driver behaviors and / or attitudes.

Please see attached consultant report from USKH on infrastructure projects.

5. What is your timeline from project / activity start to finish? Please attach a detailed timeline of each proposed project / activity.

Start Date: When grant is awarded and Notice to Proceed is given

End Date: Proposed 12-14 months prior to start date and commensurate with weather conditions

6. Does the community or school(s) have any policies that either limit or encourage biking and/or walking to school? If so, please list the policies. Does the school or community plan to do anything to change the policies?

The community and school district does not have, at present, any policies regarding biking and/or walking. These modes are strongly encouraged, however, by PTA, teachers, the superintendent and principals, and the police Department officials.

7. What local support and/or collaboration exist for the project/activity? Please include information on the following as applicable: Who are your partners? Describe other programs/policies/funding sources that are related to SRTS that are ongoing in the school or community (e.g. Wellness Policy, Physical Activity policies or Green and Healthy Schools certification). Describe how you plan to ensure the continued success of the project or activity.

The PTA has been active in engaging other community organizations as partners, including:

Cordova School District (Elementary and Middle School Principals, School Board)
City of Cordova (City Council, City Manager, City Planner, Public Works Director)
Police Chief of City of Cordova
Alaska Highway Patrol
Student Council for the Middle/High School
Alaska Department of Transportation
Native Village of Eyak
Cordova Parks and Recreation Dept.
Public Health Department
Copper River Watershed Project
Cordova Times (local paper),
KLAM local radio station,
Whiskey Ridge Bike Shop

Part of Mt. Eccles SRTS plan includes: Sixth Grade Safety Patrol with adult crossing guard which PTA supports with incentives and recognition to students, after school bike club which also focuses on safe biking skills and students educating other students, USFS provides Bear Aware program, Native Village of Eyak has a program focusing on youth health through nutrition and exercise. Our SRTS Consultant works with NVE and they provide her time to assist with our SRTS endeavors. Furthermore she is working on grants to promote facility development in Cordova for bicyclists and pedestrians.

Mt. Eccles has participated in Walk to School Day for the past three years and has teamed up with Cordova School District's Community Engagement Advocate to promote "Be Seen At Night" reflective gear program using reflective tape, Video club and Safety Patrol.

Our former public works director and Superintendent were both very involved in the SR2S

initiative, especially regarding the contract with USKH consultant for the infrastructure planning work. We are hopeful that the new public works director will be equally engaged in supporting the projects and helpful in assisting the SR2S coordinator with project oversight.

Alaska DOT has been an excellent partner, attempting to make the state roads in their jurisdiction safer for pedestrians and bicyclists. They are being encouraged to do additional striping of crosswalks, better lighting at strategic intersections, paving of roadway shoulders and planning for additional sidewalks that serve high pedestrian routes from the Ferry Terminal to town. Cordova has recently received designation for the Copper River Highway as an Alaska Scenic Byway.

-
8. How will you measure your success? Progress reports will be required quarterly once your project / activity is started. In addition, pre- and post-survey results using the Parent Survey and Student Travel Tally record from the Alaska Safe Routes to School Guidebook will be required. Please describe any additional evaluation activities that you will undertake.

We will use the federally approved tools for evaluation, of student travel tally and parent surveys to assess our progress, fall 2011 and spring 2012. We will have on-going evaluation by our PTA task force. We would like to involve the entire community and school population in this effort.

-
9. What is the total cost for all projects or activities for which you are requesting funding? Include a detailed budget (maximum 2 pages) showing requested costs.

PROJECTED BUDGET

See USKH report.

Total infrastructure request ~~\$255,616.70~~ 253,172.54 M

-
10. Please provide a map of the school and surrounding area within an approximate 2-mile radius. For infrastructure projects note the location where the project will take place. Drawings or other exhibits may be provided to further clarify infrastructure projects. Show school attendance boundaries. Overlays help view changes. (Please ensure that the map is readable when copied in black and white.)

See attached map and USKH report.

-
11. Please provide copy of Resolution or letter of responsible entity requesting reimbursable grants for selected projects. Rank projects in order of community priorities.

Signed Resolution by Cordova School Board attached. Cordova School District is receiving agency. Letters of support are attached from "partners" organizations/agencies on our Grant Phase one application.

Community Priorities are:

Infrastructure:

- #1 Pedestrian crossings and high visibility signage (LED)
- #2 Sidewalk on Third Street from Adams to Lake Ave.

Non-infrastructure:

- #1 Community coordinator for SR2S (part-time)

- #2 Elementary & middle School safety education programs
- #3 Encouragement programs thru health fair, community bike rides, special safety events, and national "walk to school" day.

Please confirm your understanding of the following project conditions by signing at the bottom:

Project Conditions Confirmation

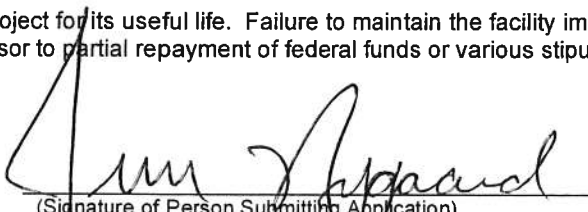
This is a reimbursement program. The sponsor must finance the project until federal reimbursement funds are available.


The sponsor must fund project costs in excess of the amounts indicated in the attached budget (i.e., cost overruns) at no expense to state/federal funding sources.

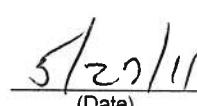
The sponsor must not incur costs for any phase of the project, until that phase has been authorized for federal charges. Title 23 rules and FHWA federal procedures will be applied to review grant reimbursement applications. Please be aware of these requirements and conditions. Otherwise, the sponsor risks incurring costs that will not be reimbursable.

The sponsor will follow the applicable federal and state regulations required for each phase of the project. The requirements include but are not limited to the following: Qualifications Based Selection process for design and engineering services (Brooks Act); Real estate acquisition requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and amendments; Competitive procurement of construction services; Davis-Bacon wage rates on federal highway right-of-way projects; ADA/ADAG regarding accessibility for the disabled: Manual of Uniform Traffic Control Device regarding signage and markings.

The sponsor agrees to maintain any infrastructure project for its useful life. Failure to maintain the facility improved with FHWA funds prior to the end of its useful life, will subject the sponsor to partial repayment of federal funds or various stipulations protecting the public interest in the project for its useful life.


(Signature of Person Submitting Application)


(Title of Person Submitting Application)


(Date)

PRELIMINARY ENGINEERING REPORT

CORDOVA SAFE ROUTES TO SCHOOLS

Cordova, Alaska

March 2011

Prepared for:

Cordova School District
P.O. Box 140
Cordova, Alaska 99574

Prepared by:



SHARED VISION. UNIFIED APPROACH.

2515 A Street
Anchorage, Alaska 99503
Phone (907) 276-4245
Fax (907) 258-4653

USKH WO# 1263400



TABLE OF CONTENTS

1	PROJECT PURPOSE	1
2	PROJECT DESCRIPTION	1
3	PROPOSED ALTERNATIVE	1
3.1	Sidewalk	1
3.2	Raised Crosswalk	3
4	DRAINAGE FEATURES	3
5	SIGNAGE	4
6	GEOTECHNICAL INVESTIGATIONS.....	4
7	PUBLIC INVOLVEMENT	4
8	ENVIRONMENTAL REVIEW	4

FIGURES

Figure 1 - Project Vicinity	2
Figure 2 - Project Area Enlargement (Proposed Pedestrian Improvements).....	2

APPENDICES

Appendix Engineering Exhibit



1 PROJECT PURPOSE

The purpose of this project is to establish improved pedestrian links between Mount Eccles Elementary School and adjacent neighborhoods where a large percentage of the students who attend the school reside. The intent of the project is to encourage students to walk to school, rather than be driven to school, and to improve safety for students who do choose to walk.

2 PROJECT DESCRIPTION

There are currently no sidewalks connecting Mount Eccles School to any neighborhood in the community. Students who walk to school do so in the street. Cordova is subject to heavy snowfall and snow plowing operations result in large snow berms, which constrict the width of the roadways. During these conditions, there really is no safe option for elementary school children to walk to school. This project would create a sidewalk link between Mount Eccles Elementary School and Lake Avenue, which serves as a collector roadway in Cordova. Figure 1, shows the relationship between Lake Avenue, Mount Eccles Elementary, and the large residential area east of the school. Lake Avenue has a sidewalk on the south side.

The scope of this project is limited and governed in large part by the funding limits for the Safe Routes to School program grants. The maximum grant currently available is \$250,000.00. Work programmed for this project includes:

- Two new striped crosswalks at the corner of Adams Avenue and Second Street.
- Handicap access ramp on the north side of Adams Avenue coinciding with a new striped crosswalk across Adams Avenue at Third Street.
- New 6-foot wide sidewalk on the east side of Third Street between Adams Avenue and Lake Avenue.
- Raised crosswalk across Lake Avenue at Third Street, connecting the new sidewalk with the existing sidewalk on the south side of Lake Avenue.
- Storm drain improvements required as a result of the new sidewalk and raised crosswalk on Lake Avenue.
- School crossing signage, as required by the new crosswalks.

The proposed improvements identified above are represented diagrammatically in Figure 2 and further detailed in the attached preliminary engineering documents (Appendix).

3 PROPOSED ALTERNATIVE

3.1 Sidewalk Links

Three alternatives were considered for sidewalk links from Mount Eccles Elementary School to Lake Avenue. The alternatives included the east side of Second Street from Adams Avenue to Lake Avenue, the west side of Third Street from Adams Avenue to Lake Avenue, and the East side of Third Street from Adams Avenue to Lake Avenue.

The sidewalk connection between the school and Lake Avenue on Second Street is still considered desirable and is slated for a future phase of improvements. Due to the nature of the street (topography and on-street parking), placement of the sidewalk on this street will require either an easement or added right-of-way. As a result, the community is examining the option for local funding of this improvement.

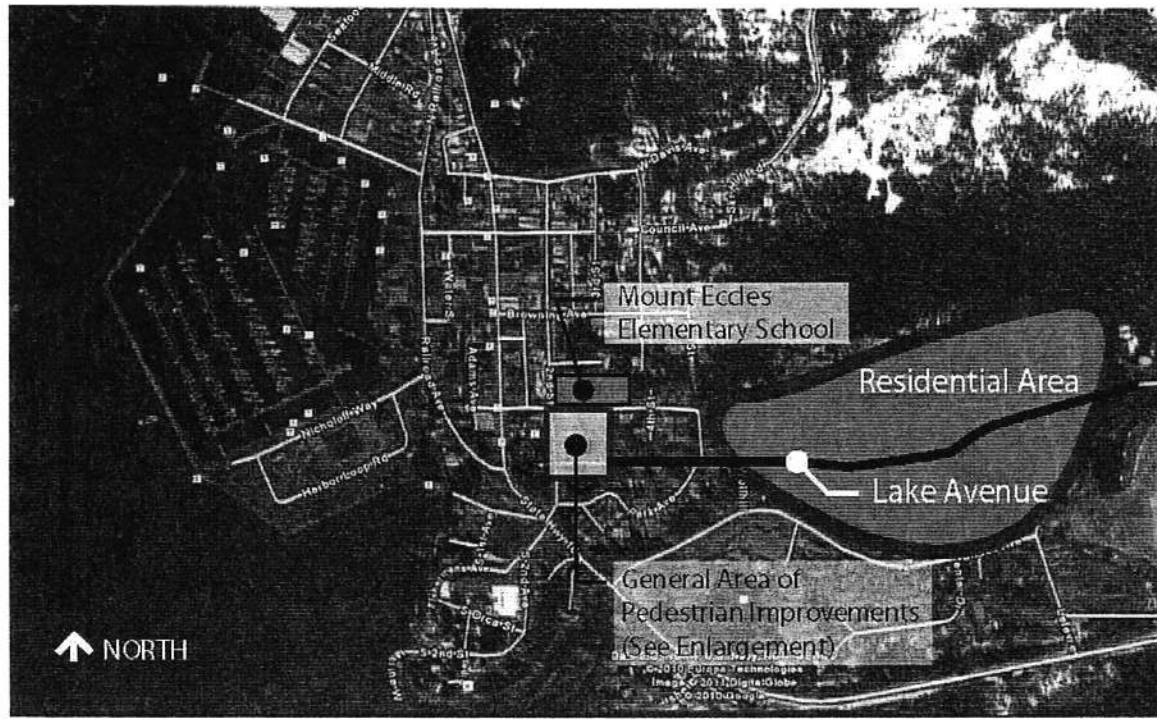


Figure 1 - Project Vicinity

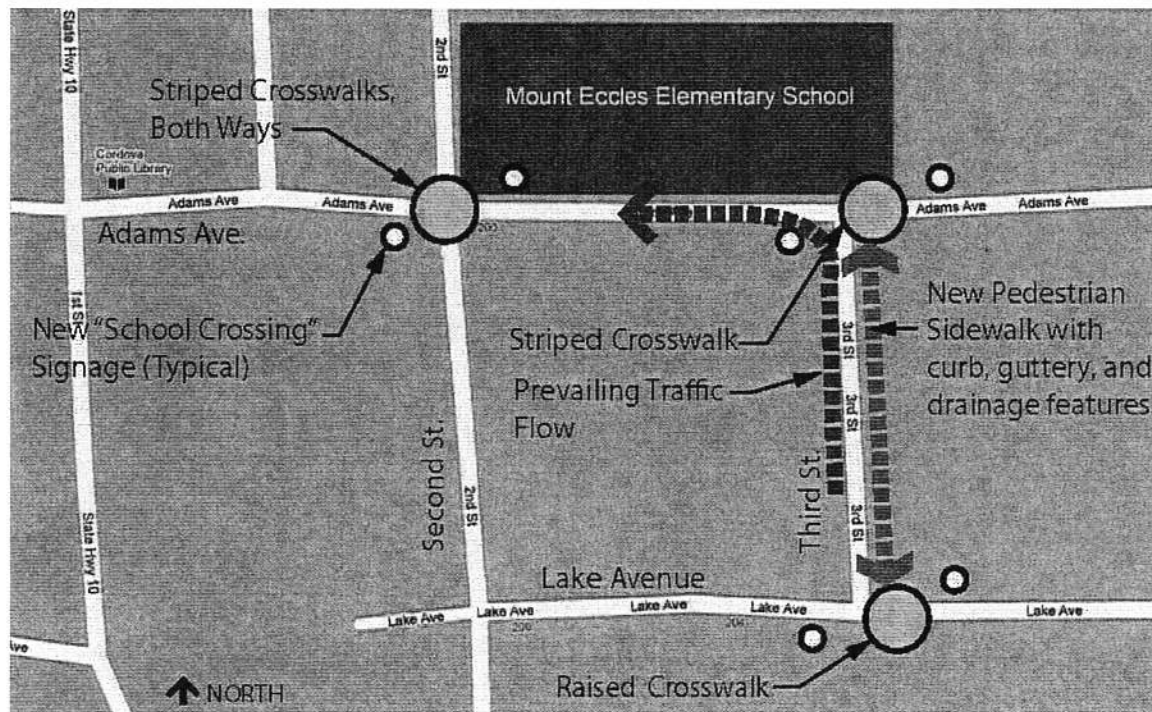


Figure 2 - Project Area Enlargement (Proposed Pedestrian Improvements)

Third Avenue has a 60-foot right-of-way and the location of the road within the right-of-way can be seen on sheet 2.02 (Appendix). Although both sides of the street were considered for construction of the sidewalk, the east side was selected for two key reasons. First, parent pick-up and drop-off tends to queue up along Third Street, turning left on Adams Avenue to pick children up (see Figure 2). If the sidewalk is on the west side, children have to pass through the prevailing traffic pattern to get to the front of the school. If the sidewalk is on the east side of Third Street, pedestrians are on the outside of the traffic loop and there are far fewer conflicts between pedestrians and vehicles. It should be noted that there is very little traffic east of Third Street on Adams Avenue, because the street dead-ends one block to the east of the school. A second reason for placing the sidewalk on the east side is that there are far fewer utility conflicts on the east side of the street.

