

**Mayor**

James Kallander

**Council Members**

Tim Joyce

James Kacsh

David Allison

Bret Bradford

EJ Cheshier

David Reggiani

Robert Beedle

**Acting City Manager**

Cathy Sherman

**City Clerk**

Susan Bourgeois

**Deputy Clerk**

Tina Hammer

**Student Council**

Carl Ranney

**CITY COUNCIL PUBLIC HEARING  
DECEMBER 19, 2012 @ 7:00 PM  
LIBRARY MEETING ROOM**

**AGENDA**

**A. CALL TO ORDER**

**B. ROLL CALL**

Mayor James Kallander, Council members Tim Joyce, James Kacsh, David Allison, Bret Bradford, EJ Cheshier, David Reggiani, and Robert Beedle

**C. PUBLIC HEARING**

**1. Ordinance 1101..... (page 1)**

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 – 2<sup>nd</sup> reading

**2. Ordinance 1102..... (page 31)**

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 – 2<sup>nd</sup> reading

**3. Resolution 12-12-47..... (page 65)**

A resolution of the City Council of the City of Cordova, Alaska adopting service fees, rates and charges for the 2013 calendar budget

**4. Resolution 12-12-48..... (page 80)**

A resolution of the City Council of the City of Cordova, Alaska, adopting an operating budget for fiscal year 2013 and appropriating the amount of \$20,706,325

**D. ADJOURNMENT**

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

# Memorandum

**To:** City Council

**Thru:** Samantha Greenwood, City Planner

**Date:** November 28, 2012

**Re:** Final Sales Contract

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## **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 19<sup>th</sup> 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 7<sup>th</sup> 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 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:

DATED this \_\_\_\_\_ day of December, 2012.

CITY OF CORDOVA

STATE OF ALASKA )  
 ) ss:  
THIRD JUDICIAL DISTRICT )

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

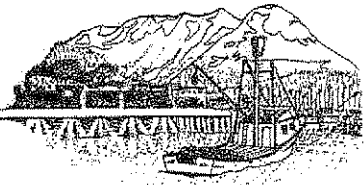
STATE OF ALASKA                    )  
  ) ss:  
THIRD JUDICIAL DISTRICT        )

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/](http://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.

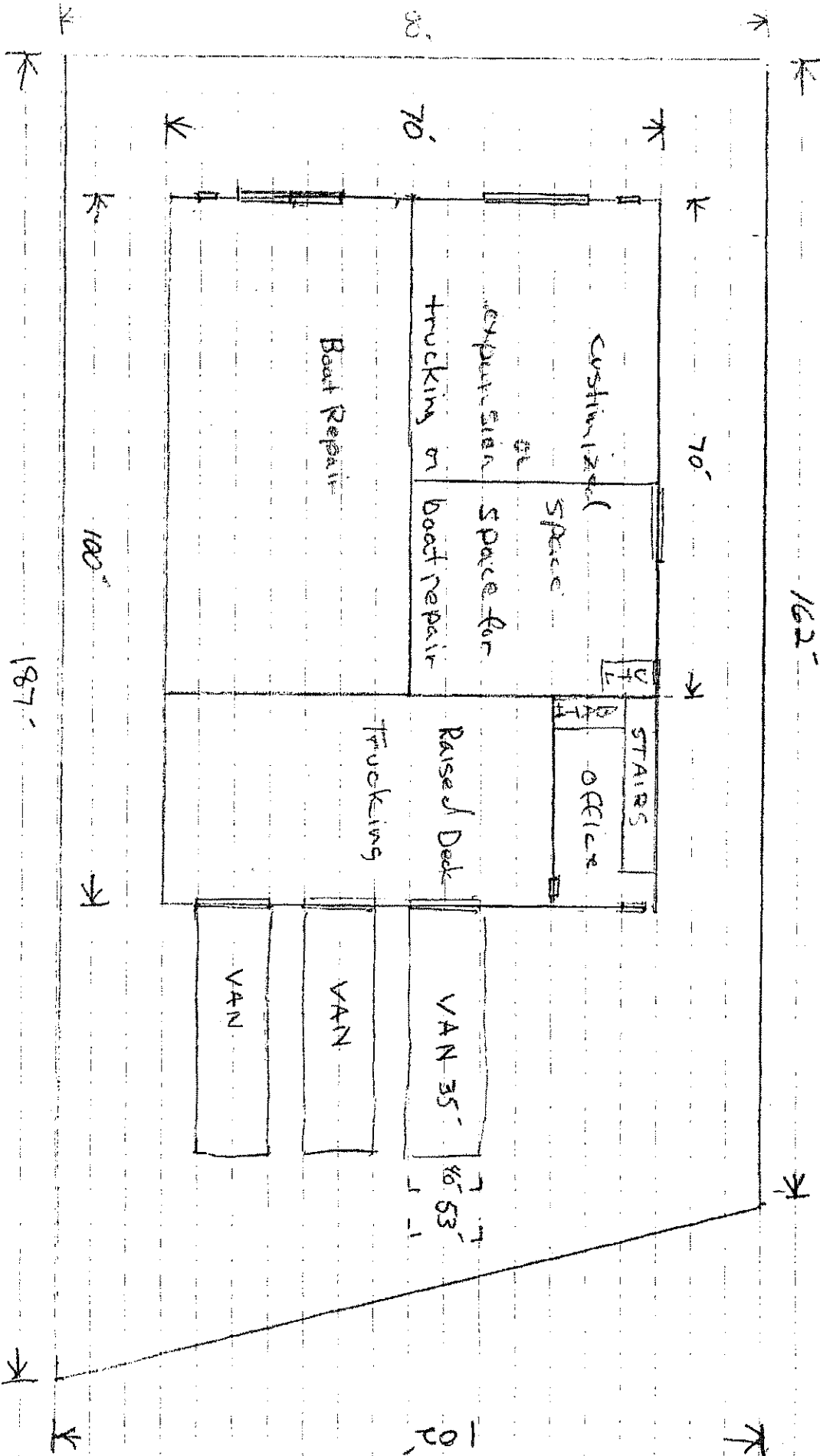
Sincerely,

Dan Nichols

2)

7000 sq ft

162'



# Memorandum

**To:** City Council

**Thru:** Samantha Greenwood, City Planner

**Date:** November 28, 2012

**Re:** Final Sales Contract

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## **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 19<sup>th</sup> 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 7<sup>th</sup> 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:

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.

DATED this \_\_\_\_\_ day of December, 2012.

