



# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686

## Meeting Agenda

### City Council

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Tuesday, August 6, 2024

7:00 PM

Council Chambers

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#### Regular Meeting

#### WORK SESSION AGENDA - 6:00 pm

*Transcribed minutes are not taken for Work Sessions. Audio is available upon request.*

1. [Annual Permanent Fund Meeting](#)

#### REGULAR AGENDA - 7:00 PM

##### I. CALL TO ORDER

##### II. PLEDGE OF ALLEGIANCE

##### III. ROLL CALL

##### IV. APPROVAL OF MINUTES

1. [Approval of City Council Minutes from July 16, 2024](#)

##### V. PUBLIC APPEARANCES

1. [Jacob Caldwell, Owner/CMO - Kenai Aviation](#)

##### VI. PUBLIC BUSINESS FROM THE FLOOR

##### VII. CONSENT AGENDA

1. [Proclamation: Coast Guard Day](#)
2. [Proclamation: Safe and Sound Week 2024](#)
3. [Appointment to the Beautification Commission- Applicants: Meg Weaver and Timi Miner](#)
4. [Approval of Liquor License Renewal: The Wheelhouse](#)
5. [Approval of Liquor License Renewal: The Fat Mermaid](#)

6. [Approval to Go Into Executive Session: Escaped Property Litigation Strategy](#)

#### VIII. NEW BUSINESS

1. [Approval of Valdez Ramp Construction Agreement Between City of Valdez and Alaska Marine Lines, Inc.](#)
2. [Approval Of Memorandum of Agreement between the U.S. Department of Commerce National Oceanic and Atmospheric Administration National Ocean Service and the City of Valdez for the Purpose of Coordinating and Leveraging Partner Resources for Ocean and Coastal Mapping](#)
3. [Approval to Purchase a 2025 Type 1 Ambulance from Hughes Fire Equipment Inc. in the Amount of \\$365,259.00](#)

#### IX. RESOLUTIONS

1. [#24-32 - Establishing Council Priorities for the 2025 City Budget](#)

#### X. REPORTS

1. [Contract Amendment Report: Amendment #2 Landsharks Well Monitoring and Sampling in the Amount of \\$37,904.00](#)
2. [Report: Issuance of Temporary Land Use Permit #24-03 for the Fat Mermaid Restaurant for 518 Square Feet of Public Right-of-Way Immediately Adjacent to Lot 1A, Block 39A, Harbor Subdivision](#)
3. [Report: Issuance of Temporary Land Use Permit 24-04 for the Roadside Potatohead Too, LLC for Six Months on 369 Square Feet of Public Right-of-Way Immediately Adjacent to Lot 12, Block 40, Harbor Subdivision](#)
4. [Report: Issuance of Temporary Land Use Permit #24-05 for Faith Harbor Fellowship for 334 Galena Drive, Lot 22, Block 35 Mineral Creek Subdivision Owned by the City of Valdez](#)
5. [Report: Issuance of Temporary Land Use Permit #24-06 for End of the Road Ren Fair for an Approximately 4.5-Acre Portion of 196 South Harbor Drive, Tract V, Harbor Subdivision Owned by the City of Valdez](#)
6. [Monthly Projects Update Report](#)

#### XI. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS

1. City Manager Report
2. City Clerk Report

3. City Attorney Report

4. City Mayor Report

XII. COUNCIL BUSINESS FROM THE FLOOR

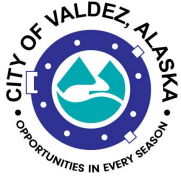
XIII. EXECUTIVE SESSION

XIV. RETURN FROM EXECUTIVE SESSION

XV. ADJOURNMENT

XVI. APPENDIX

1. [August 2024 City Council Calendar](#)



## Legislation Text

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**File #:** 24-0305, **Version:** 1

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**ITEM TITLE:**

Annual Permanent Fund Meeting

**SUBMITTED BY:** Jordan Nelson, Finance Director

**FISCAL NOTES:**

Expenditure Required: na

Unencumbered Balance: na

Funding Source: na

**RECOMMENDATION:**

Receive and file

**SUMMARY STATEMENT:**

This is a one-hour workshop that serves as the annual Permanent Fund discussion with Council

City's Investment Advisors, Alex Browning and Alex Ford from Callan LLC will join in-person.

Callan will present on high-altitude view of the Fund and recent performance, as well as an overview of an Asset Spending Study. There will likely be time for Council Q&A, as well as interaction with the Permanent Fund Committee.