The houses adjacent to Third Street do not currently have clearly defined driveways and in some cases parking occurs along much of the street frontage of the house. To accommodate this, a roll curb and gutter is used for most of the sidewalk edging along Third Street. The roll curb and gutter transitions to a barrier curb and gutter on the curb return radius in the location shown on the plan view of Sheet 6.02 (Appendix). To accommodate vehicular traffic across the sidewalk, the slab has been designed to be 6 inches thick. There will be some transitional grading from the back of the sidewalk into the adjacent properties.

3.2 Raised Crosswalk

The crosswalk across Lake Avenue, connecting the new sidewalk of Third Street to the existing sidewalk on the south side of Lake Avenue, is proposed as a raised crosswalk for two reasons. The first is that Lake Avenue is a collector roadway and speeds tend to be higher on this street than for other nearby residential streets. The raised crosswalk will serve as a traffic calming measure to slow traffic approaching the crosswalk. The second reason this is a desirable solution is that the sidewalk on the south side of Lake Avenue is a utilitwalk. In essence it is a utilidor with a lid that serves as a sidewalk. Section A-A of Sheet 6.01 (Appendix) shows a section through the utilitwalk. Use of a raised crosswalk eliminates the need to modify the utilitwalk structure to create an American's with Disabilities Act (ADA) ramp for access to the sidewalk. The raised crosswalk would be graded to minimize impact on street maintenance. The concept of a raised crosswalk has been coordinated with local Alaska Department of Transportation and Public Facilities (DOT&PF) maintenance personnel. Sheet 6.02 (Appendix) shows the raised crosswalk geometry in plan and in section.

4 DRAINAGE FEATURES

The new sidewalk design will not contribute significantly to runoff, because the sidewalk is not a particularly large area and much of the area where the sidewalk is being placed is already highly compacted and nearly impervious. There are many existing storm drain improvements on Third Street and these can be seen on the survey drawing, Sheet 2.02 (Appendix). There are two field inlet catch basins on the east side of the street and rectangular catch basins located at the curb return at the intersection with Lake Avenue. There is also a long trench drain perpendicular to the street at the intersection with Lake Avenue.

New catch basins associated with the sidewalk and gutter improvements will tie directly into the existing field inlet catch basins. These can be seen in the plan view of Sheet 7.01 (Appendix). A new catch basin will also be located at the point of curvature of the curb return to Lake Avenue, in approximately the same location as the existing catch basin.



The raised crosswalk on Lake Avenue poses a new drainage challenge. A gradual incline extends a significant distance to the east of the intersection on Lake Avenue. Water drains down that incline and is currently captured in rectangular catch basins near the base of Third Street, but west of the proposed raised crosswalk. In essence the raised crosswalk would dam water flowing down Lake Avenue before it could reach the existing catch basins. To address this, two new catch basins are proposed on the east side of the raised crosswalk. These catch basins can be seen in the plan view of Sheet 7.01 and are further described in Section A-A on Sheet 6.01 (Appendix). The new catch basins tie into the existing storm drain system.

5 SIGNAGE

New school crossing signage is proposed for all of the new crosswalks. Locations for the signage can be seen on Sheet 2.01 and a signage message schedule can be found on sheets 5.01 and 5.02 (Appendix). Signage placement and appearance is in accordance with the Manual of Uniform Traffic Control Devices (MUTCD) 2003 Edition, Section 2A.21, as amended by the Alaska Traffic Manual, and the DOT&PF Standard Details.

6 GEOTECHNICAL INVESTIGATIONS

Due to the limited scope of this project, geotechnical investigations were not conducted. The 2003 Lake Avenue Upgrade project (AKSAS 67379) used a 32-inch base and subbase section for Lake Avenue, and 6 inches of base under 2 inches of wearing course for the side street widening. To match what has been previously constructed, the proposed section for the Third Street widening is 2 inches of Hot Mix Asphalt over 6 inches of aggregate base course, supported by 12 inches of Select Material Type A. The elevation of the bottom of excavation will be extended under the sidewalk, which will result in a sidewalk section of 16 inches of Select Material, Type A, 2 inches of aggregate base course, and 6 inches of Portland cement concrete.

7 PUBLIC INVOLVEMENT

The community of Cordova conducted a significant public involvement process to determine a range of projects and actions that would promote a safe walk to school for local children. A number of projects were identified in the vicinity of the school and projects were prioritized based on need, best value, and likelihood of implementation. As an example, a project that required the acquisition of right-of-way or an easement was given a lower priority than a project of similar value that could be accomplished entirely within the public right-of-way. Based on a list of prioritized projects, the elements included in this project were identified based on availability of funding. A public meeting was held in Cordova on January 18, 2011, to present the preliminary design and obtain feedback from the community.

8 ENVIRONMENTAL REVIEW

As a result of the use of federal funding, there are a number of environmental investigations that must be completed by federal mandate. These include identification of cultural and historic resources, wildlife impacts, water bodies, and coastal management. DOT&PF has been closely involved in preparation of this documentation and a draft environmental checklist is now complete. The environmental checklist will be finalized upon return of comments or approval from the State Historical Preservation Officer (SHPO).

**Appendix
Engineering Exhibit**

ENGINEER'S ESTIMATE

CITY OF CORDOVA CORDOVA SAFE ROUTES TO SCHOOL

ITEM NO.	ITEM	UNIT	UNIT PRICE	QUANTITY	AMOUNT
202(2)	REMOVAL OF PAVEMENT	SQUARE YARD	\$4.00	260	\$1,040.00
202(8)	REMOVAL OF INLET	EACH	\$3,000.00	2	\$6,000.00
202(9)	REMOVAL OF CURB AND GUTTER	LINEAR FOOT	\$10.00	50	\$500.00
203(3)	UNCLASSIFIED EXCAVATION	CUBIC YARD	\$15.00	270	\$4,050.00
203(6A)	BORROW, TYPE A	TON	\$26.00	417	\$10,842.00
301(1)	AGGREGATE BASE COURSE, GRADING D-1	TON	\$45.00	81	\$3,645.00
401(1)	HOT MIX ASPHALT, TYPE II; CLASS B	TON	\$180.00	49	\$8,820.00
603(17-18)	18 INCH PIPE	LINEAR FOOT	\$170.00	70	\$11,900.00
604(1A)	STORM DRAIN MANHOLE, TYPE 1	EACH	\$7,000.00	1	\$7,000.00
604(3)	RECONSTRUCT EXISTING MANHOLE	EACH	\$4,500.00	4	\$18,000.00
604(5)	INLET, TYPE A	EACH	\$4,000.00	3	\$12,000.00
608(1a)	CONCRETE SIDEWALK, 6 INCHES THICK	SQUARE YARD	\$100.00	225	\$22,500.00
608(6)	CURB RAMP	EACH	\$2,000.00	3	\$6,000.00
608(10)	DETECABLE WARNING TILES	SQUARE FOOT	\$100.00	20	\$2,000.00
609(2)	CURB AND GUTTER, TYPE 1	LINEAR FOOT	\$50.00	340	\$17,000.00
615(1)	STANDARD SIGN	SQUARE FOOT	\$120.00	130	\$15,600.00
615(6)	SALVAGE SIGN	EACH	\$130.00	10	\$1,300.00
618(6)	TOPSOIL AND SEEDING	LUMP SUM	\$1,000.00	ALL REQ'D	\$1,000.00
639(4)	DRIVEWAY	EACH	\$2,000.00	4	\$8,000.00
640(1)	MOBILIZATION AND DEMOBILIZATION	LUMP SUM	\$32,000.00	ALL REQ'D	\$32,000.00
641(1)	SWPP PLAN	LUMP SUM	\$5,000.00	ALL REQ'D	\$5,000.00
642(1)	CONSTRUCTION SURVEYING	LUMP SUM	\$3,000.00	ALL REQ'D	\$3,000.00
643(25)	TRAFFIC CONTROL	LUMP SUM	\$10,000.00	ALL REQ'D	\$10,000.00
670(10)	MMA PAVEMENT MARKINGS	LUMP SUM	\$12,000.00	ALL REQ'D	\$12,000.00

TOTAL BASIC BID	\$219,197.00
ITEM 644 EXCLUSIONS	\$0.00
BASIC BID, LESS ITEM 644 EXCLUSIONS (BB)	\$219,197.00
CONSTRUCTION ENGINEERING (CE) (0% OF BB)	\$0.00
SUBTOTAL (BB + CE)	\$219,197.00
ICAP EXPENSES (5% OF BB + CE)	\$10,959.85
CONTINGENCY (10% OF BB+CE+ICAP)	\$23,015.69
PROJECT TOTAL (EXCLUDES 644 ITEMS)	\$253,172.54

Notice to Proceed

Grantee Name and Address:	Title/ Short Description:
City of Cordova, Mark Lynch, City Manager PO Box 1210 Cordova, AK 99574	Infrastructure - high visibility crosswalks, flashing ped crossing signs, sidewalks
<input type="checkbox"/> New Setup <input type="checkbox"/> Add Funds <input type="checkbox"/> Reduce Funds <input type="checkbox"/> Closure (Decrease) <input checked="" type="checkbox"/> Change: Please provide explanation of change and budget breakdown. <input type="checkbox"/> Move: Please provide coding source and reasons for move below in Explanations box; Please provide the new grant number and coding in the Programming Section.	

FUNDING SUMMARY Budgets Approved for this NTP

Budget Category	Current Budget Totals	SRTS Increase (Decrease)	Other Funds Increase (Decrease)	Revised Budget Totals
(100) Personnel Services		\$ -	\$ -	\$ -
(200) Travel & Per Diem	\$ -	\$ -	\$ -	\$ -
(300) Contractual Services	\$ 253,172.54	\$ -	\$ -	\$ 253,172.54
(400) Commodities		\$ -	\$ -	\$ -
(500) Equipment	\$ -	\$ -	\$ -	\$ -
(Indirect Costs)		\$ -	\$ -	\$ -
TOTALS	\$ 253,172.54	\$ -	\$ -	
TOTAL AMOUNT AUTHORIZED TO DATE				\$ 253,172.54

Explanation of Approved Grant Application & Activity Dates:

Change: This grant is best suited to be managed by the City of Cordova.
Orig application was submitted by Cordova School District.

SRTS USE ONLY

Project Control Programming				NTP #: 2
<u>Collocation Code</u>	<u>Program Code</u>	<u>Ledger Code</u>	<u>Account Code</u>	Grant #: LU20-11-0003
24461892	57801	30668582		
<u>Project #</u>	<input type="checkbox"/> RSA(Interstate Agency) <input checked="" type="checkbox"/> EN (Outer State Agency)			Project End Date:
	2524070			

Project Control Programming Approved

Signature _____ Date _____ Program Control Agent Name: Marcheta Moulton	Signature _____ Date _____ Accounting Technician Name: Stefanie Bingham
---	---

You may proceed with the activities for the Categories and specific Tasks enumerated below in the Funding Summary. Any activities beyond the written scope and/or any costs above the price estimate in our Agreement require prior SRTS approval and a Project Revision. Actual cost underrun of the Contract Amount for any Category shall not routinely accumulate for other Categories. SRTS reserves the right to retain or reallocate any remaining funds resulting from such cost underruns.

This NTP is cumulative and it supersedes all prior NTPs for this Agreement.

The SRTS Administrator for this NTP is: Steve Soenksen

Issued for the Contracting Agency per ADOT&PF Policy #01.01.050 by: Jeff Ottesen	Accepted for the Grantee by:
Signature _____ Date _____	Signature _____ Date _____

Memorandum

To: City Council
Thru: Samantha Greenwood, City Planner
Date: October 10, 2012
Re: Recommendation from P&Z, Lot 6 Block 2 Southfill Development Park Land disposal

PART I. GENERAL INFORMATION:

The timeline of the disposal of the Lot6, Block 2 Southfill Development Park

1. 07/11/2012 P&Z meeting –Planning and Zoning made recommendation to city council to dispose of the lot 6 Block 2 Southfill Development Park
2. 08/01/2012 City Council voted to sell the lot by proposal
3. 30 day period proposal period ended September 17, 2012
4. Planning and Zoning reviewed proposals October 9, 2012

Planning Commission

All proposals are included in the City Council packet for review. At the Planning Commission meeting all proposals received were rated using the criteria developed by the P&Z commission and discuss. The criteria allowed the number of proposals to be narrowed down to two. The proposals from Becky Chapek and Thai Vu and Camtu Ho rated highest and these were further reviewed by the commissioners using the criteria as a group and through discussion. After a long discussion it was determined that both proposals meet and exceeded the criteria. The commissioners, at this point concurred that these two proposals were tied and made the motion below.

M/Greenwood S/Pegau

“I move to forward the proposals of Chapek and Camtu to City Council.”

Upon voice vote motion passed 6-0

At this time city council needs to review the proposal and the recommendation from P&Z and do one of the following as described in 5.22.030.

5.22.030 - Council approval required.

B. If the city solicits bids or proposals for a disposal of an interest in city real property, the council either shall:

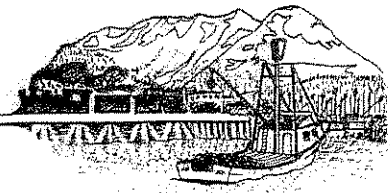
1. Award the disposal to the best bidder or proposer in accordance with the criteria in the invitation for bids or proposals, or
2. If the council finds it to be in the best interest of the city to do so, reject any or all bids or proposals.