GRANTOR: CITY OF CORDOVA

By: Cathy Sherman, Acting City Manager

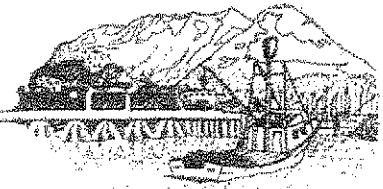
[illegible]

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/](http://www.cityofcordova.net/city-code/)

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

Proposed Price \$78,000.00

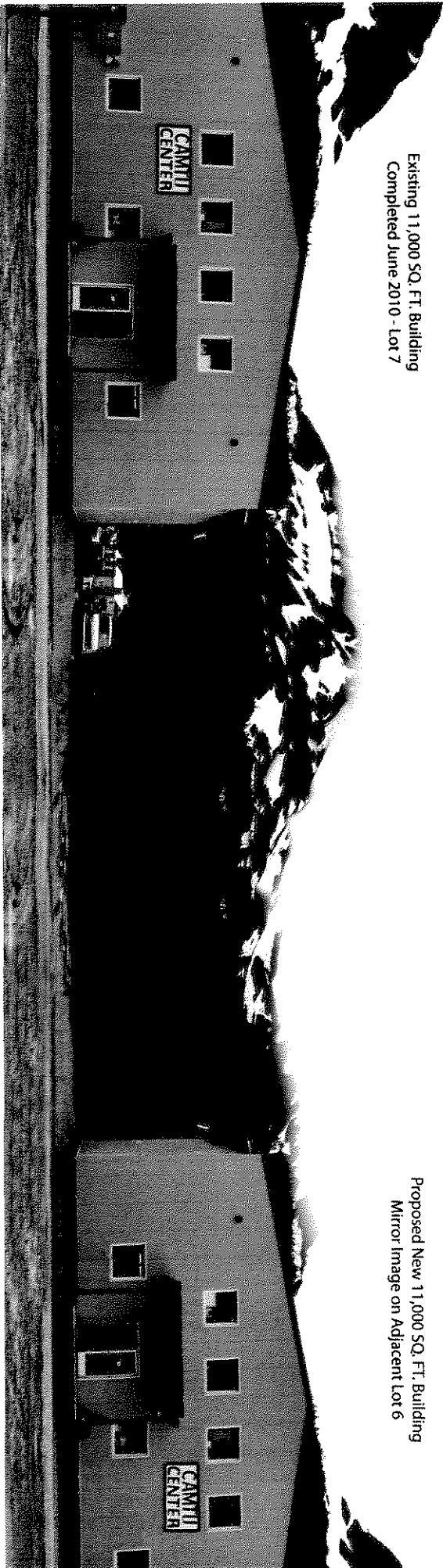
The applicant shall be responsible for all fees and costs the City incurred to third-parties in the transaction, including without limitation costs of appraisal, attorney's fees and costs, surveying and platting fees and costs, closing costs and escrow fees as per City of Cordova Municipal Code section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

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

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

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

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



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

Camtu Center  
PO Box 1502  
Cordova, AK 99574

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

September 1, 2012

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

Attn: Sealed Proposal L6, B2, SFDP

Dear Planning Commission,

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

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

**VALUE OF IMPROVEMENTS:**

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

**NUMBER OF EMPLOYEES:**

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

**CITY SALES TAX REVENUE:**

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

**IMPORTANCE TO COMMUNITY:**

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

**5YR. BUSINESS PLAN/TIME LINE:**

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

**ENHANCED ARCHITECTURAL DESIGN:**

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

**PROPOSAL PRICE:**

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

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

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

CONSISTENCY WITH THE COMPREHENSIVE PLAN:

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

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

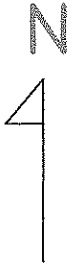
Sincerely,

Thai Vu

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

# HARBOR LOOP ROAD

NO SCALE



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

Lot 6, Blk 2 South Fill Dev Park Vacant

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

20 Total Parking Spaces

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

Loading Area

90'-0"

CAMTU CURRENT MARKET

60" X 90" 10,080 sqft

Building is 2 Stories Multi Use

Watchman's Quarters of 750sqft

Warehouse 1,440sqft

Office 690sqft

Market 3,600sqft

Clothing 3,600sqft

4" Sewer &  
1" Water

Landscaping to be natural plants within a year

Lot 8, Blk 2 South Fill Dev Park Vacant

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

100'-0"

5'-0"

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

**Cantu Current Market**

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

# HARBOR LOOP ROAD

Lot 5, Blk 2 South Fill Dev Park Vacant

Landscaping to be natural plants within a year

4" Sewer &  
1" Water

CAMTU PROPOSED RESTAURANT

60" x 90" 10,080 sqft

Building is 2 Stories Multi Use

Watchman's Quarters of 750sqft

Warehouse 1,440sqft

Office 690sqft

RESTAURANT 3,600sqft

NET STORAGE AND REPAIR 3,600sqft

90'-0"

60'-0"

Loading Area

All area around building to be G-1 and

drain to the South Slough

All Snow removal behind building and to South

20 Total Parking Spaces

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

Lot 7, Blk 2 South Fill Dev Park

Current Location of Camtu Market

129'-23"

NO SCALE



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

100'-0"

5'-0"

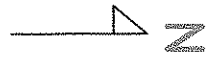
## Camtu New Restaurant

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

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

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: December 30, 2011

TO: Mayor and City Council

SUBJECT: Resolution 12-12-47 &  
Resolution 12-12-48

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City rates fees and charges as well as enterprise fund rates will now be set simultaneously with passage of the budget. The water, sewer and garbage enterprise fund rates are being set with this resolution (12-12-47) but may not go into effect until the code where those rates exist presently are changed. The practice of simultaneous approval and adoption was begun in November 2011. Tonight, December 19, 2012, Council will conduct a public hearing for both resolutions, 12-12-47 setting the 2013 annual fees, rates & charges and 12-12-48 adopting the 2013 budget.

RECOMMENDED MOTION: Move to approve Resolution 12-12-47

REQUIRED ACTION: Majority roll call vote.

RECOMMENDED MOTION: Move to approve Resolution 12-12-48

REQUIRED ACTION: Majority roll call vote.

**CITY OF CORDOVA, ALASKA  
RESOLUTION 12-12-47**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA ADOPTING SERVICE FEES, RATES AND CHARGES FOR THE 2013 CALENDAR BUDGET**

**WHEREAS**, the City Council of the City of Cordova is concurrently adopting the City's 2013 Operating Budget; and

**WHEREAS**, the City Council of the City of Cordova determines annually, by resolution, the fees, rates and charges for city services that are not otherwise established by ordinance or other applicable law; and

**WHEREAS**, fees for water, sewer, and garbage are presently established by ordinance and can be found in Chapters 14.08, 14.16, and 8.12 respectively of the Cordova Municipal Code; and

**WHEREAS**, in the 2013 calendar year, ordinances amending titles 14 and 8 will be forthcoming so as to no longer include water, sewer, and garbage **rates** and after enactment of said ordinances, the rates as approved herein will become effective; and

**WHEREAS**, further amendments to City Code are anticipated in 2013 within Title 16 which will affect the Planning Department Building Permit fees as listed herein on page 9 (see asterisk and double asterisk);

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Cordova, Alaska, hereby adopts the attached list of service fees, rates and charges for the 2013 calendar year:

**CITY OF CORDOVA 2013 FEE SCHEDULE**

<b>BIDARKI RECREATION CENTER AND BOB KORN POOL FEES</b>			
FEES MARKED WITH A (*) WILL INCLUDE ALL YOUTH ACTIVITY FEES FOR THE DURATION OF THE MEMBERSHIP/ AN (X) INDICATES THAT THIS OPTION IS NOT AVAILABLE.			
<b>BIDARKI OR POOL</b>	<b>ADULT</b>	<b>FAMILY</b>	<b>SPECIAL</b>
<b>DROP IN SUMMER</b>	\$10.00	X	*\$3.00
<b>DROP IN OFF SEASON</b>	\$5.00	X	*\$3.00
<b>WEEKLY SUMMER</b>	\$30.00	X	X
<b>WEEKLY OFF SEASON</b>	\$15.00	X	X
<b>1 MONTH</b>	\$55.00	* \$80.00	*\$30.00
<b>ANNUAL</b>	\$225.00	*\$400.00	*\$80.00 bidarki/\$100.00 pool
<b>OFF SEASON / 7 MO.</b>	\$150.00	*\$300.00	X
<b>SUMMER / 5 MO.</b>	\$150.00	*\$300.00	X
<b>COMBO</b>	<b>ADULT</b>	<b>FAMILY</b>	<b>SPECIAL</b>
<b>WEEKLY SUMMER</b>	\$50.00	X	X
<b>WEEKLY OFF SEASON</b>	\$25.00	X	X
<b>1 MONTH</b>	\$100.00	*\$150.00	*\$50.00
<b>ANNUAL</b>	\$400.00	*\$600.00	*150.00
<b>OFF SEASON / 7 MO.</b>	\$250.00	*\$450.00	X
<b>SUMMER / 5 MO.</b>	\$250.00	*\$450.00	X
<b>CORPORATE PASS RATES</b>			
CORPORATE PASSES ARE CONSIDERED ANNUAL FAMILY COMBO PASSES/ THE USCG PAYS A FLAT FEE FOR ALL COAST GUARD FAMILIES; ALL OTHERS ARE CHARGED PER FAMILY /YOUTH ACTIVITY FEES NOT INCLUDED			
<b>NAME</b>	<b>ANNUAL FEE</b>	<b>QUALIFIED FAMILIES / INDIVIDUALS</b>	
<b>USCG</b>	\$5,000.00	UNITED STATES COAST GUARD FAMILIES STATIONED IN CORDOVA ALASKA	
<b>CCMC</b>	\$220.00	A REG FT OR REG PT EMPLOYEE OF THE CDV COMMUNITY MEDICAL CENTER / WORKING 15 OR MORE HRS PER WEEK	

CPSD	\$220.00	A REG FT OR REG PT EMPLOYEE OF THE CORDOVA PUBLIC SCHOOL DISTRICT / WORKING 15 OR MORE HRS PER WEEK
CITY EMPLOYEE	\$187.00	A REG FT OR REG PT EMPLOYEE OF THE CITY OF CORDOVA / WORKING 15 OR MORE HRS PER WEEK THE VOLUNTEER FIRE FIGHTER (CVFD) PASS IS AN ANNUAL ADULT COMBO.
PARTICIPATING CANNERY	\$1,000.00	SEASONAL (MAY 1ST - SEPT. 30) CANNERY WORKERS
CITIZENSHIP & RATE GRID KEY		
ADULT	18 YRS AND OLDER / NO LONGER IN HIGH SCHOOL	
FAMILY	2 ADULTS WHO SHARE A HOUSEHOLD WITH UP TO 5 YOUTH / STUDENT DEPENDANTS. NOTE: FOR FAMILIES GREATER THEN 7; ADD \$10 PER ADDITIONAL FAMILY MEMBER	
STUDENT DEPENDANT	A FAMILY MEMBER WHO IS ENROLLED IN SECONDARY EDUCATION AND CLAIMED ON PARENTS TAX RETURN	
CHILD	5 YRS AND YOUNGER FREE ADMISSION WITH AN ADULT	
CORPORATE MEMBERSHIP	A REDUCED RATE GROUP MEMBERSHIP; UNLIMITED USE COMBO PASS/YOUTH ACTIVITY FEES ARE NOT INCLUDED.	
PARTICIPATING CANNERY	A CANNERY WHO PAYS AN ANNUAL FLAT RATE OF \$1,000.00 SO THEIR SEASONAL EMPLOYEES WORKING MAY 1 - SEPT. 30 <sup>TH</sup> HAVE A REDUCED RATE ENTRY FEE OF \$3.00 TO BIDARKI (POOL EXCLUDED)	
SEASONAL CANNERY WORKER	A WORKER EMPLOYED DURING THE SUMMER MONTHS (MAY 1 -SEPT. 30) BY A LOCAL 'PARTICIPATING CANNERY' / PAY A REDUCED RATE DROP IN FEE OF \$3.00 TO BIDARKI (POOL EXCLUDED)	
'SPECIAL' PASS CITIZENSHIP		
*EACH CITIZEN DEFINED BELOW FALLS UNDER OUR 'SPECIAL PASS' /PASS OPTIONS FOR THESE INDIVIDUALS ARE OUR MOST REASONABLY PRICED.		
YOUTH	6-17 YEARS OLD AND/OR STILL IN HIGH SCHOOL	
MILITARY	ENLISTED IN THE ARMED FORCES AND PRESENTING AN ID	
STUDENT	COLLEGE OR TRADE SCHOOL STUDENT PRESENTING AN ID	
DISABLED	AN INDIVIDUAL PROCLAIMED DISABLED BY HIS/HER STATE OF RESIDENCY	
CVFD	A MEMBER OF THE CORDOVA VOLUNTEER FIRE DEPARTMENT	
ANNUAL DISCOUNT MONTH		
EVERY NOVEMBER WE OFFER A 20% DISCOUNT ON THE ANNUAL PASSES LISTED BELOW.		
CITIZENSHIP	FULL PRICE	20% DISCOUNT
ADULT BIDARKI OR POOL	\$225.00	\$180.00
ADULT COMBO	\$400.00	\$320.00
FAMILY BIDARKI OR POOL	\$400.00	\$320.00
FAMILY COMBO	\$600.00	\$480.00
SUMMER CAMP		
WE OFFER A 25% DISCOUNT OFF THE TOTAL COST FOR FAMILIES WHO HAVE MORE THEN ONE CHILD IN CAMP SIBLING DISCOUNT EXAMPLE IS CALCULATED FOR TWO KIDS IN CAMP /WHEN YOU PURCHASE A 10 OR 5 DAY PACKAGE YOU CAN USE IT FOR ANY COMBINATION OF DAYS IN ANY SESSON OFFERED. AN (X) INDICATES THIS OPTION IS NOT AVAILABLE.		
OPTIONS	COST	SIBLING DISCOUNT EXAMPLE
10 DAY PACKAGE	\$200.00	\$300.00
5 DAY PACKAGE	\$110.00	\$165.00
DAILY DROP IN	\$25.00	X
SLEEPOVER DROP IN	\$45.00	X
CHRISTMAS BAZAAR TABLE RENTAL		
THE CHRISTMAS BAZAAR IS AN ANNUAL EVENT HAPPENING THE FIRST FRI-SAT OF DECEMBER. PRE		

REGISTRATION FOR VENDORS FROM THE PRIOR YEAR HAPPENS IN MID OCTOBER/ GENERAL REGISTRATION BEGINS NOVEMBER 1ST ANNUALLY/ VENDORS MUST HAVE A STATE OR CITY BUSINESS LICENSE/ TEMPORARY BUSINESS LICENSES ARE AVAILABLE AT CITY HALL FOR \$25

TABLE / SPACE SIZE	RENTAL FEE
6FT TABLE / SPACE	\$45.00
8FT TABLE / SPACE	\$60.00
FOOD COURT TABLE	\$60.00
SHARED TABLE	\$30.00 PER PERSON

#### POOL FACILITY RENTAL

LONG TERM POOL RENTAL AND SPECIAL INTEREST GROUP RENTAL FEES TO BE DETERMINED ON AN INDIVIDUAL BASIS BY THE DIRECTOR OF PARKS AND RECREATION/ POOL PARTY'S ARE SCHEDULED FOR SUNDAYS ONLY.

