

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
DECEMBER 5, 2012 @ 7:30 PM
LIBRARY MEETING ROOM**

AMENDED 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 – Sara Mason & Duane Hoskins of DoT..... (page 1)
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 4)
5. Student Council Representative's Report

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

6. Council's right to waive protest to Liquor License renewal for O.K. Restaurant Lic. 2433..... (page 7)
7. Ordinance 1101..... (page 11)
An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Dan Nichols of Lot two (2), Block three (3), Cordova Industrial Park – 1st reading
8. Ordinance 1102..... (page 41)
An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Thai Vu and Camtu Ho of Lot six (6), Block two (2), Southfill Development Park – 1st reading

H. APPROVAL OF MINUTES

9. Minutes of 10-17-12 City Council Budget Work Session..... (page 75)
10. Minutes of 11-07-12 City Council Special Meeting..... (page 77)
11. Minutes of 11-07-12 City Council Public Hearing..... (page 78)
12. Minutes of 11-07-12 City Council Regular Meeting..... (page 79)
13. Minutes of 11-19-12 City Council Special Meeting..... (page 85)

I. CONSIDERATION OF BIDS

J. REPORTS OF OFFICERS

14. Mayor's Report
15. Manager's Report
16. City Clerk's Report..... (page 86)
17. Staff Reports
 - a. City Legislative Lobbyist, John Bitney..... (page 87)

K. CORRESPONDENCE

18. Letter from CEC in re gas development in Cordova 11-13-12..... (page 92)
19. Letter from Buck Meloy in re PWSSC in Cordova 11-21-12..... (page 93)

L. ORDINANCES AND RESOLUTIONS

20. Substitute Ordinance 1100..... (roll call vote)(page 94)

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code sections 1.28.085, 10.04.040, 10.12.010, 10.12.012, 10.12.030, 10.16.010, 10.16.020, 10.24.010, 10.24.020, 10.24.025, 10.24.070, 10.24.080, 10.24.090, 10.24.100, 10.24.120, 10.36.010, 10.38.010, 10.44.010 and 10.48.010; amending the titles of Cordova Municipal Code chapters 10.16 and 10.38; Cordova Municipal Code sections 10.16.010, 10.16.020, 10.24.010, 10.24.020, 10.24.025, 10.24.070, 10.24.090, 10.24.120, 10.36.010, 10.38.010, 10.44.010 and 10.48.010; repealing Cordova Municipal Code chapter 10.08 and Cordova Municipal Code sections 10.16.030, 10.16.040 and 10.24.130; enacting Cordova Municipal Code 10.04.050 and 10.24.005; and repealing and reenacting Cordova Municipal Code chapters 10.52 and 10.56; regarding parking and traffic violations and enforcement of parking and traffic violations – 2nd reading

21. Substitute Resolution 11-12-45..... (voice vote)(page 110)

A resolution of the City Council of the City of Cordova, Alaska adopting an alternative allocation method for the FY13 shared fisheries business tax program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in the Prince William Sound fisheries management area

22. Resolution 12-12-46..... (voice vote)(page 112)

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a two year agreement with John W. Bitney for consulting services in the amount of fifty thousand dollars (\$50,000) per year plus reasonable expenses

M. UNFINISHED BUSINESS

N. NEW & MISCELLANEOUS BUSINESS

23. Contract Approval – Signco Quality Signs..... (voice vote)(page 116)

24. Review of CIP List as in Resolution 09-05-12..... (page 119)

25. Council discussion of Goals & Objectives for an Interim City Manager..... (page 121)

26. Direction to begin contract negotiations with Don Moore for Interim CM..... (voice vote)(page 123)

27. Council concurrence of Mayor’s appointments to Parks and Rec Commission..... (voice vote)(page 136)

28. Council concurrence of Mayor’s appointments to P & Z Commission..... (voice vote)(page 139)

29. Pending Agenda and Calendar..... (page 142)

O. AUDIENCE PARTICIPATION

P. COUNCIL COMMENTS

30. Council Comments

Q. EXECUTIVE SESSION

31. Cordova Center Phase I & II Financial Updates

32. Council discussion of Goals & Objectives for the Acting City Manager

R. ADJOURNMENT

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

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

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

Memorandum of Agreement
Local Match Contribution for the
Whitshed Road Bike and Pedestrian Path Project

Between

The State of Alaska Department of Transportation and Public Facilities

and

The City of Cordova

and

The Native Village of Eyak

1. The City of Cordova and Native Village of Eyak (City and Village) hereby agree to each provide two-hundred fifty-one thousand, four-hundred thirteen dollars and twenty-six cents (\$251,413.26), to collectively total five-hundred two thousand, eight-hundred twenty-six dollars and fifty-two cents (\$502,826.52), to the State of Alaska Department of Transportation and Public Facilities (DOT&PF) to fulfill the City and Village's share of the local match contribution required for the design and construction of the Whitshed Road Bike and Pedestrian Path Project. The local contribution shall be a lump sum payment made by the City and Village to ADOT&PF prior to obligation of Federal funds for each phase of the project. The funding schedule is provided below.

Material donations or right-of-way needed for the project may be used in place of cash contribution and may be considered for an exemption to the local match requirement. These donations will be assessed at fair market value.

2. The total local match amount is based on the amount of matching funds required for federal-aid highway funding participation on a project with an estimated total cost of \$9,147,000.00. The local match percentage is 9.03 %. DOT&PF shall pay half of this match requirement, the City and Village shall pay a total of 4.515% match. In addition to the match, a 50% contingency for preconstruction efforts and a 15% contingency for construction efforts will also be collected. The federal-aid portion of the estimated remaining total project cost is \$8,321,025.90. The DOT&PF and the City and Village will execute an amendment to this Memorandum of Agreement (MOA) if changes are needed to the scope, schedule and/or budget. The City and Village will be required to provide additional match funds associated with an increased budget. Upon project completion and final project closeout, if the final cost is less than the current estimated total cost, the local contribution will be recalculated and any excess local cash contribution will be refunded to the City and Village.

Should either party default on their respective match obligations, resulting in the discontinuation of project development or closure of the project by DOT&PF, the complying party shall be refunded the sum their unexpended match payments.

3. DOT&PF and the City and Village have developed the following project description and hereby agree to construct this project in accordance with the following project description and schedule:

Project Description:

Realign Whitshed Road to accommodate non-motorized traffic from the Copper River Highway intersection approximately .75 miles to the Orca Inlet Drive intersection.

Schedule:

This project is scheduled for obligation of funds as follows (project total - \$9,147,000):

<u>FFY 2013:</u>	<u>\$550,000.00</u>	<u>for Phase 2--Design</u>	
		<u>4.515%</u>	<u>Local Match Required:</u> <u>\$24,832.50</u>
		<u>50.00%</u>	<u>Additional Match Contingency:</u> <u>\$12,416.25</u>
			<u>Total Match Required from City/Village:</u> <u>\$37,248.75</u>
<u>FFY 2014:</u>	<u>\$500,000.00</u>	<u>for Phase 2--Design</u>	
		<u>4.515%</u>	<u>Local Match Required:</u> <u>\$22,575.00</u>
		<u>50.00%</u>	<u>Additional Match Contingency:</u> <u>\$11,287.50</u>
			<u>Total Match Required from City/Village:</u> <u>\$33,862.50</u>
<u>FFY 2015:</u>	<u>\$615,000.00</u>	<u>for Phase 3--Right of Way</u>	
		<u>4.515%</u>	<u>Local Match Required:</u> <u>\$27,767.25</u>
		<u>50.00%</u>	<u>Additional Match Contingency:</u> <u>\$13,883.63</u>
			<u>Total Match Required from City/Village:</u> <u>\$41,650.88</u>
<u>FFY 2015:</u>	<u>\$100,000.00</u>	<u>for Phase 7--Utilities</u>	
		<u>4.515%</u>	<u>Local Match Required:</u> <u>\$4,515.00</u>
		<u>50.00%</u>	<u>Additional Match Contingency:</u> <u>\$2,257.50</u>
			<u>Total Match Required from City/Village:</u> <u>\$6,772.50</u>
<u>FFY 2016</u>	<u>\$7,382,000.00</u>	<u>for Phase 4--Construction</u>	
		<u>4.515%</u>	<u>Local Match Required:</u> <u>\$333,297.30</u>
		<u>15.00%</u>	<u>Additional Match Contingency:</u> <u>\$49,994.60</u>
			<u>Total Match Required from City/Village:</u> <u>\$383,291.90</u>
<u>Summary:</u>			
	<u>Total Federal Funding</u>	<u>\$8,321,025.90</u>	
	<u>4.515% Local Match:</u>	<u>\$412,987.05</u>	
	<u>Total Project Estimate (with Match)</u>	<u>\$9,147,000.00</u>	
	<u>Match Contingency:</u>	<u>\$89,839.47</u>	
	<u>Match Required from City/Village including contingency:</u>	<u>\$502,826.52</u>	

4. DOT&PF may alter this funding schedule for reasons that are beyond its control, including elimination or restriction of funds at the federal level. If DOT&PF does not otherwise maintain its commitment to this funding schedule, the City and Village shall have the option of withdrawing from this Agreement and shall be reimbursed for their local contribution.
5. DOT&PF and the City and Village may amend this agreement by mutual consent.

Signed
Steve Titus, P.E., Regional Director
Department of Transportation & Public Facilities

Date

Signed
Jim Kallander, Mayor
City of Cordova

Date

Signed
Joel Azure, Executive Director
Native Village of Eyak

Date



CORDOVA SCHOOL DISTRICT

Cordova School District
Superintendent's Report
December 5, 2012

General State of the District

- We are in the process of purchasing/evaluating 2 web-based programs. Both are to improve systems in the district, reduce paper consumption, increase productivity, and decrease operating costs.
 - Alio – a finance/payroll/Human Resources program that is used by many districts in the State to help automate and integrate our finances.
 - Online application/HR component
 - Payroll/timesheet component
 - Paperless requisition/PO process with live encumbrance.
 - Eduphoria – a suite of products that include
 - Forethought – a simple online lesson planner and curriculum management application that was created with teachers in mind.
 - Helpdesk – an educational focused product that would replace School Dude.
 - Formspace – Automate district forms and approval processes, saving your district thousands of sheets of paper and reducing email clutter.
 - Facilities – Track assets inventory and facility use.
 - Appraise – This provides a web-based total staff appraisal management system, giving teachers and principals a single tool to create, submit and monitor professional growth
 - Workshop – Professional development management system that streamlines staff course registration and portfolios, tracks NCLB statistics, and includes e-courses as a free upgrade!
- Researching Transportation options for the 2013-2014 school year

Securing Funding

- The October count is complete, and we submitted the number of 316 to the state.
- We are still in the process of identifying our discretionary funds and continually searching for grants.

Improve Communication at State and Community Level

- We are continuing to open lines of communication with the City Council and City Administration
- Beginning discussions regarding creative scheduling on days where large numbers of kids are gone to include local entities to tie student learning to local resources.

Strategic Planning

- First District Site-Based meeting was held on November 29.

Building Maintenance

- Waste Oil Burner -- The waste oil burner was up and running. Last week, the city pumped oil from its burner that wasn't burning, even when mixed with diesel, and delivered to the school; consequently, the school's burner was not burning. We have since, pumped out the ineffective oil and are expecting another fill, so when we get that, we'll see if it'll burn again. Prior to receiving the city's non-burning oil, the burner was working efficiently.
- Playground Elementary -- North Pacific Erectors has been given the okay to build the playground and will start construction in the spring. The structure will be quick and should be completed around mid-summer. The playground equipment has a long lead time, but we hope to rush the delivery date.
- Lean-to High School -- The lean-to construction has started and North Pacific Erectors hopes to be completed by early December.
- High School Kitchen
 - The exterior wall in the kitchen has some extensive rot. The entire wall might need to be replaced. We are in the process of getting some exploratory quotes on the replacement of the wall. The water is soaking in from outside under the siding. The wet and very warm conditions are causing a pest problem that if unchecked could start to effect student health. See photos.
 - The stove in the kitchen is failing at a consistent pace. The regulator on the stove is going bad causing the pilot lights to go out and fill the room with a propane smell. I have the custodians checking the stove twice a day to make sure that there is no build-up of propane. The age of the stove makes finding the appropriate replacement parts difficult.
 - All the sinks in the kitchen are leaking. We are replacing the appropriate gaskets and o-rings and two faucets need to be completely replaced.
 - The pre-heater on the dish washer is consistently tripping. We are in contact with the manufacturer to assist in diagnosing the problem.



A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 28, 2012
TO: Mayor & City Council
SUBJECT: Liquor License Renewal

The Clerk's office has received notification that the following local establishment has applied for renewal of its liquor license with the State Alcoholic Beverage Control Board. Police Chief Griffiths and Finance Director Ashley Royal have been advised and their suggestions to Council are attached hereto. A passage of the consent calendar is a vote to waive the City Council's right to protest (i.e. gives ABC board no reason to not renew the license).

License: O.K. Restaurant – Restaurant/Eating Place License # 2433

Recommended motion: move to waive Council's right to protest the ABC Board's approval of the application for renewal of the O.K. Restaurant's Restaurant/Eating Place liquor License #2433.

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



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

5848 E. Tudor Road
Anchorage, Alaska 99507
Main: 907.269.0350
Chris Lambert: 907.269.0359
TDD: 907.465.5437
Fax: 907.272.9412

November 27, 2012

Renewal Application Notice

City of Cordova
Attn: City Clerk
VIA EMAIL: cityclerk@cityofcordova.net

DBA	Lic Type	Lic #	Owner	Service Location
O.K. Restaurant	Restaurant/Eating Place	2433	Dae J Chung	616 1st Street

We have received a renewal application for the above listed licenses within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. COTÉ
Director

/s/ *Christine C. Lambert*

Christine C. Lambert
Licensing & Records Supervisor
Christine.lambert@alaska.gov



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

CITY OF CORDOVA

Office of Chief of Police

Date: 11/29/12

To: Cordova City Council,

Via: Cathy Sherman, Acting City Manager

Re: Liquor License Renewal for OK Restaurant

Cordova Police Department records indicate no alcohol related violations or incidents associated with the OK Restaurant.

Respectfully,

Chief of Police

Memorandum

To: City Council

Thru: Samantha Greenwood, City Planner

Date: November 28, 2012

Re: Final Sales Contract

PART I. GENERAL INFORMATION:

7/10/2012	P&Z recommended that City Council dispose of Lot 2 Block 3 Cordova Industrial Park by sealed proposals
8/01/2012	City Council decides to dispose of Lot 2 Block 3 Cordova Industrial Park by proposals
9/17/2012	End of public proposal period
10/09/2012	P&Z recommends to City Council Dan Nichols proposal
10/17/2012	City Council awards Lot 2 Block 3 Cordova Industrial Park to Dan Nichols

The Ordinance, Sale and Purchase Agreement and Quit Claim Deed have been prepared for this sale and are attached for review.

PART II. RECOMMENDED CITY COUNCIL MOTION:

Motion for Approval:

"I move that to adopt Ordinance 1101 an ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Dan Nichols of Lot two (2), Block three (3), Cordova Industrial Park."

**CITY OF CORDOVA
ORDINANCE 1101**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA,
ALASKA, AUTHORIZING THE CONVEYANCE TO DAN NICHOLS OF
LOT TWO (2), BLOCK THREE (3), CORDOVA INDUSTRIAL PARK**

WHEREAS, pursuant to CMC 5.22.030, the City of Cordova solicited proposals for the purchase of Lot Two (2), Block Three (3), Cordova Industrial Park (the "Property"); and

WHEREAS, the Council finds that the proposal submitted by Dan Nichols is the best proposal for the purchase of the Property; and

WHEREAS, the purchase price proposed by Dan Nichols is not less than appraised fair market value of the Property; and

WHEREAS, in selecting the proposal of Dan Nichols to purchase the Property, the Council relied on the plan to develop the Property that was part of the proposal, and the disposal of the Property should be conditioned upon the development of the Property in accordance with that plan; and

WHEREAS, there have been presented to this meeting the forms of a Purchase and Sale Agreement, Quitclaim Deed and Performance Deed of Trust that are to be executed in connection with the disposal of the Property by the City, and it appears that such documents are in appropriate form and are appropriate instruments for the purposes intended,

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

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

Section 2. The disposal of the Property authorized by this ordinance is subject to the requirements of City Charter, Section 5-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this

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

1st reading: December 5, 2012

2nd reading and public hearing: December 19, 2012

PASSED AND APPROVED THIS 19th DAY OF DECEMBER, 2012.

Jim Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of December ____, 2012 (the "Effective Date"), by and between the CITY OF CORDOVA, an Alaska municipal corporation ("Seller"), whose address is P.O. Box 1210, Cordova, Alaska 99574, and DAN NICHOLS ("Purchaser"), whose address is P.O. Box 235, Cordova, Alaska 99574.

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

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

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

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

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

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

2. **The Purchase Price.** The purchase price for the Property is NINETY-FOUR THOUSAND AND 00/100THS DOLLARS (\$94,000) (the "Purchase Price") and shall be paid to Seller by Purchaser at the Closing (as that term is defined in Section 11 below).

(a) Within five (5) business days after execution of this Agreement by all parties, Purchaser shall deposit a fully executed copy of this Agreement, and the sum of Five Thousand and 00/100ths Dollars (\$5,000.00) as an earnest money deposit (the "Deposit"), in escrow ("Opening of Escrow") with First American Title Company of Alaska ("Escrow Agent").

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

credited against the Purchase Price at Closing, or otherwise disbursed in accordance with this Agreement.

(c) The balance of the Purchase Price over and above the amount paid by or credited to Purchaser pursuant to Section 2(b) above shall be paid to Seller in immediately available funds at the Closing.

3. Title.

(a) Seller shall order from First American Title Company of Alaska, ("Title Company"), and shall deliver to Purchaser within ten (10) days following the Opening of Escrow, a preliminary title report pertaining to the Property (the "Commitment"), together with legible (to the extent available) copies of all documents relating to the title exceptions referred to in such Commitment.

(b) Within fifteen (15) days after the delivery of the Commitment, Purchaser shall notify Seller in writing of any title exceptions identified in the Commitment which Purchaser disapproves. Any exception not disapproved in writing within said fifteen (15) day period shall be deemed approved by Purchaser, and shall constitute a "Permitted Exception" hereunder. Purchaser and Seller hereby agree that all non-delinquent property taxes and assessments shall also constitute "Permitted Exceptions." Within ten (10) days after receipt of Purchaser's written notice of disapproved title exceptions, if any, Seller shall notify Purchaser in writing of any disapproved title exceptions which Seller is unable or unwilling to cause to be removed prior to or at Closing. Seller's failure to give such notice shall be deemed an election not to remove any disapproved title exceptions. With respect to such exceptions, Purchaser then shall elect, by giving written notice to Seller and Escrow Agent within ten (10) days thereafter, (x) to terminate this Agreement, or (y) to waive his disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. Purchaser's failure to give such notice shall be deemed an election to waive the disapproval of any such exception. In the event Purchaser elects to terminate this Agreement in accordance with clause (x) above, the Deposit, without interest, shall be immediately refunded to Purchaser; provided, however, that Purchaser shall be responsible for any title or escrow cancellation fees.

4. Representations and Warranties of Seller. Seller represents and warrants to Purchaser that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Seller which are to be delivered to Purchaser at the Closing will be, legal, valid, and binding obligations of Seller enforceable against Seller in accordance with their respective terms and does not and will not violate any provisions of any agreement to which Seller is a party or to which it or the Property is subject.

(b) Purchaser shall purchase the Property based on Purchaser's own prior investigation and examination of the Property (or Purchaser's election not to do so)

and upon the warranties, covenants and representations contained in this Agreement; AND THAT, AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY SELLER, SUBJECT TO THE TERMS OF THIS AGREEMENT, PURCHASER IS PURCHASING THE PROPERTY IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS. Except as may be set forth in this Agreement, Purchaser hereby waives, and Seller does hereby disclaim, all warranties of any type or kind whatsoever with respect to the Property, whether express or implied, including, by way of description but not limitation, those of fitness for a particular purpose and use.

5. Representations, Warranties and Covenants of Purchaser. Purchaser represents and warrants to Seller that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Purchaser which are to be delivered to Seller at the Closing will be, duly authorized, executed, and delivered by Purchaser, and is and will be legal, valid, and binding obligations of Purchaser enforceable against Purchaser in accordance with their respective terms and do not and will not violate any provisions of any agreement to which either Purchaser is a party or to which he is subject.

6. Conditions Precedent to Closing.

(a) The following shall be conditions precedent to Seller's obligation to consummate the purchase and sale transaction contemplated herein (the "Seller's Conditions Precedent"):

(1) Purchaser shall not have terminated this Agreement in accordance with Section 3, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Purchaser shall have delivered to Escrow Agent, prior to or at the Closing, for disbursement as directed hereunder, all cash or other immediately available funds due from Purchaser in accordance with this Agreement.

(3) There shall be no uncured breach of any of Purchaser's representations or warranties set forth in Section 5, as of the Closing.

(4) Purchaser shall have delivered to Escrow Agent the items described in Section 9.

(5) The timely performance by Purchaser of each and every obligation imposed upon Purchaser hereunder.

The conditions set forth in this Section 6(a) are solely for the benefit of Seller and may be waived only by Seller and only in writing. Seller shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions.

(b) The following shall be conditions precedent to Purchaser's obligation to consummate the purchase and sale transaction contemplated herein (the "Purchaser's Conditions Precedent"):

(1) Purchaser shall not have terminated this Agreement in accordance with Section 3, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Title Company shall be committed to issue, at the Closing, an owner's policy of title insurance (the "Title Policy"), insuring Purchaser's interest in the Property, dated the day of the Closing, with liability in the amount of the Purchase Price, subject only to the Permitted Exceptions.

(3) There shall be no uncured breach of any of Seller's representations or warranties as set forth in Section 4 or the covenants as set forth in Section 7, as of the Closing.

(4) Seller shall have delivered the items described in Section 8.

(5) The timely performance by Seller of each and every obligation imposed upon Seller hereunder.

The conditions set forth in this Section 6(b) are solely for the benefit of Purchaser and may be waived only by Purchaser and only in writing. Purchaser shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions.

7. **Covenants of Seller.** Seller hereby covenants with Purchaser, as follows:

(a) After the date hereof and prior to the Closing, no part of the Property, or any interest therein, will be voluntarily sold, mortgaged, encumbered, leased or otherwise transferred without Purchaser's consent, which may be withheld in his sole and absolute discretion.

(b) Seller agrees to notify Purchaser promptly of the occurrence of any event which violates any covenant set forth in this Section 7.

8. **Seller's Closing Deliveries.** At or prior to the Closing, Seller shall deliver to Escrow Agent the following:

(a) A Quitclaim Deed in the form attached hereto as Exhibit B, executed by Seller conveying the Property to Purchaser (the "Deed").