PART II. STAFF SUGGESTED MOTION:

“I move to (*) on Lot 6 Block 2 Southfill Development Park.”

*could be 1) award the disposal to the proposer (name the proposer) or 2) reject the proposal(s)

CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 6, Block 2, located in the South Fill Development Park. See attached map.

Name of Proposer BECKY CHAPEK
Name of Business _____

Address P.O. Box 1564
Cordova, AK
99574

Phone Number (907) 424-5356

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

All Organizations that are present proposals, including non-profits with proposals of less than Fair Market Value, will be required to meet the appropriate criteria within Cordova Municipal Code Section 5.22. City code is available at www.cityofcordova.net/city-code/

The minimum price that will be accepted for Lot 6, Block 2; South Fill Development Park is \$73,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Appraised Value. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price \$75,300

The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

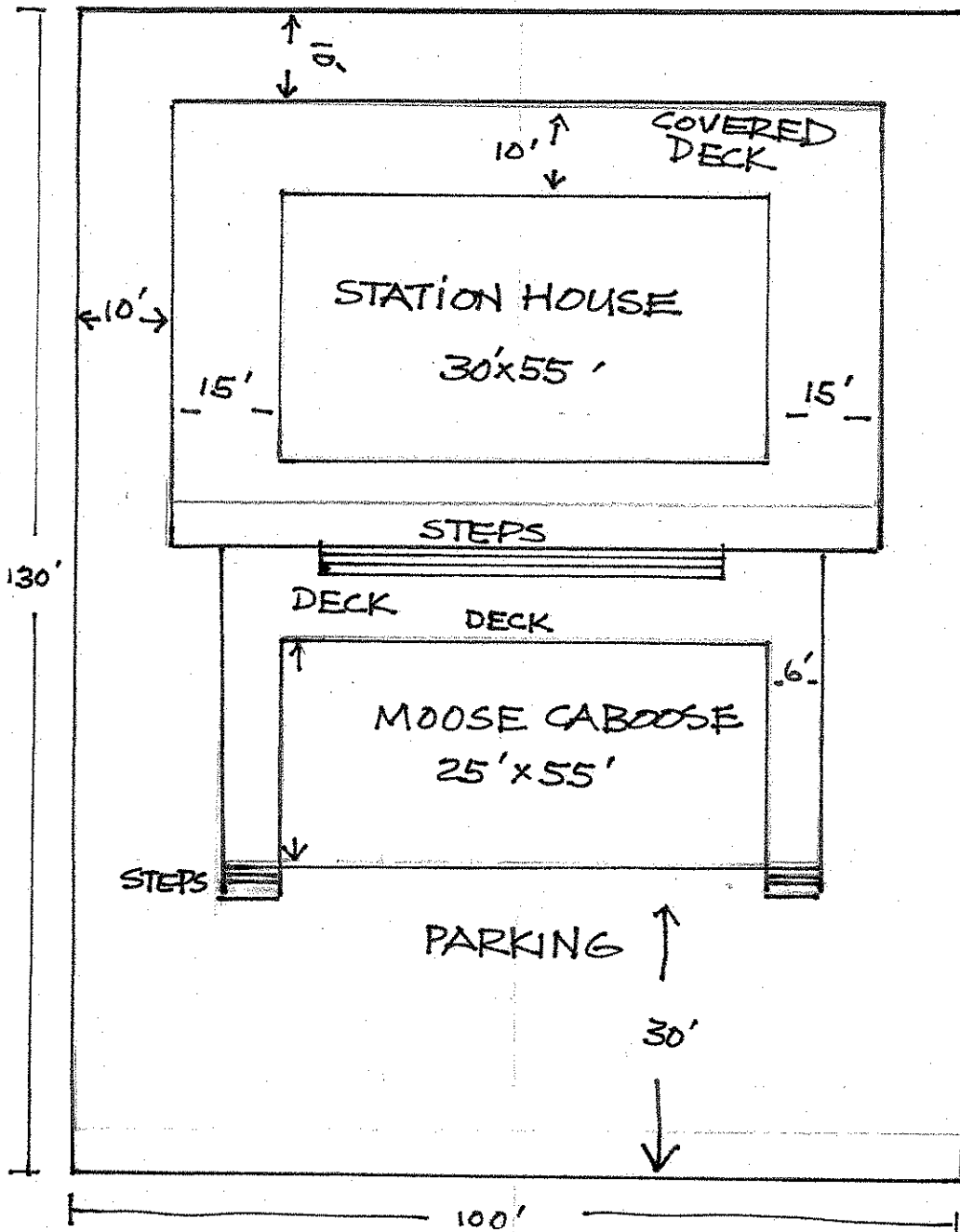
Please review the attached section of Code for the allowable uses within the Waterfront Commercial Zone District.

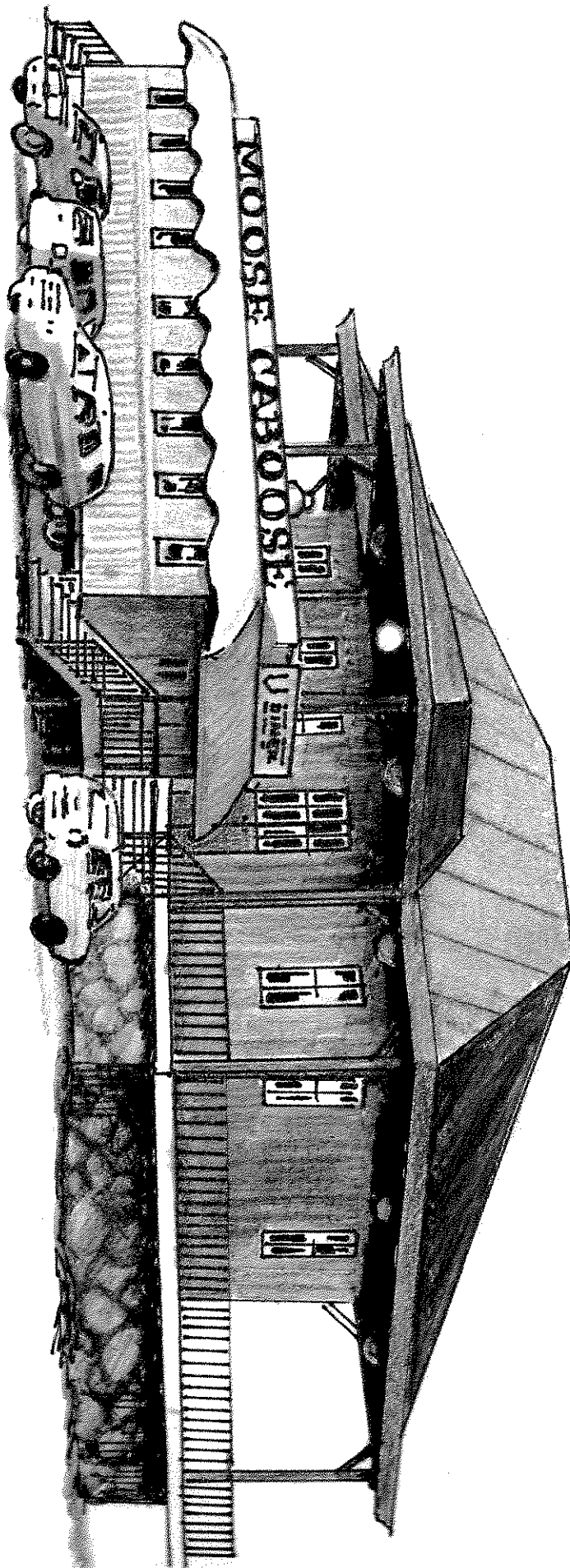
TO: City of Cordova – P & Z
FROM: Becky Chapek
DATE: September 17, 2012
RE: Lot 6, Block 2, South Fill

This lot would be purchased to facilitate the opening of a full service, family run, eating establishment. It will be open year round and will offer clients a pleasant dining option with regular operating hours. The restaurant building is approximately 1800 square feet, but a covered exterior deck that will be approximately 700 square feet to accommodate diners during the summer will be added. The design of the structure is that of a railroad car and is a fully compliant DEC certified restaurant with a beverage dispensary license. An Architect and Structural Engineer were employed to create this unique building which has a replacement cost is over \$540,000. An additional 30' X 55' building to be constructed in the open area behind the restaurant will serve as an "Event Room" for parties, weddings, movies, receptions, proms, banquets, meetings & other public and private catered events. The upper floor has dormers to the south for 4 guest rooms and the basement is a staging area for storing, boxing and shipping custom market salmon. With an estimated cost of \$742,500, the cost of improvements totals \$1,282,500.

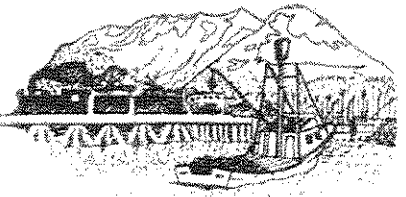
Preparation for the lot would be completed this fall and foundation work for moving the diner would begin in the spring. The building would be moved onto the foundation with a target date for opening August 1, 2013. Blueprints and a foundation would be done for the second building the spring/ summer of 2014 with completion and opening slated for 2016.

As a result of opening this business, Cordovan's will enjoy having an affordable, healthy place to patronize that has dependable hours on a year round basis. It will provide a year round employment and in time will become a landmark and traditional haunt for both locals and visitors to the community. Jobs & sales tax revenue will benefit the City, but I believe some of the benefits to this proposal are intangible. It is an attractive building that will enhance the waterfront parks' character, pay tribute to Cordova's history & the combination of the two buildings offer a multi-faceted venue that encourage the participation of families, the youth of our community and ambitious entrepreneurs that are very important to a viable, progressive community.





CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 6, Block 2, located in the South Fill Development Park. See attached map.

Name of Proposer THAI VU AND CAMTU HO

Name of Business CAMTU SERVICE CENTER

Address PO BOX 1502
CORDOVA, AK 99574

Phone Number 907-424-3124

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

All Organizations that are present proposals, including non-profits with proposals of less than Fair Market Value, will be required to meet the appropriate criteria within Cordova Municipal Code Section 5.22. City code is available at www.cityofcordova.net/city-code/

The minimum price that will be accepted for Lot 6, Block 2; South Fill Development Park is \$73,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Appraised Value. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price \$78,000.00

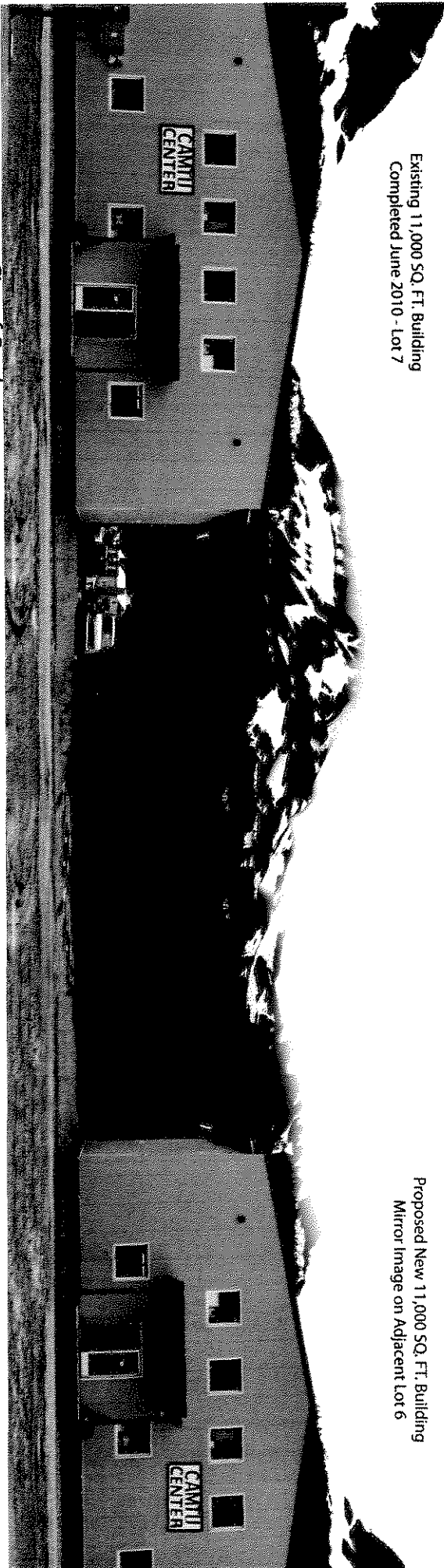
The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

Please review the attached section of Code for the allowable uses within the Waterfront Commercial Zone District.

CAMTU SERVICE CENTER
PROPOSAL
LOT 6, BLOCK 2, SOUTH HILL DEVELOPMENT PARK

Existing 11,000 SQ. FT. Building
Completed June 2010 - Lot 7

Proposed New 11,000 SQ. FT. Building
Mirror Image on Adjacent Lot 6



City of Cordova
Planning Department
PO Box 1210
Cordova, AK 99574

Camtu Center
PO Box 1502
Cordova, AK 99574

Thai Vu
P.O. Box 1502
Cordova, Alaska 99574
Phone: (907) 424-3124
Fax: (907) 424-3193
e-mail: thaitulh@ak.net

September 1, 2012

City of Cordova
Planning Department
C/O Sealed Proposals
P.O. Box 1210
Cordova, Alaska 99574

Attn: Sealed Proposal L6, B2, SFDP

Dear Planning Commission,

Over a year ago when the City sold us our current Lot 7 for development it was our goal to fully use our new building with a market, restaurant, net storage, and clothing center for a few years, and then think about expanding. In less than a few months our market has expanded and fully filled the down stairs and our clothing center has completely filled the upstairs. We are rapidly running out of space and are now looking for a new building to house the restaurant and our new full tourist service center. It is extremely important that the new facility be adjacent to our existing facility for us to be able to manage both operations.

In order to accomplish our needs, we need to purchase the vacant land adjacent to our new facility described as South Fill Development Park, Block 2, Lot 6, that is currently up for consideration for disposal by the City. We plan to build a mirror image of our current building per the enclosed plan drawings and cover depiction. Drawing 1 shows our existing new building which was approved by the City last year on Lot 7; Drawing 2 shows our new proposed mirror image 11,000 sqft building on Lot 6, and Drawing 3 shows the combined full Camtu Service Center with market, clothing, house goods, hardware, restaurant, net service and possible hotel rooms utilizing both Lot 6 & 7.

VALUE OF IMPROVEMENTS:

Our current new facility on Lot 7 cost over \$800,000 for total cost of Lot 7 improvements and inventory items. While we expect some savings on the new building because of our past experience and the discount offered by our building supplier, we expect the total cost for the new facility to be in the same range. The building will be constructed of reinforced metal and Styrofoam siding with R-40 side walls and R-60 roof with new snow ratings and a snow retention system. The combined two facilities value will exceed \$2,000,000. Sometimes value is not just in dollars, and the restaurant and hotel facilities will be a big benefit to the new Cordova Community Center.