August 6, 2024

## **City of Valdez Permanent Fund**

City Council Presentation

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**Alexander Browning**  
Fund Sponsor Consulting

**Alex Ford**  
Fund Sponsor Consulting

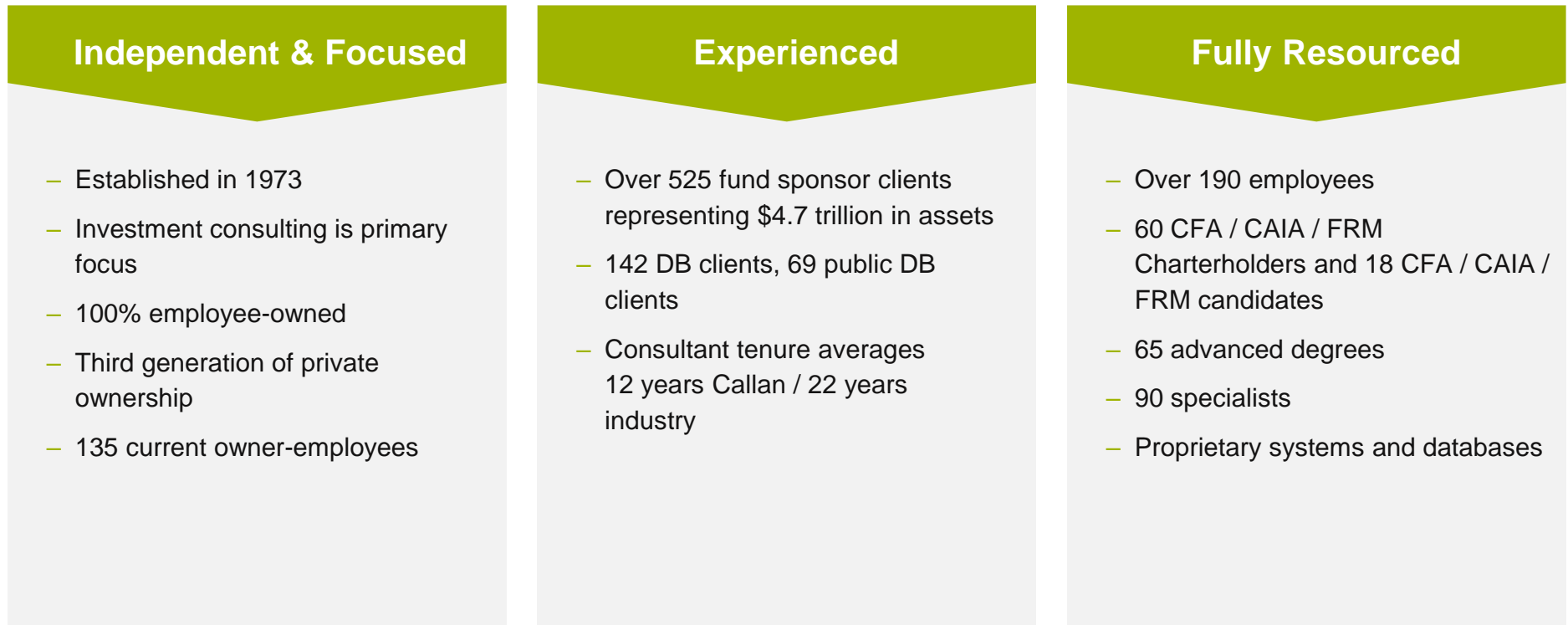
**Ric Ford, FSA, EA, CFA, MAAA**  
Capital Markets Research

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# Callan Firm Overview

Focus, experience, resources

► Callan began advising the Valdez Permanent fund in 1997



# Callan’s Key Differentiators

What makes Callan different?

*We combine the best attributes of both large and small firms—an uncommon blend that results in the highest level of service for our clients.*

## Like large firms, Callan has:

Broad and deep institutional knowledge    +    A wide variety of client types    +    Depth and breadth of specialist resources

## Like smaller firms, we feature:

Independent ownership    +    Personalized service    +    Customized recommendations