(b) A closing statement prepared by the Title Company itemizing and approving all receipts and disbursements made in connection with Closing.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

9. **Purchaser's Closing Deliveries.** At or prior to the Closing, Purchaser shall deliver to Escrow Agent the following:

(a) The balance of the Purchase Price, together with such other sums as Escrow Agent shall require to pay Purchaser's share of the Closing costs, prorations, reimbursements and adjustments as set forth in Section 10 and Section 12, in immediately available funds.

(b) A Performance Deed of Trust from Purchaser, as trustor, to Title Company, as trustee, with Seller as beneficiary, in the form attached hereto as Exhibit C, to secure the obligations of Purchaser to develop the Property.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

10. **Prorations and Adjustments.** The following shall be prorated and adjusted between Seller and Purchaser as of the day of the Closing, except as otherwise specified:

(a) General real estate, personal property and ad valorem taxes and assessments, and any improvement or other bonds encumbering the Property, for the current tax year for the Property. Purchaser is not responsible for delinquent real estate taxes, personal property taxes, ad valorem taxes, or assessments arising prior to Closing.

(b) Utility charges, if any. Purchaser acknowledges and agrees that Seller shall be entitled to all refunds of utility deposits with respect to the Property and that such amounts are not to be assigned to Purchaser in connection with the sale of the Property. However, Purchaser will be responsible for any additional assessments effective prior to Closing, of which notice is received after Closing.

For purposes of calculating prorations, Purchaser shall be deemed to be in title to the Property, and, therefore entitled to the income therefrom and responsible for the expenses thereof, for the entire day upon which the Closing occurs. All such prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the day of the Closing and based upon the actual number of days in the month and a three hundred sixty-five (365) day year. In no event will there be any proration of insurance premiums under Seller's existing policies of insurance relating to the Property, and Purchaser acknowledges and agrees that none of Seller's insurance policies (or any proceeds payable thereunder) will be assigned to Purchaser at the Closing, and Purchaser shall be solely obligated to obtain any and all insurance that he deems necessary or desirable. The provisions of this Section 10 shall survive the Closing.

11. **Closing.** The purchase and sale contemplated herein shall close on or before sixty (60) days after the Effective Date (the "Closing") or on such other specific date and time mutually agreed to by the parties. As used herein, the term "Closing"

means the date and time that the Deed is recorded in the Cordova Recording District, Third Judicial District, State of Alaska (the "Official Records"). The Closing shall occur at the offices of the Escrow Agent as set forth in Section 17(m).

12. **Closing Costs.** Purchaser shall pay the fee for recording the Deed, the premium for the Title Policy, and for all fees and costs Seller incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees. Purchaser shall bear the expense of his own counsel. Unless otherwise specified herein, if the sale of the Property contemplated hereunder does not occur because of a default on the part of Purchaser, all escrow cancellation and title fees shall be paid by Purchaser; if the sale of the Property does not occur because of a default on the part of Seller, all escrow cancellation and title fees shall be paid by Seller.

13. **Risk of Loss.** If, prior to the Closing, any portion of the Property is subject to a taking, or eminent domain proceedings are commenced, by public authority (other than Seller) against all or any portion of the Property, Purchaser shall have the right, exercisable by giving notice to Seller within ten (10) business days after receiving written notice of such taking (but in any event prior to the Closing), either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder (except as may be expressly provided to the contrary elsewhere in this Agreement), and any money (including, without limitation, the Deposit and all interest accrued thereon) or documents in escrow shall be returned to the party depositing the same, and Purchaser and Seller each shall be responsible for one-half of any title or escrow cancellation fee, or (ii) to accept the Property in its then condition, without any abatement or reduction in the Purchase Price, and receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking. Purchaser's failure to elect timely shall be deemed an election of (ii). If Purchaser elects to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such award without Purchaser's prior written consent. As used in this Section 13, "taking" shall mean any transfer of the Property or any portion thereof to a governmental entity (other than Seller) or other party with appropriate authority, by exercise of the power of eminent domain.

14. **Default.**

(a) No party shall be deemed to be in default hereunder unless such party fails to cure an alleged default within ten (10) days after receipt from the other party of written notice thereof; provided, however, that (i) if such alleged default is not susceptible of being cured within said ten (10) day period, such party shall not be deemed in default hereunder so long as such party commences to cure the alleged default within said ten (10) day period and diligently prosecutes the same to completion within thirty (30) days; and (ii) no notice shall be required or cure period permitted in the event the alleged default is a failure to close the transaction contemplated hereby at the Closing.

(b) In the event of a default by Seller hereunder, Purchaser shall be entitled, in addition to any and all other remedies to which Purchaser may be entitled at law or in equity, (i) to terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Purchaser and neither party shall have any further rights, obligations, or liabilities hereunder, or (ii) to enforce Seller's obligations hereunder by a suit for specific performance, in which event Purchaser shall be entitled to such injunctive relief as may be necessary to prevent Seller's disposition of the Property pending final judgment in such suit.

(c) In the event of a default by Purchaser hereunder, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchaser, in which event, the Deposit shall be retained by Seller as liquidated damages; thereafter, neither party shall have any further rights, obligations, or liabilities hereunder. The parties acknowledge and agree that the actual damages in such event are uncertain in amount and difficult to ascertain, and that said amount of liquidated damages was reasonably determined.

15. **Escrow.**

(a) Instructions. Within five (5) business days after execution of this Agreement, Purchaser shall deposit a copy of this Agreement executed by both Purchaser and Seller with Escrow Agent. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Agent by written agreement, shall constitute the escrow instructions. If any requirements relating to the duties or obligations of Escrow Agent hereunder are not acceptable to Escrow Agent, or if Escrow Agent requires additional instructions, the parties hereto agree to make such deletions, substitutions and additions hereto as Seller and Purchaser shall mutually approve, which additional instructions shall not substantially alter the terms of this Agreement unless otherwise expressly agreed to by Seller and Purchaser.

(b) Deposits into Escrow. Seller shall make its deliveries into escrow in accordance with Section 8. Purchaser shall make his deliveries into escrow in accordance with Section 9. Escrow Agent is hereby authorized to close the escrow only if and when: (i) Escrow Agent has received all items to be delivered by Seller and Purchaser pursuant to Sections 8 and 9; and (ii) Title Company can and will issue the Title Policy concurrently with the Closing.

(c) Close of Escrow. Provided that Escrow Agent shall not have received written notice in a timely manner from Purchaser or Seller of the failure of any condition to the Closing or of the termination of the escrow, and if and when Seller and Purchaser have deposited into escrow the matters required by this Agreement and Title Company can and will issue the Title Policy concurrently with the Closing, Escrow Agent shall:

(1) Deliver to Seller the Purchase Price, after satisfying the Closing costs, prorations and adjustments to be paid by Seller pursuant to Section 10 and Section 12.

(2) Deliver to Purchaser the Deed by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Purchaser a conformed copy of the Deed.

(3) Deliver to Title Company and Seller the Performance Deed of Trust by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Title Company and Seller a conformed copy of the Performance Deed of Trust.

(4) Deliver to Purchaser any funds deposited by Purchaser, and any interest earned thereon, in excess of the amount required to be paid by Purchaser hereunder.

(5) Deliver the Title Policy issued by Title Company to Purchaser.

16. Reciprocal Indemnification.

(a) Seller hereby agrees to indemnify, hold harmless and defend Purchaser from and against any and all loss, damage, claim, cost and expense and any other liability whatsoever, including without limitation reasonable attorneys' fees, charges and costs, incurred by Purchaser by reason of: (i) Seller's breach of any covenants, representations or warranties of Seller contained in this Agreement which survive the Closing, or (ii) without limiting the generality of the foregoing, Seller's failure to duly perform and discharge Retained Liabilities, as defined below. The Retained Liabilities include: (i) any liability the existence of which would constitute a breach of any of Seller's representations or warranties contained in Section 4; and (ii) any expenses, liabilities or obligations relating to the Property or its operation arising from acts, omissions, occurrences or matters that took place prior to the Closing.

(b) Purchaser hereby agrees to indemnify, hold harmless and defend Seller from and against any and all loss, damage, claim, cost and expense and any other liability whatsoever, including without limitation reasonable attorneys' fees, incurred by Seller by reason of: (i) Purchaser's breach of any covenants, representations or warranties of Purchaser contained in this Agreement which survive the Closing, or (ii) without limiting the generality of the foregoing, Purchaser's failure to duly perform the Assumed Liabilities. The Assumed Liabilities include: (i) Seller's obligations and liabilities with respect to the Property or its operation which are expressly assumed in writing by Purchaser pursuant to this Agreement or documents delivered at Closing; and (ii) any expenses, liabilities or obligations relating to the Property or its operation arising from acts, omissions, occurrences or matters that take place on or after the Closing.

17. General Provisions.

(a) Each individual executing this Agreement hereby represents and warrants that he or she has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or she is executing this Agreement to the terms hereof.

(b) Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which such period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday or legal holiday, in which case the period shall be deemed to run until the end of the next business day.

(c) Seller represents and warrants to Purchaser, and Purchaser represents and warrants to Seller, that there is no broker, finder, or other intermediary of any kind with whom such party has dealt in connection with the transaction contemplated hereby, and each party agrees to indemnify, defend, and hold harmless the other from any claim made by any broker or agent alleging entitlement to any fee or commission as a result of having dealt with the indemnifying party.

(d) This Agreement, including all exhibits attached hereto, constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof, and there are no other prior or contemporaneous written or oral agreements, undertakings, promises, warranties, or covenants with respect thereto not contained herein.

(e) This Agreement may be amended only by a written instrument executed by all of the parties hereto.

(f) No waiver of any condition or provision of this Agreement by any party shall be valid unless in writing signed by such party. No such waiver shall be deemed or construed as a waiver of any other or similar provision or of any future event, act, or default.

(g) If any provision of this Agreement is deemed unenforceable in whole or part, such provision shall be limited to the extent necessary to render the same valid or shall be deemed excised from this Agreement and replaced by a valid provision as close in meaning and intent as the excised provision, as circumstances require, and this Agreement shall be construed as if said provision had been incorporated herein as so limited or as so replaced, as the case may be.

(h) Headings of articles and sections herein are for convenience of reference only and shall not be construed as part of this Agreement.

(i) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and permitted assigns.

(j) This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

(k) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute a single instrument.

(l) In no event shall this Agreement be construed more strongly against any one person solely because such person or its representative acted as draftsman hereof, it being acknowledged by the parties hereto that both have been represented by competent legal counsel, that this Agreement has been subject to substantial negotiation, and that all parties have contributed substantially to the preparation of this Agreement.

(m) Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be sent by United States registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

Seller:	City of Cordova Attn: City Manager P.O. Box 1210 Cordova, Alaska 99574
Purchaser:	Dan Nichols P.O. Box 235 Cordova, Alaska 99574
Escrow Agent:	First American Title 165 E Parks Highway, Ste 101, Wasilla, Alaska 99564
Title Company:	First American Title 165 E Parks Highway, Ste 101 Wasilla, Alaska 99564

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date three (3) days after being placed in the U.S. Mail.

(n) The parties agree to execute such instructions to Escrow Agent and Title Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement on terms mutually acceptable to Purchaser and Seller.

(o) Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Purchaser with respect to the Property to be conveyed as contemplated hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

SELLER: CITY OF CORDOVA

By: _____
Cathy Sherman, Acting City Manager

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by Cathy Sherman, Acting City Manager of the CITY OF CORDOVA, an Alaska municipal corporation, on behalf of the City.

Notary Public in and for Alaska
My commission expires: _____

PURCHASER:

DAN NICHOLS

By: _____
Dan Nichols

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by Dan Nichols.

Notary Public in and for Alaska
My commission expires:_____

EXHIBIT A

Legal Description of the Property

Lot 2, Block 3, CORDOVA INDUSTRIAL PARK, according to Plat No. 98-10, filed in the Cordova Recording District, Third Judicial District, State of Alaska.

CORDOVA RECORDING DISTRICT

Thomas F. Klinkner
Birch Horton Bittner & Cherot
1127 West 7th Avenue
Anchorage, AK 99501

QUITCLAIM DEED

The CITY OF CORDOVA, an Alaska municipal corporation, whose address is P.O. Box 1210, Cordova, Alaska 99574 ("Grantor"), for good and valuable consideration in hand paid, the adequacy and sufficiency of which are hereby acknowledged, conveys and quitclaims to DAN NICHOLS, whose address is P.O. Box 235, Cordova, Alaska 99574, all interest which Grantor has, if any, in the following described real property:

Lot 2, Block 3, CORDOVA INDUSTRIAL PARK, according to Plat No. 98-10, filed in the Cordova Recording District, Third Judicial District, State of Alaska.

DATED this _____ day of December, 2012.

GRANTOR:

CITY OF CORDOVA

By: _____
Cathy Sherman, Acting City Manager

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by Cathy Sherman, Acting City Manager of the City of Cordova, an Alaska municipal corporation, on behalf of the City.

Notary Public in and for Alaska
My commission expires:

EXHIBIT C
Form of Performance Deed of Trust

CORDOVA RECORDING DISTRICT

AFTER RECORDING, RETURN TO:

Thomas F. Klinkner
Birch, Horton, Bittner and Cherot
1127 W. 7th Avenue
Anchorage, Alaska 99501-3399

PERFORMANCE DEED OF TRUST

This PERFORMANCE DEED OF TRUST (this "Deed of Trust") is made this ____ day of December, 2012 (the "Effective Date"), by DAN NICHOLS (the "Trustor"), whose address is P.O. Box 235, Cordova, Alaska 99574, to First American Title Company of Alaska (the "Trustee"), whose address is 165 E. Parks Highway, Suite 101, Wasilla, Alaska 99654 for the benefit of the CITY OF CORDOVA (the "Beneficiary"), whose address is P.O. Box 1210, Cordova, Alaska 99574.

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

Lot Two (2), Block Three (3), CORDOVA INDUSTRIAL PARK, according to Plat No. 98-10 filed in the Cordova Recording District, Third Judicial District, State of Alaska.

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

2. **COMMENCEMENT AND SUBSTANTIAL COMPLETION OF CONSTRUCTION; OPERATIONAL OBLIGATIONS.** On or before the date four (4) years after the Effective Date, Trustor shall substantially complete construction of a two-story, 70 x 70 foot building on the Property (the "Building"). Purchaser will develop the Property for commercial use consistent with plans as attached in Exhibit A. For purposes of this Section 2 and Section 7.2 hereof, the term "substantially complete" shall mean the stage of progress of construction when the Building, including without limitation its structure, façade and windows, roof, heating, plumbing and lighting, are

sufficiently complete so that the Trustor can occupy and use the Building for its intended purposes.

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

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

4.1 **Warranties**

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

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

4.2 **Preservation of Lien.** Trustor will preserve and protect the priority of this Deed of Trust as a first lien on the Property.

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

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

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

4.6 **Legal Actions.** Trustor will appear in and defend any action or proceeding before any court or administrative body purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and will pay all costs and expenses, including cost of evidence of title, title insurance premiums, and any fees of attorneys, appraisers, environmental inspectors, and others, incurred by Beneficiary or Trustee, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust and in any nonjudicial foreclosure of this Deed of Trust.

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

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

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

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

6. **REMEDIES UPON DEFAULT.**

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

6.2 **Liquidated Damages.** Trustor agrees that Beneficiary has sold the Property to Trustor for NINETY-FOUR THOUSAND DOLLARS (\$94,000), and that part of the consideration for the sale was Trustor's completion of the Building, which benefits the public interest, including without limitation the economy of the City of Cordova. The parties understand the impracticality and difficulty of fixing Beneficiary's actual damages in the event of Trustor's default, and the parties therefore agree that the amount of THIRTY THOUSAND DOLLARS (\$30,000) shall be the amount stated in any notice of default and sale that Trustee shall record as the amount due and owing to Beneficiary for Trustor's breach of his obligation under this Deed of Trust.

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

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

7. **TRUSTEE.**

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

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

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

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

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

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

warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including Trustor or Beneficiary, may purchase at such sale.

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

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

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

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

8. **HAZARDOUS SUBSTANCES.**

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

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

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

treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

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

8.1.4 Trustor will, at his sole expense, take all actions as may be necessary or advisable for the clean-up of Hazardous Substances on or with respect to the Property, including without limitation all removal, containment and remedial actions in accordance with all applicable laws, and shall further pay or cause to be paid all clean-up, administrative and enforcement costs of governmental agencies with respect to Hazardous Substances on or with respect to the Property if obligated to do so by contract or by law. Trustor will immediately notify the Trustee should Trustor (1) become aware of any actual or potential liability with respect to Hazardous Substances stored, disposed or released in, on or about the Property, (2) receive any notice of, or become aware of, any actual or alleged violation with respect to the Property of any federal, state or local statute, ordinance, rule, regulation or other law pertaining to Hazardous Substances, (3) receive any written request for information or for an inspection of the Property by any governmental authority with respect to any Hazardous Substances or Environmental Laws, or (4) become aware of any lien or action with respect to any of the foregoing. Trustee may require from Trustor assurances that Trustor is taking all actions as may be reasonably required for the clean-up of Hazardous Substances in or with respect to any of the Property; provided, that for all purposes under this Section, Trustor shall, upon the Trustee's request therefor, provide the Trustee with, and the Trustee shall be fully protected in relying upon, without further investigation or further duty to determine whether any removal, containment and/or remedial actions are satisfactory, either (A) the written approval of such actions by any independent environmental consultant selected by Trustor and not objected to in writing by Trustee or Beneficiary within 30 days after receipt of notification of Trustor's selection; or (B) written notice from Trustor that he is contesting in good faith any such requirement by appropriate legal proceedings.

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

8.2.1 "Environmental Laws" means all laws and regulations, now or hereafter in effect, with respect to Hazardous Substances, including without limitation the Comprehensive Environmental response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, *et seq.*), the Clean Water Act, as amended (33 U.S.C. Section 1321, *et seq.*), the Clean Air Act, as amended (42 U.S.C. Section 7401,

et seq.), and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, *et seq.*), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

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

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

10. **MISCELLANEOUS.**

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

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

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

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

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

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

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

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

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

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

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

TRUSTOR:

DAN NICHOLS

By: _____
Dan Nichols

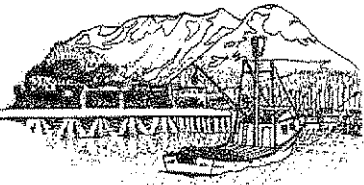
STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by DAN NICHOLS.

Notary Public in and for Alaska
My commission expires:_____

Exhibit A

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.

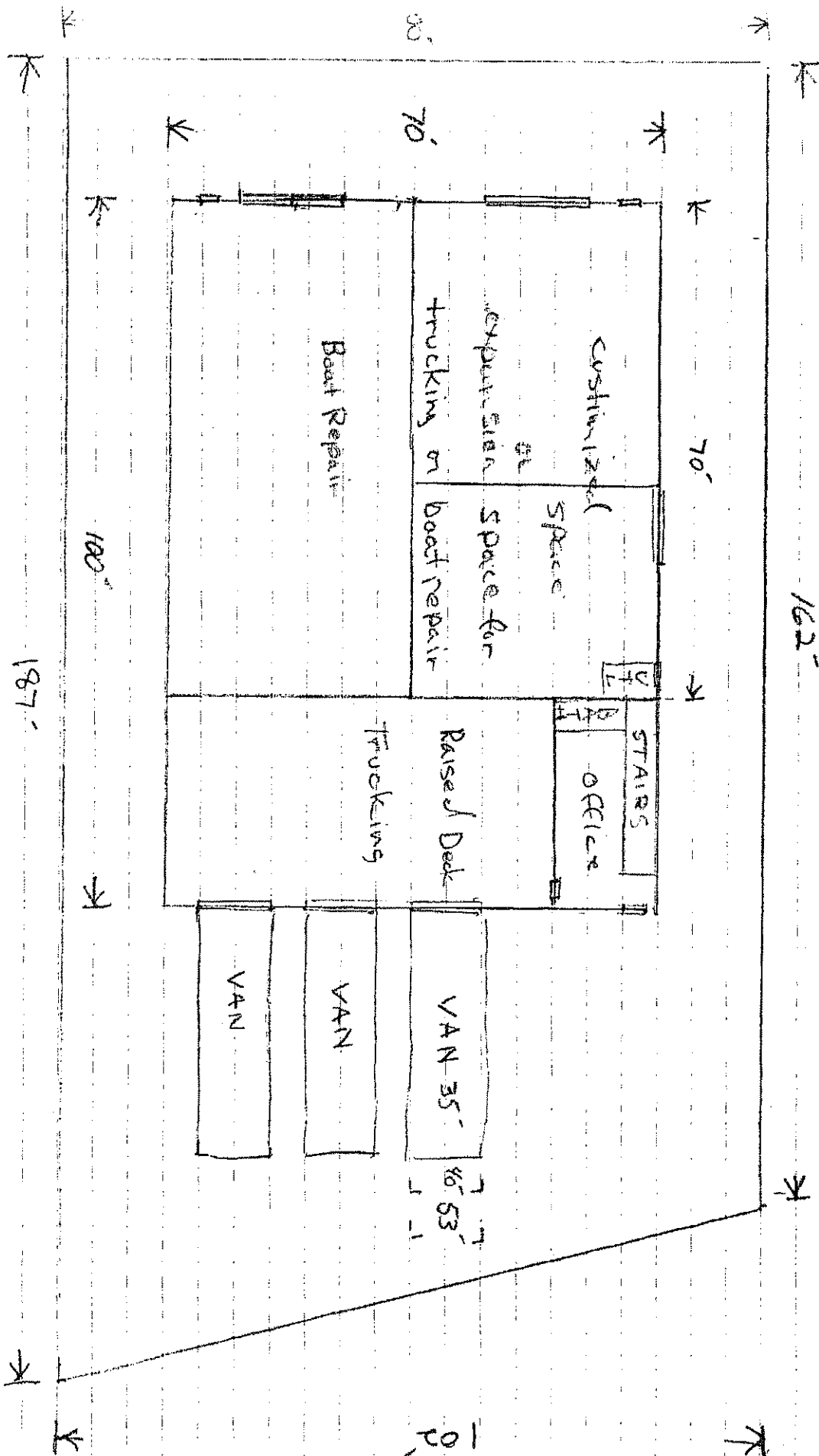
Sincerely,

Dan Nichols

2)

7000 sq ft

162'



Memorandum

To: City Council

Thru: Samantha Greenwood, City Planner

Date: November 28, 2012

Re: Final Sales Contract

PART I. GENERAL INFORMATION:

7/10/2012	P&Z recommended that City Council dispose of Lot 6, Block 2, Southfill Development Park by sealed proposals
8/01/2012	City Council decides to dispose of Lot 6, Block 2, Southfill Development Park by proposals
9/17/2012	End of public proposal period
10/09/2012	P&Z recommends two proposals to City Council
10/17/2012	City Council awards Lot 6, Block 2, Southfill Development Park to Thai Vu and Camtu Ho

The Ordinance, Sale and Purchase Agreement and Quit Claim Deed have been prepared for this sale and are attached for review.

PART II. RECOMMENDED CITY COUNCIL MOTION:

Motion for Approval:

"I move to adopt Ordinance 1102 an ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Thai Vu and Camtu Ho of Lot six (6), Block two (2), Southfill Development Park."