NUMBER OF EMPLOYEES:

Our current new facility employs 9 full time employees, and we expect our new facility will require about the same number, and possibly a few more, due to food service requirements and proposed 10 hotel rooms upstairs.

CITY SALES TAX REVENUE:

In the first month in our new facility on Lot 7 we paid \$5,377.82 in sales taxes, and our sales tax collections for the next two months were \$9,301.00 for approximately \$15,000 for the quarter and \$60,000 for the year. We expect that or more for the new facility on Lot 6 for a total of over \$120,000 per year in City Sales Tax revenue at our current level of sales with the potential for additional revenue from the hotel room tax.

IMPORTANCE TO COMMUNITY:

We feel our newly opened Camtu Market and Clothing Goods store has been a major asset to the community, and our new facility will help to finalize our lifelong dream of a full service Camtu Service Center. Our current new building development has far exceeded our, and the City's, expectations with many more customers and sales tax revenue than we all expected. Our current facility is providing many items that were not available in Cordova in the past, and we feel the New Camtu Full Service Center with two buildings will exceed our current expectations. The proposed new facility on Lot 6 will provide the restaurant and hotel needs of the Cordova Community Center, tourist and local residents.

5YR. BUSINESS PLAN/TIME LINE:

We are willing to make any arrangements on the purchase of Lot 6 that work for the City. We plan to get started once approved with a five year plan. During that period we will get all the necessary permits and engineering work, start construction within three years, have the fully completed building within four years, and have the complete Camtu Service Center in full operation within the five year business plan commitment. Look at our past track record on Lot 7; we never asked for any variances or time extensions during a very trying time with the economic down turn and tight bank loans. If you visit our current facility we think you all will agree it exceeds all of our original expectations, and we expect to do the same on Lot 6 if you approve our application.

ENHANCED ARCHITECTURAL DESIGN:

Our new proposed 11,000sqft building will be a mirror image of our current building which is state of the art with 4" insulated walls and 6" insulated roof panels. The proposed new building will be fully engineered for the new City requirements, and architects will specify the same high standard of construction that was used with certified engineering, electrical, mechanical and other improvements. The additional adjoining area will allow us to have a much improved landscaping layout, snow removal layout and a possible outside place for our customer to enjoy having lunch. The center court yard effect of the two buildings will allow for better truck and equipment storage, better parking arrangements for all the customers, and improved snow removal and storage area.

PROPOSAL PRICE:

While we could offer to pay the City our full offer price of \$78,000 upon the City approving our purchase, the large capital outlays we have made over the past year have our funds very tight. This large cash out flow might affect our long term business plan over the next two years. We would like to propose a \$10,000 down payment with City acceptance of our offer, and a \$20,000 payment with

interest for the second and third years, and the final payment of \$28,000 for a total of \$78,000 with interest over four years.

Page 3 City of Cordova Planning Commission Sept. 1, 2012

CONSISTENCY WITH THE COMPREHENSIVE PLAN:

Our new facility with a restaurant that includes tourist related activities with a gift shop, travel agency and visitor center, with a possible 10 room hotel up stairs is totally consistent with the local comprehensive plan. It will be an asset to the community and will be coordinated with our current new market and clothing facility to form a complete service center and be a great new asset for the City, and to the South Fill Park.

Thank you for seriously considering our offer, and we are more than willing to work with the Planning Department and the City to achieve your and our long term goals of making Cordova the best City in Alaska.

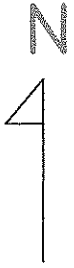
Sincerely,

Thai Vu

A handwritten signature in black ink, appearing to read 'Mannuh' or similar, written in a cursive style.

HARBOR LOOP ROAD

NO SCALE



129'-2 $\frac{3}{8}$ "

Lot 6, Blk 2 South Fill Dev Park Vacant

25'-0 $\frac{1}{16}$ "

20 Total Parking Spaces

All Snow removal behind building and to South
All area around building to be G-1 and
drain to the South Slough

Loading Area

90'-0"

CAMTU CURRENT MARKET

60" X 90" 10,080 sqft

Building is 2 Stories Multi Use

Watchman's Quarters of 750sqft

Warehouse 1,440sqft

Office 690sqft

Market 3,600sqft

Clothing 3,600sqft

4" Sewer &
1" Water

Landscaping to be natural plants within a year

Lot 8, Blk 2 South Fill Dev Park Vacant

500 gallon fuel oil tank
Lot 7, Block 2 South Fill Development Park
100 ft X 129 ft 12,900 sqft 02-473-142
5' Set Back E Side 25' Set Back Front

100'-0"

5'-0"

Civil and Structural Engineering
MOUNTAIN VIEW ENGINEERING INC
BY: JJ Phone: (435) 734-9700

Cantu Current Market

P.O. Box 1502, Cordova, AK 99574

No. 7 Harbor Loop Road

Phone: (907) 424-3124

Lot 7, Blk 2 S. Fill Dev. Park **119**

HARBOR LOOP ROAD

Lot 5, Blk 2 South Fill Dev Park Vacant

Landscaping to be natural plants within a year

4" Sewer &
1" Water

CAMTU PROPOSED RESTAURANT

60" x 90" 10,080 sqft

Building is 2 Stories Multi Use

Watchman's Quarters of 750sqft

Warehouse 1,440sqft

Office 690sqft

RESTAURANT 3,600sqft

NET STORAGE AND REPAIR 3,600sqft

90'-0"

60'-0"

Loading Area

All area around building to be G-1 and
drain to the South Slough

All Snow removal behind building and to South

20 Total Parking Spaces

25'-0" $\frac{1}{16}$ "

Lot 7, Blk 2 South Fill Dev Park

Current Location of Camtu Market

129'-23"

NO SCALE



500 gallon fuel oil tank
Lot 6, Block 2 South Fill Development Park
100 ft X 129 ft 12,900 sqft 02-473-142
5' Set Back E Side 25' Set Back Front

100'-0"

5'-0"

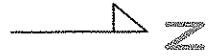
Camtu New Restaurant

Civil and Structural Engineering
MOUNTAIN VIEW ENGINEERING INC
BY: JJ Phone: (435) 734-9700

P.O. Box 1502, Cordova, AK 99574
No. 6 Harbor Loop Road
Phone: (907) 424-3124
Lot 6, Blk 2 S. Fill Dev. P120k

129'-2 $\frac{3}{8}$ "

NO SCALE



Proposed New
Cantu Restaurant

60'-0"

90'-0"

Lot 6, Blk 2 South Fill Dev Park

25'-0 $\frac{1}{16}$ "

25'-0 $\frac{1}{16}$ "

Lot 7, Blk 2 South Fill Dev Park

90'-0"

60'-0"

Current Cantu Market

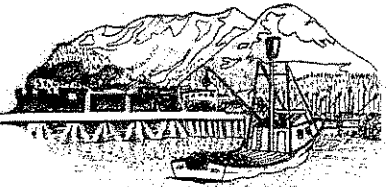
HARBOR LOOP ROAD

Civil and Structural Engineering
MOUNTAIN VIEW ENGINEERING INC
BY: JJ Phone: (435) 734-9700

Cantu Service Center

P.O. Box 1502, Cordova, AK 99574
No. 6 & 7 Harbor Loop Road
Phone: (907) 424-3124
Lot 6&7, Blk 2 S. Fill Dev. Park

CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 6, Block 2, located in the South Fill Development Park. See attached map.

Name of Proposer Native Village of Eyak

Name of Business Ilanka shore services

Address 110 nicholoff way

Cordova, AK 99574

Phone Number 907-424-7738

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

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The minimum price that will be accepted for Lot 6, Block 2; South Fill Development Park is \$73,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Appraised Value. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price \$75,550

The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

Please review the attached section of Code for the allowable uses within the Waterfront Commercial Zone District.

Native Village of Eyak
110 Nicholoff Way
P.O. Box 1388
Cordova, Alaska 99574-1388
P (907) 424-7738 * F (907) 424-7739
www.eyak-nsn.gov



10,000 years in our Traditional Homeland, Prince William Sound, the Copper River Delta, and the Gulf of Alaska

September 7th, 2012

Samantha Greenwood
City Planner
Planning and Zoning Department
Cordova, AK 99574

Dear Ms. Greenwood:

The Native Village of Eyak is writing to express our interest in purchasing Lot 6, Block 2 of the Southfill development.

We propose to build a 48x64 metal butler building type warehouse. (See drawing) This building would house a Laundromat with parking in the front of the building, and 6 rental storage units in the rear. The back of the lot would allow for 9 commercial boat storage spaces. The rest of the warehouse would be used for NVE's oil spill response equipment storage, as well as used by NVE programs for various uses.


The Laundromat would benefit the commercial fishing community by offering laundry services within close walking distance to harbor stalls. Outside boat storage has decreased in recent years; NVE's boat storage would provide convenient storage to commercial fishermen. There continues to be a high demand for inside storage, NVE's storage rentals offer a safe, harbor accessible storage option for fishermen and others.

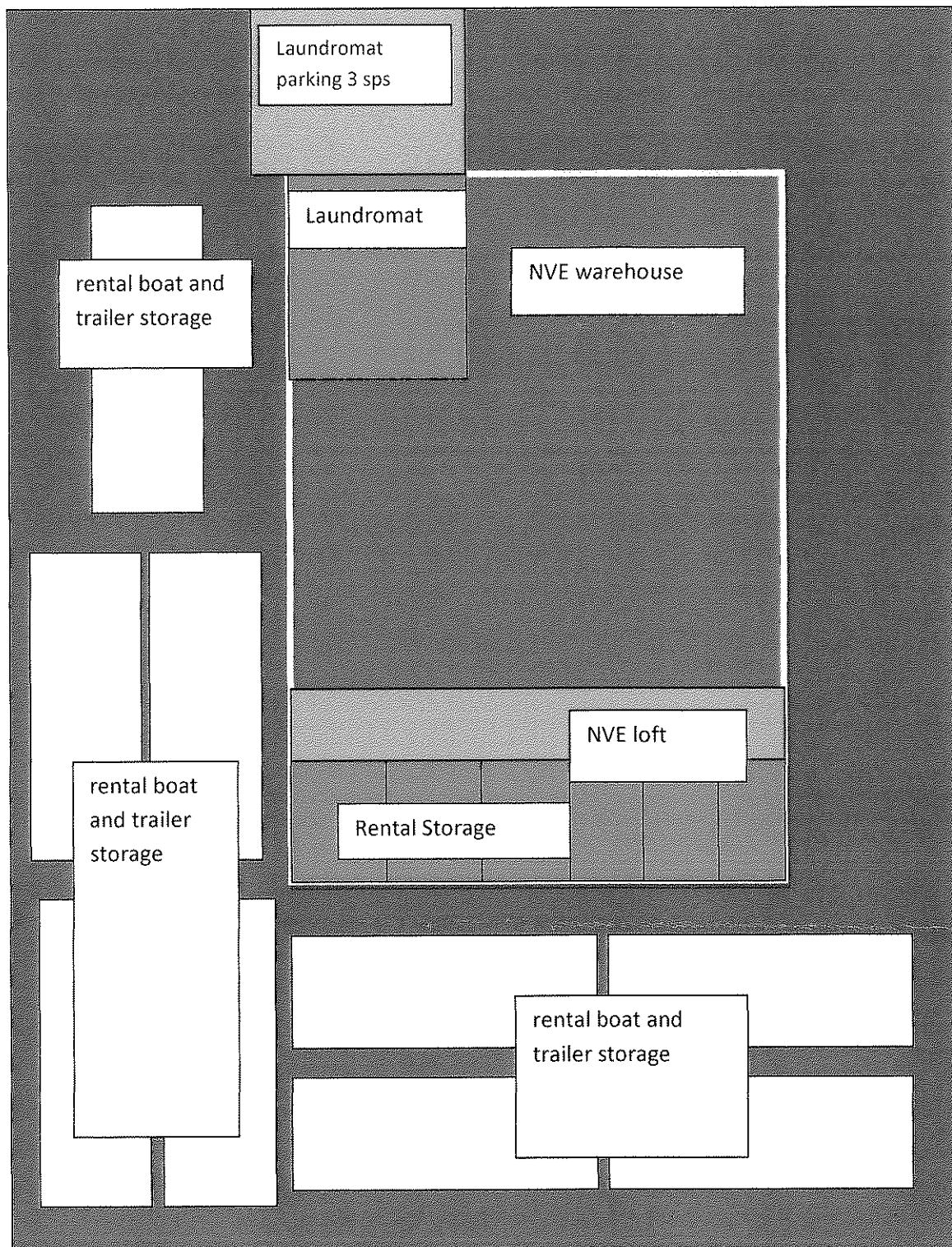
If NVE acquires the lot this calendar year, we would start construction no later than fall 2014. Prior to construction we would rent seasonal trailer space to commercial fishermen.

NVE would use any existing land grade and install French drains if necessary to control storm water flow. NVE does not plan on paving the lot.

Please let me know if you need anything further, or if you have any questions.