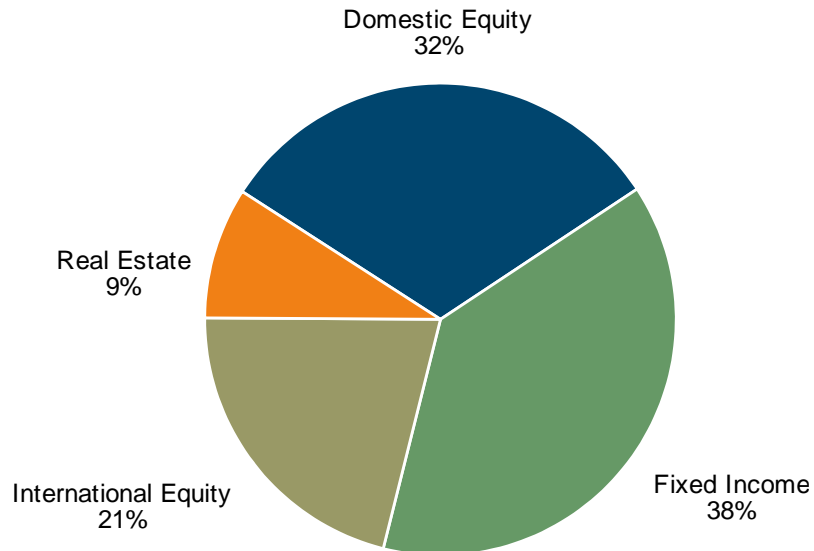
## Attributes that are uniquely “Callan”

We own our data & performance measurement systems    +    Education and research are cornerstones of the Callan Institute    +    Peer review committees ensure our best thinking is delivered to our clients

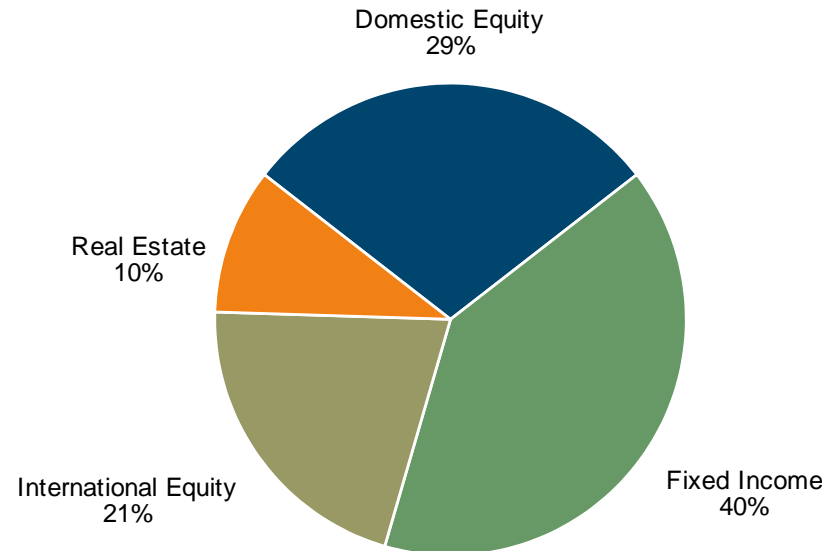
# City of Valdez Permanent Fund – Asset Allocation

As of June 30, 2024

**Actual Asset Allocation**



**Target Asset Allocation**



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equity	88,285	31.6%	29.0%	2.6%	7,308
Fixed Income	106,732	38.2%	40.0%	(1.8%)	(4,961)
International Equity	59,191	21.2%	21.0%	0.2%	552
Real Estate	25,024	9.0%	10.0%	(1.0%)	(2,899)
Total	279,232	100.0%	100.0%		

- Staff has effectively managed the strategic asset allocation by regularly rebalancing
- The current allocations to the primary asset classes were all within target ranges at the end of the period