**CITY OF CORDOVA
ORDINANCE 1102**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA,
ALASKA, AUTHORIZING THE CONVEYANCE TO THAI VU AND CAMTU HO
OF LOT SIX (6), BLOCK TWO (2), SOUTHFILL DEVELOPMENT PARK**

WHEREAS, pursuant to CMC 5.22.030, the City of Cordova solicited proposals for the purchase of Lot Six (6), Block Two (2), Southfill Development Park (the "Property"); and

WHEREAS, the Council finds that the proposal submitted by Thai Vu and Camtu Ho is the best proposal for the purchase of the Property; and

WHEREAS, the purchase price proposed by Thai Vu and Camtu Ho is not less than appraised fair market value of the Property; and

WHEREAS, in selecting the proposal of Thai VU and Camtu Ho to purchase the property, the Council relied on the plan to develop the Property that was part of the proposal, and the disposal of the Property should be conditioned upon the development of the Property in accordance with that plan; and

WHEREAS, there have been presented to this meeting the forms of a Purchase and Sale Agreement, Quitclaim Deed and Performance Deed of Trust that are to be executed in connection with the disposal of the Property by the City, and it appears that such documents are in appropriate form and are appropriate instruments for the purposes intended,

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

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

Section 2. The disposal of the Property authorized by this ordinance is subject to the requirements of City Charter Section 5-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found

to be illegal and/or insufficient or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

1st reading: December 5, 2012

2nd reading and public hearing: December 19, 2012

PASSED AND APPROVED THIS 19th DAY OF DECEMBER, 2012.

Jim Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of December ____, 2012 (the "Effective Date"), by and between the CITY OF CORDOVA, an Alaska municipal corporation ("Seller"), whose address is P.O. Box 1210, Cordova, Alaska 99574, and THAI VU and CAMTU HO ("Purchasers"), whose address is P.O. Box 1502, Cordova, Alaska 99574.

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

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

WHEREAS, Purchasers have funds to pay the cost of acquiring the Property; and

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

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

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

2. **The Purchase Price.** The purchase price for the Property is NINETY-EIGHT THOUSAND DOLLARS (\$98,000) (the "Purchase Price"), which consists of principal in the amount of SEVENTY-EIGHT THOUSAND DOLLARS (\$78,000) and interest in the amount of TWENTY THOUSAND DOLLARS (\$20,000). The purchase price shall be paid as follows: Purchasers shall make a down payment of TEN THOUSAND DOLLARS (\$10,000) which shall be paid to Seller at the Closing (as that term is defined in Section 11 below). The balance of the Purchase Price (\$88,000) shall be paid by Purchasers to Seller in four (4) annual installments: three (3) annual payments of TWENTY THOUSAND DOLLARS (\$20,000) and a final annual payment of TWENTY-EIGHT THOUSAND DOLLARS (\$28,000). The first installment shall be paid by Purchasers to Seller on the first day of June following the Effective Date, with each remaining installment due on June 1 for three (3) consecutive years thereafter.

(a) Within five (5) business days after execution of this Agreement by all parties, Purchasers shall deposit a fully executed copy of this Agreement, and the sum of Five Thousand Dollars (\$5,000) as an earnest money deposit (the "Deposit"), in escrow ("Opening of Escrow") with First American Title ("Escrow Agent").

(b) In the event the purchase and sale of the Property are consummated as contemplated hereunder, the Deposit shall be retained by Seller and credited against the Purchase Price at Closing, or otherwise disbursed in accordance with this Agreement.

(c) The balance of the Purchase Price over and above the amount paid by or credited to Purchasers pursuant to Section 2(b) above shall be paid to Seller in immediately available funds as set out in Section 2 above.

3. Title.

(a) Seller shall order from First American Title Insurance Company, ("Title Company"), and shall deliver to Purchasers within ten (10) days following the Opening of Escrow, a preliminary title report pertaining to the Property (the "Commitment"), together with legible (to the extent available) copies of all documents relating to the title exceptions referred to in such Commitment.

(b) Within fifteen (15) days after the delivery of the Commitment, Purchasers shall notify Seller in writing of any title exceptions identified in the Commitment which Purchasers disapprove. Any exception not disapproved in writing within said fifteen (15) day period shall be deemed approved by Purchasers, and shall constitute a "Permitted Exception" hereunder. Purchasers and Seller hereby agree that all non-delinquent property taxes and assessments shall also constitute "Permitted Exceptions." Within ten (10) days after receipt of Purchasers' written notice of disapproved title exceptions, if any, Seller shall notify Purchasers in writing of any disapproved title exceptions which Seller is unable or unwilling to cause to be removed prior to or at Closing. Seller's failure to give such notice shall be deemed an election not to remove any disapproved title exceptions. With respect to such exceptions, Purchasers then shall elect, by giving written notice to Seller and Escrow Agent within ten (10) days thereafter, (x) to terminate this Agreement, or (y) to waive their disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. Purchasers' failure to give such notice shall be deemed an election to waive the disapproval of any such exception. In the event Purchasers elect to terminate this Agreement in accordance with clause (x) above, the Deposit, without interest, shall be immediately refunded to Purchasers; provided, however, that Purchasers shall be responsible for any title or escrow cancellation fees.

4. Representations and Warranties of Seller. Seller represents and warrants to Purchasers that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Seller which are to be delivered to Purchasers at the Closing will be, legal, valid, and binding obligations of Seller enforceable against Seller in accordance with their respective terms and does not and will not violate any provisions of any agreement to which Seller is a party or to which it or the Property is subject.

(b) Purchasers shall purchase the Property based on Purchasers' own prior investigation and examination of the Property (or Purchasers' election not to do so) and upon the warranties, covenants and representations contained in this Agreement; AND THAT, AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY SELLER, SUBJECT TO THE TERMS OF THIS AGREEMENT, PURCHASERS ARE PURCHASING THE PROPERTY IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS. Except as may be set forth in this Agreement, Purchasers hereby waive, and Seller does hereby disclaim, all warranties of any type or kind whatsoever with respect to the Property, whether express or implied, including, by way of description but not limitation, those of fitness for a particular purpose and use.

5. Representations, Warranties and Covenants of Purchasers. Purchasers represent and warrant to Seller that the following matters are true and correct as of the execution of this Agreement and also will be true and correct as of the Closing:

(a) This Agreement is, and all the documents executed by Purchasers which are to be delivered to Seller at the Closing will be, duly authorized, executed, and delivered by Purchasers, and is and will be legal, valid, and binding obligations of Purchasers enforceable against Purchasers in accordance with their respective terms and do not and will not violate any provisions of any agreement to which either Purchasers are parties or to which they are subject.

6. Conditions Precedent to Closing.

(a) The following shall be conditions precedent to Seller's obligation to consummate the purchase and sale transaction contemplated herein (the "Seller's Conditions Precedent"):

(1) Purchasers shall not have terminated this Agreement in accordance with Section 3, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Purchasers shall have delivered to Escrow Agent, prior to or at the Closing, for disbursement as directed hereunder, all cash or other immediately available funds due from Purchasers in accordance with this Agreement.

(3) There shall be no uncured breach of any of Purchasers' representations or warranties set forth in Section 5, as of the Closing.

(4) Purchasers shall have delivered to Escrow Agent the items described in Section 9.

(5) The timely performance by Purchasers of each and every obligation imposed upon Purchasers hereunder.

The conditions set forth in this Section 6(a) are solely for the benefit of Seller and may be waived only by Seller and only in writing. Seller shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions.

(b) The following shall be conditions precedent to Purchasers' obligation to consummate the purchase and sale transaction contemplated herein (the "Purchasers' Conditions Precedent"):

(1) Purchasers shall not have terminated this Agreement in accordance with Section 3, Section 13 or Section 14 of this Agreement within the time periods described in said Sections.

(2) Title Company shall be committed to issue, at the Closing, an owner's policy of title insurance (the "Title Policy"), insuring Purchasers' interest in the Property, dated the day of the Closing, with liability in the amount of the Purchase Price, subject only to the Permitted Exceptions.

(3) There shall be no uncured breach of any of Seller's representations or warranties as set forth in Section 4 or the covenants as set forth in Section 7, as of the Closing.

(4) Seller shall have delivered the items described in Section 8.

(5) The timely performance by Seller of each and every obligation imposed upon Seller hereunder.

The conditions set forth in this Section 6(b) are solely for the benefit of Purchasers and may be waived only by Purchasers and only in writing. Purchasers shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions.

7. Covenants of Seller. Seller hereby covenants with Purchasers, as follows:

(a) After the date hereof and prior to the Closing, no part of the Property, or any interest therein, will be voluntarily sold, mortgaged, encumbered, leased or otherwise transferred without Purchasers' consent, which may be withheld in his sole and absolute discretion.

(b) Seller agrees to notify Purchasers promptly of the occurrence of any event which violates any covenant set forth in this Section 7.

8. **Seller's Closing Deliveries.** At or prior to the Closing, Seller shall deliver to Escrow Agent the following:

(a) A Quitclaim Deed in the form attached hereto as Exhibit B, executed by Seller conveying the Property to Purchasers (the "Deed").

(b) A closing statement prepared by the Title Company itemizing and approving all receipts and disbursements made in connection with Closing.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

9. **Purchasers' Closing Deliveries.** At or prior to the Closing, Purchasers shall deliver to Escrow Agent the following:

(a) The balance of the Purchase Price, together with such other sums as Escrow Agent shall require to pay Purchasers' share of the Closing costs, prorations, reimbursements and adjustments as set forth in Section 10 and Section 12, in immediately available funds.

(b) A Performance Deed of Trust from Purchasers, as trustors, to Title Company, as trustee, with Seller as beneficiary, in the form attached hereto as Exhibit C, to secure the obligations of Purchasers to develop the Property.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

10. **Prorations and Adjustments.** The following shall be prorated and adjusted between Seller and Purchasers as of the day of the Closing, except as otherwise specified:

(a) General real estate, personal property and ad valorem taxes and assessments, and any improvement or other bonds encumbering the Property, for the current tax year for the Property. Purchasers are not responsible for delinquent real estate taxes, personal property taxes, ad valorem taxes, or assessments arising prior to Closing.

(b) Utility charges, if any. Purchasers acknowledge and agree that Seller shall be entitled to all refunds of utility deposits with respect to the Property and that such amounts are not to be assigned to Purchasers in connection with the sale of the Property. However, Purchasers will be responsible for any additional assessments effective prior to Closing, of which notice is received after Closing.

For purposes of calculating prorations, Purchasers shall be deemed to be in title to the Property, and, therefore entitled to the income therefrom and responsible for the expenses thereof, for the entire day upon which the Closing occurs. All such prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the day of the Closing and based upon the actual number of days in the

month and a three hundred sixty-five (365) day year. In no event will there be any proration of insurance premiums under Seller's existing policies of insurance relating to the Property, and Purchasers acknowledge and agree that none of Seller's insurance policies (or any proceeds payable thereunder) will be assigned to Purchasers at the Closing, and Purchasers shall be solely obligated to obtain any and all insurance that they deem necessary or desirable. The provisions of this Section 10 shall survive the Closing.

11. **Closing.** The purchase and sale contemplated herein shall close on or before sixty (60) days after the Effective Date (the "Closing") or on such other specific date and time mutually agreed to by the parties. As used herein, the term "Closing" means the date and time that the Deed is recorded in the Cordova Recording District, Third Judicial District, State of Alaska (the "Official Records"). The Closing shall occur at the offices of the Escrow Agent as set forth in Section 17(m).

12. **Closing Costs.** Purchasers shall pay the fee for recording the Deed, the premium for the Title Policy, and for all fees and costs Seller incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees. Purchasers shall bear the expense of their own counsel. Unless otherwise specified herein, if the sale of the Property contemplated hereunder does not occur because of a default on the part of Purchasers, all escrow cancellation and title fees shall be paid by Purchasers; if the sale of the Property does not occur because of a default on the part of Seller, all escrow cancellation and title fees shall be paid by Seller.

13. **Risk of Loss.** If, prior to the Closing, any portion of the Property is subject to a taking, or eminent domain proceedings are commenced, by public authority (other than Seller) against all or any portion of the Property, Purchasers shall have the right, exercisable by giving notice to Seller within ten (10) business days after receiving written notice of such taking (but in any event prior to the Closing), either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder (except as may be expressly provided to the contrary elsewhere in this Agreement), and any money (including, without limitation, the Deposit and all interest accrued thereon) or documents in escrow shall be returned to the party depositing the same, and Purchasers and Seller each shall be responsible for one-half of any title or escrow cancellation fee, or (ii) to accept the Property in its then condition, without any abatement or reduction in the Purchase Price, and receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking. Purchasers' failure to elect timely shall be deemed an election of (ii). If Purchasers elect to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such award without Purchasers' prior written consent. As used in this Section 13, "taking" shall mean any transfer of the Property or any portion thereof to a governmental entity (other than Seller) or other party with appropriate authority, by exercise of the power of eminent domain.

14. Default.

(a) No party shall be deemed to be in default hereunder unless such party fails to cure an alleged default within ten (10) days after receipt from the other party of written notice thereof; provided, however, that (i) if such alleged default is not susceptible of being cured within said ten (10) day period, such party shall not be deemed in default hereunder so long as such party commences to cure the alleged default within said ten (10) day period and diligently prosecutes the same to completion within thirty (30) days; and (ii) no notice shall be required or cure period permitted in the event the alleged default is a failure to close the transaction contemplated hereby at the Closing.

(b) In the event of a default by Seller hereunder, Purchasers shall be entitled, in addition to any and all other remedies to which Purchasers may be entitled at law or in equity, (i) to terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Purchasers and neither party shall have any further rights, obligations, or liabilities hereunder, or (ii) to enforce Seller's obligations hereunder by a suit for specific performance, in which event Purchasers shall be entitled to such injunctive relief as may be necessary to prevent Seller's disposition of the Property pending final judgment in such suit.

(c) In the event of a default by Purchasers hereunder, Seller shall be entitled, as Seller's sole and exclusive remedy, to terminate this Agreement by written notice to Purchasers, in which event, the Deposit shall be retained by Seller as liquidated damages; thereafter, neither party shall have any further rights, obligations, or liabilities hereunder. The parties acknowledge and agree that the actual damages in such event are uncertain in amount and difficult to ascertain, and that said amount of liquidated damages was reasonably determined.

15. Escrow.

(a) Instructions. Within five (5) business days after execution of this Agreement, Purchasers shall deposit a copy of this Agreement executed by both Purchasers and Seller with Escrow Agent. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Agent by written agreement, shall constitute the escrow instructions. If any requirements relating to the duties or obligations of Escrow Agent hereunder are not acceptable to Escrow Agent, or if Escrow Agent requires additional instructions, the parties hereto agree to make such deletions, substitutions and additions hereto as Seller and Purchasers shall mutually approve, which additional instructions shall not substantially alter the terms of this Agreement unless otherwise expressly agreed to by Seller and Purchasers.

(b) Deposits into Escrow. Seller shall make its deliveries into escrow in accordance with Section 8. Purchasers shall make their deliveries into escrow in accordance with Section 9. Escrow Agent is hereby authorized to close the escrow only if and when: (i) Escrow Agent has received all items to be delivered by Seller and

Purchasers pursuant to Sections 8 and 9; and (ii) Title Company can and will issue the Title Policy concurrently with the Closing.

(c) Close of Escrow. Provided that Escrow Agent shall not have received written notice in a timely manner from Purchasers or Seller of the failure of any condition to the Closing or of the termination of the escrow, and if and when Seller and Purchasers have deposited into escrow the matters required by this Agreement and Title Company can and will issue the Title Policy concurrently with the Closing, Escrow Agent shall:

(1) Deliver to Seller the Purchase Price, after satisfying the Closing costs, prorations and adjustments to be paid by Seller pursuant to Section 10 and Section 12.

(2) Deliver to Purchasers the Deed by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Purchasers a conformed copy of the Deed.

(3) Deliver to Title Company and Seller the Performance Deed of Trust by causing it to be recorded in the Official Records of the Cordova Recording District, Third Judicial District, State of Alaska and immediately upon recording delivering to Title Company and Seller a conformed copy of the Performance Deed of Trust.

(4) Deliver to Purchasers any funds deposited by Purchasers, and any interest earned thereon, in excess of the amount required to be paid by Purchasers hereunder.

(5) Deliver the Title Policy issued by Title Company to Purchasers.

16. Reciprocal Indemnification.

(a) Seller hereby agrees to indemnify, hold harmless and defend Purchasers from and against any and all loss, damage, claim, cost and expense and any other liability whatsoever, including without limitation reasonable attorney's fees, charges and costs, incurred by Purchasers by reason of: (i) Seller's breach of any covenants, representations or warranties of Seller contained in this Agreement which survive the Closing, or (ii) without limiting the generality of the foregoing, Seller's failure to duly perform and discharge Retained Liabilities, as defined below. The Retained Liabilities include: (i) any liability the existence of which would constitute a breach of any of Seller's representations or warranties contained in Section 4; and (ii) any expenses, liabilities or obligations relating to the Property or its operation arising from acts, omissions, occurrences or matters that took place prior to the Closing.

(b) Purchasers hereby agree to indemnify, hold harmless and defend Seller from and against any and all loss, damage, claim, cost and expense and any other liability whatsoever, including without limitation reasonable attorney's fees, incurred by Seller by reason of: (i) Purchasers' breach of any covenants, representations or warranties of Purchasers contained in this Agreement which survive the Closing, or (ii) without limiting the generality of the foregoing, Purchasers' failure to duly perform the Assumed Liabilities. The Assumed Liabilities include: (i) Seller's obligations and liabilities with respect to the Property or its operation which are expressly assumed in writing by Purchasers pursuant to this Agreement or documents delivered at Closing; and (ii) any expenses, liabilities or obligations relating to the Property or its operation arising from acts, omissions, occurrences or matters that take place on or after the Closing.

17. General Provisions.

(a) Each individual executing this Agreement hereby represents and warrants that he or she has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or she is executing this Agreement to the terms hereof.

(b) Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which such period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday or legal holiday, in which case the period shall be deemed to run until the end of the next business day.

(c) Seller represents and warrants to Purchasers, and Purchasers represent and warrant to Seller, that there is no broker, finder, or other intermediary of any kind with whom such party has dealt in connection with the transaction contemplated hereby, and each party agrees to indemnify, defend, and hold harmless the other from any claim made by any broker or agent alleging entitlement to any fee or commission as a result of having dealt with the indemnifying party.

(d) This Agreement, including all exhibits attached hereto, constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof, and there are no other prior or contemporaneous written or oral agreements, undertakings, promises, warranties, or covenants with respect thereto not contained herein.

(e) This Agreement may be amended only by a written instrument executed by all of the parties hereto.

(f) No waiver of any condition or provision of this Agreement by any party shall be valid unless in writing signed by such party. No such waiver shall be deemed or construed as a waiver of any other or similar provision or of any future event, act, or default.

(g) If any provision of this Agreement is deemed unenforceable in whole or part, such provision shall be limited to the extent necessary to render the same valid or shall be deemed excised from this Agreement and replaced by a valid provision as close in meaning and intent as the excised provision, as circumstances require, and this Agreement shall be construed as if said provision had been incorporated herein as so limited or as so replaced, as the case may be.

(h) Headings of articles and sections herein are for convenience of reference only and shall not be construed as part of this Agreement.

(i) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and permitted assigns.

(j) This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

(k) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute a single instrument.

(l) In no event shall this Agreement be construed more strongly against any one person solely because such person or its representative acted as draftsman hereof, it being acknowledged by the parties hereto that both have been represented by competent legal counsel, that this Agreement has been subject to substantial negotiation, and that all parties have contributed substantially to the preparation of this Agreement.

(m) Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be sent by United States registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

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

Purchasers: Thai Vu and Camtu Ho
P.O. Box 1502
Cordova, Alaska 99574

Escrow Agent: First American Title Insurance Company
165 E. Parks Highway, Ste. 101
Wasilla, Alaska 99564

Title Company: First American Title Insurance Company
165 E. Parks Highway, Ste. 101
Wasilla, Alaska 99564

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date three (3) days after being placed in the U.S. Mail.

(n) The parties agree to execute such instructions to Escrow Agent and Title Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement on terms mutually acceptable to Purchasers and Seller.

(o) Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Purchasers with respect to the Property to be conveyed as contemplated hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

SELLER: CITY OF CORDOVA

By: _____
Mark Lynch, City Manager

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by Mark Lynch, City Manager of the CITY OF CORDOVA, an Alaska municipal corporation, on behalf of the City.

Notary Public in and for Alaska
My commission expires:_____

PURCHASERS: THAI VU AND CAMTU HO

By: _____
Thai Vu

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by THAI VU.

Notary Public in and for Alaska
My commission expires:_____

By: _____
Camtu Ho

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by Camtu Ho.

Notary Public in and for Alaska
My commission expires:_____

EXHIBIT A

Legal Description of the Property

Lot 6, Block 2, SOUTHFILL DEVELOPMENT PARK, according to Plat No. 86-2, filed in the Cordova Recording District, Third Judicial District, State of Alaska.

EXHIBIT C
Form of Performance Deed of Trust

CORDOVA RECORDING DISTRICT

AFTER RECORDING, RETURN TO:

Thomas F. Klinkner
Birch, Horton, Bittner and Cherot
1127 W. 7th Avenue
Anchorage, Alaska 99501-3399

PERFORMANCE DEED OF TRUST

This PERFORMANCE DEED OF TRUST (this "Deed of Trust") is made this ____ day of December, 2012 (the "Effective Date"), by THAI VU and CAMTU HO (the "Trustors"), whose address is P.O. Box 1502, Cordova, Alaska 99574, to First American Title Insurance Company (the "Trustee"), whose address is 165 East Parks Highway, Suite 101, Wasilla, Alaska 99654, for the benefit of the CITY OF CORDOVA (the "Beneficiary"), whose address is P.O. Box 1210, Cordova, Alaska 99574.

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

Lot Six (6), Block Two (2), SOUTHFILL DEVELOPMENT
PARK, according to Plat No. 86-2 filed in the Cordova
Recording District, Third Judicial District, State of Alaska.

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

2. **COMMENCEMENT AND SUBSTANTIAL COMPLETION OF CONSTRUCTION; OPERATIONAL OBLIGATIONS.** On or before the date five (5) years after the Effective Date, Trustors shall substantially complete construction of a two-story, 60 x 90 foot building on the Property (the "Building"). Purchasers will develop the Property for commercial use consistent with plans as attached in Exhibit A. For purposes of this Section 2 and Section 7.2 hereof, the term "substantially complete" shall mean the stage of progress of construction when the Building, including without limitation its structure, façade and windows, roof, heating, plumbing and lighting, are

sufficiently complete so that the Trustors can occupy and use the Building for its intended purposes.

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

4. **WARRANTIES AND COVENANTS OF TRUSTORS.** Trustors warrant, covenant and agree as follows:

4.1 **Warranties**

4.1.1 Trustors have full power and authority to grant the Property to Trustee.

4.1.2 Trustors have undertaken their obligations under this Deed of Trust primarily for commercial, industrial or business purposes, and not primarily for personal, family or household purposes.