Sincerely,


Joel Azure
Executive Director
Native Village of Eyak



PROJECT INCOME AND EXPENSE DATA (PRO-FORMA STATEMENT)

Rental Income:	# of Units (a)	Mo. Rent (b)	Annual Revenue
Storage Units			
Small units 7'x10'	4	\$100.00	\$4,800.00
Large Units 10' x 10'	2	\$175.00	\$4,200.00
Total Number of Units	6		\$9,000.00
Boat Rental Units			
20' spots	2	\$55.00	\$1,320.00
30' spots	5	\$100.00	\$6,000.00
40' spots	2	140	\$3,360.00
Total Number of Units	9		\$10,680.00
Laundrymat			
Washing Machine (2.50/load)	3	\$162.50	\$5,850.00
Drying Machine (3.50/load)	4	\$227.50	\$10,920.00
	0	0	\$0.00
Total Number of Units	7		\$10,920.00
TOTAL Annual Rental and Laundry Income			\$30,600
Less Vacancy & Uncollectible Rent	8.00%		\$1,574.40
EFFECTIVE GROSS INCOME			\$29,025.60

Annual operating expenses

Operating Expenses:		Annual Expenses
Utilities :		
Electric		\$8,000.00
Natural Gas or Oil		\$4,000.00
Water and Sewer		\$500.00
Garbage Removal		\$500.00
Property Insurance		\$1,500.00
Property Taxes:		1200
Annual Routine Maintenance/Repairs		\$5,000.00
% of Effective Gross Income	17%	
On-Site Management:		
Annual NVE Property Management Expense		\$500.00
% of Effective Gross Income	1.72%	
Annual Administration Expense		\$4,500.00
% of Effective Gross Income	15.50%	
TOTAL OPERATING EXPENSES AND RESERVES		\$25,700
NET OPERATING INCOME (Effective Gross Income less Operating Expenses & Reserves)		\$3,326

30 YEAR PROFORMA CASH FLOW

Trending Percentages

Income
Expenses0.02
0.02**INCOME**TOTAL INCOME
LESS VACANCY/COLLECTION LOSS
EFFECTIVE GROSS OPERATING INC

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853	36,570	37,301	38,047	38,808	39,584
2,448	2,497	2,547	2,598	2,650	2,703	2,757	2,812	2,868	2,926	2,984	3,044	3,105	3,167
28,152	28,715	29,289	29,875	30,473	31,082	31,704	32,338	32,985	33,644	34,317	35,003	35,704	36,418

OPERATING EXPENSESTOTAL EXPENSES
NET OPERATING INCOME

25,700	26,214	26,738	27,273	27,819	28,375	28,942	29,521	30,112	30,714	31,328	31,955	32,594	33,246
2,452	2,501	2,551	2,602	2,654	2,707	2,761	2,817	2,873	2,930	2,989	3,049	3,110	3,172

CASH FLOW

Cumulative cash on hand

2,452	2,501	2,551	2,602	2,654	2,707	2,761	2,817	2,873	2,930	2,989	3,049	3,110	3,172
4,953	7,504	10,106	12,760	15,468	18,229	21,045	23,918	26,849	29,838	32,886	35,996	39,168	39,168

INCOMETOTAL INCOME
LESS VACANCY/COLLECTION LOSS
EFFECTIVE GROSS OPERATING INC

Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
40,376	41,184	42,007	42,847	43,704	44,578	45,470	46,379	47,307	48,253	49,218	50,203	51,207	52,231	53,275	54,341
3,230	3,295	3,361	3,428	3,496	3,566	3,638	3,710	3,785	3,860	3,937	4,016	4,097	4,178	4,262	4,347
37,146	37,889	38,647	39,420	40,208	41,012	41,832	42,669	43,522	44,393	45,281	46,186	47,110	48,052	49,013	49,994

OPERATING EXPENSESTOTAL EXPENSES
NET OPERATING INCOME

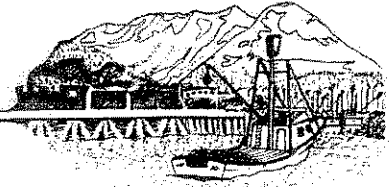
33,911	34,589	35,281	35,986	36,706	37,440	38,189	38,953	39,732	40,526	41,337	42,164	43,007	43,867	44,744	45,639
3,235	3,300	3,366	3,433	3,502	3,572	3,644	3,716	3,791	3,867	3,944	4,023	4,103	4,185	4,269	4,354

CASH FLOW

3,235	3,300	3,366	3,433	3,502	3,572	3,644	3,716	3,791	3,867	3,944	4,023	4,103	4,185	4,269	4,354
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PROJECT DEVELOPMENT COST	
Item	Total Project Cost
A&E	\$0
Land Purchase	\$73,500
Construction	
New Construction Costs	
Planning and Administration	\$25,000
Site Work	\$50,000
Substructure	\$0
Superstructure	\$500,000
Exterior Closure	\$0
Elevator/appliances	\$0
Roof Systems	\$0
Interior Construction	\$15,000
Mechanical	\$0
Electrical	\$0
Other: Landscaping	\$0
Other:	\$0
Construction Contingency	\$66,350
Subtotal-Construction Costs	\$729,850
General Requirements	\$0
Contractor Overhead and Profit	\$0
Total-Construction Costs	\$729,850

CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 6, Block 2, located in the South Fill Development Park. See attached map.

Name of Proposer Mark S. Heidbrink
Name of Business Mark Marine Services

Address P.O. 2084
Cordova, AK 99574
402 Council Ave

Phone Number 907-424-5324

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

All Organizations that are present proposals, including non-profits with proposals of less than Fair Market Value, will be required to meet the appropriate criteria within Cordova Municipal Code Section 5.22. City code is available at www.cityofcordova.net/city-code/

The minimum price that will be accepted for Lot 6, Block 2; South Fill Development Park is \$73,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Appraised Value. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price \$75,000

The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

Please review the attached section of Code for the allowable uses within the Waterfront Commercial Zone District.

Additional Information required (Please attach separately)

1. Please describe the type of business you're proposing to develop.
2. What is the proposed square footage of the building? Please provide a rough sketch of your building layout on the attached drawing of this lot.
3. What is the benefit of the proposed development to the community?
4. What is the value of the proposed improvements (in dollars)?
5. What is your proposed timeline for development?

Please address to:

**City of Cordova
Planning Department
C/O Sealed Proposals
P.O. Box 1210
Cordova, Alaska 99574**

Attn: Sealed Proposal L6, B2, SFDP

Mark Marine Services
Business License # 738370
P.O. Box 2084
Cordova, AK 99574
(907) 424-5324

Date: 9/17/2012

I am the owner and operator of Mark Marine Services. My company has been operating out of Cordova for at least ten years now. I have been and am the main provider for dive services in this area. I represent the dive operations side to Alaska Marine Response and work with Andy Craig during the dive/spill operations for his company. We have been responsible for delivering many vessels in need of repair to the North Fill Haul Out owned by the City of Cordova. At this point in my company's expansion I have run out of space to store the vast amount of dive and salvage equipment I own. In fact it is spread all over town and hampers any sort of rapid dive/salvage response I am required to perform. My business has generated over \$50,000 of average revenue for the past few years as I have provided my services to the Cordova harbor, CEC, CTC, every processor in this area, and all commercial fishing entities. Business is expanding rapidly and I need more room to grow this company.

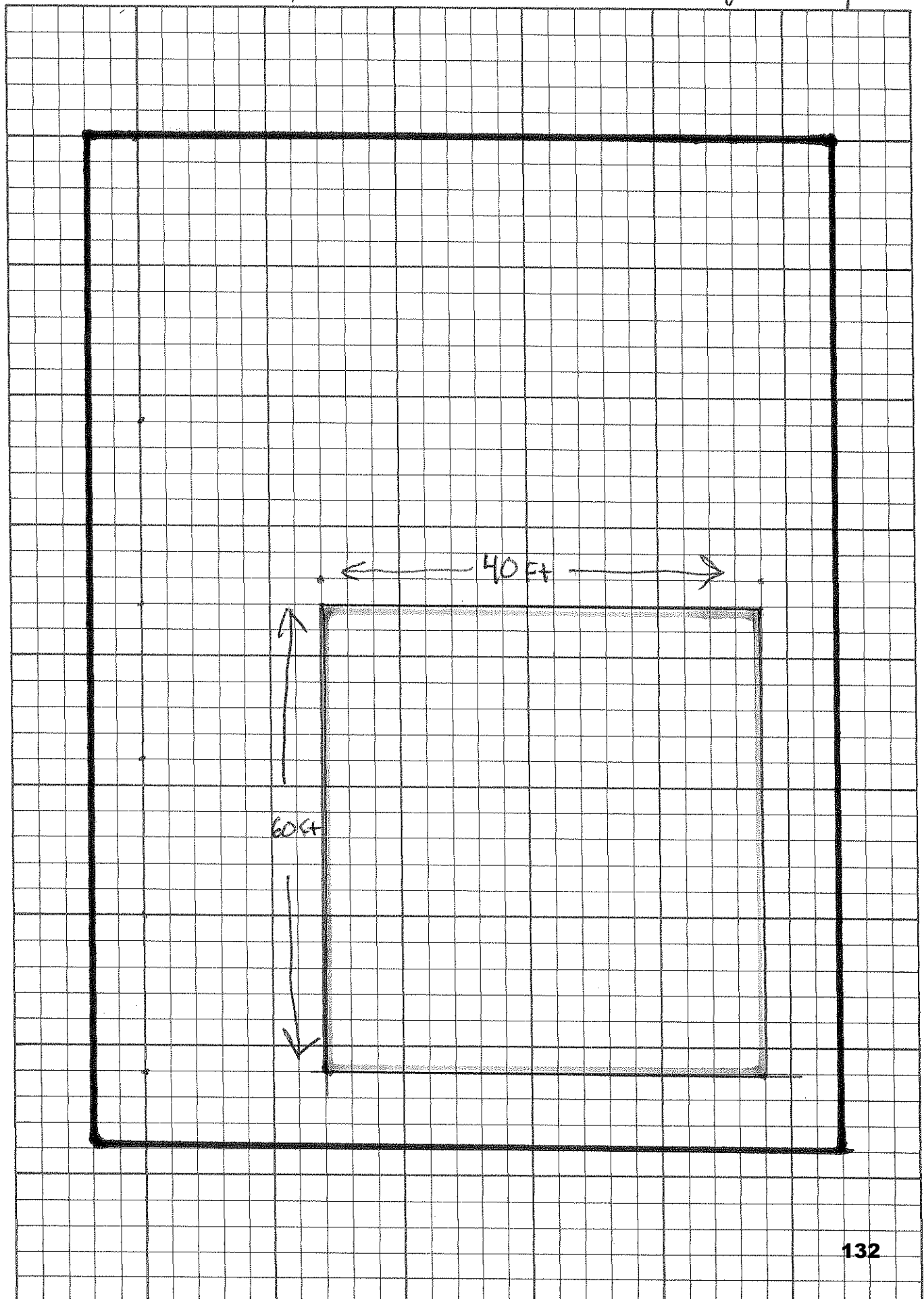
I propose to build a 40x60 ft. two story heated metal warehouse of the same style and color of the current business in this area. This warehouse will be strictly used to operate dive salvage and spill response activities. It will cost approximately \$80,000 to construct this building. Some ground work will occur during the winter with the main construction happening this coming Fall/Summer.

To conclude I am a marine services business owner in need of room to expand. My type of business fits the description for this area to a "T". I hope you will consider my offer.

Sincerely,
Mark Heidbrink
Ph. 907-424-5324
402 Council Ave.

Lot 6, Block 2

2400 sq. ft Footprint



Each proposal will be evaluated on the criteria in the table below. Each criteria will be scored from 1-10 for the individual proposals. The multiplier will then be applied to the scores to determine a final score.

Final Land Disposal Evaluation Criteria

Criteria	Multiplier	Proposal A Rank 1-10	Proposal B Rank 1-10	Proposal C Rank 1-10	Subtotal for Proposal A	Subtotal for Proposal B	Subtotal for Proposal C
Value of improvements	1.75						
Number of Employees*	1						
Sales Tax Revenue*	1						
Importance to Community	1.75						
5yr Business Plan/Time line	0.75						
Enhanced Architectural Design	1.25						
Proposal Price	1						
Consistency with Comprehensive Plan	1.5						
Total	10						

Memorandum

To: City Council
Thru: Samantha Greenwood, City Planner
Date: October 10, 2012
Re: Recommendation from P&Z, Lot 2 Block 3 Cordova Industrial Park Land disposal

PART I. GENERAL INFORMATION:

The timeline of the disposal of the Lot 2, Block 3 Cordova Industrial Park

1. 07/11/2012 P&Z meeting –Planning and Zoning made recommendation to city council to dispose of the lot 2 Block 3 Cordova Industrial Park
2. 08/01/2012 City Council voted to sell the lot by proposal
3. 30 day period proposal period ended September 17, 2012
4. Planning and zoning reviewed proposal October 9, 2012

Planning Commission

All proposals are included in the City Council packet for review. At the Planning Commission meeting all proposals received were rated using the criteria developed by the P&Z commission and discuss. The criteria allowed the number of proposals to be narrowed down. There was much discussion and concern about creating a situation where Mr. Carpenter would not be able to fix his current building. The rankings from the criteria and discussion established that Mr. Nichols proposal was the highest ranked. The commissioners, at this point concurred to recommend Dan Nichols proposal to City Council.

M/Srb S/Greenwood

“I move that we forward Dan Nichols proposal for the purchase of Lot 2, Block 3 to Council.”
Upon voice vote motion passed 6-0

At this time city council needs to review the proposal and the recommendation from P&Z and do one of the following as described in 5.22.030.

5.22.030 - Council approval required.

B. If the city solicits bids or proposals for a disposal of an interest in city real property, the council either shall:

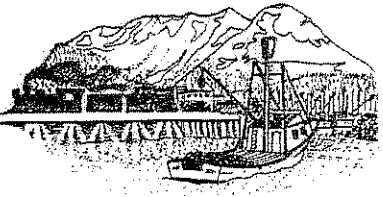
1. Award the disposal to the best bidder or proposer in accordance with the criteria in the invitation for bids or proposals, or
2. If the council finds it to be in the best interest of the city to do so, reject any or all bids or proposals.

PART II. STAFF SUGGESTED MOTION:

“I move to (*) on Lot 2 Block 3 Cordova Industrial Park.”

*could be 1) award the disposal to the proposer (name the proposer) or 2) reject the proposal(s)

CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 2, Block 3, located in the Cordova Industrial Park. See attached map.

Name of Proposer Dan Nichols
Name of Business Nichols Building

Address Box 235
Cordova, AK
99574

Phone Number 907-429-7559

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

All Organizations that are present proposals, including non-profits with proposals of less than Fair Market Value, will be required to meet the appropriate criteria within Cordova Municipal Code Section 5.22. City code is available at www.cityofcordova.net/city-code/

The minimum price that will be accepted for Lot 2, Block 3; Cordova Industrial Park is \$93,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Assessed Value plus State adjustment. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price 94,000.00

The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

Please review the attached section of Code for the allowable uses within the Waterfront Industrial Zone District.

Dan Nichols
PO Box 235
Cordova, AK 99574

City of Cordova
Planning Department
C/O Sealed Proposals
PO Box 1210
Cordova, AK 99574

Attn: Sealed Proposal L2, B3, CIP

Approximately one half of the lot will be used as a trucking company providing freight to Cordova through the State of Alaska Ferry System, 3 times a week from Anchorage. Half of the remaining building will be for boat repair in a heated, well lit area. We will offer daily, weekly and monthly rates accommodating up to four boats at a time. The space remaining will be customized for a possible life raft packing business or refrigeration/diesel mechanic who has expressed interest in the property and/or expansion of existing business. The second floor of the building will have apartment space for the manager of the trucking company and the additional service industries. Apartments are non-existent in Cordova in the summer time making it nearly impossible to attract and hold good people.

The benefit to the community includes the ability to get freight to Cordova, by a locally owned operator at a competitive rate, helping to make Cordova a much more affordable community. Also, to be able to supply Nichols Backdoor Store with more products. To add more guaranteed reserved ferry space to help protect against cancelation, which has happened recently with the Ferry system.