# City of Valdez Permanent Fund Investment Returns (\$)

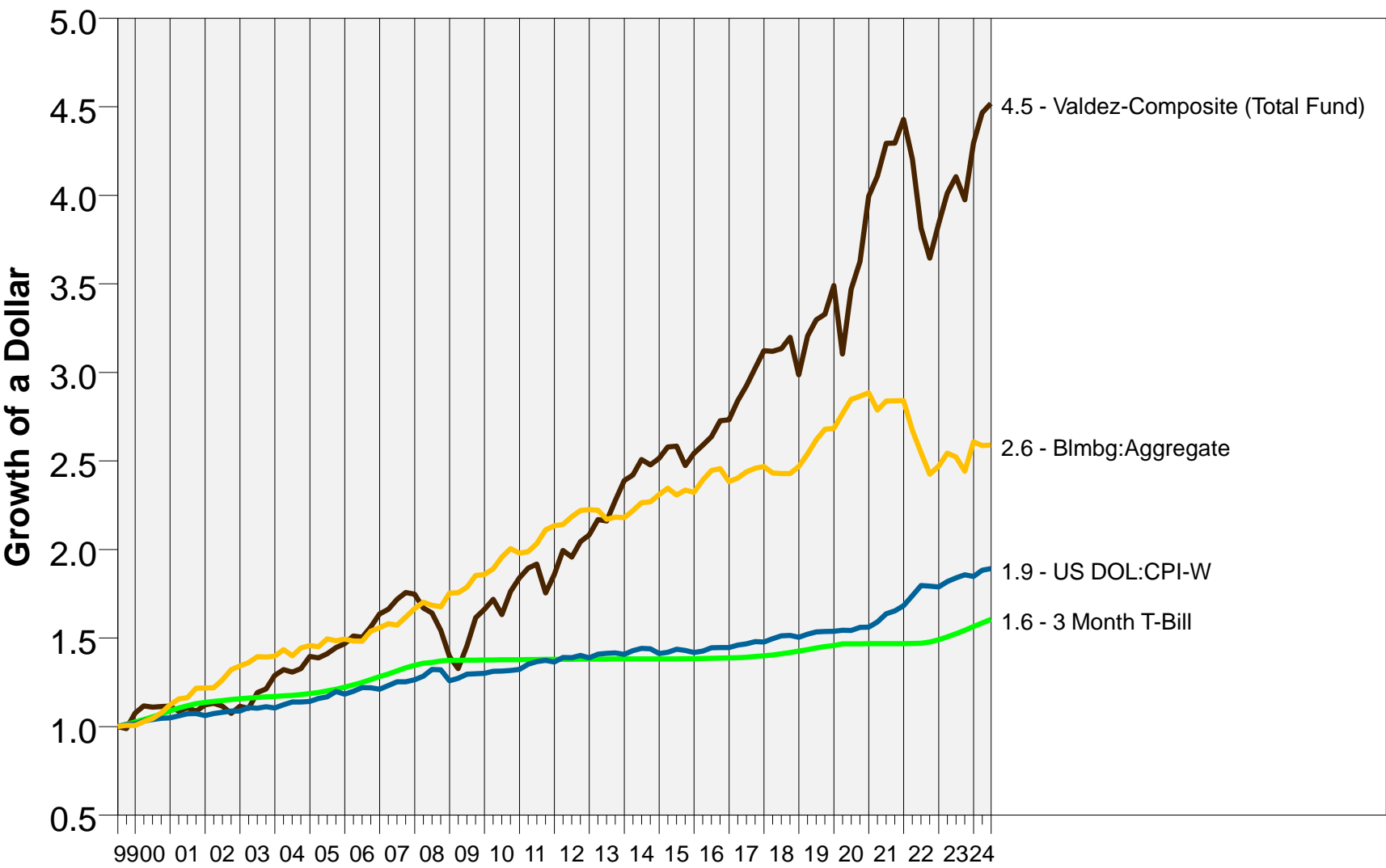
Trailing one-year period as of June 30, 2024

	Third Quarter 2023	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Last Year
<b>U.S. Equity</b>	<b>\$ (2,464,694)</b>	<b>\$ 8,612,312</b>	<b>\$ 7,898,714</b>	<b>\$ 1,468,514</b>	<b>\$ 15,514,846</b>
Vanguard Institutional Index	\$ (1,708,308)	\$ 5,903,811	\$ 5,724,886	\$ 2,342,038	\$ 12,262,427
Vanguard Mid Cap 400 Index	\$ (608,620)	\$ 1,729,905	\$ 1,547,099	\$ (661,473)	\$ 2,006,911
PGIM U.S. Small Cap	\$ (147,766)	\$ 978,596	\$ 626,729	\$ (212,051)	\$ 1,245,508
<b>Non-U.S. Equity</b>	<b>\$ (2,542,722)</b>	<b>\$ 5,483,506</b>	<b>\$ 3,095,994</b>	<b>\$ 1,105,747</b>	<b>\$ 7,142,525</b>
Vanguard International Growth	\$ (1,898,769)	\$ 2,151,360	\$ 1,143,833	\$ 534,779	\$ 1,931,203
Vanguard International Value	\$ (1,083,683)	\$ 1,808,750	\$ 865,234	\$ (288,411)	\$ 1,301,890
Brandes International Small Cap	\$ 439,730	\$ 1,523,396	\$ 1,086,927	\$ 859,379	\$ 3,909,432
<b>Fixed Income</b>	<b>\$ (2,594,434)</b>	<b>\$ 6,892,351</b>	<b>\$ (104,875)</b>	<b>\$ 267,708</b>	<b>\$ 4,460,750</b>
Alaska Permanent Capital	\$ (879,299)	\$ 2,314,409	\$ (250,676)	\$ 93,495	\$ 1,277,929
Baird Aggregate Bond	\$ (1,109,401)	\$ 2,552,778	\$ (171,977)	\$ 90,724	\$ 1,362,124
Insight Global Fixed Income	\$ (605,734)	\$ 2,025,164	\$ 317,778	\$ 83,489	\$ 1,820,697
<b>Real Estate</b>	<b>\$ (194,195)</b>	<b>\$ (816,906)</b>	<b>\$ (366,241)</b>	<b>\$ (238,331)</b>	<b>\$ (1,615,673)</b>
UBS Trumbull Property	\$ (192,899)	\$ (521,411)	\$ (205,903)	\$ (109,589)	\$ (1,029,802)
Morgan Stanley Prime Property Fund	\$ (1,296)	\$ (295,495)	\$ (160,338)	\$ (128,742)	\$ (585,871)
<b>Total Valdez Permanent Fund</b>	<b>\$ (7,796,045)</b>	<b>\$ 20,171,263</b>	<b>\$ 10,523,592</b>	<b>\$ 2,603,638</b>	<b>\$ 25,502,448</b>