# OF GUESTS	# OF GUARDS	HOURLY RATE
25 GUEST MAXIMUM	2 LIFE GUARDS	\$50.00
50 GUEST MAXIMUM	3 LIFE GUARDS	\$75.00

#### BIDARKI UPSTAIRS GYM RENTAL

THE WEIGHT ROOM IS NOT AVAILABLE FOR RENTAL / B-DAY PARTY FEE INCLUDES A HALF HOUR SET UP AND HALF HOUR CLEAN UP SUNDAYS ONLY & FOOD MUST REMAIN ON THE 3RD FLOOR / ATHLETIC RENTALS INCLUDE A 15 MIN. SET UP AND CLEAN UP SUNDAYS ONLY / DANCES 4 HR MAX SAT. EVENINGS ONLY. 4 HOUR MAX / CONFERENCES SCHEDULED M-SAT; 8 HOUR MAX.

RENTAL TYPE	# OF REC AIDS	FEE	MAX # OF GUESTS
BIRTHDAY PARTY	1	\$50 PER HOUR	25
ATHLETIC RENTAL	1	\$50 PER HOUR	25
DANCES	2	20% OF DOOR FEE	100
CONFERENCES	2	\$500 PER 8 HOUR DAY	150

#### SKATERS CABIN RENTAL

SKATERS CABIN IS A 3 DAY MAXIMUM RENTAL / THE RATE INCREASES EACH 24 HR PERIOD / RENTAL PERIOD STARTS AT 12PM AND ENDS AT 12PM NEXT DAY. THOSE NEEDING TO GET INTO THE CABIN PRIOR TO 12PM MUST RENT IT THE DAY PRIOR / THE BEACH IN FRONT OF THE CABIN AND THE SWIM PLATFORM ARE INCLUDED IN THE RENTAL FEE; THE BEACH IS CLOSED TO THE GENERAL PUBLIC DURING RENTAL PERIODS / MANDATORY \$35 REIMBURSABLE DAMAGE DEPOSIT FOR EACH RENTAL.

RENTAL PERIOD	PERIOD FEE	TOTAL FEE
1ST 24 HR PERIOD	\$25.00	\$25 (+ \$35 DEPOSIT)
2ND 24 HR PERIOD	\$35.00	\$60.00
3RD 24 HR PERIOD	\$50.00	\$110.00

#### ODIAK CAMPER PARK SPACE RENTAL

SHORT TERM IS DEFINED AS 1-30 DAYS ELECTRICITY AND TAXES ARE INCLUDED IN FEE. LONG TERM RENTERS ARE THOSE STAYING OVER 30 DAYS, THE FEE INCLUDES TAXES AND IN ADDITION TO THE FEE, ELECTRICITY WILL BE CHARGED AT \$.40 PER KILOWATT HOUR.

RENTER	FEE PER DAY	TOTAL CHARGE
SHORT TERM (Tax Included)	\$25.00	\$25.00 PER DAY
LONG TERM (Tax Included)	\$24.00	\$24.00 PER DAY Plus \$0.40 per Kilowatt of Electricity Used

### INFORMATION SERVICES

#### Library/Museum

##### Meeting Room

Meeting room reservations made according to priority use as set forth in the Policies and Procedures Manual of the Cordova Public Library. \$25 clean-up deposit may be required; clean up by user is required; cleaning deposit is refundable.

##### Library fees

Overdue fee      \$ .10/day  
 Copies            \$ .25/page  
 Fax                \$1.00/page

### **POLICE DEPARTMENT**

**City Impound Fee:**

Vehicles and trailers up to 21 feet in length	\$10/day
Each foot beyond 21 feet	\$ 1/foot
All other material	\$0.29/sq. foot/day
Alcohol Breath Test	\$50.00
Fingerprinting:	\$ 20 - 1 card      \$ 35 - 2 cards
Police Reports	\$10.00 (requires approval from Chief)
Discovery CDs	\$15.00
Discovery Video	\$15.00
Service of Civil Papers	\$65.00
Chauffer's License	\$35.00
<b>*Dog License:</b>	
Altered animal	\$10.00
Non altered	\$15.00
Provisional	\$10.00
Replacement	\$ 5.00
<b>*Impound Fees:</b>	
Cats – Flat fee	\$50.00
Dog – 1 <sup>st</sup> Impound	\$25.00 Licensed \$50.00 Unlicensed
Dog – 2 <sup>nd</sup> Impound	\$50.00 Licensed \$75.00 Unlicensed
Dog – 3 <sup>rd</sup> Impound	Determined by Chief
<b>*Boarding Fees:</b>	
Dogs	\$20.00/day
Cats	\$10.00/day

When an animal is impounded, the fee is as follows: Impound + Boarding + Medical + License if not yet obtained or proof of license = Total

\*Upon the enactment of the ordinance passing Chapter 8 the above fees will take effect

### **FIRE DEPARTMENT**

Ambulance	\$500/run
Standby for Fire Dept.	\$200 & \$25 per hr per man and \$50 per hr for Officer

### **PUBLIC WORKS**

NOTE 1: All equipment includes an operator. 3 hour minimum may apply to any situation involving a City employee.

NOTE 2: Overtime or holiday rates apply outside of regular (straight time) work hours.

NOTE 3: Straight time work hours vary but are generally 7:00 AM to 3:30 PM. All rates are per employee.

NOTE 4: Water & sewer line locates per Utility Coordination Council Request procedure are free. (2 business days' notice required. All locates requested outside of normal business hours will be charged as emergency locate.)

NOTE 5: All prices subject to 6% sales tax.

DESCRIPTION	UNIT	STRAIGHT TIME RATE	OVERTIME RATE	HOLIDAY RATE	MINIMUM CHARGE
<b>EQUIPMENT</b>					
Volvo L120F Loader	Hour	\$130.00	\$163.50	\$230.50	
Cat 950 Loader	Hour	\$130.00	\$163.50	\$230.50	
Cat IT 62G Loader	Hour	\$130.00	\$163.50	\$230.50	
Michigan L-120 Loader	Hour	\$130.00	\$163.50	\$230.50	