As for the boat shop, with our town getting over 14 feet of precipitation annually, as well as numerous cold and dark days, maintenance gets taken out of town and out of state for lack of adequate work

space. I am betting my money that when provided with a comfortable working environment people will utilize the space for repair, maintenance, upgrades and completion of hull and cabin packages where they live instead of out of town. Peterson Welding is for sale and if that shop fails to remain a welding shop we as a community will need another such shop. This building will supply commercial space in town that will supply such a space an affordable price.

What is the value of the proposed improvements? I will be investing roughly \$300,000 into the building alone.

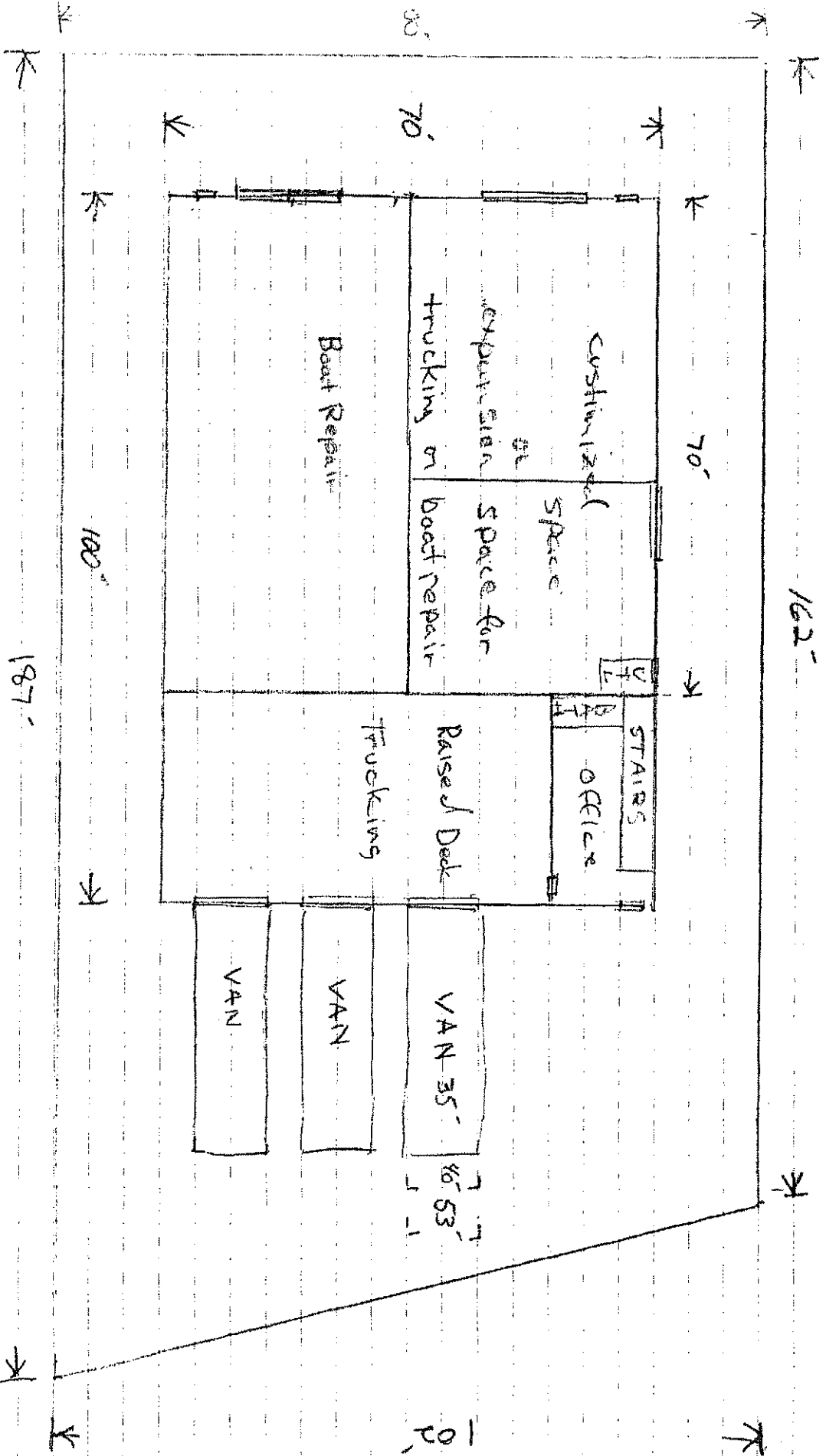
Thank you for your time.

Sincerely,

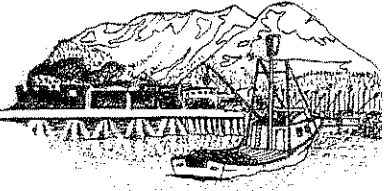
Dan Nichols

2)

7000 sq ft



CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 2, Block 3, located in the Cordova Industrial Park. See attached map.

Name of Proposer Thomas Carpenter
Name of Business Whiskey Ridge Trading Co.

Address Bk 900
Cordova, AL 36824

Phone Number 424-3354 or 3101

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

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The minimum price that will be accepted for Lot 2, Block 3; Cordova Industrial Park is \$93,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Assessed Value plus State adjustment. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price \$33,000 for 6000 SQ FT AS PER WRITTEN PROPOSAL

The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

Please review the attached section of Code for the allowable uses within the Waterfront Industrial Zone District.

Additional Information required (Please attach separately)

1. Please describe the type of business you're proposing to develop.
2. What is the proposed square footage of the building? Please provide a rough sketch of your building layout on the attached drawing of this lot.
3. What is the benefit of the proposed development to the community?
4. What is the value of the proposed improvements (in dollars)?
5. What is your proposed timeline for development?

Please address to:

**City of Cordova
Planning Department
C/O Sealed Proposals
P.O. Box 1210
Cordova, Alaska 99574**

Attn: Sealed Proposal L2, B3, CIP

City of Cordova
Planning Dept.
C/O Sealed Proposals
Po Box 1210
Cordova, Alaska
99574

September 13, 2012

Attention: Sealed proposal L2, B3, CIP

To: City Planning Commission:

Enclosed is a bid from Thomas M. Carpenter, Owner Whiskey Ridge Trading Co for the above stated city parcel. My proposal would be as follows.

1. To subdivide the above stated plat, to approximately 6000 square feet and 11,500 square feet, drawing included, for the purpose of adding to the existing building on property currently owned by myself. I have owned this property and business for 15 years, and it has been on this property since 1989. The reason for purchasing this property is to add to the existing structure, which the current parcel I own is not big enough to complete the project.

The existing building is a Quonset hut that was moved from 27 mile in the late 70's and reconstructed in its current location. I have been trying to find new metal for the building for 3 years, but none is available, as it has to be pre bent and can not be purchased. My plan is to pour a new footer and attach it to the existing footer, build two exterior walls which would marry the existing walls approximately 12', then reskin the building with new metal. Southern facing part of the building would then be expanded to increase the square footage of the store and also add to my storage space, rough drawing enclosed. The approximate dimensions of the expanded building will be 72x30.

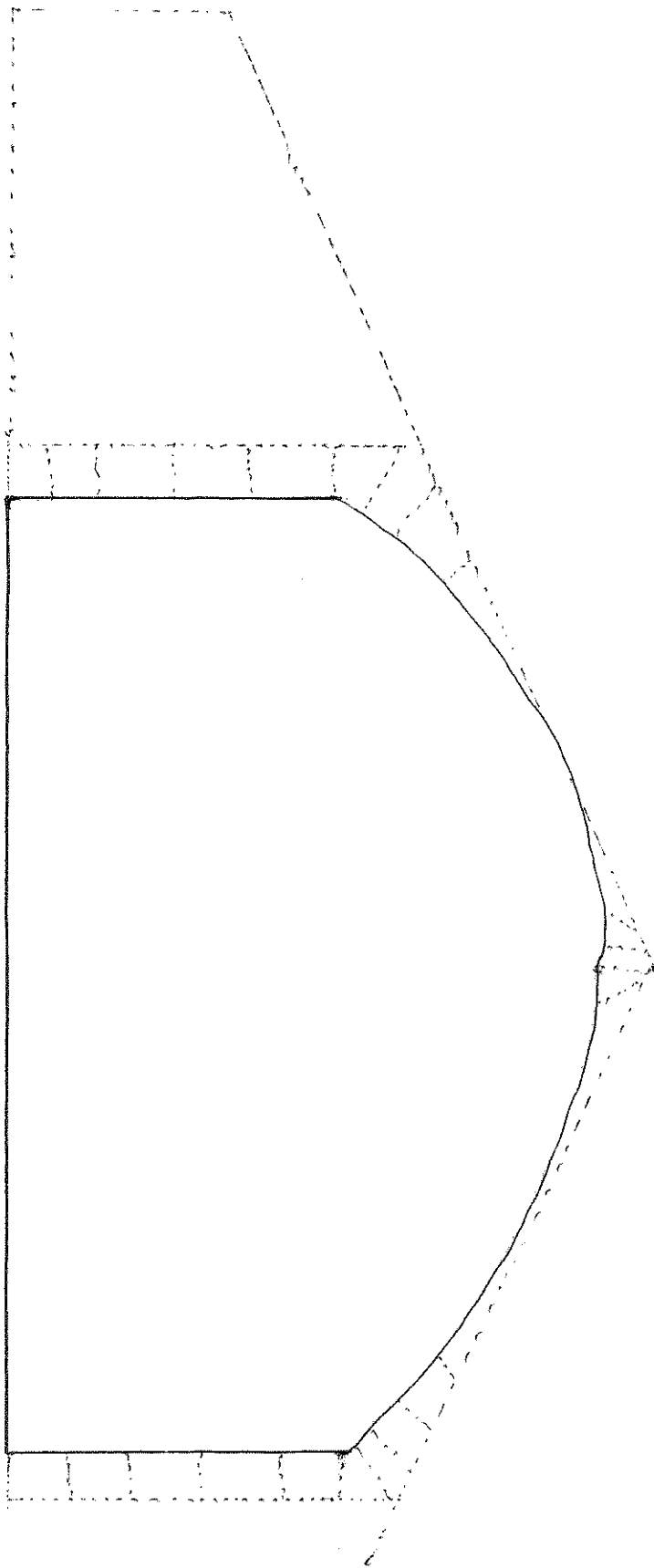
The benefit to the development of this expanded property will be increased sales tax revenue, property tax.

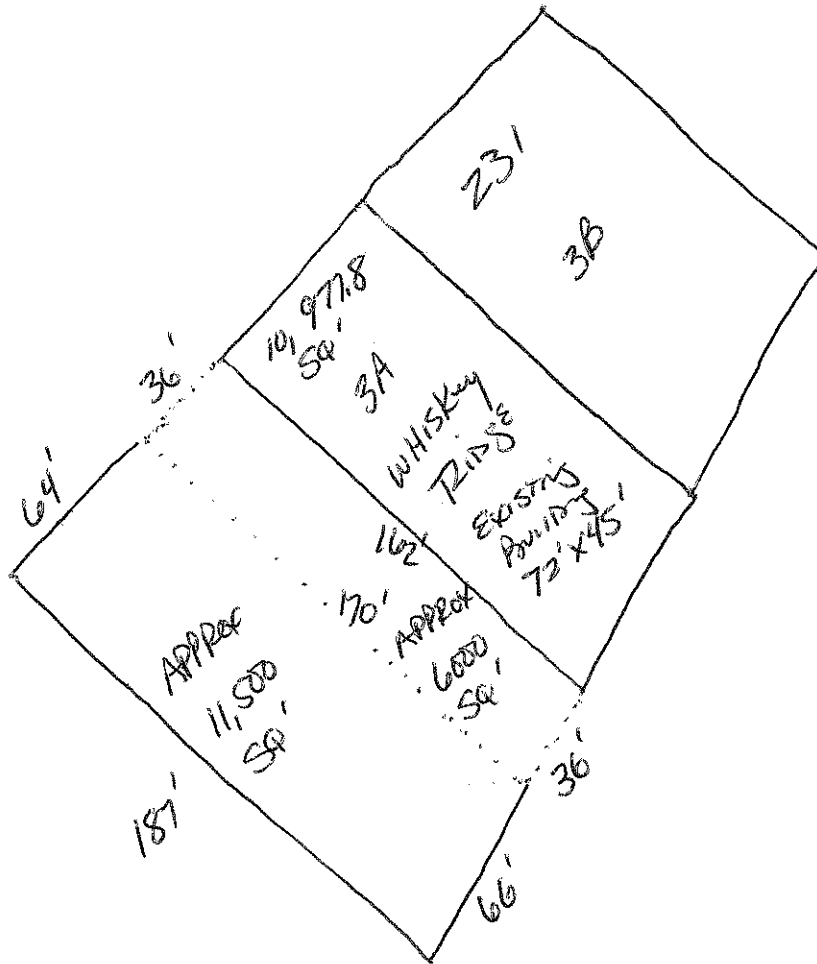
The value cost associated with this building expansion is approximately 50-60,000 dollars.

My proposed time line is undetermined at this time

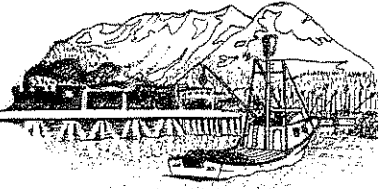
Sincerely,

 9/13/12
Thomas M. Carpenter





CITY OF CORDOVA



SEALED PROPOSAL FORM

All proposals must be submitted by September 17, 2012 @ 5p.m in a sealed envelope.

Property: Lot 2, Block 3, located in the Cordova Industrial Park. See attached map.

Name of Proposer Carol Hoover, Executive Director
Name of Business Eyak Preservation Council / Cordova Community Cold Storage
Address PO 460
Cordova AK 99574

Phone Number 907.424.5890

Note: All submitted proposals for this property will be reviewed by the Planning & Zoning Commission who will then recommend a proposal to City Council for final review and acceptance. The City Council reserves the right to reject any, part of any or all proposals, or to accept any proposal deemed most advantageous to the City of Cordova.

The chosen proposal will be required to provide a Site Plan and Architectural review per City of Cordova Municipal Code section 18.39.130 - Site Plan and Architectural review. This process shall be completed prior to a Building Permit being issued.

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The minimum price that will be accepted for Lot 2, Block 3; Cordova Industrial Park is \$93,500, except for entities that qualify to present proposals for less than fair market value as set forth in Cordova Municipal Code section 5.22.070. Fair Market Value for this property is based on the Assessed Value plus State adjustment. If the successful proposal amount is greater than the appraised value, that shall be the amount paid for the property.

Proposed Price \$75,000

The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section 5.22.100.

Please review the attached section of Code for the allowable uses within the Waterfront Industrial Zone District.