4.2 **Preservation of Lien.** Trustors will preserve and protect the priority of this Deed of Trust as a first lien on the Property.

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

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

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

4.6 **Legal Actions.** Trustors will appear in and defend any action or proceeding before any court or administrative body purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and will pay all costs and expenses, including cost of evidence of title, title insurance premiums, and any fees of attorneys, appraisers, environmental inspectors, and others, incurred by Beneficiary or Trustee, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust and in any nonjudicial foreclosure of this Deed of Trust.

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

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

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

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

6. **REMEDIES UPON DEFAULT.**

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

6.2 **Liquidated Damages.** Trustors agree that Beneficiary has sold the Property to Trustors for NINETY-EIGHT THOUSAND DOLLARS (\$98,000), and that part of the consideration for the sale was Trustors' completion of the Building, which benefits the public interest, including without limitation the economy of the City of Cordova. The parties understand the impracticality and difficulty of fixing Beneficiary's actual damages in the event of Trustors' default, and the parties therefore agree that the amount of THIRTY THOUSAND DOLLARS (\$30,000) shall be the amount stated in any notice of default and sale that Trustee shall record as the amount due and owing to Beneficiary for Trustors' breach of their obligation under this Deed of Trust.

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

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

7. **TRUSTEE.**

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

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

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

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

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

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

covenant or warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including Trustors or Beneficiary, may purchase at such sale.

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

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

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

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

8. **HAZARDOUS SUBSTANCES.**

8.1 **Covenants and Agreements.** Trustors hereby covenant and agree as follows:

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

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

treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

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

8.1.4 Trustors will, at their sole expense, take all actions as may be necessary or advisable for the clean-up of Hazardous Substances on or with respect to the Property, including without limitation all removal, containment and remedial actions in accordance with all applicable laws, and shall further pay or cause to be paid all clean-up, administrative and enforcement costs of governmental agencies with respect to Hazardous Substances on or with respect to the Property if obligated to do so by contract or by law. Trustors will immediately notify the Trustee should Trustors (1) become aware of any actual or potential liability with respect to Hazardous Substances stored, disposed or released in, on or about the Property, (2) receive any notice of, or become aware of, any actual or alleged violation with respect to the Property of any federal, state or local statute, ordinance, rule, regulation or other law pertaining to Hazardous Substances, (3) receive any written request for information or for an inspection of the Property by any governmental authority with respect to any Hazardous Substances or Environmental Laws, or (4) become aware of any lien or action with respect to any of the foregoing. Trustee may require from Trustors assurances that Trustors are taking all actions as may be reasonably required for the clean-up of Hazardous Substances in or with respect to any of the Property; provided, that for all purposes under this Section, Trustors shall, upon the Trustee's request therefor, provide the Trustee with, and the Trustee shall be fully protected in relying upon, without further investigation or further duty to determine whether any removal, containment and/or remedial actions are satisfactory, either (A) the written approval of such actions by any independent environmental consultant selected by Trustors and not objected to in writing by Trustee or Beneficiary within 30 days after receipt of notification of Trustors' selection; or (B) written notice from Trustors that they are contesting in good faith any such requirement by appropriate legal proceedings.

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

8.2.1 "Environmental Laws" means all laws and regulations, now or hereafter in effect, with respect to Hazardous Substances, including without limitation the Comprehensive Environmental response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, *et seq.*), the Clean Water Act, as amended (33 U.S.C. Section 1321, *et seq.*), the Clean Air Act, as amended (42 U.S.C. Section 7401,

et seq.), and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, *et seq.*), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

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

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

10. **MISCELLANEOUS.**

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

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

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

preservation of Beneficiary's security and, to the extent permitted by law, such amounts shall have a lien priority date as of the date of recording of this Deed of Trust.

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

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

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

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

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

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

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

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IN WITNESS WHEREOF, the Trustors have executed this Agreement as of the date first above written.

TRUSTORS:

THAI VU and CAMTU HO

By: _____
Thai Vu

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by THAI VU.

Notary Public in and for Alaska
My commission expires: _____

By: _____
Camtu Ho

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by CAMTU HO.

Notary Public in and for Alaska
My commission expires: _____

CORDOVA RECORDING DISTRICT

Thomas F. Klinkner
Birch Horton Bittner & Cherot
1127 West 7th Avenue
Anchorage, AK 99501

The CITY OF CORDOVA, an Alaska municipal corporation, whose address is P.O. Box 1210, Cordova, Alaska 99574 ("Grantor"), for good and valuable consideration in hand paid, the adequacy and sufficiency of which are hereby acknowledged, conveys and quitclaims to THAI VU and CAMTU HO, whose address is P.O. Box 1502, Cordova, Alaska 99574, all interest which Grantor has, if any, in the following described real property:

DATED this _____ day of December, 2012.

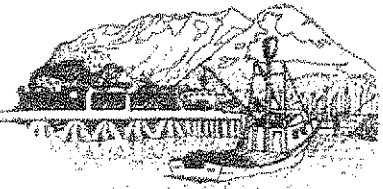
By: Cathy Sherman, Acting City Manager

The foregoing instrument was acknowledged before me this ____ day of December, 2012, by Cathy Sherman, Acting City Manager of the City of Cordova, an Alaska municipal corporation, on behalf of the City.

Notary Public in and for Alaska
My commission expires:

Exhibit A

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.

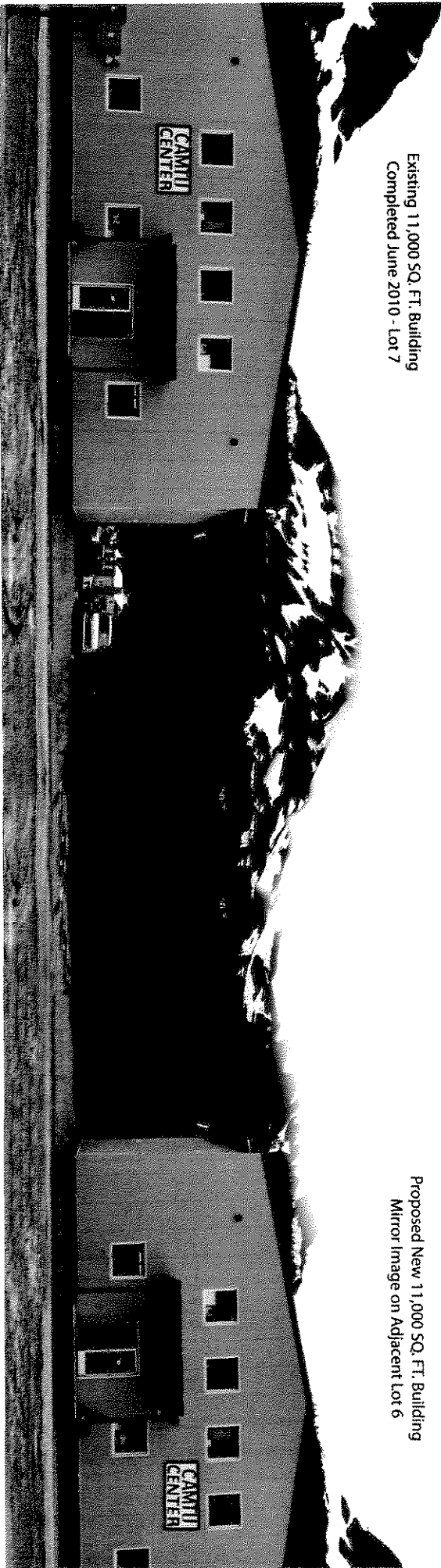
Proposed Price \$78,000.00

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

Landscaping to be natural plants within a year

Lot 8, Blk 2 South Fill Dev Park Vacant

4" Sewer &
1" Water

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

HARBOR LOOP ROAD

Lot 5, Blk 2 South Fill Dev Park Vacant

Landscaping to be natural plants within a year

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

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" $\frac{1}{16}$ "

5'-0"

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"

Lot 7, Blk 2 South Fill Dev Park
Current Location of Camtu Market

129'-23"

NO SCALE



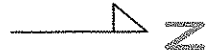
Civil and Structural Engineering
MOUNTAIN VIEW ENGINEERING INC
BY: JJ Phone: (435) 734-9700

Camtu New Restaurant

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

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 COUNCIL WORK SESSION
FOR PREPARATION OF THE 2013 BUDGET
OCTOBER 17, 2012 @ 6:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kallander called the Council Work Session to order at 6:30 pm on October 17, 2012 in the Library Meeting Room.

B. ROLL CALL

Present for roll call were *Mayor James Kallander* and Council members *Tim Joyce, James Kacsh, David Allison, Bret Bradford, Dave Reggiani* and *Robert Beedle*. Council member *EJ Cheshier* arrived at 6:35 pm. 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 – including School District budget presentation

Superintendent Keel presented the School District's budget numbers from her Superintendent Report pages 3 and 4. *Keel* explained her zero based budget philosophy. From her analysis, the district attendance trend has experienced a 3.83% annual decline over the past ten years. The City's 2012 FY funding for the school was \$1.79M which was based on an inflated ADM (Average Daily Membership). *Keel* would like the extra funds to go to capital improvements which would alleviate the need for an amended budget process with the State. Based on enrollment trends, she projects 310 students for the school's second half 2013 fiscal year. There are no anticipated changes to the State's base funding. The proposed City's maximum contribution to the School's 2014 FY is \$1,654,777 which includes in-kind services. New legislation from the State Board of Education changes the definition of in-kind, allowing for more services. This amount is about \$140K less than the 2013's budget. Some of the loss will be off-set by the State's new funding formula. The over estimation of the student ADM in the current budget has resulted in a \$100K decline in planned revenue. *Keel* stated that she's scrutinizing each line item of the budget looking for fat but that no student programs will be cut. She does not want to dip in to the fund balance and is hoping to make up the deficit by moving some items in the budget. Possible sources: a saving in energy cost, prudent purchasing, curtailing teacher travel, and utilizing in-house professional development. The negotiated teacher's contract was for one year due to uncertainty from the legislature regarding school funding. *Joyce* reviewed the City's maximum contribution to the school for the 2012 and 2013 budget cycles. *Reggiani* applauded *Superintendent Keel* for her zero based budgeting practices and asked if there was a change in school board budget process. *Keel* knew of no change and that a full, line item budget would be done in March, *Reggiani* thought is used to be done it November. *Reggiani* discussed the topic of special revenue funds as an avenue to provide some funding to the school. *Keel* responded that technology was an area that needed funding. *Reggiani* stated he was in favor of targeting sports travel to which *Keel* responded that student activities accounts are keeping pace with travel. She would like to see more teams come to Cordova which brings money in to the community. *Mayor Kallander* stated that fixed costs will not change despite declining enrollment. The *Mayor* questioned if the school board has a line item for the leased monies generated from PWSCC. *Keel* stated there was a separate budget item and that policy should be consistent with the City's policy. *Keel's* goal is that all students will have the ability to graduate with an AA degree not just dual, transferable college credits and that leased monies from PWSCC will off-set those costs. *Mayor*

Kallander inquired about contributions to that account. **Lynch** clarified that contributions would have to be made to specific projects outside of the schools general fund or else it would affect the cap. **Allison** brought up point of order that we are no longer discussing budget.

Lynch presented 2013 budget worksheets for Council's review. He discussed some line item cuts and the attached memos from Parks and Rec and the Fire Department. The Transfers to Other Entities category, which includes school in-kind line items adjustments, were described. Additionally, CCMC and Cordova Chamber of Commerce in-kind line items were discussed. **Lynch** pointed out that expenditures increased about 4½% from last year partly because of a 3% wage increase to union and 4% to exempt employees. Due to errors in sales tax calculations the figure was revised down to \$3.7M, using a 4.4% increase. **Mayor Kallander** asked if we would meet the budgeted sale tax revenue this year. **Lynch** felt we would meet or surpass that figure but that the real numbers would be in the end of October. **Reggiani** indicated a significant increase from the general fund to CCMC which would deplete most of the sales tax increase; whereas last year the permanent fund was used to off-set CCMC costs. **Lynch** and Council discussed CCMC administrator's salary. The next budget meeting will include department heads and represented from Cordova Chamber.

E. AUDIENCE PARTICIPATION - none

F. COUNCIL COMMENTS - none

G. ADJOURNMENT

M/Reggiani S/Kacsh to adjourn

Hearing no objection the meeting was adjourned at 7:18 pm

Approved:

Attest: _____

Tina Hammer, Deputy City Clerk

**CITY COUNCIL SPECIAL MEETING
NOVEMBER 07, 2012 @ 12:00 PM
PWSAC CONFERENCE ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kallander called the Council Special Meeting to order at 12:00 pm on November 07, 2012, in the PWSAC Conference Room.

B. ROLL CALL

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 absent. Also present was City Clerk *Susan Bourgeois* and Chief of Police *Bob Griffiths*.

C. APPROVAL OF AGENDA

M/Allison S/Bradford to approve the Agenda.

Vote on motion: 6 yeas, 0 nays, 1 absent (Joyce). Motion passes.

D. DISCLOSURES OF CONFLICTS OF INTEREST - None

E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience comments regarding agenda items - None

F. AUDIENCE PARTICIPATION - None

G. COUNCIL COMMENTS - None

H. EXECUTIVE SESSION

2. Personnel Matters

M/Reggiani S/Bradford to enter into an executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government specifically, the FY13 budget request from the public safety department.

Vote on motion: 6 yeas, 0 nays, 1 absent (Joyce). Motion passes.

Council entered executive session at 12:07 pm, Chief *Griffiths* and *Bourgeois* both remained in the executive session and Council reentered the special meeting at 12:38 pm.

Mayor Kallander said they heard from the Chief concerning his requests at budget and no decisions were made.

I. ADJOURNMENT

M/Kacsh S/Allison to adjourn the special meeting

Hearing no objections the meeting was adjourned at 12:40 pm

Approved: December 5, 2012

Attest: _____
Susan Bourgeois, City Clerk

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

A. CALL TO ORDER

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

B. ROLL CALL

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

C. PUBLIC HEARING

1. Substitute 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

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

Council recessed the public hearing at 7:19 pm; then reconvened at 7:29 pm at which time *Mayor James Kallander* reopened the meeting for public comment – there was still no public comment

D. ADJOURNMENT

M/Allison S/Reggiani to adjourn the Public Hearing

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

Approved: November 28, 2012

Attest: _____
Susan Bourgeois, City Clerk

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

A. CALL TO ORDER

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

B. INVOCATION AND PLEDGE OF ALLEGIANCE

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

C. ROLL CALL

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

D. APPROVAL OF REGULAR AGENDA

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

Vote on motion: 7 yeas, 0 nays. Motion passes.

E. DISCLOSURES OF CONFLICTS OF INTEREST**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Guest Speaker - none

2. Audience comments regarding agenda items

Maryanne Bishop of 700 Fourth Street spoke in reference to the City Manager's report in the packet. Specifically she mentioned that the Manager's report speaks of the hiring of a facilitator to begin public hearings regarding the expansion of the South Fill. He also mentions that permitting is moving forward on the Shipyard project. She said she was speaking for the Audubon Society and requested that the City expand the scope of the public meetings to include waterfront planning for Cordova.

3. Chairpersons and Representatives of Boards and Commissions

None of the Chairs or representatives had reports.

4. Superintendent's Report

Theresa Keel was not present.

5. Student Council Representative's Report – none.

G. APPROVAL OF CONSENT CALENDAR

Mayor James Kallander informed Council that the consent calendar was before them.

6. Proclamation recognizing the 19th Annual Sobriety Celebration

7. Council's waiving right to protest a liquor license renewal

Vote on Consent Calendar: 7 yeas, 0 nays. Cheshier-yes; Allison-yes; Bradford-yes; Joyce-yes; Kacsh-yes; Beedle-yes and Reggiani-yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Reggiani S/Bradford to approve the minutes.

8. Minutes of 10-17-12 City Council Public Hearing

9. Minutes of 10-17-12 City Council Regular Meeting

Vote on motion: 7 yeas, 0 nays. Motion passes.

I. CONSIDERATION OF BIDS - None

J. REPORTS OF OFFICERS

10. Mayor's Report

Mayor Kallander stated that **Bitney** had written a summary of the trip back to Washington DC – it was emailed to Council but was inadvertently left out of the packet, there are copies here tonight. Timber receipts was discussed and **Murkowski's** and **Young's** staffs made it sound like there was a 50/50 chance at best of the program moving forward for next year. However, since then, with **Obama** winning the presidency, **Senator White** of Oregon will chair the energy committee and **Senator Murkowski** will be the ranking member and since Oregon also benefits from timber receipts, the chances of the program moving forward now has improved. Funding for the Cordova Center will be a tough lift for DC. Only optimism is that earmarks might come back and that would be a good vehicle for money being steered towards us. Bridge replacement – we are still looking at how to steer money that way as well (staff in DC still working). There have been some political changes in Juneau as well; senate will no longer be bi-partisan, will be eleven and nine with a republican majority. **Senator Stevens**, our senator, has not been allowed in the majority. **Austerman** is likely to get a committee seat but not a chair. Finance chair will now be from Anchorage and Fairbanks. There will no longer be any chairs of committees that are significant to us from coastal communities. **Bill Thomas** lost in the general election in Sitka although there are write-ins left to count. But because of all the changes they have divvied up the chairs and committees already today. The Mayor said he hears they are saving a seat for **Thomas** in case he wins but he has lost his chairmanship and **Bill Stoltze** has lost his as well. **Mayor Kallander** said that the coastal communities and all of Southeast have been dealt a pretty tough hand today. He continued and said that **John Bitney** did grow up around Palmer, Wasilla and Big Lake and is pretty friendly with some of the new power leaders so it could be worse. So, our relationships at the state level have been diminished.

11. Manager's Report

Lynch reported that the budget has been occupying the majority of his time. Tonight he introduced the new harbor master to Council, **Tony Schinella** who began work today.

12. City Clerk's Report

Bourgeois reported that she had an introduction as well; **Tina Hammer** the new Deputy Clerk was present to observe a meeting and she has been in the office for three weeks and doing well. **Bourgeois** said she couldn't be happier.

13. Staff Reports – 3Q 2012 Quarterly Reports

a. **Bob Griffiths**, Chief of Police – reported that as of this afternoon our radio system is 99% compliant with the FCC regulations. Police are now encrypted and more importantly, so are the medics who can now chat with the hospital safely and securely.

K. CORRESPONDENCE

14. Letter from NVE for Sobriety Celebration donation 10-15-12

There was a concurrence of Council to direct the Clerk to donate the \$300 to the NVE Sobriety Celebration.

15. Mayor Letter to Board of Fish 10-25-12

Beedle thanked the Mayor for his letter to the Board of Fish.

L. ORDINANCES AND RESOLUTIONS

16. Substitute 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 – 2nd reading

M/Kacsh S/Bradford to adopt Substitute 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

M/Kacsh S/Bradford to amend the ordinance by inserting “and school board” after “by the city council” in section K of the ordinance.

There was concern as to whether this might need another first reading if amended in this way. The Manager and City Clerk both said they would have to consult with the attorney for that answer. **Mayor Kallander** said he understands that **Theresa Keel** is fearful of future Council’s not being so cooperative with the School District, however, the Mayor went on to say that future Council’s can change anything they want but he would be hard-pressed to find a future Council that wasn’t as supportive of the school district as Council’s often are.

M/Allison S/Kacsh to amend the amendment to change the “and” before school board to “in consultation with”.

Allison’s belief is that this would appease the School Board and also satisfy the attorneys.

Cheshier said he prefers the original ordinance language.

Joyce is concerned about making changes at this time. This language has already been looked at by the auditor and the attorney and Council would direct the funds to the account that the school tells them to. Also, we need this ordinance in effect by January.

Reggiani would be voting against the amendment as well. He doesn’t see the need.

Bradford will support this. He appreciates the superintendent’s concerns.

Kacsh said he doesn’t mind the “in consultation with”.

Beedle thinks “in consultation with” has no detrimental value.

Vote on the second amendment: 6 yeas, 1 nay. Joyce-yes; Allison-yes; Beedle-yes; Cheshier-no; Reggiani-yes; Bradford-yes and Kacsh-yes. Motion approved.

Vote on the amended amendment: 5 yeas, 2 nays. Kacsh-yes; Bradford-yes; Joyce-no; Cheshier-no; Beedle-yes; Reggiani-yes and Allison-yes. Motion approved.

Joyce said that he will support this amended main motion but he requests that we send this language to the attorney for approval. **Kacsh, Beedle** and **Allison** said they do not think it has to go back to the attorneys.

Vote on the amended main motion: 7 yeas, 0 nays. Bradford-yes; Reggiani-yes; Allison-yes; Cheshier-yes; Kacsh-yes; Joyce-yes and Beedle-yes. Motion approved.

17. Ordinance 1100

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code sections 1.28.085, 10.04.040, 10.12.010, 10.12.012, 10.12.030, the title of Cordova Municipal Code chapter 10.16, Cordova Municipal Code sections 10.16.010, 10.16.020, 10.24.010, 10.24.020, 10.24.025, 10.24.070, 10.24.090, 10.24.120, 10.36.010, 10.38.010, 10.44.010 and 10.48.010; repealing Cordova Municipal Code chapter 10.08 and Cordova Municipal Code sections 10.16.030, 10.16.040 and 10.24.130; enacting Cordova Municipal Code 10.04.050 and 10.24.005; and repealing and reenacting Cordova Municipal Code chapters 10.52 and 10.56; regarding parking and traffic violations and enforcement of parking and traffic violations – 1st reading

M/Reggiani S/Cheshier to adopt Ordinance 1100 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code sections 1.28.085, 10.04.040, 10.12.010, 10.12.012, 10.12.030, the title of Cordova Municipal Code chapter 10.16, Cordova Municipal Code sections 10.16.010, 10.16.020, 10.24.010, 10.24.020, 10.24.025, 10.24.070, 10.24.090, 10.24.120,

10.36.010, 10.38.010, 10.44.010 and 10.48.010; repealing Cordova Municipal Code chapter 10.08 and Cordova Municipal Code sections 10.16.030, 10.16.040 and 10.24.130; enacting Cordova Municipal Code 10.04.050 and 10.24.005; and repealing and reenacting Cordova Municipal Code chapters 10.52 and 10.56; regarding parking and traffic violations and enforcement of parking and traffic violations

Kacsh is glad to see the snowmobile law fixed.

Vote on motion: 7 yeas, 0 nays. Motion passes.

18. Resolution 12-11-45

A resolution of the City Council of the City of Cordova, Alaska adopting an alternative allocation method for the FY13 shared fisheries business tax program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in the Prince William Sound fisheries management area

M/Bradford S/Allison to approve Resolution 12-11-45 a resolution of the City Council of the City of Cordova, Alaska adopting an alternative allocation method for the FY13 shared fisheries business tax program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in the Prince William Sound fisheries management area.