Hitachi 230 Excavator	Hour	\$150.00	\$183.50	\$250.50	
Cat 436B Tractor/Backhoe	Hour	\$120.00	\$153.50	\$220.50	
Cat 163H Grader 2003	Hour	\$150.00	\$183.50	\$250.50	
Cat 140G Grader 1989	Hour	\$150.00	\$183.50	\$250.50	
Elgin Street Sweeper	Hour	\$200.00	\$233.50	\$300.50	
Ford L9000 Vacuum Truck (Vactor) 1992	Hour	\$225.00	\$258.50	\$325.50	
Ford L9000 Tandem Dump Truck 1987	Hour	\$110.00	\$143.50	\$210.50	
Ford L8000 Flatbed Truck w/ hoist 1991	Hour	\$110.00	\$143.50	\$210.50	
Mack Tandem Dump Truck 2008	Hour	\$110.00	\$143.50	\$210.50	
Tow Truck	Hour	\$120.00	\$153.50	\$220.50	
Dynapack CP132 Rubber Tired Roller	Hour	\$100.00	\$133.50	\$200.50	
Pickup Truck or Van w/ 1 person	Hour	\$110.00	\$143.50	\$210.50	
Vibratory Plate Compactor	Hour	\$75.00	\$108.50	\$175.50	
Bobcat 943 Skid Steer Loader	Hour	\$90.00	\$123.50	\$190.50	
Chevy 3500 Service Truck w/ Welder 2009	Hour	\$150.00	\$183.50	\$250.50	
City Level, Tripod, and Rod	Hour	\$80.00	\$113.50	\$180.50	
Cut-off saw	Hour	\$75.00	\$108.50	\$175.50	
Electric Jackhammer - Bosch	Hour	\$75.00	\$108.50	\$175.50	
1" Pump - Honda	Hour	\$75.00	\$108.50	\$175.50	
1.5" Electric Pump	Hour	\$100.00	\$133.50	\$200.50	
2" Pump - Honda	Hour	\$150.00	\$183.50	\$250.50	
120/240V Power Gen- Honda EG 3500	Hour	\$100.00	\$133.50	\$200.50	
Jackhammer w/ Compressor Ingersoll-Rand	Hour	\$110.00	\$143.50	\$210.50	
HDPE Welder	Day	\$150.00	\$183.50	\$250.50	1 Day
4" Honda Pump w/ Intake & Discharge Hose	Hour	\$200.00	\$233.50	\$300.50	4 HR
6" Gorman-Rupp Pump w/ Intake & Discharge Hose	Hour	\$250.00	\$283.50	\$350.50	4 HR
1.5" Neptune Backflow Preventer RPZ w/ Meter *	Day	\$90.00	\$123.50	\$190.50	1 Day
* Must be installed & removed by City staff daily					
<b>SERVICES</b>					
Towing - Car or Pickup Truck	Hour	\$120.00	\$153.50	\$220.50	
Cemetery Plot - Preparation and Covering	Each	\$500.00	\$533.50	\$600.50	
Cemetery Plot – Purchase (Regular Hours Only)	Each	\$200.00	--	--	
Shut off Notices (delivered for non-payment)	Each	\$25.00	--	--	
<b>LABOR</b>					
Laborer	Hour	\$72.00	\$108.00	\$180.00	
<b>MATERIALS</b>					
Patching Chip Sealed Roads	SF	\$60.00	--	--	
Patching Asphalt Roads	SF	\$60.00	--	--	
Sand	CY	\$18.00	--	--	10 CY

**HARBOR****MOORAGE**

Annual Moorage	\$ 31.52/ft/yr
Monthly Moorage	\$ 11.02/ft/mo
Daily Moorage	\$ .82/ft/day paid in advance
	\$ .97/ft/day if billed

\* All slips will be reserved based on over-all length of vessels, including those slips on "L" floats. Moorage rates on "L" floats will be calculated at 75% of the current annual moorage rate (only for those slips between approach ramps). Established 10/17/01 by Resolution 10-01-79.

Annual Seaplane Moorage	\$815.72/yr
Daily Seaplane Moorage	\$ 33.95/day
Eyak Lake Seaplane Moorage	
40' space	\$340.98/yr
60' space	\$538.52/yr

**GRID FEES (per tide)**

Under 30'	\$.47/ft/tide
30'-50'	\$.53/ft/tide
51'-70'	\$.72/ft/tide
Over 70'	\$1.37/ft/tide

**MISCELLANEOUS SERVICE FEES**

Launch Ramps	
Stall holders	- no charge
Non-stall holders	\$ 78.75/yr
Waitlist	\$ 79.41/5 yrs.
Vessel Towing	\$ 63.52/hr
Vessel Pumping	\$ 31.76/hr
Pump Rental	\$ 31.76/hr
Harbor Staff Labor	\$ 72.00/hr
	\$108.00/hr for O.T.
Impound Fees	\$ 72.00
Impound/Storage of Nets	\$288.75
Storage of Impounds	\$ .29/sq ft/day
Electricity(for elec. rental slips)	\$ 15.00/day
*a deposit of \$100.00 required for all electrical pigtaills	
Bilge Water Collection	\$ 95.29/hr
Showers	\$ 5.00
Dock Use Fee	\$1.81/linear ft/day

**PORT****WHARFAGE**

Minimum	\$1.58/ton
Wharfage N.O.S. (not otherwise specified)	\$5.02/ton
Wharf Demurrage - first 5 days	\$1.58/ton
after 5 days	\$3.18/ton

**DOCKAGE**

Charge	\$1.45/ft/day
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**STORAGE**

Boat storage (up to 12 months)	\$2.50/ft/mo
Boat storage (over 12 months)	\$5.00/ft/mo
Gear storage	\$.29/sq ft/mo

**WATER**

Charge	\$ .96/1000 gallons
Minimum	\$68.06 plus \$72.00 labor

**USED OIL RECEPTION**

Under 100 gallons	- no charge
100 gallons or more suitable for burning	\$95.29/man-hour

100 gallons or more unsuitable for burning

\$47.65/gallon plus  
\$95.29/man-hour plus  
shipping & disposal**FUELS**First 50 thousand barrels  
Second 50 thousand barrels  
Over 100 thousand barrels\$ 0.17/barrel  
\$ 0.15/barrel  
\$ 0.14/barrel**PORT STAFF LABOR**

Charge

\$72.00 hr  
\$108.00/hr for O.T.**TRAVEL LIFT**

RATES: All payment for vessel lifts must be in advance and for round trip

Up to 40'  
41' – 58'  
over\$11.00/ft  
\$12.00/ft  
\$13.00/ft**MISCELLANEOUS FEES**Inspection Haul:  
Minimum Fee:  
Electrical Use:60% of round trip  
\$300.00  
\$10.00/day up to 42'  
\$25.00/day 43' and over**Storage Rates:**Per Month  
\$2.50/ft/monthOver 12 Months  
\$5.00/ft/month**Washdown:** Washdown pads are free.**No-Show Fee:** Once a lift is scheduled and the boat owner fails to show or cancel the lift at least one hour before the scheduled lift time, the minimum lift fee will be charged.**DESCRIPTIONS****Per Lift:** All rates are per lift or one way.**Inspection Haul:** Hauled out and left in slings over dock for a period of 2 hours and returned to the water. \$75.00 per 15 minutes after allotted time. Limited to approval and availability.**Minimum Fee:** This is the lowest fee for Travelift use. There is a one hour minimum for such things as re-blocking or relocating of vessels.**PLANNING DEPARTMENT**Zoning Code FeesAppeals

\$150.00

Permits

Conditional Use

\$200.00

Encroachment

\$200.00

Exception

\$200.00

Rezone

\$250.00

Sign

\$ 25.00

Building Permits\*

Residential Building permits Fees based on Total Valuation

\$1 to \$500..... \$25

\$501 to \$2000..... \$25 for the \$500 plus \$3.30 for each additional \$100, or fraction thereof, to and including \$2000

\$2001 to \$25,000..... \$74.50 for the \$2000 plus \$15.15 for each additional \$1,000, or fraction thereof, to and including \$25,000

\$25,001 to \$50,000..... \$422.50 for the \$25,000 plus \$10.92 for each additional \$1,000, or fraction thereof, to and including \$50,000

\$50,001 to \$100,000.....	\$695.50 for the \$50,000 plus \$7.57 for each additional \$1,000, or fraction thereof, to and including \$100,000
\$100,001 to \$500,000.....	\$1074 for the \$100,000 plus \$6.06 for each additional \$1,000, or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000.....	\$3498 for the \$500,000 plus \$5.13 for each additional \$1,000, or fraction thereof, to and including \$1,000,000
\$1,000,001 and up.....	\$6063 for the \$1,000,000 plus \$3.94 for each additional \$1,000 or fraction thereof