Note: Last Year column represents period from 7/1/2023 to 6/30/2024

# City of Valdez Permanent Fund – Long-Term Growth

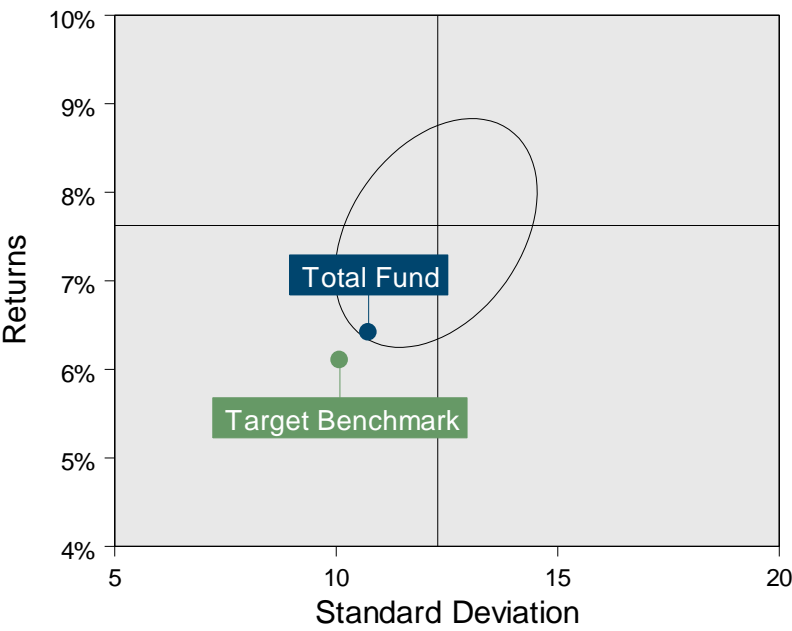
Growth of a Dollar  
For 25 Years Ended June 30, 2024



# City of Valdez Permanent Fund Returns

Cumulative annualized performance as of June 30, 2024

Callan Public Fund Spons- Mid (100M-1B) (Gross)  
Annualized Seven Year Risk vs Return



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 15 Years
10th Percentile	2.13	14.30	4.62	8.89	8.68	7.96	9.76
25th Percentile	1.92	12.92	3.93	8.30	8.10	7.41	9.34
Median	1.34	11.70	3.03	7.71	7.63	6.90	8.87
75th Percentile	0.98	10.29	2.11	6.80	6.99	6.50	8.41
90th Percentile	0.43	9.09	1.43	6.24	6.30	5.93	7.98
<b>Total Fund</b> ●	1.16	10.05	1.72	6.50	6.42	6.07	7.84
Target Benchmark ▲	1.07	8.88	1.53	5.89	6.10	5.69	7.49