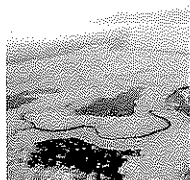
Additional Information required (Please attach separately)

1. Please describe the type of business you're proposing to develop.
2. What is the proposed square footage of the building? Please provide a rough sketch of your building layout on the attached drawing of this lot.
3. What is the benefit of the proposed development to the community?
4. What is the value of the proposed improvements (in dollars)?
5. What is your proposed timeline for development?

Please address to:

**City of Cordova
Planning Department
C/O Sealed Proposals
P.O. Box 1210
Cordova, Alaska 99574**

Attn: Sealed Proposal L2, B3, CIP



EYAK PRESERVATION COUNCIL

Protecting the ecosystem & Indigenous culture of the Copper River and Prince William Sound watersheds

September 17, 2012

City of Cordova
C/O Sealed Proposals
P.O. Box 1210
Cordova, AK 99574
Attn: Sealed Proposal L2, B3, CIP

History:

The Eyak Preservation Council (EPC) is a Cordova-based grassroots nonprofit 501(c)3. EPC is a cultural and environmental social change organization dedicated to preserving thriving wild salmon habitat and promoting sustainable communities and economies in Prince William Sound and the Copper River watersheds. EPC wholeheartedly supports subsistence and commercial fishing cultures. EPC's vision blends both traditional and local knowledge with progressive economic and conservation solutions to help build and compliment resilient, independent and thriving communities, like Cordova.

Over the last several years EPC has been researching to identify and secure land to build an affordable and energy efficient public processing and cold storage facility that includes certified DEC kitchen space, so others can increase local cottage industry and insure healthy subsistence foods in our vibrant fishing community and economy.

EPC endorsed and had hopes of partnering with the Cordova Community Kitchen Project in the past, but as you may know that did not materialize for a number of reasons. Yet it remains EPC's intention to promote the Cordova Community Cold Storage (CCCS), and assist with its formation as a separate and functioning community-based nonprofit organization. This includes assisting with the designing, financing and building a state-of-the-art LEED certified (Leadership in Energy and Environmental Design) and DEC- certified processing and cold storage plant, in concert with providing community kitchen space.

EPC continues to build community support and move forward on this community project. This spring, EPC received seed grant funding (\$20,000) from the First Nations Development Institute (FNDI), that included additional support from Wal-Mart to assist in furthering the initial planning stages of the CCCS project, helping form a citizen led planning committee, research potential plant partners and to assist with identifying viable land for this community processing facility.

CCCS will be an example of a new sustainable business model. It will be a nonprofit entity and a for-profit incubator for local cottage industry. The CCCS will develop its own brand and assist high-quality conscious commercial fishermen to handle, process and market their own catch. The CCCS will provide time and space to small community businesses who want to handle and process their wild foods themselves, while enriching and cultivating social profit within our fishing community.

Proposed Type of Business:

The EPC, in conjunction with the Cordova Community Cold Storage (CCCS) interim planning committee are interested in securing the Lot 2, Block 3 property located in the Cordova Industrial Park.

The CCCS intends to build a modern-day LEED- certified processing, cold storage and community kitchen facility. LEED certification consists of a suite of rating systems for the design, construction and

operation of high performance green buildings, homes and neighborhoods. Because of the wind, tides and rain Cordova is the ideal place to focus on turning abundant natural resources into useable and affordable energy to offset daily overhead expenses.

The CCCS facility will improve handling and value-added methods of our world-class subsistence and commercial foods (salmon and fur bearing animals), in order to honor, share and preserve our unique subsistence and commercial fishing-based culture and heritage.

Once fully established, the CCCS will be a stand-alone 501(c)3 nonprofit that will own the land and have its own board of directors with policies and bylaws that govern its community services and projects.

Proposed square footage of the CCCS building:

Ideally, the CCCS will maximize the square footage of the 17,501 sq. ft. lot by building a 60'X90' ft. two-story building (see draft drawings). This will provide for 10,800 sq. ft. of useable space in the plant.

The facility will have seven main areas dedicated to specific operations for user groups:

1. Space to handle, process, smoke, package and direct market commercial seafoods (salmon, cod, halibut, spotted shrimp, etc.);
2. Space to handle, process and value-add subsistence-based foods (for subsistence homepacks);
3. Separate but adjacent space to process fur bearing animals (i.e., deer, moose, goat, sea otters, etc.);
4. Space for "Battery Room" (i.e., renewable energy systems - tidal, wind, rain, sun, biodiesel, etc.) to offset daily operating expenses;
5. Blast Freezer, coolers and limited cold storage space;
6. Community Kitchen space;
7. Classroom space for research, recipe-sharing and testing, learning and teaching others how to handle, process, use machinery and market their finished products.

Benefit of the proposed development to the Cordova Community:

The CCCS will build community by bringing people together who want to process their wild food sources themselves and by attracting new investments, high-technology partners and markets who are specifically interested in sustainable and triple-bottom-line (economy, social, environment) companies and economies that increase local social values. Everyone who uses the community processing facility will find that it increases their quality of life, and improve the quality of their subsistence homepacks.

An Alaska-based subsistence report researched and written by consultant Michael Knickrehm found that in many rural communities in Alaska, "much of the cash received from commercial endeavors, in regional areas, is invested back into subsistence related endeavors. Subsistence harvesting itself is a form of giving back because much of the food is shared with others. Therefore, when these individuals reinvest their money into subsistence they're reinvesting their money into the community and that itself is a philanthropic activity."

The report also found that, "...If everyone is taking care of their families (subsistence needs), and persons whom have no families are being adopted (shared subsistence), the entire community is being provided for. It is important to point out that the end goal of philanthropy and charity is also to ensure that the community is taken care of. When talking about this issue it is good to remember that subsistence is not simply hunting (or gathering) food, and giving it to others. It is a charitable way of life that includes values, traditions, and beliefs."

Part of the CCCS mission is to give back to the community, and cultivate and scale individual and local businesses that respect, compliment and enrich the regions existing wild salmon way of life. Working side-by-side, subsistence users and commercial fisherman will be able to share community space and

abundant natural food resources, along with proven ideas and processing techniques to improve overall quality, handling and processing some of the best and healthiest subsistence and commercial foods available in Cordova, let alone in Alaska and America.

The CCCS facility, once built, will require several full time employees (plant caretaker, scheduler, plant and equipment trainer, etc.) and 5-10 processing crew members once the plant is fully operational. Crew will be needed only on a case-by-case basis, until the plant is established, then a full-time crew will need to be available annually.

Value of proposed improvements:

Building a \$1.5-\$2M LEED- certified building will cost 20-25% more than a conventional processing facility. The CCCS building will increase both the land value and tax base. This CCCS building also compliments the City of Cordova's zoning for the Cordova Industrial Park lands on Seafood Lane. This will be good for Cordova's growing seafood industry, regional processing needs and highlighting Cordova seafood products nationwide. It is an opportunity for Cordova to display its commitment to its community and the cottage industry it would produce would spread the Cordova "brand" and its relationship to the world-renowned salmon that it hosts.

According to LEED 2009 certification there are 100 possible base points distributed across five major credit categories: 1. Sustainable Sites, 2. Water Efficiency, 3. Energy and Atmosphere, 4. Materials and Resources, and 5. Indoor Environmental Quality, plus additional points for Innovation in Design and additional points for Regional Priority. Even though up- front building and equipment costs for a LEED- certified structure will be higher, in the long run the modern-day technology and efficient energy systems will lower overhead and daily usage fees of the facility, keeping it affordable for residents and visiting user groups (such as the growing sports fishing industry).

The CCCS board will identify and work with certified LEED and natural energy consultants who are familiar with Alaska geography, weather conditions and natural resources to design and build this new processing facility. It will also be a nice- looking energy efficient building that compliments Cordova's unforgettable beauty.

Proposed timeline for development:

The CCCS is requesting three years to secure adequate funding (both private and public sources), permits and materials to build this community processing, cold storage and kitchen facility.

EPC plans to assist with the planning committee writing the CCCS articles and bylaws, policies, strategic development plan, permitting requirements, land agreements and structuring the CCCS to form its own nonprofit status with its own board.

Year 1:

- Secure members for the CCCS board
- Secure land lot
- Complete the final draft of the architectural drawings and identify potential LEED certified entities to assist in designing the comprehensive blueprints of the building and identifying what renewable energies can be accessed to offset the facility's power needs.
- Finalize five-year business plan and have a feasibility study done once adequate land is secured and the project has a home.
- Write grants to both state and federal agencies in addition to private funding foundations
- Complete plans for continuing educational opportunities. People will be able to teach and learn new "old" ways of subsistence culture.

Note: An example of renewable energy application is that with the Power Creek and Humpback Creek run-of-the-river turbines currently providing energy for Cordova, the City along with CEC could find a way to charge the plants high-tech battery system to reduce daily overhead and annual operating expenses.

Year 2/ Year 3(18 months):

- Continue securing private and public foundation and government support
- Apply for all building, processing and community kitchen permits
- Build LEED's certified processing facility
- Install equipment
- Begin process of identifying/securing staff
- Get word out to local community about CCCS opportunity and begin renting time and space

Year 3 (6 months):

- Train employees in business practices and machinery operation
- Open CCCS building in Cordova and commence operation
- Work with other communities to build their own CCS facility

In accordance with Cordova Municipal Code Section 5.22, the CCCS is willing to pay close to Fair Market Value (\$75,000) for the property, due in full at the end of the three year development phase of the project. In the interim, we request that the City of Cordova consider offering the same deal that the Cordova Community Kitchen folks were given – a \$10.00 annual lease/option till the property is purchased in full (\$75,000) from the City of Cordova by the CCCS.

Potential Partners:

City of Cordova – It is the hope of EPC and the CCCS interim planning committee that the City of Cordova will partner with us (by providing land for this project) to build this state-of-the-art processing facility for its Cordova residents and fishing fleet.

Note: The City can continue using the site as a snow storage area until funding and permits have been secured to begin building the facility.

Cordova's Copper River Watershed Project – CRWP is interested in potentially leasing an area of land for their organic fertilizer project. Their project will not take a lot of space and it will be on open ground, with minimum building needs, so the CCCS could help provide space big enough for them to continue and expand their operations.

In the past, Alaska U.S. Senator, Lisa Murkowski has expressed an interest in the CCCS project and wants to hear about our new developments. She said because of the renewable energy aspects of the facility and the fact that it helps build community that there may be federal dollars available for the project.

Valdez Development Fisheries Association - Cold Storage Facility – The VDFA Cold Storage founders have expressed a keen interest in consulting and assisting on the CCCS project on every level. EPC is meeting with them this week in Valdez to see their cold storage and processing facility.

Sue Cogswell, Executive Director for the Prince William Sound Economic Development District, supports the CCCS project. Also, Shirley Kelly, Executive Director for the State's Economic Development Administration, said that the CCCS entity would most likely be eligible for a 50% match from the state. This is significant. She stated also that she would review the statistics for our Cordova area to confirm the match, and then upon submission of a feasibility study and business plan, she will be able to meet with the CCCS board and start the process for our program to be involved in the State of Alaska's matching program.

Final Comments:

Included in this bid packet are a list of the Cordova Community Cold Storage interim planning committee members, a copy of EPC's non-profit status, preliminary drawings of what a modern-day intelligent processing building could look like, an image of the miniature model of a green processing plant, a basic drawing of the CCCS building on Lot 2, Block 3 and general letter of support from U.S. Senator Lisa Murkowski.

Cordova residents deserve and would use a Community Cold Storage and Community Kitchen. As the City is aware, several large processing plants operate out of Cordova and in the region, yet none of the existing privately owned seafood companies have the space, equipment, time, permits or passion to provide community processing and cold storage space for Cordova's community members.

In the spirit of past community leaders who have wanted to see a community processing plant built, it is our desire to honor those important ideas and visions to empower our community members to handle, process, prepare and enjoy the incredible bounty that comes from the sea and our homelands.

Thank you for seriously considering our bid proposal for Lot 2, Block 3 on Seafood Lane. If you have further questions or need more information please contact Carol Hoover, Executive Director of the Eyak Preservation Council at 907.424.5890 or carol@redzone.org.

CORDOVA COMMUNITY COLD STORAGE
Initial Planning Committee

Eyak Preservation Council (907)424-5890 office (907)429-5890 cell (907)424-5891 fax
eyak@redzone.org