Inspection for which no fee is specifically indicated (min ½ hour)..... 75.00/hour

Additional Plan review required by changes, additions or revisions .....75.00/hour

**\*Upon the enactment of an ordinance amending Title 16 of the Cordova Municipal Code, the above fees will take effect**

**Residential Building Permit Fees\*\***

Single Family	\$50.00
Multifamily	\$100.00

**\*\*Upon the enactment of an ordinance amending Title 16 of the Cordova Municipal Code the above fees will be eliminated**

Commercial Building Permit Fee \$150.00

Industrial Building Permit Fee \$200.00

Subdivision

Preliminary Plat	\$150.00 plus \$20.00 per lot
Final Plat	½ of Preliminary
Plat Amendment	\$75.00 plus \$15.00 per lot

Variance \$200.00

Vacation R.O.W. \$250.00

Lease/Purchase Agreements

Lease and/or Purchase Agreements \$150.00

Land Lease and/or Purchase Request \$25.00/hour

Copy fee

Copies	\$.25/page
Small Color Maps	\$10.00 (11 X 17)
Medium Color Maps	\$20.00 (18 X 24)
Large Color Maps	\$30.00 (24 X 36)
XXL Large Color Maps	\$40.00 (33 X 44)

**SPECIAL SERVICES**

Employee Strait Time	\$72.00/hour
Employee Overtime	\$108.00/hour

**GENERAL SERVICES**

Long-Term Parking Rates

With Harbor Slip for boat to 40 feet 1 free/yr.

With Harbor Slip for boat over 40 feet 2 free/yr.

Additional Long-Term Permits or w/o Harbor Slip

Vehicles up to 21 feet length of vehicle \$20/mo

Each foot beyond 21 feet length \$1/foot/mo

Seasonal Boat Trailer Parking Spaces (May 1 – October 15)

With Harbor Slip Rental \$120.00

Without Harbor Slip Rental \$350.00

Business License \$35.00

Additional Business License \$25.00

Special Event License \$25.00

Copies \$ .25 / page

Fax \$1.00 / page

Copies of audiocassette tapes or CD's \$5.00/CD of City meetings

City Code Books \$425.00 plus cost per updates

City Property Tax Books- hardcopy	\$120.00
Electronic copy	\$ 15.00
Budget Documents	\$ 20.00
Non-Sufficient-Funds Checks	\$ 45.00
Election Board Compensation (as per CMC 2.32.020)	
Election Chairperson	\$ 12.50/hr
Election Board/Clerks	\$ 12.00/hr

**REFUSE\*****Tipping Fees at Baler**

Residential & commercial refuse	\$ 5.44 per cubic yard
Construction & building materials	\$ 7.33 per cubic yard
Asbestos materials*	\$ 104.65 per cubic yard
<b>* must give two weeks advance notice and approval prior to dumping</b>	
Scrap metal	\$ 15.54 per cubic yard
Major household appliances	\$ 7.74 each piece
Refrigerators, freezers	\$ 46.05 each*
4D & larger Batteries	\$11.50 each
Up to 4D Batteries	\$ 5.75 each
Boat/hull disposal costs equal to estimated labor & equipment costs as required to prepare for placement in the landfill, plus estimated cubic yardage at construction & destruction rate.	

**\*Note: we are now required to remove all Freon from the units prior to removal of compressors.**

Paints are accepted at the baler—must be separated and have approval from Baler.

Recyclables delivered to baler if clean and well-separated will be received at no charge to **non-commercial customers.**

**Seventeen mile landfill**

**Disposal of Vehicles:** Vehicles will only be accepted at the seventeen mile landfill and must be certified that all fluids, tires and batteries are removed. The form can be retrieved from the City of Cordova web site, the City Office or at the Baler. Person disposing of vehicle must have title for vehicle in order to release vehicle to city. Junk titles can be obtained through DMV.

Vehicles and light duty trucks	\$209.00
Vehicles and light duty trucks on clean-up day	FREE
Large trucks and equipment	\$ 15.18/cu. yd., min. \$523.00
Campers and/or house trailers 32 feet or under	\$173.00
Campers, house trailers over 32 feet	\$345.00

**Pick Up Service****Residential Pick-up Fee/Once Weekly**

1-3 containers (35 gallons)	\$42.11/month
Each additional container	4.20/each pick-up
Residence vacant for more than 30 days	No charge for the period
Self-service at baler	\$27.22/month

**Commercial Pick-up Fee/Once Weekly**

Can or bag service	
3 containers maximum (35 gal) once/week	\$ 38.72/month.
Each additional container	3.90/each pick-up

**Containerized Services Pick-up and Rental fees**

Rental:	
3 cu. yd. dumpster *	\$23.02/month
4 cu. yd. dumpster *	31.39/month
6 cu. yd. dumpster *	46.06/month

8 cu. yd. dumpster *	61.74/month
Pick-up—not compacted	
3 cu. yd. dumpster	\$34.54/each
4 cu. yd. dumpster	46.06/each
6 cu. yd. dumpster	70.12/each
8 cu. yd. dumpster	93.14/each

**\*Dumpster drop off or retrieval: \$50.00**

**Additional Charges for dumpsters**

Sunday pick-up: charged at one and one-half times the normal rate.

Holiday pick-ups: charged at twice the normal rate.

Each additional Pick-up per dumpster: full charge of applicable rate per pick up.

**High capacity container service**

Open top hook lift container, 20 cubic yard capacity: \$175 set up charge includes one drop off, one retrieval and one rental up to seven days; \$220 to empty and dispose of non-hazardous construction and demolition contents.

**Containerized or commercial recycling service rates:**

Note: cardboard and aluminum must be clean and well separated to be eligible for the reduced rates quoted below.

**Dumpster Rentals for Recycle**

Dumpster rental rates (all sizes): one-half of normal monthly rates.

Dumpster pick-up rate: one-half of normal monthly dumpster rate.

Each additional pick-up per dumpster of recyclables will be charged at one-half normal rate, per pick-up.

**20' Enclosed Recycling Container Rentals:**

Monthly Rental: \$ 100.00 / month

Set up fee \$100 includes one drop off of container and one retrieval of container

Disposal of contents \$175.00 each pick up, container handling included

7 day rental

100.00 includes one drop off of container and one retrieval of container

Disposal of contents \$175.00 each pick up, container handling included

Commercial customers who choose to deliver recyclables to the bailer facility will be charged twenty-five percent of normal refuse disposal fees.

**Special Services**

Labor/equipment	
Vehicle and one man, straight time	\$115.12/hr with \$78.50 minimum
Vehicle and one man, overtime	\$146.52/hr with \$115.12 minimum
Each additional employee, straight time	\$70.12/hr
Each additional employee, overtime	\$93.14/hr

**\*Upon the enactment of the ordinance repealing Chapter 8.12.135 of the Cordova Municipal Code the above fees will take effect**

**WATER\***

Non-metered service

The monthly fee for water service is **twenty-nine dollars and fifty-eight cents (\$29.58)** multiplied by the equivalent unit in table below.