City Clerk Bourgeois explained the program and what she has been working toward. She has asked the other two communities in the PWS FMA (i.e. Whittier and Valdez) if they would be interested in a different allocation method. She proposed an even three way split of the first half of the money and then to split the second half 55% to Cordova 35% to Valdez and 10% to Whittier. Whittier has not responded and the Economic Development Director in Valdez asked if we could talk after November 19. She said the amount she is fighting for the 2013 year would be about \$10K. She wanted Council's opinion. Council decided to refer this until the December 5 meeting giving the Clerk another opportunity to speak with the players in the other communities.

M/Cheshier S/Reggiani to refer to staff.

Vote on motion: 7 yeas, 0 nays. Motion passes.

M. UNFINISHED BUSINESS

19. Whitshed Road Pedestrian/Bicycle Path STIP project discussion/direction

Mayor Kallander had a couple of questions for the Clerk who has been in contact with the State DoT about this project. He asked if we went ahead with this project if that would lose us the paving of the first ¾ of a mile of Whitshed Rd if that were done next summer and also whether we could still explore the alternate project which is the causeway across the slough.

Bourgeois said she posed those questions of **Mason** in the email included in the packet. The paving could still go on but they would just exclude the first ¾ of a mile. Also **Mason** said she still had exploring to do in re the causeway such as boat studies, ice studies, etc. **Mayor Kallander** said he doesn't believe that a \$9M bike path will ever get approved. **Joyce** agrees and the price of that Whitshed path has tripled since first proposed and even back then we couldn't get it approved and that's why we came up with the alternate plan. There was a suggestion of asking DoT to change their focus and funds to the 39-mile bridge instead of this altogether. **Mayor Kallander** said that might need a great deal of public input before we could accomplish that. After more discussion, Council directed the City Clerk to have **Sara Mason** as a guest speaker at the December 5 Council meeting and to invite NVE to be involved as well. **Mayor Kallander** asked the Clerk to write up a summary of what this discussion was and he would sign it for her to send to NVE so they wouldn't be in the dark about where Council is coming from when we discuss it together on December 5.

N. NEW & MISCELLANEOUS BUSINESS

20. Council decision regarding Lot 3A Block 8 North Fill

M/Cheshier S/Bradford to agree with the Harbor Commission and the Planning and Zoning recommendation to leave Lot 3A Block 8 North Fill Development Park as not available on the land disposal maps.

Joyce said he thinks it is a half lot that can't be used for anything except for by the owner who bought the rest of the lot and he thinks it should be disposed of at this time.

Beedle said it's an economic development issue. As an advocate for the Harbor Commission – he will vote to agree with Harbor Commission and P&Z recommendation.

Cheshier will vote for the motion; he thinks we should hang on to this lot.

Allison agrees with **Mr. Joyce**. He would like to give our new harbormaster a chance to look at what's going on down there and make a plan for it. He also said we are partners with every business in town and when there is a successful business paying lots of taxes, we need to support that. He will not support the motion.

Beedle said that our biggest industry (business) is commercial fishing. This business has been accommodated in the past and this lot is not critical to his business.

Joyce said that we have been selling off the South Fill and there were no complaints from the Harbor Commission. This could lead to revenue for the City. There were many lost warehouses last winter and storage is at a premium. He will not support locking up our land.

Bradford said he will support the motion.

Kacsh said he appreciates the Harbor Commission and the Planning and Zoning Commission. He would like to see a more comprehensive plan for the area.

Reggiani would also like to see a plan. He agrees with **Kacsh**. He would be willing to refer to staff.

M/Cheshier S/Bradford to refer to staff for a draft plan on utilization of the entire area.

Kacsh asked to put a time-frame to this referral. **Bradford** mentioned three months, **Kacsh** agreed.

Beedle said he would prefer a year. **Allison** suggested that the Harbor Commission could report back to Council within three months with a recommendation.

Vote on motion: 7 yeas, 0 nays. Motion passes.

21. Pending Agenda and Calendar

Council concurred to cancel the second regular meeting on November 21.

Budget work sessions were scheduled for November 27 and 28 at 6:30pm. There will also be a special meeting on November 28.

O. AUDIENCE PARTICIPATION

Paul Kelly appreciated the land disposal topic discussion by Council. He says it is coming across that he is somehow competing with the fishing fleet and that is not at all what's happening. He said both can be done, the space can be used much wiser than is being done now.

Tom Bailer 304 Orca Inlet here to represent the P&Z commission – he is the chair. He said the Planning and Zoning Commission that he has been a part of for ten years has certainly been proactive in disposing of City land and has not stood in the way of development. Even though this lot is listed as not for sale, we have an option to still consider it because things do change. P&Z felt like it was unfair to make a decision on this with a new harbormaster coming on board. Also, he feels like whatever the harbor comes up with, it should come again before planning and zoning.

P. COUNCIL COMMENTS

22. Council Comments

Allison welcomed Tony and Tina and said that there is always a solution if we work together.

Bradford said he can't wait to be done balancing the budget.

Joyce welcomed the new harbormaster and he looks forward to meeting him when he gets back to town.

Lynch said that **Sherman** had a family emergency and wasn't at this meeting and therefore, there was no need for the executive session regarding the Cordova Center.

Mayor Kallander mentioned that he had a reality check about funding on his trip east and with all the different pieces of the Cordova Center, he believes we should set a schedule and run it backwards from the date the building opens. A schedule that would include hanging curtains, outfitting the galley, when we would need to hire a marketing person and so on. He said this will make it easier for Council to complete a budget, they will know when the trigger points are. He is afraid they will initiate services or hire people prematurely.

Lynch said he thinks **Sherman** has this completed already but the funding is the variable.

Q. EXECUTIVE SESSION

~~**23. Cordova Center Phase I & II Financial Updates**~~

R. ADJOURNMENT

M/Reggiani S/Cheshier to adjourn the regular meeting at 9:07 pm

Vote on motion: 7 yeas, 0 nays. Motion passes.

Approved: November 28, 2012

Attest: _____
Susan Bourgeois, City Clerk

**CITY COUNCIL SPECIAL MEETING
NOVEMBER 19, 2012 @ 7:00 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kallander called the Council Special Meeting to order at 7:00 pm on November 19, 2012, in the Library Meeting Room.

B. ROLL CALL

Present for roll call were Mayor *James Kallander* and Council members *Tim Joyce, James Kacsh, David Allison, Bret Bradford, EJ Cheshier, David Reggiani* and *Robert Beedle*. Also present were City Manager *Mark Lynch*, Assistant City Manager *Cathy Sherman* and Deputy City Clerk *Tina Hammer*.

C. APPROVAL OF AGENDA

M/Reggiani S/Bradford to approve the agenda.

Vote on motion: 7 yeas, 0 nays, Motion passes.

D. DISCLOSURES OF CONFLICTS OF INTEREST - None

E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience comments regarding agenda items - None

F. EXECUTIVE SESSION

2. Discussion with City Attorney regarding City Manager contract and resignation

M/Reggiani S/Joyce to enter into an executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government specifically, the discussion with City Attorney regarding the City Manager contract and resignation.

Vote on motion: 7 yeas, 0 nays, Motion passes.

Council entered executive session at 7:01 pm, Council reentered the special meeting at 7:40 pm.

M/Reggiani S/Bradford to accept the written resignation of Mark Lynch from the City Manager position, dated November 14, 2012.

Vote on motion: 7 yeas, 0 nays, Motion passes.

M/Reggiani S/Bradford to release City Manager Mark Lynch, effective immediately, from his contractual obligation to continue to provide services to the City, whereby the City shall pay the City Manager his regular compensation for a period of sixty (60) days from the date of resignation, with no further compensation or severance to be paid.

Vote on motion: 7 yeas, 0 nays, Motion passes.

M/Reggiani S/Joyce to appoint Assistant City Manager Cathy Sherman as Acting City Manager.

Vote on motion: 7 yeas, 0 nays, Motion passes.

G. ADJOURNMENT

M/Reggiani S/Joyce to adjourn the special meeting

Hearing no objections the meeting was adjourned at 7:42 pm

Approved: December 5, 2012

Attest: _____

Tina Hammer, Deputy City Clerk



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

December 5, 2012 Regular Council Meeting

Date of Report: November 26-30, 2012

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

- Shared Fisheries Business Tax – agenda item before you tonight please read my memo; thanks for the previous encouragement but I believe I have run out of options
- Will need direction on the CIP List (i.e. whether to bring back an edited Resolution/List)

Things I have been working on:

- Attended valuable training at AAMC Conference in Anchorage November 9-13 – I truly thank you for allowing these training opportunities to the Clerk's Department – sessions included:
duties of the Clerk, parliamentary procedures, Title 29, OMA, social media, records preservation, quasi-judicial boards – and much-valuable networking with fellow Clerks
- Signed paychecks/other AP checks
- Prepared agendas and packets for work sessions on November 27, 29, December 4, 5 and public hearing and regular mtg on December 5
- Assisted Acting City Manager with budget prep
- Advertised and posted ordinance adoption from last regular meeting
- Assisted with transitioning of new Information Services Director
- Post-November 27 budget work session pared down Council and Clerk budgets to Council-directed levels
- Researched deeds and agreements between City of Cordova and State of AK with City Planner regarding State's turning over of Harbor in 2003
- Compiled Interim City Manager agenda items for December 5 meeting
- Reworked Ordinance 1100 into Substitute Ordinance 1100 per attorney's requested changes
- Worked with Lobbyist for his Contract approval resolution before you tonight

MEMORANDUM

October 28, 2012

TO: Jim Kallander, Mayor
FROM: John Bitney
SUBJECT: Washington DC trip summary

This is a report to summarize the meetings we recently attended in Washington DC with Alaska's Congressional delegation offices.

For each meeting, there were three basic issues presented on behalf of the City of Cordova:

- 1) Cordova Center funding. Packets on the project were distributed that outlined the current status. A focus on the requirements for the EVOS funding was made at each meeting.
- 2) Status of the Secure Rural Schools program. Each of Alaska's Congressional offices has different insights into the status of the program based upon their historical experiences and committee positions. At each office, we asked for information on the possible future of the program, and sought advice on how to best advocate for continuing the program.
- 3) Copper River Highway Bridge 339. Recent cost estimates by the AK Dept. of Transportation have substantially increased replacement costs. The river has destroyed the bridge, and a replacement at that location could require a span of up to 1,200 feet. Additional federal funding will help move up the construction schedule under the annual transportation construction program.

Congressman Don Young's office

On Monday, October 22nd, we met with Erik Elam, Legislative Director for Congressman Young.

Regarding overall funding issues, Erik stressed that earmarks are prohibited. There is some talk about returning to earmarks. Many of the newly elected people in Congress are realizing that banning earmarks gives more power to the executive branch bureaucracies, and provides less transparency. A discussion on the earmark prohibition was expected within the Congress following the 2012 election.

Erik was interested in the US Forest Service facilities located at the Childs Glacier. With the substantial federal dollars spent towards improving visitor facilities there, this might be an approach to obtain federal funds to accelerate replacement of the bridge.

Because Congressman Young is a senior member of the House Natural Resources Committee, Erik was very familiar with discussions about extending the authorization on the Secure Rural Schools program. He seemed optimistic that an

authorization would be passed, but he pointed out that the committee would like to see funding based on receipts of actual timber harvesting. This approach was seen as an incentive toward increased timber harvest allowances.

Senator Lisa Murkowski's office

On Tuesday, October 23rd, we met with Miles Baker, Alaska office director. Included in the discussions were Karen McCarthy (education issues), and Chuck Kleeschulte (Senate Energy Committee staff). The meeting with Chuck was a separate meeting focused on Secure Rural Schools.

On funding issues, we were again told that earmark funding was uncertain and difficult. Appropriation requests in the Senator's office are managed by Jeremy Price, but he was unable to attend the meetings due to the birth of his new child. We will be following up with Jeremy.

A great deal of time was spent discussing a strategy on advocating for the Secure Rural Schools program. A separate and more detailed report on these discussions has been prepared in an earlier email sent to you.

Senator Mark Begich's office

On Tuesday, October 23rd, we met with Stef Claus, legislative correspondent. We had been scheduled to meet with James Feldman, legislative assistant, but he was unable to attend the meeting. Stef took notes regarding our issues, and indicated she would brief James.

Governor Sean Parnell's office

On Wednesday, October 24th, I met alone with Kip Knutson, Washington DC Director for the Governor's Office.

I briefed Kip on the meetings with our Congressional delegation, and focused particularly on the discussions regarding Bridge 339. The project is administered by the state transportation agency, so Randy Ruaro, Dep. Chief of Staff in Juneau, has been tracking the issue for the Governor.

Conclusion

It is important to emphasize that expectations were heavily downplayed by all offices regarding funding.

The Cordova Center will rely upon a Congressional earmark in order to successfully obtain any significant federal funding. Currently there is a Congressional prohibition on earmarks, but this may change following the 2012 election. Without earmarks, federal funding is limited to competitive grants in agencies. These are often relatively small and very difficult to obtain.

While enhanced federal funding for replacing Bridge 339 will be difficult without Congressional earmarks, there may be some opportunities for our delegation to

work with the US Forest Service. If any money can be found, it will be coordinated with highway/transportation funding in order to boost the prioritization and schedule for replacing the bridge.

All offices were interested to learn about the history, status, and ongoing requirements for the EVOS funding in the Cordova Center. Discussions with the EVOS office will need to be scheduled before any follow up action is requested from the delegation.

The Secure Rural Schools authorization has a chance of passing, but the structure of the authorization could vary significantly based on the outcome of the Presidential election. A separate briefing on this topic has been prepared and sent to you in an email.

Susan Bourgeois

From: John Bitney <johnbitney@yahoo.com>
Sent: Wednesday, November 07, 2012 3:37 PM
To: Jim Kallandar; Susan Bourgeois
Subject: Fwd: timber receipts program

Begin forwarded message:

From: John Bitney <johnbitney@yahoo.com>
Date: October 25, 2012 12:18:40 PM AKDT
To: Jim Kallandar <jkall@ak.net>
Subject: timber receipts program

Jim

These are notes from meetings in Washington DC with Alaska's Congressional offices specifically about the Secure Schools funding program.

BACKGROUND SUMMARY

Commonly called the "timber receipts" program, the federal government provides funds to communities located next to national forest lands for public schools. Cordova receives annual funding because it is surrounded by the Chugach National Forest.

For many years the amount of funds distributed was based on revenues generated by timber harvests. In 2004 the program was authorized for six years based on a funding formula unrelated to timber harvests, and became known as the Secure Rural Schools program. Last year the program was given an additional year of authorization for federal fiscal year 2013. There are various efforts in the House and Senate to reauthorize the program to continue.

CURRENT STATUS

Rep. Young's office indicated there will be continued efforts in the House Natural Resources Committee to extend the authorization. However, there are discussions about returning to a program based on revenues from timber harvesting. The Alaska Forest Association supports this approach, and advocates for increased revenues through increased timber harvest allowances.

Senator Murkowski's office is cautiously optimistic that one additional year of authorization might be possible, but the Presidential election has the potential to impact what happens. For example, if the program is made reliant upon revenues from timber harvests, a second term by the Obama administration would not generate significantly more stumpage fees. However, a Romney administration would prioritize deficit reduction through budget cuts that could jeopardize program reauthorization. .

Here is a summary of the situation:

- The current one year authorization for federal fiscal year (FFY) 2013 is actually only funded for six months by a continuing resolution. The remaining six months will be funded sometime between the 2012 Election and March 15, 2013.
- Senators Baucus, Wyden, and Murkowski are leading efforts in the Senate to authorize at least one more year (FFY 2014 and beyond). The largest obstacle is finding an "offset" to pay for the

approximately \$800 million needed for Secure Schools and PILT programs.

- Extension of the program for FFY 2014 will be sought in the same bill that provides the funding for the remaining six months of FFY 2013.
- If efforts to authorize the program FFY14 are unsuccessful, there will be an additional effort sometime before December 2013. If successful, payments would be late to communities.
- If that effort is unsuccessful, the program will revert to sharing 25% of the current timber harvesting revenues. For Cordova, that would mean receiving about \$100,000 annually.

RECOMMENDATIONS

1) The overwhelming consensus is that Cordova should not anticipate receiving these funds for the long term. Funding will continue to be received from ongoing timber harvests, but these funds will be minimal compared to levels received since 2004.

2) Sometime around December 1, 2012, Alaska communities should send advocacy letters to Senators Reid, McConnell, Baucus, Wyden, and Murkowski. The message within these letters may vary based upon the outcome of the Presidential election. This is especially critical for small school districts in Southeast Alaska.

3) Follow up with Congressman Young's office is necessary to determine advocacy in the House.



**CORDOVA
ELECTRIC
COOPERATIVE, INC**

P.O. Box 20, 705 Second Street, Cordova, Alaska 99574-0020 * (907) 424-5555 * Fax (907) 424-5552

November 13, 2012

City Council and
Planning and Zoning Commission
P.O. Box 1210
Cordova, AK 99574

RE: CH2MHill & The Eyak Corporation gas development in Cordova

Dear Sirs:

Last week I met with CH2MHill and was provided a high-level concept of their development plans for a propane-air system in Cordova. They indicated that The Eyak Corporation is partnering with them to provide a site for their facility to develop a phased propane-air underground gas distribution facility.

Cordova Electric Cooperative supports the reduction of energy costs in Cordova. For the 1/3 of the time that CEC uses diesel fuel, Propane could be cheaper and would be cleaner. CEC would like to share trenching costs where electric lines need upgraded, and provide electric power to a Propane plant.

I encouraged CH2MHill to consider that installing underground utilities in Cordova is an expensive and time consuming undertaking and that it is unrealistic to expect to install extremely large pieces of infrastructure in one construction season. Furthermore, I questioned the feasibility of the overall project. As an energy industry engineer, I do not understand how building a costly underground piping infrastructure to deliver propane fuel to all new end user infrastructures is more secure or cost effective than delivering liquid propane to individual on-site storage tanks. This would eliminate the need for tens of millions of dollars of underground pipelines and gas meters at delivery points. A consideration for CEC is that on-site liquid fuel storage would allow a few days of fuel supply for security in case pipelines are dug into or there is a production outage at the propane plant. I also considered that at locations like Power Creek Road, Whitshed Road, 6 and 6.5 mile and the Airport heating fuel costs could increase dramatically without access to the Propane that the rest of the community converts to.

In summary, CEC supports new jobs in Cordova, the short term benefits of large infrastructure projects and long term benefits of lower energy costs. I encourage the City Council and Zoning Commission to evaluate the financial and fuel security merits of a propane gas system for Cordova, and consider all available options for reducing energy costs, including discussions with Shoreside Petroleum, the existing bulk Propane fuel provider to Cordova. Home heating fuel is presently City Sales Tax exempt, and this is a significant part of the cost of delivered energy in Cordova that should be considered.

Sincerely,

Clay Koplin, CEO

To Cordova Mayor and City Council
PO Box 1210
Cordova, AK 99574

RE: Prince William Sound Science Center

Dear Council Members:

I recently became aware of the situation regarding the property on which much of the Science Center facilities sit.

As a former Management Board member of the Pacific Ocean Shelf Tracking Program (POST), and as a Cordova fisherman, I have had the pleasure and good fortune of working with scientists at the Science Center to develop programs for tracking marine species in the Sound. Thanks to their diligent and focused efforts, collaborations were developed that advance scientific understanding of the habits, locations, migratory behavior, and life histories of species of interest. These collaborations bring significant resources not only to the Science Center, but also to those who support their efforts, e.g.: local providers of charter vessels, of fuel, provisions, equipment, expertise, lodging, and services of many sorts.

That such benefits accrue to so many reflects the high regard in which the Science Center is held.

The Science Center has also been a nexus for activities such as the Copper River Nouveau event, public science education, and meetings for researchers from all over the country. Such events make Cordova an important influence on a broad range of scientific and political matters. Alaska's two senators care what Cordova thinks (Nouveau brings Lisa Murkowski here every year, where she meets any Cordovan who shows up), and major funders of scientific research in Alaska take the PWSSC seriously.

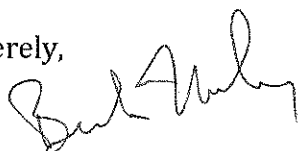
Lacking a stable and adequate physical presence, and the difficulty of attracting financial support for facilities and longterm projects that do not own the ground they could be put on, puts unnecessary barriers in the Center's way as it attempts to expand its infrastructure to keep pace with its growth.

The projects that I have worked on with the Center have brought hundreds of thousands of dollars in cash and equipment to Cordova, and they have already enabled the tracking of such diverse species as lingcod, salmon sharks, and herring on a continuing basis, much of this in tiny offices occupied by multiple scientists.

This winter, in a collaboration with Canada's Ocean Tracking Network (OTN), acoustic tracking receivers will finally be placed across the entrances to Prince William Sound enabling for the first time reliable knowledge of the time and place of passage into or out of the Sound of every tagged marine animal, whether it was tagged here or elsewhere. This opens the doors to expanded tagging of salmon, blackcod, halibut, pollock and other species of interest.

This is important work, and I encourage the City to do anything within its power to support it.

Sincerely,



Buck Meloy
PO Box 572
Bellingham, WA 98227
buck@buckmeloy.com

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 29, 2012

TO: Mayor & City Council

SUBJECT: Substitute Ordinance 1100

This is the rewrite of Chapter 10 of the CMC. After the first reading the City Attorney had a few changes to suggest which is why this is before you as **Substitute** Ordinance 1100 tonight. The City Attorney agreed that the changes are not substantial enough to consider another first reading and therefore, suggested the ordinance was ready for a public hearing and second reading tonight.

RECOMMENDED MOTION: Move to adopt Substitute Ordinance 1100.

REQUIRED ACTION: Majority roll call vote.

**CITY OF CORDOVA, ALASKA
SUBSTITUTE ORDINANCE 1100**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, AMENDING CORDOVA MUNICIPAL CODE SECTIONS 1.28.085, 10.04.040, 10.12.010, 10.12.012, 10.12.030, 10.16.010, 10.16.020, 10.24.010, 10.24.020, 10.24.025, 10.24.070, 10.24.080, 10.24.090, 10.24.100, 10.24.120, 10.36.010, 10.38.010, 10.44.010 AND 10.48.010; AMENDING THE TITLES OF CORDOVA MUNICIPAL CODE CHAPTERS 10.16 AND 1038; CORDOVA MUNICIPAL CODE SECTIONS 10.16.010, 10.16.020, 10.24.010, 10.24.020, 10.24.025, 10.24.070, 10.24.090, 10.24.120, 10.36.010, 10.38.010, 10.44.010 AND 10.48.010; REPEALING CORDOVA MUNICIPAL CODE CHAPTER 10.08 AND CORDOVA MUNICIPAL CODE SECTIONS 10.16.030, 10.16.040 AND 10.24.130; ENACTING CORDOVA MUNICIPAL CODE 10.04.050 AND 10.24.005; AND REPEALING AND REENACTING CORDOVA MUNICIPAL CODE CHAPTERS 10.52 AND 10.56; REGARDING PARKING AND TRAFFIC VIOLATIONS AND ENFORCEMENT OF PARKING AND TRAFFIC VIOLATIONS.