Dune Lankard, EPC

Rebecca Andersen, EPC

Pamela Smith

Kanisha Tiedeman

Matthew Andersen

Ardy Hanson

Christine Belgarde

Mike Mickelson

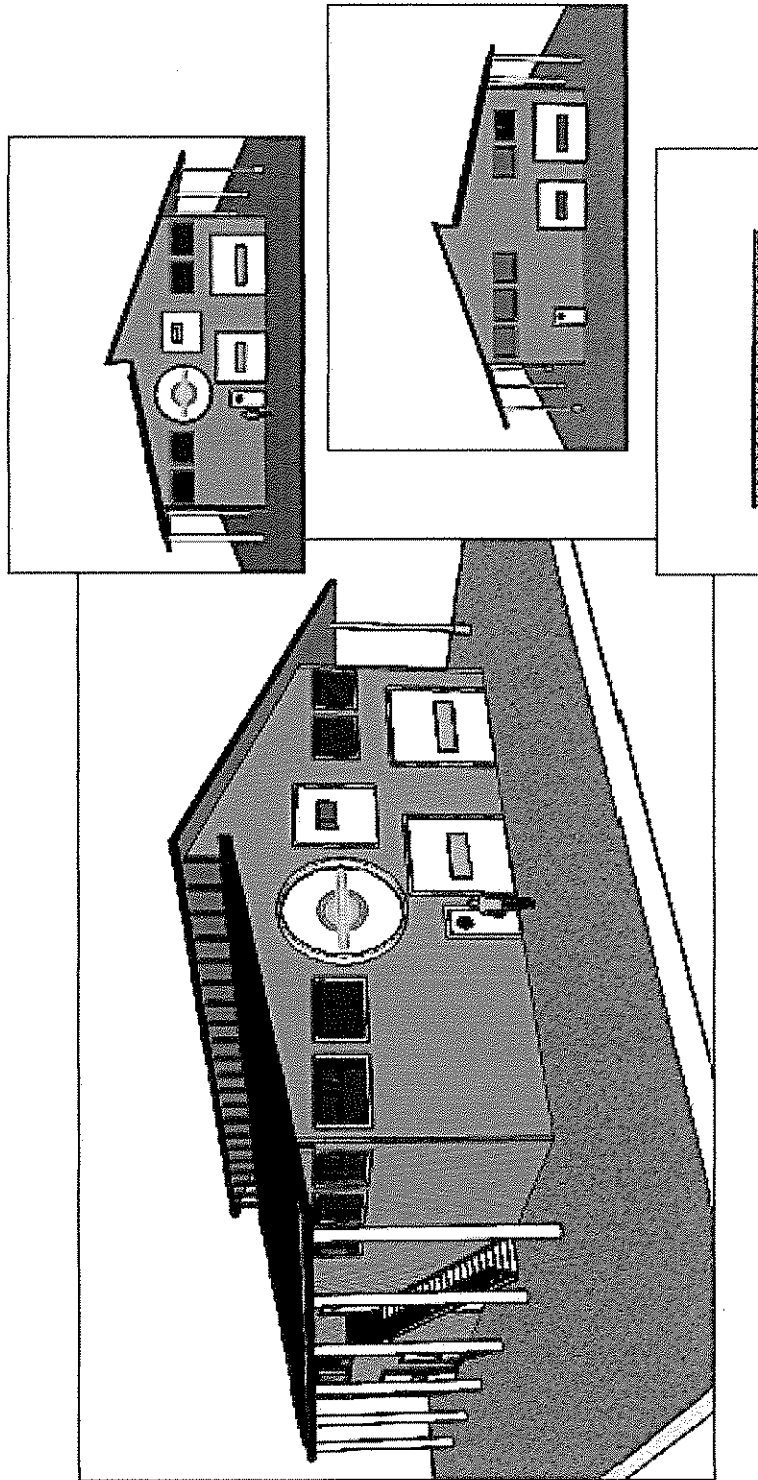
Jennifer Engle

Jamie Foode

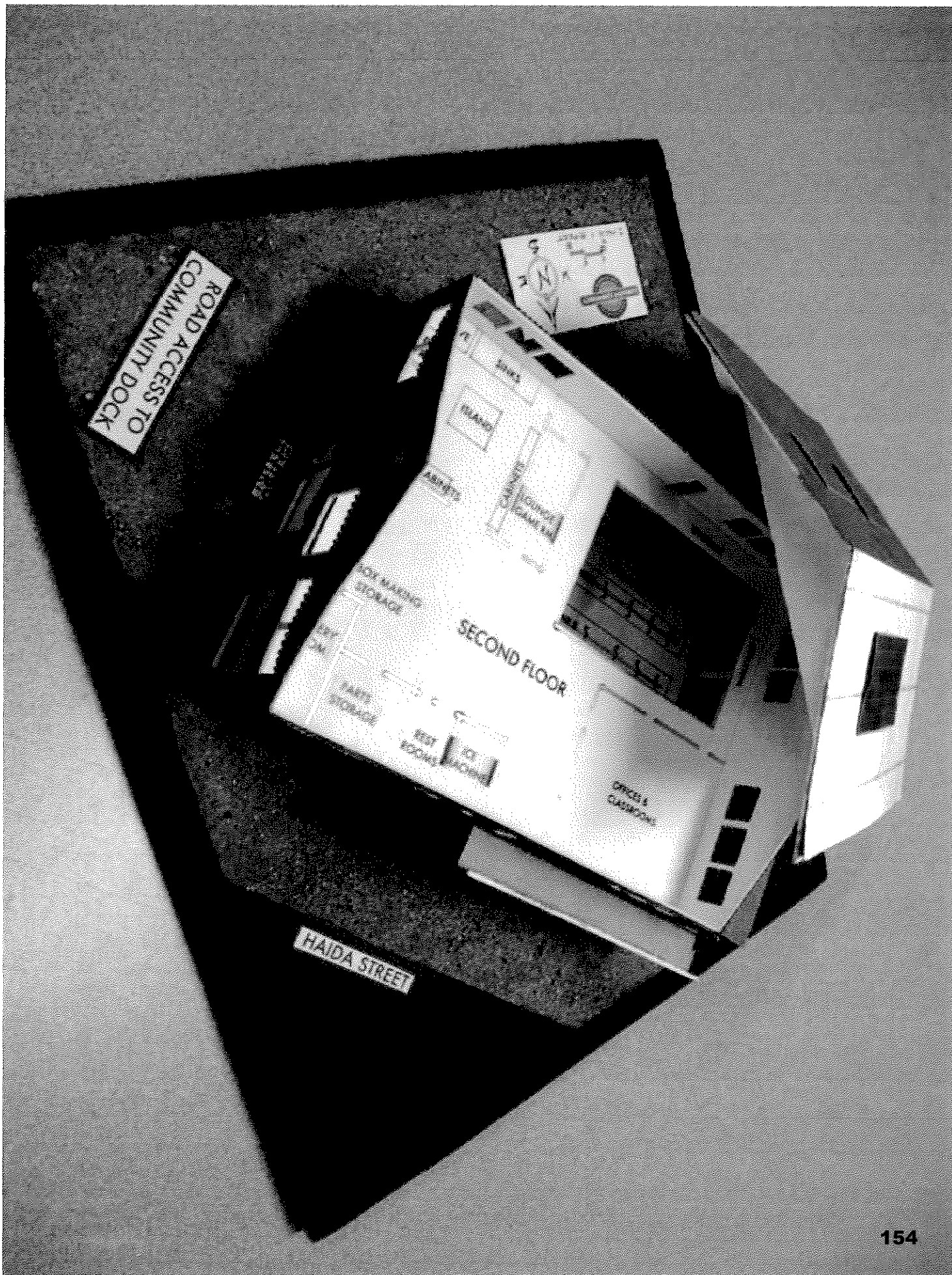
Jason Borer

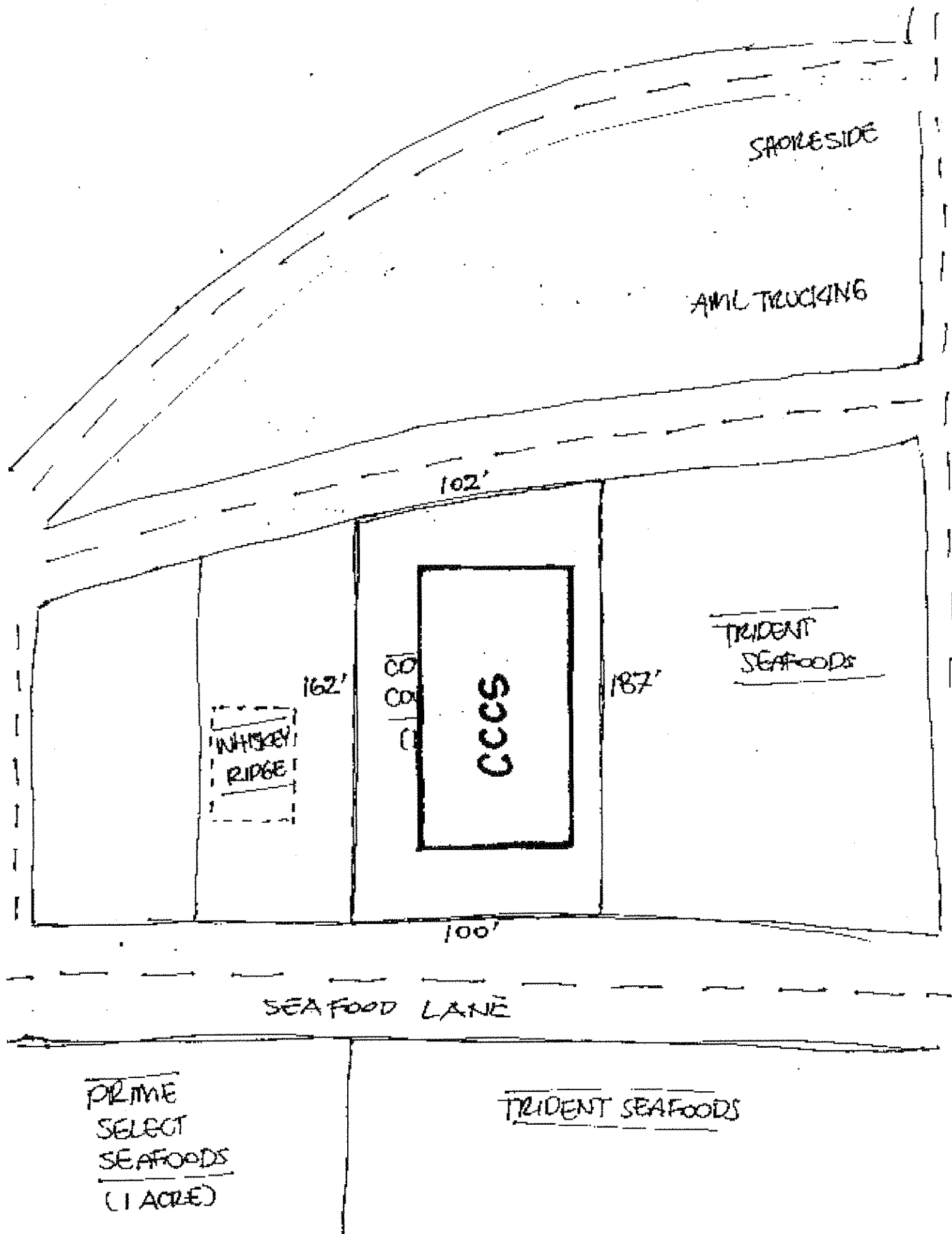
Ashley Fox

Toni Godes-Webber









LISA MURKOWSKI
ALASKA

COMMITTEES-

ENERGY AND NATURAL RESOURCES
Ranking Member
Subcommittee on Energy

FOREIGN AFFAIRS
Ranking Member, Subcommittee on
Terrorism and Security Affairs

HEALTH, EDUCATION, LABOR,
AND PENSIONS

LEGISLATION
AND CONSTITUTION

Mr. Dune Lankard
Post Office Box 456
Cordova, Alaska 99574

United States Senate

WASHINGTON, DC 20510-0203

202 224-4886

202 224-6321 FAX

February 14, 2008

5401 STEVENSON BLVD STE 200
ANCHORAGE, AK 99504-1700
907 271-2725

151 7TH AVENUE, 5TH FL
ANCHORAGE, AK 99501-2200
907 465-4533

410 5TH STREET
ANCHORAGE, AK 99501
907 435-1400

110 TRINITY-BAY BLVD, SUITE 210
CORDOVA, AK 99574-1700
907 452-2000

540 WILSON STREET, SUITE 101
KATYUKAN, AK 99581-2200
907 425-4680

800 6TH AVENUE, SUITE 200
ANCHORAGE, AK 99501-1700
907 425-1400

111 5TH STREET
111 5TH STREET, ANCHORAGE, AK
ANCHORAGE, AK 99501-1700
907 425-1400

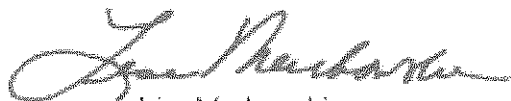
Dear Dune-

Thank you for following up on our conversation in the airport about your Cordova processing plant project. It is good to hear from you again.

I would appreciate it if you could forward as much detailed information about your project to my office as possible. This would give me an opportunity to see the details and determine if there is any way I can assist you, either through a letter of support or seeking federal assistance. You can mail documents to my office or email them to David Fisher, my legislative correspondent, at david.fisher@murkowski.senate.gov. I also am passing on your email to my energy legislative assistant Chuck Kleeschulte, who will be calling you to follow up.

Again, thank you for your follow-up. I look forward to hearing more about your project.

Sincerely,



Lisa Murkowski
United States Senator

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 26 2003

EYAK PRESERVATION COUNCIL
PO BOX 460
CORDOVA, AK 99574-0460

Employer Identification Number:
68-0424723
DLN:
17053106743005
Contact Person:
JOSEPH S ESTES ID# 31121
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated MAY 2001, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:30 a.m. - 5:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Each proposal will be evaluated on the criteria in the table below. Each criteria will be scored from 1-10 for the individual proposals. The multiplier will then be applied to the scores to determine a final score.

Final Land Disposal Evaluation Criteria

Criteria	Multiplier	Proposal A Rank 1-10	Proposal B Rank 1-10	Proposal C Rank 1-10	Proposal D Rank 1-10	Subtotal for Proposal A	Subtotal for Proposal B	Subtotal for Proposal C	Subtotal for Proposal D
Value of improvements	1.75								
Number of Employees*	1								
Sales Tax Revenue*	1								
Importance to Community	1.75								
5yr Business Plan/Time line	0.75								
Enhanced Architectural Design	1.25								
Proposal Price	1								
Consistency with Comprehensive Plan	1.5								
Total	10								

Pending agenda:

Capital Priorities List Meeting –**December 2012, March 2013, June 2013, September 2013**

Budget Work Sessions:	10/17/12	CM submits draft budget to Council
	10/30/12	Fees and Revenues
	11/1/12	Fees and Revenues
	11/6, 7, 8/12	Expenses
	11/20/12	Finalize budget (if necessary)

Alaska Municipal League Conference – November 12 – 16, Anchorage
Clerk out of office Nov 9 – 15; Manager out Nov 12 – 16; Clerk vacation Dec 27 – Jan 15

Committees:

Cordova Center Committee: Tim Joyce, Sylvia Lange, Dan Logan, Mark Lynch, Sam Greenwood, Moe Zamarron, Dave Reggiani, Cathy Sherman

Fisheries Advisory Committee: David Reggiani, PWSAC; Ken Roemhildt, Seafood Sales; Jim Holley, AML; Torie Baker, Marine Advisory Program Coordinator; John Bocci; and Jeremy Botz, ADF&G

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

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

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

Calendars: 3 months' of calendars are attached hereto

October 2012; November 2012; December 2012

October 2012

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

November 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Confer- ence Room LMR—Library Meeting Room HSL—High Sch Lib				1 6:30 bdgt wksn LMR absentee in person	2 absentee in person CH	3
4	5 absentee in person CH ——City Assessors——	6 ELECTION DAY 6:30 bdgt wksn CH ——2013 review——	7 6:30 bdgt wksn LMR 7:15 pub hrg LMR 7:30 reg mtg LMR ——City Assessors——	8 6:30 bdgt wksn LMR ——2013 review——	9 ——Clrk @ AAMC Conf——	10 ——Clrk @ AAMC Conf——
11 ——Clrk @ AAMC Conf——	12 Veteran's Day—City Hall Offices Closed ——Clrk @ AAMC Conf—— ——AML Conf——	13 5:30 Prks & Rec LMR P&Z Commis- sion Mtg 7pm CH ——Clrk @ AAMC Conf—— ——AML Conf——	14 Sch Bd 7pm HSL Hrbr Cms 7pm CH ——Clrk @ AAMC Conf—— ——AML Conf——	15 ——Clrk @ AAMC Conf—— ——AML Conf——	16 ——AML Conf——	17
18	19	20 6:30 bdgt wksn LMR (if necessary)	21 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	22 Thanksgiving—City Hall Offices Closed	23 Thanksgiving—City Hall Offices Closed	24
25	26	27	28 7pm spec mtg LMR	29	30	Location Legend CH—City Hall Confer- ence Room LMR—Library Meeting Room HSL—High Sch Lib

December 2012

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