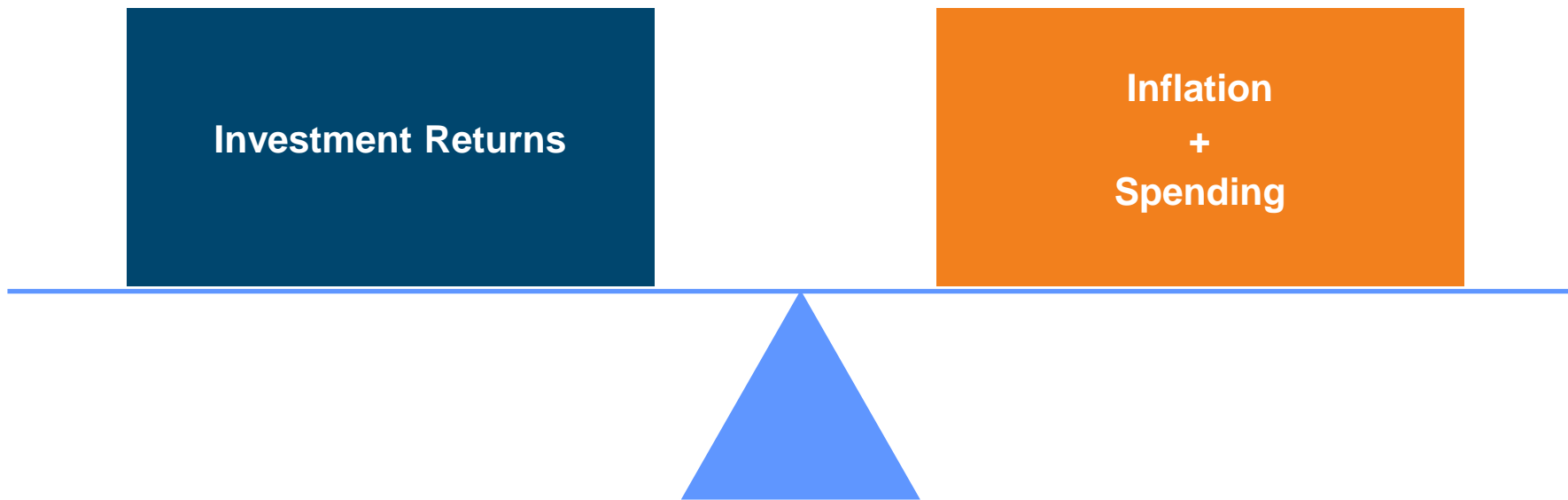
Callan

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## **2024 Asset-Spending Study**

## Permanent Fund “Equation of Balance”

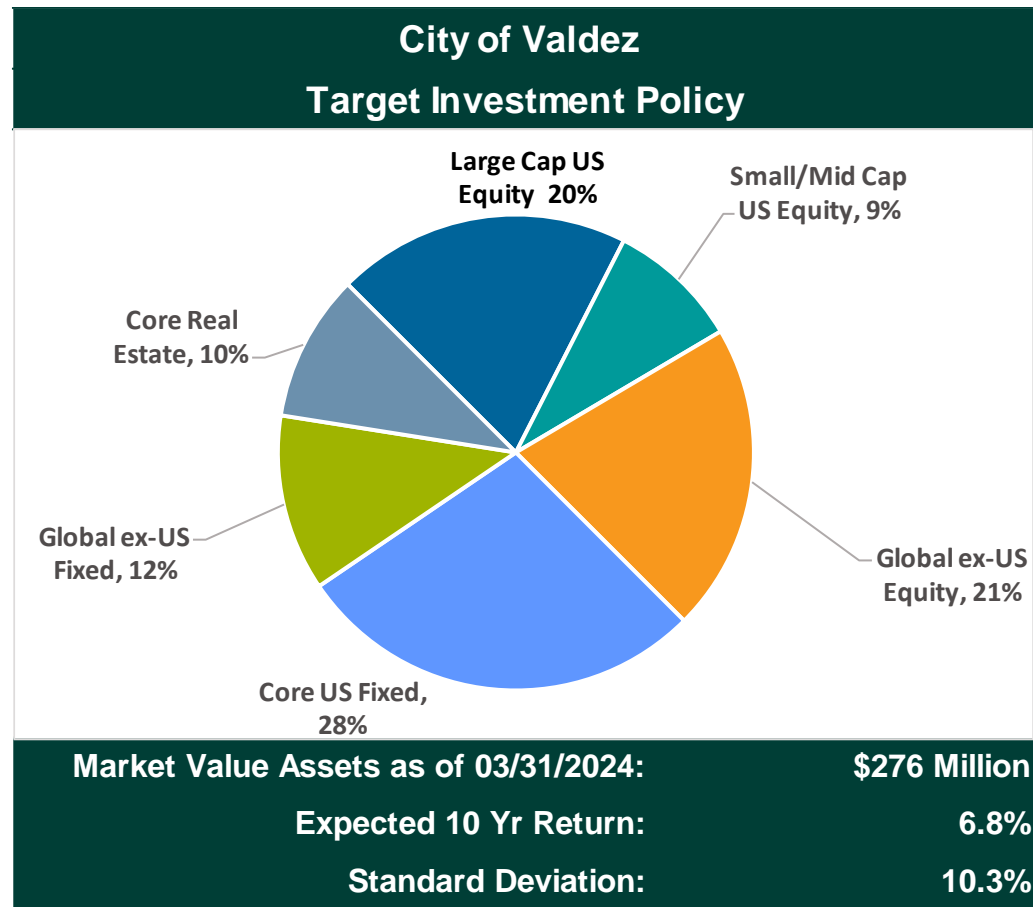
Required to preserve the real spending power of the corpus