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

Section 1. Cordova Municipal Code 1.28.085 is amended by replacing the part of the table headed, “Vehicles and Traffic” with the following:

Code Ref.	Code Title	Fine per Day
10.12.010	Adoption by reference of stare statutes and regulations regarding motor vehicle and driving offenses	Corresponding amount in state traffic bail forfeiture schedule
<u>10.12.050</u>	<u>Maximum speed limit</u>	<u>\$90.00</u>
<u>10.16.020</u>	<u>Entering obstructed intersection</u>	<u>\$30.00</u>
<u>10.20.020</u>	<u>Turning violation</u>	<u>\$30.00</u>
<u>10.24.005</u>	<u>Method of parking</u>	<u>\$30.00</u>
10.24.010	Parking outside marked space	\$30.00
10.24.020	Parking beyond time limitation	\$30.00
10.24.025	Parking without required permit	\$30.00
10.24.040	Angle parking required	\$30.00
10.24.050	Loading permit violation	\$30.00
10.24.060	Parking over 24 hours	\$30.00
10.24.070	Parking for prohibited purpose	\$30.00
10.24.080	Parking blocking driveway	\$30.00
10.24.090	Parking on private property without permission	\$30.00
10.24.100	Parking in roadway obstructing traffic	\$30.00
10.24.110	Parking in main-traveled part of highway	\$30.00
10.28.020	Passenger loading zone time limit	\$30.00
10.28.030	Freight loading zone time limit	\$30.00
10.28.050	Bus and taxicab stands – use required	\$30.00
10.28.060	Bus and taxicab stands - unauthorized use	\$30.00
<u>10.32.020</u>	<u>Vehicle use in play street</u>	<u>\$30.00</u>

<u>10.36.010</u>	<u>Bicycle obedience to traffic control devices</u>	<u>\$30.00</u>
<u>10.36.020</u>	<u>Bicycle—riding on sidewalk</u>	<u>\$30.00</u>
<u>10.36.030</u>	<u>Bicycle—excessive speed</u>	<u>\$30.00</u>
<u>10.36.040</u>	<u>Bicycle parking</u>	<u>\$30.00</u>
<u>10.38.010</u>	<u>Snowmobile and off-highway vehicle violations</u>	<u>first violation \$100; second violation \$300; third and subsequent violation up to \$1,000 but not less than \$300</u>
<u>10.44.010</u>	<u>Driving through funeral procession</u>	<u>\$30.00</u>
<u>10.44.020</u>	<u>Conduct of funeral procession</u>	<u>\$30.00</u>
<u>10.48.010</u>	<u>Unlawful riding</u>	<u>\$30.00</u>
<u>10.48.020</u>	<u>Driving on sidewalk</u>	<u>\$30.00</u>
<u>10.48.030</u>	<u>Vehicle injurious to street</u>	<u>\$30.00</u>
<u>10.48.040</u>	<u>Transportation of explosives</u>	<u>\$30.00</u>
<u>10.54.020</u>	<u>Abandonment of Vehicles</u>	<u>\$500.00</u>

Section 2. —Subsection B of Cordova Municipal Code 10.04.040 is amended to read as follows:

B. Officers of the police department or such officers thereof as are assigned by the **Chief of Police** ~~public safety officer~~ are authorized to direct all traffic by voice, hand or signal in conformance with traffic laws, regulations and ordinances; provided, that in the event of a fire or other emergency or to expedite traffic or to safeguard pedestrians, officers of the police department may direct traffic as conditions may require notwithstanding the provisions of the traffic laws, regulations and ordinances.

Section 32. —Cordova Municipal Code 10.04.050 is enacted to read as follows:

10.04.050 - Definitions. In this title:

A. “Parking lot” means property owned by the city or state that the owner has designated for use by the public to park vehicles.

B. “Traffic authority” means the city manager or the city manager’s designee.

~~C.B.~~ “Traffic laws” or “traffic regulations” means the provisions of this title and any statute or regulation incorporated by reference in this title.

Section 4. —Cordova Municipal Code Chapter 10.08, Definitions, is repealed.

Section 5. —Cordova Municipal Code 10.12.010 is amended to read as follows:

10.12.010 - Statutes **and regulations** adopted by reference. Pursuant to AS 28.01.010, the city adopts by reference, for application within the city, the following state statutes and/or regulations, **as the same may be amended from time to time after the effective date of the ordinance codified in this section:**

13 AAC 02.005 through 13 AAC 02.560, inclusive;

13 AAC 04.001 ~~13 AAC 04.005~~ through 13 AAC 04.420, inclusive;

~~13 AAC 06.010 through 13 AAC 06.060, inclusive;~~

13 AAC 40.010;

~~**17 AAC 45.080 through 17 AAC 45.090, inclusive;**~~

~~17 AAC 25.012 through 17 AAC 25.119 17 AAC 25.100, inclusive;~~

17 AAC 45.080 through 17 AAC 45.090, inclusive;

AS 28.05.095 (use of seat belts and child safety devices required);

AS 28.05.099 (penalty);

AS 28.10.011 (vehicles subject to registration);

AS 28.10.121a (vehicles of nonresidents);

AS 28.10.461 (driving vehicle without evidence of registration);

AS 28.10.471 (driving vehicle when registration suspended, revoked or permit expired);

AS 28.11 (abandoned vehicles);

AS 28.15.131 (license to be carried and exhibited on demand);

AS 28.22.019 (proof of insurance to be carried and exhibited on demand);

AS 28.35.235(a) (unauthorized use of parking reserved for persons with disabilities);

AS 28.39.010 (snowmobile registrations);

AS 28.90.010 ~~AS 28.40.050~~ penalties for violations of law, regulations, and municipal ordinances).

AS 28.90.990 (definitions).

Section 6. —Cordova Municipal Code 10.12.012 is amended to read as follows:

10.12.012 - Traffic fine schedule—Adoption of state bail forfeiture schedules by reference. **Except as provided in subsection D of this section:**

A. For violations of statutes and regulations listed in Section 10.12.010, the city adopts as its traffic fine schedule the "Traffic Bail Forfeiture Schedule" and the "Oversize Vehicle Bail Forfeiture Schedule" in Administrative Rules 43.1 and 43.6 of the Alaska Rules of Court, as the same may be amended from time to time after the effective date of the ordinance codified in this section.

B. Citations for offenses listed in Section 10.12.010 may be disposed of as provided in AS 12.25.195-.230 without a court appearance, upon payment of the amounts listed plus the state surcharge required by AS 12.55.039 and AS 29.25.074. If a person charged with one of these offenses appears in court and is found guilty, the penalty imposed for the offense may not exceed the amount listed for that offense on the schedule.

C. Citations charging offenses listed in Section 10.12.010 must meet the requirements of District Court Criminal Rule 8 of the Alaska Rules of Court.

D. In addition to the penalties prescribed in this section for violations of statutes and regulations related to parking, stopping and standing, such violations shall be subject to the notice of violation procedure and civil penalties prescribed in Chapter 10.56.

Section 7. —Cordova Municipal Code 10.12.030 is amended to read as follows:

10.12.030 - Definitions—Chief of Police Public safety director. Whenever there is reference to the state law adopted in Section 10.12.010 to "Department of **Transportation and Public Facilities** Highways" or "Commissioner of Highways," there shall be substituted the **title, "Chief of Police"** "public safety director."

Section 8. The title of Cordova Municipal Code Chapter 10.16 is amended to read as follows:

Chapter 10.16

TRAFFIC CONTROL AT STOP AND YIELD INTERSECTIONS

Section 9. Cordova Municipal Code 10.16.010 is amended to read as follows:

10.16.010 – Official traffic control devices ~~Determination—Authority to designate.~~
The traffic authority of the city is authorized to **place official traffic control devices that the traffic authority determines to be necessary to control the movement of traffic at intersections.** ~~determine and designate intersections where particular hazard exists upon other than through streets and to determine:~~

A. ~~Whether vehicles shall stop at one or more entrances to any such intersection, in which event he shall cause to be erected a stop sign at every such place where a stop is required; or~~

B. ~~Whether vehicles shall yield the right of way to vehicles on a different street at such intersection as prescribed in 13 AAC 02.130, in which event he shall cause to be erected a yield sign at every place where obedience thereto is required.~~

Section 10. Cordova Municipal Code 10.16.020 is amended to read as follows:

10.16.020 - Entering obstructed intersections. No driver shall enter an intersection or a marked crosswalk unless there is sufficient space on the other side of the intersection or crosswalk to accommodate the vehicle he is operating without obstructing the passage of other vehicles or pedestrians, notwithstanding any **official traffic control device** ~~traffic control signal~~ indication to proceed.

Section 11. Cordova Municipal Code 10.16.030 and 10.16.040 are repealed.

Section 12. Cordova Municipal Code 10.24.005 is enacted to read as follows:

10.24.005. – Parking – Method of parking.

A. **No person driving or in charge of a motor vehicle may permit it to stand unattended by an adult person without first stopping the engine, placing the transmission in gear or in park position, locking the ignition, removing the key from the ignition and, if there is not a reasonable possibility of freezing, setting the brake. When standing upon a grade, a driver shall turn the front wheels toward the curb or near the edge of the highway in such a manner that if the unattended vehicle should roll from its standing position, the movement will be in the direction toward the curb or near the edge of the highway and away from the roadway.**

A parked vehicle with no licensed driver in the driver's seat shall have

1. The brakes effectively set;

2. The engine off;

~~3. The keys removed from the ignition lock and the ignition locked so it cannot be readily activated without a key; and~~

~~4. If parked upon any perceptible grade, with the front wheel or wheels turned toward the nearest curb or edge of the roadway.~~

B. A vehicle shall be parked in an unmarked parking space or a parking space marked for parallel parking in the direction of authorized traffic movement in the traffic lane immediately adjacent to the parking space, parallel to and within 12 inches of the curb or edge of the roadway.

C. A vehicle shall be parked in a parking space marked for angle parking facing the nearest curb or edge of the roadway.

Section 13. Cordova Municipal Code 10.24.010 is amended to read as follows:

10.24.010 - Parking—Within marked spaces. In an area where parking spaces have been marked off on the surface of the street, a driver parking a vehicle shall park it within a parking space as thus marked off, and not on or over a mark line delimiting a space. **In no case shall a vehicle exceeding twenty four feet in length or eight feet in width be parked in a City parking space on a city street or in a city parking lot unless such space is specifically designated for larger vehicles.**

Section 14. —Cordova Municipal Code 10.24.020 is amended to read as follows:

10.24.020 - Parking—Time limitation, prohibition and sign erection authority. The traffic authority of the city is authorized to establish parking time limits, or to prohibit parking, on ~~designated city streets,~~ **parking lots and other city or state property**, by having appropriate signs placed thereon. When such signs are in place, it is unlawful for any person to park a vehicle in violation thereof.

Section 15. —Cordova Municipal Code 10.24.025 is amended to read as follows:

10.24.025 - Parking—Permit only limitation, prohibition and sign erection authority. The traffic authority of the city is authorized to establish parking by permit only limits on ~~designated city streets,~~ **parking lots and other city property**, by having appropriate signs placed thereon. When such signs are in place, the required permit must be displayed in the front windshield and it shall be unlawful for any person to park a vehicle in violation thereof.

Section 16. —Cordova Municipal Code 10.24.070 is amended to read as follows:

10.24.070 - Parking—Certain purposes prohibited. No person shall park a vehicle upon any **public property** roadway for the principal purpose of:

A. Displaying such vehicle for sale;
B. Washing, greasing or repairing such vehicle, except repairs necessitated by emergency.

C. Using such vehicle for living or sleeping quarters, except in an area designated for use by the public for camping.

Section 17. Cordova Municipal Code 10.24.080 is amended to read as follows:

10.24.080 - Parking—Blocking driveways prohibited. It is unlawful for any person to park or cause to be parked any motor vehicle at such place or in such position as would block **the driveway entrance to any abutting property or** the way of ingress or egress of a motor vehicle to any private parking place owned or controlled by any person, firm or corporation.

Section 187. _Cordova Municipal Code 10.24.090 is amended to read as follows:

10.24.090 - Parking—Unauthorized use of private area prohibited. It is unlawful for any person to park or cause to be parked any ~~motor~~ vehicle in the private parking place of another person, firm or corporation without the express permission of such person, firm or corporation if such private parking place has been signed, posted or otherwise clearly designated as a private parking place.

Section 19. Cordova Municipal Code 10.24.100 is amended to read as follows:

10.24.100 - Parking—Streets and alleys. No person shall park a vehicle in any street or alley in such a manner or under such conditions as to leave available less than ten feet of the width of the roadway for the free movement of vehicular traffic, ~~and no person shall stop, stand or park a vehicle therein in such position as to block the driveway entrance to any abutting property.~~

Section 2048. _Cordova Municipal Code 10.24.120 is amended to read as follows:

10.24.120 - Impoundment. ~~In the event of any violation of Sections 10.24.080 and 10.24.090, and~~ Upon ~~upon~~ the written request of the rightful owner or lessee of an ~~said~~ off-street parking place **that is obstructed or occupied in violation of section 10.24.080 and 10.24.090, the city may impound the vehicle that is the source of the violation** any vehicle parked in off-street parking without the permission of the owner, or vehicle blocking the ingress and egress of motor vehicles to and from private parking places, shall be impounded by the city and **cause** the vehicle **to be** towed to any approved storage facility ~~where it shall be retained until the owner pays all towing charges and costs of impoundment. If not reclaimed within six months of the date of impounding, the provisions of Chapter 11.48 of this code shall apply.~~ **The provisions for hearing, release from impoundment and disposition of an impounded vehicle in Chapter 10.52 shall apply to an impoundment under this section.** Before any such vehicle is impounded, the police may require of the person requesting impoundment an affidavit that said person is rightfully in control of the parking place in question and holding the city harmless for any loss or damage growing out of said impoundment.

Section 2149. _Cordova Municipal Code 10.24.130 is repealed.

Section 220. _Cordova Municipal Code 10.36.010 is amended to read as follows:

10.36.010 - Obedience to **official** traffic-control devices.

A. Any person operating a bicycle shall obey the instructions of official **traffic control devices** ~~traffic control signals, signs and other control devices~~ applicable to vehicles, unless otherwise directed by a police officer.

B. ~~Whenever authorized signs are erected indicating that no right or left or U-turn is permitted, no~~ **No** person operating a bicycle shall disobey **an official traffic control device indicating** that no right or left or U-turn is permitted, ~~the direction of any such sign,~~ except where such person dismounts from the bicycle to make any such turn, in which event such person shall then obey the regulations applicable to pedestrians.

Section 23. The title of Cordova Municipal Code Chapter 10.38 is amended to read as follows:

Chapter 10.38

**SPECIAL TRAFFIC RULES AND DEFINITIONS FOR SNOWMOBILES
AND OFF-HIGHWAY VEHICLES**

Section 241. _Cordova Municipal Code 10.38.010 is amended to read as follows:

10.38.010 - Special rules for snowmobiles and off-highway vehicles.

A. ~~Adoption of State Law. All provisions of Title 13, Alaska Administrative Code and Alaska Statutes, Section 5.30.010 et seq., regulating traffic and the operation of motor vehicles and snow machines upon streets or highways are adopted by reference, except that those regulations are not adopted by reference which by their nature can have application or which conflict with the remainder of this section.~~

B. ~~Operation.~~

1. **Snowmobiles and off-highway vehicles** ~~Snow machines~~ may not be operated:

- a. In a careless, reckless or negligent manner so as to endanger the safety of any person or property of any other person;
- b. While under the influence of intoxicating liquor, narcotics or drugs;
- c. To intentionally drive, chase, run over or kill any animal;
- d. Within one hundred feet of any school or hospital, unless traveling directly to or from it;
- e. In any city-designated ski area;
- f. On or within one hundred feet of any skating area or ice rink;
- g. On city streets when transporting weapons or other instruments used to hunt within unless it is unloaded and encased;
- h. **In the case of a snowmobile, without** ~~Without~~ **registration and numbering** ~~having such snow machine registered as~~ **required by AS 29.38.010(a)** ~~provided for in Section 5.30.010 Alaska Statutes;~~

i. Without registration under ~~having such snow machine registered through the city of Cordova motor vehicle office~~ snowmobile and off-highway vehicle permit system. Registration of snowmobiles is non-transferable upon sale of the vehicle. Such registration numbers shall be affixed on both sides of the cowling of the machine and the rear of the machine. ~~The numerals shall be identical to the Cordova snow machine registration.~~

j. On city streets while carrying more than the operator unless the machine is designed by the manufacturer to carry more than one person.

2. Snowmobiles and off-highway vehicles ~~Snow machines~~ may not be operated between the hours of eleven p.m. and six a.m., except on Friday and Saturday evenings when they may be operated until midnight.

3. No snowmobile or off-highway vehicle ~~snow machine~~ shall be operated on private property without specific permission of the owner or other person having control of the property.

4. A person may not drive a snowmobile or off-highway vehicle ~~snow machine~~ on a road or highway at a speed greater than is reasonable and prudent under the conditions and having regard to the actual and potential hazards existing at the time and in no case faster than the legal speed limit.

5. When operated on city streets or alleys, snowmobiles and off-highway vehicles ~~Snow machines may be operated upon the streets and alleys of the city, and if so operated:~~

- a. Shall be driven on the extreme right, in a single file, and in accord with all motor vehicle regulations;
- b. Shall not pass any other moving vehicle while going in the same direction upon city streets;
- c. Shall yield the right-of-way to all other motor vehicles;
- d. Shall be driven with headlights on at all times.

BC. Equipment. No person shall drive or operate a snowmobile or off-highway vehicle ~~snow machine~~ unless the snowmobile or off-highway vehicle ~~snow machine~~ is equipped with:

1. A motor vehicle or motorcycle headlamp with or without non-multiple beams so aimed and of sufficient intensity to reveal to persons and vehicles at a distance of at least one hundred feet ahead during hours of darkness under normal atmospheric conditions. Such headlamp shall be aimed so that glaring rays are not projected into the eyes of an oncoming driver;

2. At least one rear lamp continuously exhibiting a red light plainly visible from a distance of five hundred feet to the rear during hours of darkness under normal atmospheric conditions, plus an operational brake light;

3. A return-to-idle spring in working order, capable of returning the snow machine engine's carburetor to the closed position;

4. A rear snowflap, mudflap and fender of sufficient material installed in a permanent manner to contain a cleat and all other debris, if thrown from the track or tire at all speeds;

5. Stock exhaust mufflers in working order;

6. Adequate brakes to control the movement of and to stop and hold such vehicle under normal conditions of operation;

7. A flag extending above the machine at least six feet above the ground visible for at a minimum of one hundred feet away from the machine.

CD. Towing. No person shall operate a snowmobile or off-highway vehicle ~~snow machine~~ while towing a sled, toboggan or other object, or any person riding on the same unless such sled, toboggan or other object is attached to the snowmobile or off-highway vehicle ~~snow machine~~ by a rigid bar, and the towed object shall be equipped with red rear reflectors and extended flag on rear of same design as in subsection (B)(7) of this section.

DE. Protective Headgear. No person shall operate or ride upon a snowmobile or off-highway vehicle ~~snow machine~~ unless he is wearing a hard, protective headgear conforming to standards established by the U.S. Department of Transportation ~~or helmet~~, and adequate eye protection.

EF. Effect of Regulations. The parent of any child and the guardian of any ward shall not authorize or knowingly permit the child or ward to violate any provisions of this section.

FG. Penalties and Impoundment. In addition to any other penalty provided for a violation of this section, a ~~A person convicted of a violation of a provision of this section may be fined as such: for a first offense, a fine up to three hundred of one hundred dollars; for a second offense, a fine up to five hundred dollars (but not less than three hundred dollars); of three hundred dollars; and for a third offense, a fine up to one thousand dollars (but not less than five three hundred dollars).~~ After the third offense, the snowmobile or off-highway vehicle that has been used in three or more violations of this section by the same operator shall ~~would lose its registration and may~~ could not be reregistered with the city for twenty-four months. In addition, the snowmobile or off-highway vehicle ~~snow machine~~ operated by the alleged violator may be impounded during the period between apprehension and hearing whether or not ~~the machine~~ it is owned by the alleged violator. Release of the snowmobile or off-highway vehicle ~~snow machine~~ shall follow the same procedure applied to impounded motor vehicles.

GH. Motor Vehicle Operator's License. All drivers or operators of snowmobiles or off-highway vehicles ~~snow machines~~ shall have in their possession a valid current motor vehicle operator's license while operating upon the city streets.

HI. Horsepower Rating. No person shall operate any snowmobile or off-highway vehicle ~~snow machine~~ upon any street of the city powered by an engine which is rated as delivering less than ten horsepower.

IJ. Limitation of Use of Streets. The use of the streets of the city by a snowmobile or off-highway vehicle ~~snow machine~~ in accord with the terms of this section is limited to traveling

from one place to another in the most reasonably direct route possible, and no person shall use the streets themselves for recreational purposes.

JK. Insurance. No person may operate a **snowmobile or off-highway vehicle** ~~snow machine~~ upon any street of the city without proof of the minimum liability insurance required by the state.

~~L. Definition. The term "snow machine" means and includes every motor propelled device upon any skis, skids tracks, belts, cleats, or low pressure tires or any combination thereof, designed to travel over ice or snow, in, or upon or by which any person or property is or may be transported.~~

Section 252.—Cordova Municipal Code 10.44.010 is amended to read as follows:

10.44.010 - Funeral processions—Driving through prohibited. No **person shall drive** ~~driver of a vehicle shall drive~~ between the vehicles comprising a funeral or other authorized procession while they are in motion ~~and when such vehicles are conspicuously designated as required in this chapter.~~ This provision shall not apply **to movement through an intersection in compliance with an** ~~at intersections where traffic is controlled by~~ **official traffic control device** ~~traffic control signals or~~ **the direction of a** police officers.

Section 263.—Cordova Municipal Code 10.48.010 is amended to read as follows:

10.48.010 - Unlawful riding. No person shall ride on any vehicle upon any portion thereof not designed or intended for the use of passengers. This provision shall not apply to an employee engaged in the necessary discharge of a duty, ~~or to persons riding within truck bodies in space intended for merchandise.~~

Section 274.—Cordova Municipal Code Chapter 10.52 is repealed and reenacted to read as follows:

Chapter 10.52 – VEHICLE IMPOUNDMENT

Sections:

- 10.52.010 – Authority to impound vehicles.
- 10.52.020 - Conditions for release from impoundment.
- 10.52.030 - Notice to owners and lienholders.
- 10.52.040 - Hearing.
- 10.52.050 - Disposal of impounded vehicle.

10.52.010 – Authority to impound vehicles. A police officer may remove and impound a vehicle

A. That is parked, stopped or standing in violation of this title when the police officer determines that the violation poses an imminent threat to the public health, safety or welfare.

B. That is unattended and illegally left standing upon a street in such position or under such circumstances as to obstruct the normal movement of traffic.

C. When a report has been made that the vehicle has been stolen or taken without the consent of its owner; or

D. When the person driving or in control of the vehicle is incapacitated or arrested for an offense that requires the arrested person to be arraigned before a judge or magistrate.