**EQUIVALENT UNIT TABLE**

	<b>Classification</b>	<b>Equivalent Unit</b>
1	Single-family dwelling	1.0
2	Multifamily residence: per dwelling unit	1.0
3	Mobile home park: per rental space in a mobile home park where water is available to a space which is used	1.0
4	Hotel, B&B or motel with individual bath: per room	.5
4a	Hotel, B&B and motel with individual bath and kitchen: per room	.7
5	Boarding house or hotel without individual baths: per room or fraction thereof	.3
5a	Bunkhouse facility with central bath: per bunk	.2

6	Bar or cocktail lounge: for every 25 seats or fraction thereof	1.0
6a	Bar with restaurant: for every 25 seats or fraction thereof	2.0
6b	Restaurants: for every 25 seats or fraction thereof	1.0
6c	Clubs with bar and kitchen: for every 25 seats or fraction thereof	1.0
6d	Clubs with kitchen: for every 25 seats or fraction thereof	0.7
7	Retail store, office: for every 12 plumbing fixture units or fraction thereof	1.0
8	Schools:	
	(1) Public or private high schools or colleges: for each 15 persons or fraction thereof in average daily full-time attendance	1.0
	(2) Public or private elementary schools: for each 25 persons or fraction thereof in average daily attendance	1.0
	(3) Public or private child care centers: for each 25 persons or fraction thereof in average daily attendance	1.0
	Average daily attendance shall be based on annual attendance. Persons as used in this section include students, teachers and all school staff and administration.	
9	Theater or auditorium: for each 100 seats or fraction thereof	1.0
10	Churches: for each church	1.0
10a	Churches with meeting rooms: for each church	1.5
11	Laundromats or self-service laundry: for each washing machine in a commercial laundromat or self-service laundry or in any other washing facility, the use of which is not strictly limited to occupants of a residential building or mobile home park in or on which the facility is located	0.5
12	Hospital, rest home, convalescent home: for each bed	0.3
13	Gasoline service station or repair garage	1.0
14	Carwash, self-service: per stall	1.0
15	Public restrooms and showers: for <a href="#">12</a> plumbing fixture units or fraction thereof	1.0
16	Port: per 1,000 gallons	1.0
17	Fire hydrants, per hydrant	0.5
18	Combined uses: where more than use is served by a single connection the rate for service shall be based on the sum of the equivalent unit amounts for each of the individual uses.	
19	The city manager shall determine the equivalent unit amount for a use that is not listed above, based on the equivalent unit amount for the listed use that the city manager determines to be most similar in quantity of water used.	
20	Where the equivalent unit amount depends on the number of seats in a use, that number shall be determined by reference to occupancy load for the use in the most recently adopted Uniform Building Code.	
21	All industrial uses shall be metered and charged according to <a href="#">Section 14.08.020</a>	

The flat rate for non-metered water service to the following use classifications shall be determined using the following schedule.

Use Classification	Basis for Charge
Small boat harbor: per hydrant	\$1.00 per stall
Special user (ship moored to a dock temporarily or bulk water purchaser)	\$116.88/day

#### **Metered Service**

The monthly rate for water service to facility that is metered shall be the sum of:

A production fee equal to the product of the number of thousands of gallons of water used multiplied by the rate per gallon assigned to the use classification of the facility in the Production Charge Table.

Plus

The monthly demand charge determined in the demand table

#### **The Production Charge Table.**

Use Classification	Production Charge
Heavy industrial	\$1.40/1,000 gallons
Residential and light industrial	\$3.58/1,000 gallons

Special user (ship moored to a dock temporarily or bulk water purchaser)	\$3.52/1,000 gallons
--	----------------------

**The Monthly Demand Charge Table.**

Service Line Size	Charge
1" or smaller	\$ 29.58
Larger than 1" and less than 2"	37.40
2"	43.24
Larger than 2" and less than 4"	70.12
4"	93.50
Larger than 4"	201.02

**Water connection**

The fee for connecting to the city water system is based on line size of the use that is served, as follows:

Service Line Size	Residential Charge	Nonresidential Charge
1" or smaller	\$100.00	\$200.00
Larger than 1" less than 2"	\$150.00	\$300.00
2"	\$200.00	\$400.00
Larger than 2" less than 4"	\$400.00	\$800.00
4"	\$600.00	\$1,200.00
Larger than 4"	\$800.00	\$1,600.00

**Expansion fee**

The fee for expanding the use of an existing non-metered water connection shall be determined by multiplying the applicable charge below by the number of equivalent units in the equivalent unit table above.

**Expansion Table**

Residential Charge	Nonresidential Charge
\$207.00	\$414.00

**SERVICES**

DESCRIPTION	UNIT	STRAIGHT TIME RATE	OVERTIME RATE	HOLIDAY RATE	MINIMUM CHARGE
Water Turn On or Off (free to year-round customers)	Each	\$50.00	\$83.50	\$150.50	
Water Sample Testing - Coli Forms	Each	\$57.00	\$78.50	\$145.50	
Emergency water & sewer locate (less than 2 business days' notice)	Hour	\$72.00	\$108.00	\$180.00	
Water & sewer line locates per Utility Coordination Council Request procedure (2 business days' notice)	Each	No Charge	--	--	
3/4" Double Check Valve Backflow Preventer *	Day	\$50.00	\$83.50	\$150.50	
* Must be installed & removed by City staff daily					

\*Upon the enactment of the ordinance repealing Chapter 14.08.010 – 14.08-040 of the Cordova Municipal Code the above fees will take effect

**SEWER\*****Rates**

The monthly fee for residential sewer service is forty-six dollars and ninety-three cents (\$46.93) multiplied by the equivalent unit in table below. Residential equivalent units are identifies with an R.

The monthly fee for commercial sewer service is fifty-six dollars and thirty-two cents (\$56.32) multiplied by the equivalent unit in table below. Commercial equivalent units are identifies with a C.

The monthly fee for Industrial sewer service is ninety-nine dollars and two cents (\$99.02) multiplied by the equivalent unit in table below. Industrial equivalent units are identifies with an I.