**Investment returns grow the fund, while inflation and spending erode the corpus**

- ▶ When “Investment Returns” are greater than “Inflation + Spending” => The corpus grows in real terms
- ▶ When “Investment Returns” are less than “Inflation + Spending” => The corpus shrinks in real terms
- ▶ Thus, if intergenerational wealth is the objective, the target return must equal or exceed “Inflation + Spending”

# Target Policy Metrics



Asset Class	Policy
Large Cap US Equity	20.0%
Small/Mid Cap US Equity	9.0%
Global ex-US Equity	21.0%
Core US Fixed	28.0%
Global ex-US Fixed	12.0%
Core Real Estate	10.0%
<b>Total</b>	<b>100%</b>

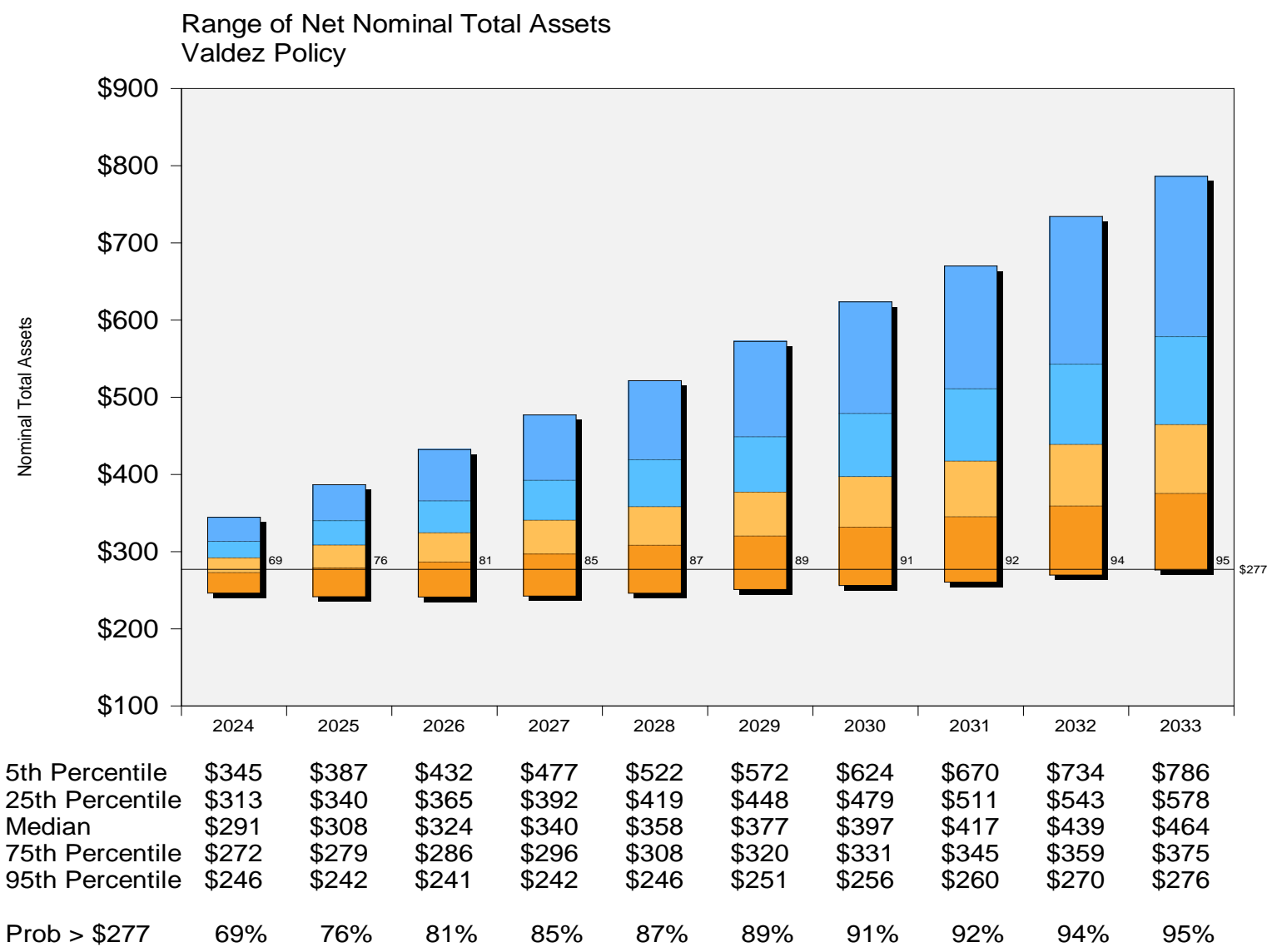
Asset Only Metrics	
Expected 10-Year Return	6.8%
Expected Real Return	4.3%
Standard Deviation	10.3%
Sharpe Ratio	0.369
Equity Beta	0.54
Bear Equity Shock -30%	-16%
Projected Yield	3.4%