10.52.020 - Conditions for release from impoundment. A vehicle impounded under this title shall be released from impoundment only to the registered owner or the owner's legal representative:

A. Upon a successful appeal of the impoundment under section 10.52.040; or

B. Upon payment of each of the following:

1. The civil penalty for each violation that was a cause of the impoundment, and that has not been successfully appealed under section 10.56.060;

2. Each unpaid civil penalty for a violation by the registered owner of the vehicle of a provision of this title, which violation is not subject to further appeal;

3. Any unpaid fines or surcharges for a violation by the registered owner of the vehicle of a provision of this title, which violation is not subject to further appeal; and

4. The impoundment administrative fee and any towing and storage charges arising from the impoundment.

10.52.030 - Notice to owners and lienholders.

A. The city shall give written notice to each record owner and lienholder of a vehicle that the city has impounded by registered or certified mail, return receipt requested, or if the vehicle is not registered in the state or the city cannot determine the name and address of the owner or lienholder, by publication in a newspaper of general circulation in the city.

B. The notice shall include:

1. A description of the vehicle and its location when impounded;

2. The reasons why the city impounded the vehicle;

3. The name and address of the registered owner and the vehicle identification number of the vehicle;

4. A statement that unless within seven days after the date of the notice, either: the vehicle is released from impoundment under section 10.52.020, or a person with an interest in the vehicle requests a hearing under Section 10.52.040, the city may without further notice impound and dispose of the vehicle by sale, destruction or other disposition authorized by law.

10.52.040 - Hearing.

A. A person claiming an interest in a vehicle that is impounded under this chapter may obtain a hearing on whether the vehicle was properly impounded under this chapter by requesting the hearing in writing at the office of the city manager within seven days after the date of the notice of impoundment.

B. A hearing officer, who shall be the city manager or a person designated by the city manager, shall conduct the hearing within three business days after the city receives a timely request for a hearing under subsection A of this section. The issue at the hearing shall be limited to whether the vehicle was properly impounded under this chapter.

C. The appeal hearing shall be conducted informally and may be governed by such rules and procedures as the hearing officer may establish, except that:

1. Each party may appear in person or by telephone.
2. Each party may present witnesses and evidence.
3. Each party or the party's counsel may cross examine opposing witnesses on matters relevant to the issues, impeach witnesses regardless of which party first called the witness to testify, and rebut evidence against the party.
4. Relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of a common law or statutory rule which makes improper the admission of the evidence over objection in a civil action. Hearsay evidence may be considered provided there are guarantees of its trustworthiness and that it is more probative on the point for which it is offered than any other evidence which the proponent can procure by reasonable efforts.
5. The hearing shall be open to the public.
6. An electronic recording shall be made of the hearing.

D. The hearing officer may exercise independent judgment as to the weight of evidence supporting or refuting the impoundment, and may exercise independent judgment on legal issues raised by the parties.

E. No later than three business days following the hearing the hearing officer shall issue a written decision based on findings and conclusions adopted by the hearing officer. Such findings must be in writing and must be reasonably specific so as to provide interested persons and, where appropriate, reviewing authorities, a clear and precise understanding of the reasons for the decision entered. The decision, findings of fact and conclusions of law shall be forwarded to all parties to the appeal. A final appealable decision must indicate that it is a final order and that a party disputing the decision has 30 days to appeal.

F. A final decision issued under subsection E of this section may be appealed to the superior court within 30 days after the date the decision was issued. For the purposes of this section the date of issuance is the date upon which the decision was mailed or delivered to the parties.

10.52.050 - Disposal of impounded vehicle.

A. Upon satisfaction of the notice and hearing requirements prescribed in this chapter, the city may dispose of an impounded vehicle that is not released from impoundment under section 10.52.020 within 60 days after the date of the notice of impoundment under section 10.52.030 by removing it to a scrap processing yard or auto wrecker for disposal or by public auction not less than twenty days after notice of the auction is published in a newspaper of general circulation in the city. The notice of auction must describe the vehicle and specify the place, date and time at which it will be sold.

B. The proceeds of any sale of an impounded vehicle shall be applied first to reimburse the city for costs of disposing of the vehicle, including towing, storing and selling the vehicle, and second to satisfy any amount the payment of which would be required for the release of the vehicle from impoundment under Section 10.52.020 ~~fine or penalty that has been imposed for the unlawful abandonment of the vehicle~~. Any part of the proceeds remaining thereafter shall be made available to the former owner of the vehicle if claimed within thirty days from the date of sale, and if not so claimed shall become the property of the city.

Section 285. _Cordova Municipal Code Chapter 10.56, Enforcement, is repealed and reenacted to read as follows:

Chapter 10.56 – PARKING ENFORCEMENT

Sections:

~~10.56.010 – Citation procedure.~~

~~10.56.020 – Disposition of citation for scheduled violation.~~

10.56.0130 - Notice of violation.

10.56.0240 - Owner of vehicle presumed responsible for violation.

10.56.0350 - Civil penalties for parking violations.

10.56.0460 – Appeals.

~~10.56.010 – Citation procedure. When a police officer stops or contacts a person for a violation of this title, the officer may, in the officer's discretion, issue a citation to the person. The citation shall include the information required by AS 12.25.200(b), and shall be made upon oath or affirmation before a person authorized by law to administer oaths or affirmations or signed with a certification under penalty of perjury that the citation is true and was personally served on the person charged. Nothing in this section shall abridge the power to arrest any violator and to take him into custody, or to file a complaint against him, at any time.~~

~~10.56.020 – Disposition of citation for scheduled violation. If a person cited for a violation for which a scheduled fine has been established does not contest the citation, the person may mail or personally deliver to the city clerk of the amount of the fine indicated on the citation plus the surcharge required under AS 12.55.039, together with a copy of the citation signed by the person indicating the person's waiver of court appearance, entry of plea of no contest, and forfeiture of the fine. The citation with the fine shall be mailed or personally delivered on or before the 30th day after the date the citation was issued.~~

10.56.0130 - Notice of violation. A vehicle parked, stopped or standing in violation of this title is a public nuisance. Upon discovery of a vehicle abandoned, parked, stopped or standing in violation of this title, a police officer may issue a notice of violation, and deliver it to the operator of the vehicle or affix it to the vehicle if it is unattended at the time of issuance. The notice of violation shall identify the vehicle, the nature of the violation and the means of resolving it.

10.56.0240 - Owner of vehicle presumed responsible for violation. It shall be presumed that ~~the registered owner of~~ a vehicle which is found to be parked, stopped or standing in violation of this title has been so operated by the registered owner thereof or has been operated by another person with the consent of the registered owner, the vehicle to which a citation pertains being a public nuisance for which the registered owner holds legal responsibility. That presumption may be rebutted by presentation of satisfactory evidence that the vehicle was being operated by another person at the time of the violation without the consent of the registered owner and beyond the control of the registered owner.

10.56.0350 - Civil penalties for parking violations.

A. A person who violates a provision of this Code pertaining to parking, standing or stopping a vehicle shall be subject to a civil penalty in the amount stated in the following table:

Code Section	Description of Violation	Penalty
10.12.010	Adoption by reference of state statutes and regulations regarding stopping, standing and parking	Corresponding amount in state traffic bail forfeiture schedule
<u>10.24.005</u>	<u>Method of parking</u>	<u>\$30.00</u>
10.24.010	Parking outside marked space	\$30.00
10.24.020	Parking beyond time limitation	\$30.00
10.24.025	Parking without required permit	\$30.00
10.24.040	Angle parking required	\$30.00
10.24.050	Loading permit violation	\$30.00
10.24.060	Parking over 24 hours	\$30.00
10.24.070	Parking for prohibited purpose	\$30.00
10.24.080	Parking blocking driveway	\$30.00
10.24.090	Parking on private property without permission	\$30.00
10.24.100	Parking in roadway obstructing traffic	\$30.00
10.24.110	Parking in main-traveled part of highway	\$30.00
10.28.020	Passenger loading zone time limit	\$30.00
10.28.030	Freight loading zone time limit	\$30.00
10.28.050	Bus and taxicab stands – use required	\$30.00
10.28.060	Bus and taxicab stands - unauthorized use	\$30.00
10.54.020	Abandonment of Vehicles	\$500.00

B. In addition to any other penalty provided by law, a person who fails to resolve a notice of violation under this chapter within the time stated on the face of the notice shall be subject to a civil penalty in the amount of \$15.00 in addition to any other penalty provided by law. Failure to resolve a notice of violation within 30 days ~~of the date~~ after imposition of this civil penalty may also result in legal and collection fees. A notice of violation is resolved by payment of the amount due under this section on the earlier of:

1. The date the payment is received by the city clerk; or
2. The legible postmark date on a payment the city clerk receives by mail.

10.56.060 - Appeals.

A. A person who has been issued a notice of violation for vehicle parking, stopping or standing in violation of this title may appeal that action to the a hearing officer designated by the city manager by completing a violation appeal form and delivering the form to the city manager no later than 30 days after the date of the notice of violation or impoundment to which the appeal pertains.

B. The hearing officer shall schedule an appeal hearing no more than 10 business days after the date of delivery of the violation appeal form.

C. The appeal hearing shall be conducted informally and may be governed by such rules and procedures as the hearing officer may establish, except that:

1. Each party may appear in person or by telephone.

2. Each party may present witnesses and evidence.
 3. Each party or the party's counsel may cross examine opposing witnesses on matters relevant to the issues, impeach witnesses regardless of which party first called the witness to testify, and rebut evidence against the party.
 4. Relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of a common law or statutory rule which makes improper the admission of the evidence over objection in a civil action. Hearsay evidence may be considered provided there are guarantees of its trustworthiness and that it is more probative on the point for which it is offered than any other evidence which the proponent can procure by reasonable efforts.
 5. The hearing shall be open to the public.
 6. An electronic recording shall be made of the hearing.
- D. The hearing officer may exercise independent judgment as to the weight of evidence supporting or refuting the notice of violation or impoundment, and may exercise independent judgment on legal issues raised by the parties.
- E. No later than 15 days following the hearing the hearing officer shall issue a written decision based on findings and conclusions adopted by the hearing officer. Such findings must be in writing and must be reasonably specific so as to provide interested persons and, where appropriate, reviewing authorities, a clear and precise understanding of the reasons for the decision entered. The decision, findings of fact and conclusions of law shall be forwarded to all parties to the appeal. A final appealable decision must indicate that it is a final order and that a party disputing the decision has 30 days to appeal.
- F. A final decision issued under subsection E of this section may be appealed to the superior court within 30 days of the date the decision was issued. For the purposes of this section the date of issuance is the date upon which the decision was mailed or delivered to the parties.

Section 26. 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: November 7, 2012

2nd reading and public hearing: December 5, 2012

PASSED AND APPROVED THIS 5th DAY OF DECEMBER, 2012.

Jim Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 28, 2012

TO: Mayor and City Council

SUBJECT: Substitute Resolution 11-12-45

I had attempted to discuss an alternative allocation with Valdez and Whittier that was different from the past ten or more years when we have split this payment from the state three ways equally between the municipalities within FMA 15 (PWS). They have shown some resistance. Council directed me at the November 7 meeting to give it another try and return with more information. I asked Valdez again what their intent was. Valdez City Council directed their Economic Development Coordinator to move ahead with the long form as it was their intent to not depart from the three way split which we had been doing for years. Seems as though they do not want to rock the boat and join with us to encourage Whittier to agree to the change. I cannot guarantee that even after completion of the long form Cordova would wind up with an amount any more than one-third of the allocation to FMA 15. Therefore, I have put this resolution before you approving the three way split.

Recommended motion: Move to approve Substitute Resolution 11-12-45

Staff recommendation: Majority Voice Vote

**CITY OF CORDOVA, ALASKA
RESOLUTION 11-12-45**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA
ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY13
SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS
ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF
SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN THE
PRINCE WILLIAM SOUND FISHERIES MANAGEMENT AREA**

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY12 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development (DCCED) that the municipality suffered significant effects during calendar year 2011 from fisheries business activities; and,

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by DCCED; and,

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of DCCED, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of relative significant effect of fisheries business activity on the respective municipalities in the area; and,

WHEREAS, The Cordova City Council proposes to use an alternative allocation method for allocation of FY13 funding available within the Prince William Sound Management Area in agreement with all other municipalities in this area participating in the FY12 Shared Fisheries Business Tax Program.

NOW, THEREFORE, BE IT RESOLVED, that The City Council of the City of Cordova by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2011 of fisheries business activity in the Prince William Sound Management Area.

ALTERNATIVE ALLOCATION METHOD: All eligible communities in the Prince William Sound Fisheries Management Area (Whittier, Valdez, and Cordova) will receive an **equal share** of the **first half of the funds available** and the other half of the available funds shall be divided as follows:

Whittier to receive **10%** of second half
Valdez to receive **35%** of second half
Cordova to receive **55%** of second half

PASSED AND APPROVED THIS 7th DAY OF NOVEMBER, 2012

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 27, 2012
TO: Mayor and City Council
SUBJECT: Resolution 12-12-46

The attached resolution and contract with John W. Bitney will allow him to serve as the City's lobbyist for two more years as per the term of the attached draft contract attachment "A". I have provided a copy of his current contract which runs through December 31, 2012 so Council can see the differences and John will be at the December 5 meeting to discuss this with Council.

Recommended motion: Move to approve Resolution 12-12-46

Staff recommendation: Majority Voice Vote

**CITY OF CORDOVA, ALASKA
RESOLUTION 12-12-46**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AUTHORIZING THE CITY MANAGER TO ENTER INTO A TWO YEAR
AGREEMENT WITH JOHN W. BITNEY FOR CONSULTING SERVICES IN THE
AMOUNT OF FIFTY THOUSAND DOLLARS (\$50,000) PER YEAR PLUS
REASONABLE EXPENSES.**

WHEREAS, the City of Cordova is in need of a Consultant to lobby on behalf of the City before the State Legislature and others; and

WHEREAS, the Mayor has recommended, that John W. Bitney is the best candidate for this position.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, hereby authorizes the City Manager to enter into a two (2) year agreement, attached as Exhibit “A”, with John W. Bitney in the amount of Fifty Thousand dollars (\$50,000) per year plus reasonable expenses.

PASSED AND APPROVED THIS 5th DAY OF DECEMBER, 2012

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

EXHIBIT "A"

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF CORDOVA AND JOHN W. BITNEY**

The parties to this Agreement are the CITY OF CORDOVA, P.O. BOX 1210, CORDOVA, AK 99574, herein referred to as "City," and JOHN W. BITNEY, P.O. Box 240741, Douglas, AK 99824, herein referred to as "Consultant."

I. Scope of Work. The Consultant is retained to represent the City before various public and private entities, including, but not limited to, the Alaska State Legislature and the United States Legislature, at the specific direction of the City. The Consultant shall advocate the priorities of the City as established by Cordova City Council, Mayor, and City Manager.

II. Term of Agreement. This Agreement shall be in effect from January 1, 2013 until December 31, 2014, unless amended in writing in accordance with the terms of this Agreement.

III. Communication. The Consultant shall communicate regularly, especially during the Legislative session, with the Mayor and City Manager, or their designees. The Consultant shall advocate the priorities established by the City as directed by the Mayor or City Manager, or their designees. Further, the Consultant shall meet with the City at mutually agreed times to present reports, discuss strategy and develop plans.

IV. Exclusivity. The Consultant agrees not to represent any other municipal or borough client during the term of this agreement without consent of the City. If the Consultant chooses to take an additional municipal or borough client the Consultant shall notify the City Manager and Mayor at least 90 days prior to accepting the new client. The City may choose to allow the Consultant to add the new client. If the Consultant chooses to accept a municipal or borough client without approval from the City, the City may choose to withdraw from this agreement without penalty, and payments to the Consultant shall be prorated to the date of withdrawal.

V. Compensation. The City shall pay Consultant the sum of Fifty Thousand Dollars (\$50,000.00) each year for two years. A payment of Ten Thousand Dollars (\$12,500.00) each shall be made quarterly on January 1, April 1, July 1, and October 1, 2013, and on January 1, April 1, July 1, and October 1, 2014.

VI. Reimbursable Expenses. The City shall reimburse Consultant for reasonable expenses incurred in conjunction with fulfilling Consultant's obligations under this Agreement. Payments for expenses shall be made within 30 days of receipt of consultant's invoice.

VII. Amendment to Agreement. This Agreement may be amended or modified in writing. Any amendment or modification must be signed by the City and the Consultant to be valid.

VIII. Termination. This agreement may be terminated by either party with 90 days written notice.

IX. Entire Agreement. This document represents the entire agreement between the parties.

CITY OF CORDOVA

CONSULTANT

By: _____
Cathy Sherman (Acting City Manager)

By: _____
John W. Bitney (Consultant)

Date: _____

Date: _____

AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN

THE CITY OF CORDOVA AND JOHN W. BITNEY

The parties to this Agreement are the CITY OF CORDOVA, P.O. BOX 1210, CORDOVA, AK 99574, herein referred to as "City," and JOHN W. BITNEY, P.O. Box 240741, Douglas, AK 99824, herein referred to as "Consultant."

I. Scope of Work. The Consultant is retained to represent the City before various public and private entities, including, but not limited to, the Alaska State Legislature and the United States Legislature, at the specific direction of the City. The Consultant shall advocate the priorities of the City as established by Cordova City Council, Mayor, and City Manager.

II. Term of Agreement. This Agreement shall be in effect from January 1, 2011 until December 31, 2012, unless amended in writing in accordance with the terms of this Agreement.

III. Communication. The Consultant shall communicate regularly, especially during the Legislative session, with the Mayor and City Manager, or their designees. The Consultant shall advocate the priorities established by the City as directed by the Mayor or City Manager, or their designees. Further, the Consultant shall meet with the City at mutually agreed times to present reports, discuss strategy and develop plans.

IV. Exclusivity. The Consultant agrees not to represent any other municipal or borough client during the term of this agreement without consent of the City. If the Consultant chooses to take an additional municipal or borough client the Consultant shall notify the City Manager and Mayor at least 90 days prior to accepting the new client. The City may choose to allow the Consultant to add the new client. If the Consultant chooses to accept a municipal or borough client without approval from the City, the City may choose to withdraw from this agreement without penalty, and payments to the Consultant shall be prorated to the date of withdrawal.

V. Compensation. The City shall pay Consultant the sum of Forty Thousand Dollars (\$40,000.00) each year for two years. A payment of Ten Thousand Dollars (\$10,000.00) each shall be made quarterly on January 1, April 1, July 1, and October 1, 2011, and on January 1, April 1, July 1, and October 1, 2012.

VI. Reimbursable Expenses. The City shall reimburse Consultant for reasonable expenses incurred in conjunction with fulfilling Consultant's obligations under this Agreement. Payments for expenses shall be made within 30 days of receipt of consultant's invoice.

VII. Amendment to Agreement. This Agreement may be amended or modified in writing. Any amendment or modification must be signed by the City and the Consultant to be valid.

VIII. Termination. This agreement may be terminated by either party with 90 days written notice.

IX. Entire Agreement. This document represents the entire agreement between the parties.

CITY OF CORDOVA

By: _____

Mark Lynch (City Manager)

Date: _____

12/16/10

CONSULTANT

By: _____

John W. Bitney (Consultant)

Date: _____

12.16.10



CITY OF CORDOVA

Office of City Manager

November 28, 2012

Memo to City Council
Re: CCMC Signage

CMC 5.12.040 "Council approval of contracts" says:

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

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

I recommend the city enter into a contract with Signco Quality Signs, of Anchorage, Alaska, to design, fabricate and install five new signs for the CCMC building in Cordova, Alaska.

The contract price is not to exceed Sixty Thousand Four Hundred and Sixty Six dollars (\$60,466.00). Price includes travel, per diem, equipment expenses and shipping to Cordova, Alaska.

A summary of the nature and quantity of the performance the city shall receive is set forth in the attached letter from Signco.

The time for performance is for all work to be completed is 120 days after notice to proceed is issued.

Recommended action: Voice Vote.

I move to direct the City Manager to enter into a contract with Signco Quality Signs for new signage and associated work at CCMC for a sum of Sixty Thousand Four Hundred and Sixty Six dollars (\$60,466.00).

Thank you,

Cathy R. Sherman
Acting City Manager

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



To: City of Cordova Project Manager

Date: 10/31/2012

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

Project: Cordova Community Medical Center
RFP #05-12—CCMC SIGNAGE

Signco, Inc. is owned, operated and originally started by myself Dave Mabeus, in the winter of 1989. I have gradually grown it to be Alaska's main source sign company, well established in the design, manufacture and install of both small and large illuminated signs. We have led the industry in Alaska in such things as electronic sign displays and LED illuminated letters such as the ones for your project.

If you choose to use us for your sign project the names you will become familiar with are my assistant Jasmin Lewis and my project coordinator Ken DeLong. Through the entire project I will be your main point of contact and decision maker.

We pride ourselves here at Signco to demonstrate confidence in projects such as this. I sincerely hope that reflects in the way we have presented ourselves to you. I look forward to working with you on this project as well as other sign projects in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Mabeus", is written over a horizontal line.

Dave Mabeus

DESIGN • CUSTOM FABRICATION • INSTALLATION • SERVICE • NEON
2840-A Commercial Drive—Anchorage, Alaska 99501—(907) 338-7446 FAX (907) 258-7192

Proposal & Contract



Alaska's Source for:



#993960

DATE: November 2, 2012
TO: Cordova Community Medical Center
Attn: Josh Hellquist
Cell: 253-6232 Office: 424-6280
CCPM@cityofcordova.net

Design, Fabrication, Installation, & Maintenance

2840-A Commercial Dr. Anchorage, AK 99501 338-SIGN (7446) Fax 258-7192 1-800-440-6665

SIGNCO, Inc. will furnish all the labor, materials, & equipment for the following proposed sign work...

Manufacture & Install in Cordova Alaska (Price includes Davis Bacon wages)

S1

1 each set 15", reduced width, LED illuminated white channel letters to read—Cordova Community Medical Center. Installed on raceway—\$18,778.00

S2

1 each set 15", standard width, LED illuminated white channel letters to read—Cordova Community Medical Center. Installed on raceway—\$18,778.00

S3

1 each stand alone Business offices sign, installed on concert walk way attached to post—\$650.00

S4

1 each set 18" LED illuminated red channel letters to read—EMERGENCY. Installed on raceway—\$6,692.00

S5

1 each set 12" LED illuminated channel letters to read—Cordova Community Medical Center. Installed on raceway—\$15,568.00

Prices includes travel, per diem, equipment expenses and shipping to Cordova, Alaska

*Signco, Inc. will furnish a 1 year unconditional guarantee with the exceptions of acts of God and/or vandalism if within a 50 mile radius of Signco. If outside of that radius the following exclusions will apply: travel & equipment expenses/accommodations and/or per diem.

*All signs will remain the property of Signco, Inc. until paid in full.

*Primary electrical run & hook up furnished by others unless other wise written.