**EQUIVALENT UNIT SCHEDULE**

Classification	Equivalent
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		Unit
1.	Single-family dwelling	1.0 x R
2.	Multifamily residence: per dwelling unit	1.0 x R
3.	Mobile home park: per rental space in a mobile home park where water is available to a space which is used	1.0 x R
4.	Hotel, B&B or motel with individual bath: per room	0.3 x C
4a.	Hotel, B&B and motel with individual bath and kitchen: per room	0.7 x C
5	Boarding house or hotel without individual baths: per room or fraction thereof	0.3 x C
5a.	Bunkhouse facility with central bath: per bunk	0.3 x C
6	Bar or cocktail lounge: for every 25 seats or fraction thereof	1.0 x C
6a.	Bar with restaurant: for every 25 seats or fraction thereof	2.0 x C
6b.	Restaurants: for every 25 seats or fraction thereof	1.0 x C
6c.	Clubs with bar and kitchen: for every 25 seats or fraction thereof	1.0 x C
6d.	Clubs with kitchen: for every 25 seats or fraction thereof	0.7 x C
7	Retail store, office: for every 12 plumbing fixture units or fraction thereof	1.0 x C
8	Schools:	
	(1) Public or private high schools or colleges: for each 15 persons or fraction thereof in average daily full-time attendance	1.0 x R
	(2) Public or private elementary schools: for each 25 persons or fraction thereof in average daily attendance	1.0 x R
	(3) Public or private child care centers: for each 25 persons or fraction thereof in average daily attendance	1.0 x R
	Average daily attendance shall be based on annual attendance. Persons as used in this section include students, teachers and all school staff and administration.	
9	Theater or auditorium: for each 100 seats or fraction thereof	1.0 C
10	Churches: for each church	1.0 x C
10a.	Churches with meeting rooms: for each church	0.5 x C
11	Laundromats or self-service laundry: for each washing machine in a commercial laundromat or self-service laundry or in any other washing facility, the use of which is not strictly limited to occupants of a residential building, or mobile home park in or on which the facility is located	0.3 x C
12	Hospital, rest home, convalescent home: for each bed	1.0 x C
13	Gasoline service station or repair garage	1.0 x C
14	Carwash, self-service: per stall	1.0 x C
15	Public restrooms and showers: for 12 plumbing fixture units or fraction thereof	1.0 x C
16	Combined uses: where more than use is served by a single connection the rate for service shall be based on the sum of the equivalent unit amounts for each of the individual uses.	
17	The city manager shall determine the equivalent unit amount for a use that is not listed above, based on the equivalent unit amount for the listed use that the city manager determines to be most similar in quantity of water used.	
18	Where the equivalent unit amount depends on the number of seats in a use, that number shall be determined by reference to occupancy load for the use in the most recently adopted Uniform Building Code.	
19	Processing facility per office	1.0 x I

## Sewer connection

The fee for connecting to the city sewer system is based on line size the use that is served, as follows:

Service Line Size	Residential Charge	Nonresidential Charge
Less than 4"	\$502.60	\$1,005.20
4"	\$735.60	\$1,507.80
Larger than 4"	\$1,005.20	\$2,010.40

## Expansion fee

# DRAFT

The fee for expanding the use of an existing shall be determined by multiplying the applicable charge below by the number of equivalent units in the equivalent unit table above.

Residential Charge	Nonresidential Charge
\$272.65	\$545.30

Septic tank dumping

The fee for septic tank dumping shall be determined under the schedule below:

Residential Charge	Nonresidential Charge
\$94.24	\$414.65

The fee for portable toilet contents disposal is \$50.00 per dump.

The fee for dump station use is \$20.00 per dump

General Services

DESCRIPTION	UNIT	STRAIGHT TIME RATE	OVERTIME RATE	HOLIDAY RATE	MINIMUM CHARGE
Emergency water & sewer locate (less than 2 business days' notice)	Hour	\$72.00	\$108.00	\$180.00	
Water & sewer line locates per Utility Coordination Council Request procedure (2 business days' notice)	Each	No Charge	--	--	

\*Upon the enactment of the ordinance repealing Chapter 14.16.260 – 14.16.275 of the Cordova Municipal Code the above fees will take effect

**BE IT FURTHER RESOLVED** that these fees, rates and charges shall remain in effect until changed by further action of the City Council.

Public Hearing: December 19, 2012

**PASSED AND APPROVED THIS 19<sup>th</sup> DAY OF DECEMBER, 2012**

\_\_\_\_\_  
Jim Kallander, Mayor

ATTEST:

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

**CITY OF CORDOVA, ALASKA  
RESOLUTION 12-12-48**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
ADOPTING AN OPERATING BUDGET FOR FISCAL YEAR 2013  
AND APPROPRIATING THE AMOUNT OF \$20,706,325, AS SUMMARIZED  
PURSUANT TO THE FOLLOWING TABLE.**

		PLUS INTERFUND	LESS INTERFUND	TO or (FROM)	
FUND	REVENUES	TRANSFERS IN	TRANSFERS OUT	RESERVE	APPROPRIATION
General Fund	\$10,746,733	\$492,044	\$1,016,994	\$0	\$10,221,783
Permanent Fund	\$427,894	\$782,114	\$466,789	\$743,219	\$0
Ambulance Replacement Fund	\$10,000	\$0	\$0	\$10,000	\$0
Vehicle Removal Fund	\$0	\$33,000	\$0	\$33,000	\$0
Governmental Capital Projects	\$235,720	\$619,250	\$0	\$0	\$854,970
Chip Seal C.I.P.	\$0	\$50,000	\$0	\$0	\$50,000
Hospital Repair Project	\$1,028,155	\$0	\$0	\$0	\$1,028,155
Shipyard Fill Project	\$0	\$20,332	\$0	\$0	\$20,332
Sawmill Ave Trail	\$0	\$18,070	\$0	\$0	\$18,070
Governmental Funds Total	\$12,448,502	\$2,014,810	\$1,483,783	\$786,219	\$12,193,310
Harbor & Port Enterprise Fund	\$1,037,570	\$0	\$235,513	\$0	\$802,057
Harbor & Port Capital Projects	\$0	\$103,235	\$0	\$0	\$103,235
Harbor Fund Dep'n Reserve	\$0	\$75,000	\$103,235	(\$28,235)	\$0
Sewer Enterprise Fund	\$731,830	\$0	\$220,938	\$0	\$510,892
Sewer Capital Projects	\$605,000	\$104,857	\$0	\$0	\$709,857
LT2 Projects	\$3,605,000	\$0	\$0	\$0	\$3,605,000
Sewer Fund Dep'n Reserve	\$0	\$100,000	\$104,857	(\$4,857)	\$0
Water Enterprise Fund	\$725,670	\$9,600	\$211,454	\$0	\$523,816
Water Capital Projects	\$0	\$0	\$0	\$0	\$0
Water Fund Dep'n Reserve	\$0	\$100,000	\$0	\$100,000	\$0
Refuse Enterprise Fund	\$942,625	\$0	\$243,722	\$0	\$698,903
Refuse Capital Projects	\$1,222,000	\$284,000	\$0	\$0	\$1,506,000
Refuse Fund Dep'n Reserve	\$0	\$75,000	\$284,000	(\$209,000)	\$0
Refuse Fund - Landfill	\$0	\$25,000	\$0	\$25,000	\$0
Odiak Camper Park Fund	\$61,167	\$0	\$4,000	\$3,912	\$53,255
Enterprise Funds Total	\$8,930,862	\$876,692	\$1,407,719	(\$113,180)	\$8,513,015
TOTALS APPROPRIATION	\$21,379,364	\$2,891,502	\$2,891,502	\$673,039	\$20,706,325

**WHEREAS**, the City Manager submitted his proposed FY13 Operating Budget; and,

# DRAFT

**WHEREAS**, the City Council has conducted work sessions reviewing the proposed 2013 budget, and submitted its recommendations, and held a public hearing on December 19, 2012 on the proposed 2013 operating budget; and

**WHEREAS**, the amount appropriated from the General Fund, **\$1,699,272** is included for the Cordova Public Schools, and **\$728,552** for Cordova Community Medical Center

**NOW, THEREFORE BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby adopts the City Operating Budgets and appropriates such funds for FY13, for the period of January 1, 2013 to December 31, 2013, in the amount of **\$20,706,325**.

**BE IT FURTHER RESOLVED** that all unencumbered balances remaining in each fund as of January 1, 2014 shall be transferred to the unappropriated fund balance of the respective fund from which appropriated.

**PASSED AND APPROVED THIS 21<sup>st</sup> DAY OF DECEMBER, 2012.**

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James Kallander, Mayor

ATTEST:

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Susan Bourgeois, City Clerk