All work to be completed as specified above for the sum of:	Sixty Thousand Four Hundred Sixty Six Dollars	Dollars. \$ 60,466.00
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Payment to be made as follows:

50% DEPOSIT WITH ORDER, BALANCE UPON COMPLETION

IF ACCOUNT GOES PAST AGREED TERMS CUSTOMER WILL BE RESPONSIBLE FOR ALL COLLECTIONS AND ATTORNEY FEES

Any alteration or deviation from the above specifications involving extra cost of material or cost of labor will only be executed upon receipt of written or verbal orders for same, and will become an extra charge over the sum mentioned in this contract. All materials are guaranteed to be as specified. Additionally, installation of foundation prices quoted are subject to revision where excess rock or other unforeseeable foundation conditions are encountered.

Authorized & submitted by: **Dave Mabeus**

Note: This proposal may be withdrawn by SIGNCO, Inc. if not accepted within _____ Days.

Acceptance of Proposal

The above prices, specifications & conditions are satisfactory and hereby accepted. You are authorized to do the work specified.
Payment will be made as outlined above.

Accepted by: _____ Date: _____, 2012

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 28, 2012

TO: Mayor & City Council

SUBJECT: Quarterly Council review of CIP List

The Council has decided to revisit the Capital Improvements Projects Resolution and list at least quarterly. The most recent list was approved as Resolution 09-12-40. Tonight this is a discussion item and if Council has edits, staff can bring back a resolution at the December 19 Regular Meeting for approval.

**CITY OF CORDOVA, ALASKA
RESOLUTION 09-12-40**

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

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

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

1. Electronic Health Records at CCMC
2. Cordova Center
3. Shipyard Building
4. Shipyard Fill
5. G Float Replacement
6. Municipal Dock (Ocean Dock) Renovation
7. South Fill Sidewalks
8. South Fill Expansion & Sawmill Avenue Extension
9. Public Safety Building
10. Recreation Building
11. Water / Wastewater Plant upgrades
12. Ferry Trail

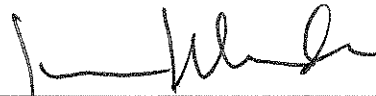
and;

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

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


PASSED AND APPROVED THIS 5th DAY OF SEPTEMBER, 2012





James Kallander, Mayor

ATTEST:



Susan Bourgeois, City Clerk

CITY OF CORDOVA
JOB DESCRIPTION

<u>POSITION TITLE:</u>	<u>CITY MANAGER</u>
<u>SUPERVISOR:</u>	<u>CITY COUNCIL</u>
<u>CLASSIFICATION:</u>	<u>CONTRACT, EXEMPT, SALARIED and CONFIDENTIAL POSITION</u>
<u>PAY RANGE:</u>	<u>\$80,000+ D.O.E. with Benefits</u>

POSITION SUMMARY: Under supervision and general direction of the City Council serves as the chief administrative officer for the city. Oversees municipal operations including: Public Works, Water and Sewer, Refuse, Parks and Recreation, Public Safety, Harbor, Library, Museum and Administration.

ESSENTIAL FUNCTIONS:

1. Administers municipal operations in accordance with the Cordova Charter and applicable ordinances.
2. Oversees department activities and personnel issues. Appoints, trains, disciplines and removes, if necessary, all department heads.
3. Assists the council in long and short term planning and goal setting.
4. Prepares and manages the annual budget as adopted by the council.
5. Assists the council in developing economic development projects.
6. Develops and oversees the annual Capital Improvements Program.
7. Negotiates contracts, solicits and administers grants in accordance with the council's direction.
8. Monitors state and federal legislative activity that may affect the city. Keeps council abreast of areas of concern.
9. Represents the city and city council in municipal matters and concerns. Interfaces with state and federal government agencies, legislators, special interest groups and the general public.
10. Serves as staff for all city council meetings and assists the Mayor and the City Clerk in establishing agendas. Implements council's decisions.

OTHER RESPONSIBILITIES:

1. Provides information to legislators regarding the city's position on legislative issues.
2. Consults with city legal council regarding municipal, state and federal law.
3. Attends meetings of city boards and commissions, as required

EDUCATION, EXPERIENCE AND SKILLS REQUIRED:

1. A minimum of five years management in either public or private sector. Experience in personnel management of multiple staff personnel.
2. Bachelor degree desired. A minimum of five years management experience may be substituted for education.
3. Ability to communicate effectively both orally and in writing with a variety of groups and organizations.

4. Ability to prepare and make presentations to public groups on issues of concern.
5. Ability to understand and interpret Alaska municipal laws, municipal ordinances and federal and state government regulations.
6. Ability to resolve conflict amongst staff and between the city and government agencies, vendors, community groups, and individuals.
7. Strong interpersonal skills, effective negotiation skills, and good public relation skills required.
8. Knowledge of financial concepts.
9. Ability to learn job related computer software and programs.

The above job description is to be used as a guide for accomplishing organizational and department objectives, and only covers the primary functions and responsibilities of the position. It is in no way to be construed as an all encompassing list of duties.

DONALD L. MOORE

P. O. BOX 874191

Wasilla, Alaska

907-315-5296 (Mobile)

907-376-1484 (Home)

managermoore@gmail.com

Municipal Management Experience:

- Interim Assistant Borough Manager—Matanuska-Susitna Borough, Alaska
January to June, 2012
- Interim City Manager—City of Dillingham, Alaska
Nov. 2006 to May 2007, Sept. 2010 to Jan. 2011, April 2011 to Aug. 2011
- Interim City Manager—City of Galena, Alaska
February to August, 2009
- Interim City Manager—City of Nome, Alaska
January to July, 2008
- Project Manager-City of Wasilla, Alaska-Supervise design and construction
of a Multi-use Sports Complex (\$14.7M), June 2002 to Sept 2003
- Interim City Manager—City of Palmer, Alaska
May to October, 1999
- Interim City Manager—City of Kotzebue, Alaska
February to July, 1998
- Borough Manager—Matanuska-Susitna Borough- May, 1989 to Feb 1998
- City Manager—City of Cordova, Alaska-October 1986 to May 1989
- Construction Projects Manager- Fairbanks North Star Borough School
District-Fairbanks, Alaska, October, 1985 to October, 1986
- Public Works Director-Fairbanks North Star Borough, Alaska-Feb 1975 to
Oct 1986

Education:

- Bachelor of Science-North Dakota State University-Fargo, ND-1970
- Certificate-Environmental Management-University of Southern
California-1977

- Professional extension courses and graduate credits in Public Administration-continuing

Other relevant experience:

- Military Veteran-U.S. Army and Alaska Army National Guard-1961-1964, 1975-1977.
- Manager-Bio Science Research Laboratory-Antarctica-1967-1968
- Wildlife Control Project—St. George Island—2000-2006 (Summers)
- Founding Board Member—Prince William Sound Science Center-1989
- Board of Directors-Habitat for Humanity-Wasilla, Alaska-1998-1999.

References:

- Matanuska-Susitna Borough
Larry DeVilbiss, Mayor
John Moosey, Manager
907-745-9689
- City of Dillingham
Alice Ruby, Mayor
907-842-4370
- City of Nome
Denise Michels, Mayor
907-443-6600
- City of Wasilla
Archie Giddings, Public Works Director
907-373-9055
- R. Desmond Mayo
Chief Financial Officer
Crowley Marine Services
907-777-5505
- Brooks Chandler, Attorney
Boyd, Chandler and Falconer
907-272-8401

Additional references available upon request.

WALTER J. HICKEL
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

July 31, 1991

Mr. Donald L. Moore
Borough Manager
Matanuska-Susitna Borough
350 East Dahlia Avenue
Palmer, AK 99645-6488

Dear Mr. Moore:

Your letter of July 24 was a positive, pro-active message. I appreciate the commitment to solve the problem and particularly your personal assurance that the job will be done right.

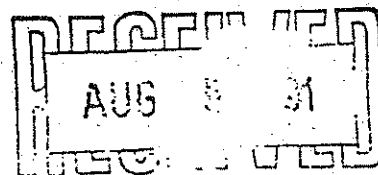
Great letter. Thank you, and Godspeed.

With best regards.

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Walter J. Hickel
Governor

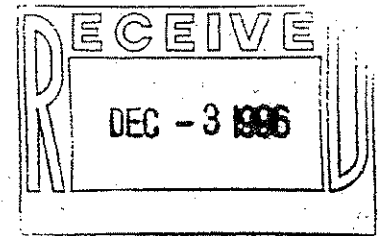


TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532



November 26, 1996

Mr. Don Moore
Borough Manager
Matanuska-Susitna Borough
350 East Dahlia
Palmer, AK 99645

Dear Don,

Please accept my sincere thanks for your participation in what I believe was an extremely successful mission to Japan and Korea. The trip set a new standard for public-private cooperation and I thank you for the role you played in its success.

Many "wins" were produced by the mission and I believe the two important aspects of the trip were the wide industry representation and the unified approach taken through our public-private partnership. I am convinced more than ever Alaska's business community is the key to our economic health, and believe by working together we can meet the challenges of global competition. We sent a strong message to our customers of our commitment to provide good quality, competitive prices and the promise of a long-term, stable relationship. These factors are key to maintaining and expanding our role in the global marketplace.

The mission produced immediate results illustrated by solid trade commitments. It renewed the extremely important relationships with our major trading partners. And it demonstrated an important sense of unity through a private-public partnership to our customers.

Again, thank you for your active participation in the mission through your involvement in the planning and contributions of briefing materials, talking points and sponsorships. My Administration is committed to working side-by-side with you to pursue commercial links in international commerce. It was an honor to work with you and I welcome any suggestions you might have on how we can continue to partner together to help grow a healthy Alaska economy.

Sincerely,

Tony
Tony Knowles
Governor

*Don,
Thanks for making the
trip so positive and productive.
You are a great Ambassador
to Alaska!*



SARAH H. PALIN
MAYOR

CITY OF WASILLA

290 E. Heming Ave.
Wasilla, Alaska 99654-7091
Phone: (907) 373-9055
Fax: (907) 373-9096

September 23, 2002

To Whom it May Concern:

Don Moore was hired on June 17, 2002 to fill the position of economic development planner with the City of Wasilla, and more specifically to act as project manager for the Wasilla Multi-Use Sports Complex.

I am honored to have had the privilege of working with Mr. Moore during this time period. Mr. Moore was the manager for the Mat-Su Borough for eight years and, while at the Borough, developed planning and financing strategies for the design and building of just such a multi-recreational facility for the Valley.

It has been my pleasure as Mayor to work with Don Moore as a part of the City's team in one of the fastest growing communities in Alaska. I attribute Wasilla's progress to the teamwork here that has created an environment that encourages investment in this great community.

I heartily recommend the continuation of Mr. Moore's employment with the City of Wasilla under the new Administration. As a resident of this fine city, I will feel confident that the planning and oversight of the Multi-Use Sports Complex is in good hands as Mr. Moore's service continues.

Sincerely,

Sarah Palin
Mayor of Wasilla

CITY OF DILLINGHAM
Dillingham, Alaska

RESOLUTION NO. 2007-22

Expressing thanks and commendation to Don Moore

WHEREAS, in the fall of 2006, the City of Dillingham was in need of an experienced interim city manager; and

WHEREAS, Don Moore, a retired municipal manager accepted the position site unseen; and

WHEREAS, in a very short time, and because of his positive attitude, work ethic, knowledge and abilities, Don Moore gained the trust and respect of the City Council, City staff, residents and other organizations; and

WHEREAS, in a short time, Don Moore assisted the City in making forward progress on issues of great importance such as filling critical vacant positions, school construction/bonding, re-opening lines of communication with local organizations and maintaining lines of communication between Council and staff; and

WHEREAS, due to his talents, technical and people skills, attitude and honesty, Don Moore became a true asset to this city, its residents, organizations, public officials and employees; now

THEREFORE, BE IT RESOLVED by the City Council of the City of Dillingham, Alaska that it is with great respect and affection that we offer sincere gratitude and commendation for Don Moore's leadership and effort while serving as the Interim City Manager.

APPROVED AND ADOPTED this 3rd day of May, 2007.



ATTEST:

Janice Shilanski
Janice Shilanski, City Clerk

Alice Ruby
Mayor Alice Ruby

Alaska State Legislature

Agenda Rpt.

Resources, Vice Chair
State Affairs, Vice Chair
House Special Committee on Oil & Gas, Vice Chair
House Special Committee on Fisheries



600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-4866
FAX (907) 373-4724

Representative Scott Ogan
House District 27

October 25, 1995

Mr. Don Moore, Manager
Matanuska-Susitna Borough
350 East Dahlia Avenue
Palmer, AK 99645

Dear Don,

Thank you for all the effort and energy that you and your staff put into helping residents of the Matanuska-Susitna Borough recover from the disaster we experienced last month. The long hours you worked were not unnoticed, and you are to be commended for the time you put into this unfortunate event.

It was a pleasure to see how the different agencies coordinated work in order to accomplish the goal of helping the areas that needed assistance during this crisis. I would like to personally recognize borough employees Kevin Koechlein, Jim Swing and Phil Aber. Their mobilization and response time was very impressive. Having personally toured the affected areas and talked with the people, I am sure the citizens impacted by this disaster recognize their efforts as well.

Again, the level of appreciation that I feel is difficult to express in writing, but please know that your efforts and energy were greatly appreciated. I have great confidence in your ability to assess and respond to whatever may lie ahead. Keep up the good work!

Sincerely,

A handwritten signature in cursive script that reads "Scott Ogan".

Scott Ogan
Representative

Commercial Fisheries Apprenticeship Program

This certifies that
Don Moore

has served Alaskan youth and the
Commercial Fisheries Apprenticeship Program
with credit and distinction.

As evidence of that contribution to the program
this Certificate has been given
at Cordova, Alaska

for the school year 1987-1988.

Belle McKeel

Project Director

Belle McKeel

CANCA President

THE EYAK CORPORATION

RECEIVED

SEP 26 1988

CHY J. JOHNSON

22 September, 1988

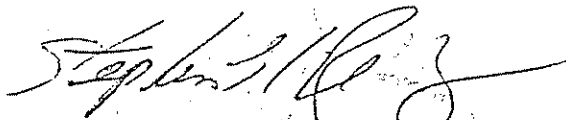
Mr. Donald Moore
City Manager
City of Cordova
PO Box 1210
Cordova, AK 99574

RE: Special Planning Commission Meeting

Dear Don:

On behalf of the Board of Directors of Eyak Corporation, I extend our sincere gratitude for your efforts to resolve the logging truck problem. Your proposed compromise solution was deeply appreciated by all parties; the logger, the planning commission and Eyak Corporation. Furthermore, your support of the logging efforts clearly demonstrates the City's desire to encourage and foster diversified economic development in a safe manner. Again, our sincere thanks for your efforts and assistance.

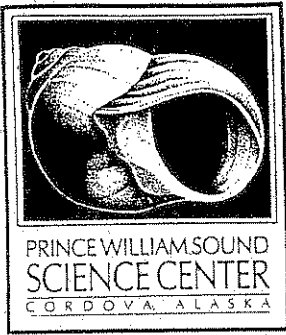
Sincerely,



Stephen M. Rahnberg, CMA
Chief Executive Officer
The Eyak Corporation

cc: Erling Johansen, Mayor
City of Cordova

SMR/11c



NOV - 7 1996

P.O. Box 705
Cordova, AK 99574
(907) 424-5800 FAX: (907) 424-5820

October 29, 1996

Don Moore
Mat-Su Borough Manager
P.O. Box 1688
Palmer, AK 99645

Dear Don:

I want to be sure you heard the good news for Prince William Sound and to thank you, as a past member of our Board of Directors, for your efforts on behalf of the Science Center, Prince William Sound and the Oil Spill Recovery Institute (OSRI). Last month, Congress passed the 1996 Coast Guard Authorization bill including amendments regarding the OSRI. We received news last week that the President signed this bill which will provide 10 years or more of funding for oil pollution research and environmental monitoring!

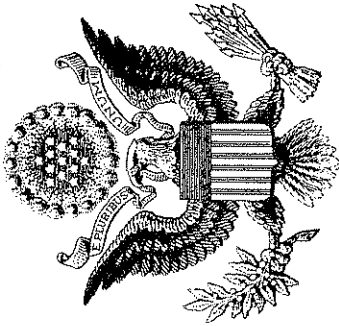
Your early efforts to help build the PWS Science Center were very important in establishing a foundation. I'm pleased to share this good news with you knowing that we shared hopes for the Center's success.

Please be sure to visit us the next time you are in Cordova. Thanks for your continuing support and for your assistance on this issue over the past several years!

Very truly yours,

G.L. Thomas, Ph.D.
President

Honorable Discharge



from the Armed Forces of the United States of America

This is to certify that

MOORE DONALD LEE

ER 17 601 841 SP5 USAR

was Honorably Discharged from the

Army of the United States

on the 31ST day of JULY 1967 *This certificate is awarded*
as a testimonial of Honest and Faithful Service

B E Babcock

B. E. BABCOCK
COLONEL AGC

North Dakota State University
of
Agriculture and Applied Science



Donald Lee Moore

having completed the studies prescribed for the Curriculum in
Chemistry

and having been approved and recommended by the Faculty is
by the State Board of Higher Education admitted to the degree of

Bachelor of Science

Given at Fargo, North Dakota, this twenty-fifth day of November, 1970

George A. Sinner
President, State Board of Higher Education

Lawrence H. Kuehn
Commissioner of Higher Education



L. D. Loftsgard
President

Ernest L. Granger
Director of Admissions and Records



UNIVERSITY OF SOUTHERN CALIFORNIA
SCHOOL OF PUBLIC ADMINISTRATION

ENVIRONMENTAL MANAGEMENT INSTITUTE

Be it known that

DONALD L. MOORE

has completed a three-month course in

ENVIRONMENTAL MANAGEMENT

and in testimony whereof, and by the authority vested in us, we do confer this certificate

Given at Los Angeles, California, the first day of December in the Year of Our Lord,

One Thousand Nine Hundred and Seventy-seven

Maria G. Barbero
Director, Environmental Management Institute

Robert P. Biller
Dean, School of Public Administration

Houston J. Floumey
Dean, Center for Public Affairs

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 27, 2012

TO: Mayor and City Council

SUBJECT: Parks & Recreation Commission

There are three vacant seats on the Parks & Recreation Commission that serve three-year terms, one to expire November 2014 and two to expire in November 2015. The Clerk's Office advertised these vacancies and asked for letters for interest to be submitted by the date of tonight's meeting December 5. There have been two letters submitted by the time of packet printing (from Stephen Barnes and Kara Johnson).

RECOMMENDED MOTION: Move to approve Mayor Kallander's appointments of _____ and _____ to the Parks and Recreation Commission, each to serve three year terms that expire November 2015 and _____ to serve a two year term that expires November 2014.

REQUIRED ACTION: Majority voice vote.

Susan Bourgeois

From: Stephen Barnes <taylormaid201018@hotmail.com>
Sent: Wednesday, November 07, 2012 6:41 AM
To: Susan Bourgeois
Subject: Parks and Rec commission

Mayor Jim Kallander

Please allow me to serve another term on the Parks & Rec commission, I feel I bring a long term view to this commission and love working with people to improve our town for the future opportunities this community can offer everyone who lives and visits Cordova. Thanks for your consideration.

Stephen R Barnes
1403 Power Creek Road
Cordova AK 99574

July 11, 2012

Dear Mayor Kallander,

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

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

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

Sincerely,

Kara Johnson

hippychiquita@gmail.com

907-429-3711

PO Box 954

Cordova, AK 99574

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: November 27, 2012

TO: Mayor and City Council

SUBJECT: Planning & Zoning Commission

There are two vacant seats on the Planning & Zoning Commission that serve three-year terms to expire November 2015. The Clerk's Office advertised these vacancies and asked for letters for interest to be submitted by December 5 the date of the meeting. There have been two letters submitted timely enough for inclusion in this packet (from Becky Chapek and John Greenwood).

RECOMMENDED MOTION: Move to approve Mayor Kallander's appointments of _____ and _____ to the Planning & Zoning Commission, to serve three-year terms to expire November 2015.

REQUIRED ACTION: Majority voice vote.

To: Cordova Planning & Zoning

From: Becky Chapek

Date: November 16, 2012

Re: Vacant Planning Commission Seat

RECEIVED
NOV 19 2012
City of Cordova

I understand that Roy Srb will not be continuing his position as a member of the planning commission when the seat expires. I would like to be considered as a candidate to serve a term working as a member of Cordova's Planning Commission.

Thank you,

Becky Chapek

From: John Greenwood [<mailto:impeller@gci.net>]
Sent: Monday, November 19, 2012 9:35 AM
To: Sam Greenwood
Subject: p and z

I would like to put my name in for the Planning and Zoning Commission.

John Greenwood

Eyak Outlet
John Greenwood
PO Box 2551
115 Jensen Dr
Cordova, AK 99574
(907) 424-7787
impeller@gci.net

Pending agenda:

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

Budget Work Sessions: last one should be December 5!

Clerk out of office 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
December 2012; January 2013; February 2013

December 2012

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
Location Legend CH-City Hall Confer- ence Room LMR-Library Mtg Rm	HSL-High School Li- brary					1
2	3	4	5 7:15 pub hrg LMR 7:30 reg mtg LMR	6	7	8
9	10	11 5:30 Parks & Rec LMR 7:00 P&Z CH	12 7:00 Sch Bd HSL 7:00 Hrbr Cms CH	13	14	15
16	17	18	19 tbd HSB LMR 7:15 pub hrg 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 Confer- ence Room LMR-Library Mtg Rm	HSL-High School Li- brary

January 2013

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library		<i>1</i> New Years'—City Hall Offices Closed	2 tbd HSB LMR 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR —Clerk vaca—	<i>3</i> —Clerk vaca—	<i>4</i> —Clerk vaca—	<i>5</i>
<i>6</i>	<i>7</i> —Clerk vaca—	<i>8</i> 5:30 Parks & Rec LMR 7:00 P&Z CH —Clerk vaca—	<i>9</i> 7:00 Sch Bd HSL 7:00 Hrbr Cms CH —Clerk vaca—	<i>10</i> —Clerk vaca—	<i>11</i> —Clerk vaca—	<i>12</i>
<i>13</i>	<i>14</i> —Clerk vaca—	<i>15</i> —Clerk vaca—	<i>16</i> 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	<i>17</i>	<i>18</i>	<i>19</i>
<i>20</i>	<i>21</i> Martin Luther King Jr.—City Hall Offices Closed	<i>22</i>	<i>23</i>	<i>24</i>	<i>25</i>	<i>26</i>
<i>27</i>	<i>28</i>	<i>29</i>	<i>30</i>	<i>31</i>		Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library

February 2013

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library					1	2
3	4	5	6 tbd HSB LMR 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	7	8	9
10	11	12 5:30 Parks & Rec LMR 7:00 P&Z CH	13 7:00 Sch Bd HSL 7:00 Hrbr Cms CH	14	15	16
17	18 Presidents' Day City Hall Offices Closed	19	20 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	21	22	23
24	25	26	27	28		Location Legend CH-City Hall Conference Room LMR-Library Mtg Rm HSL-High School Library