Broad Allocation	
Public Equity	50%
Fixed Income	40%
Below Investment Grade	0%
Alternatives	10%

Liquid	90%
Illiquid	10%

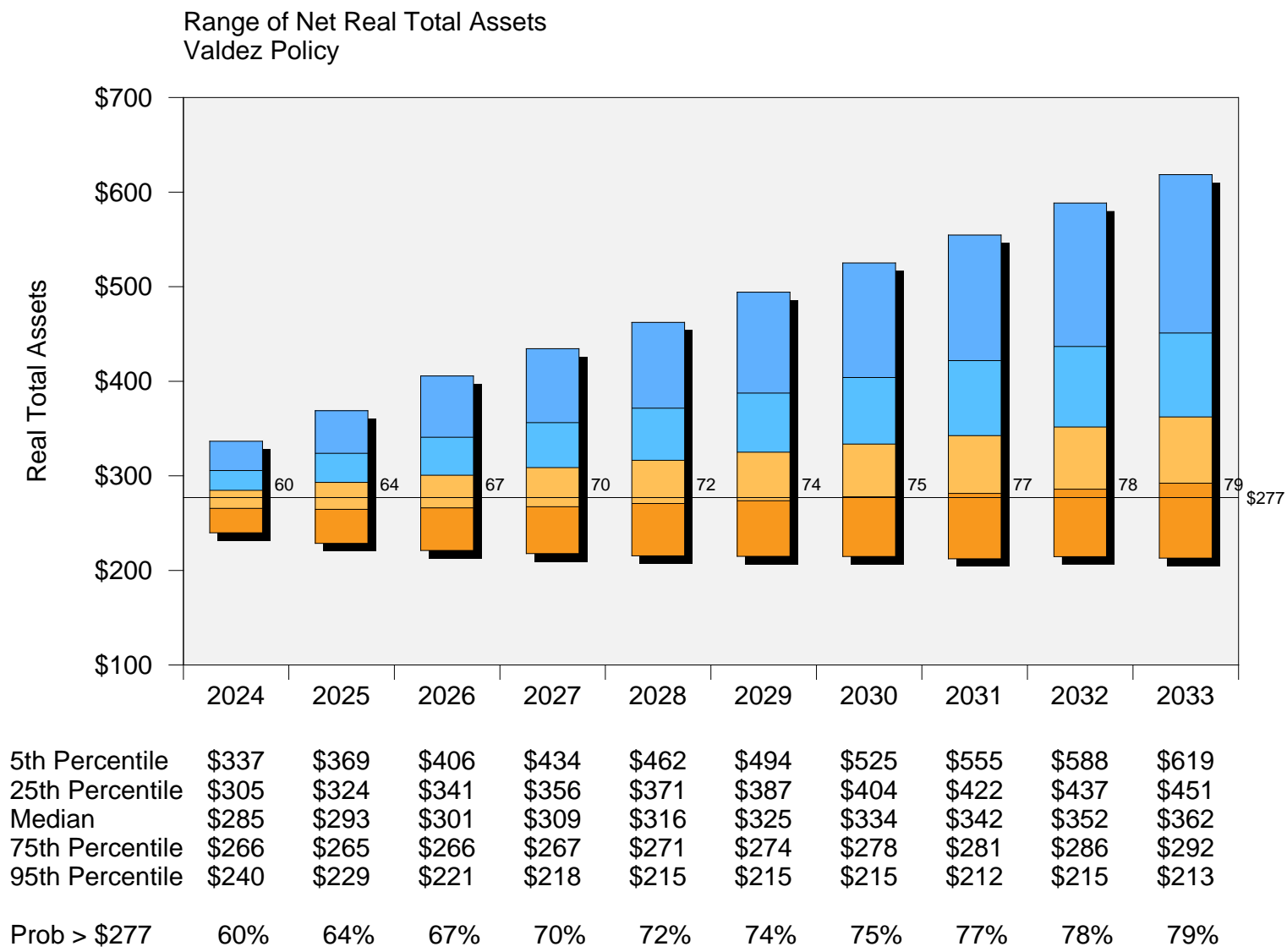
**The target policy is 50% equity, 40% fixed income, and 10% core real estate**

# Net Nominal Asset Value Projections (year end values)



Assuming a 1.5% spend, there is a 95% chance the nominal asset value will increase over the forecast period

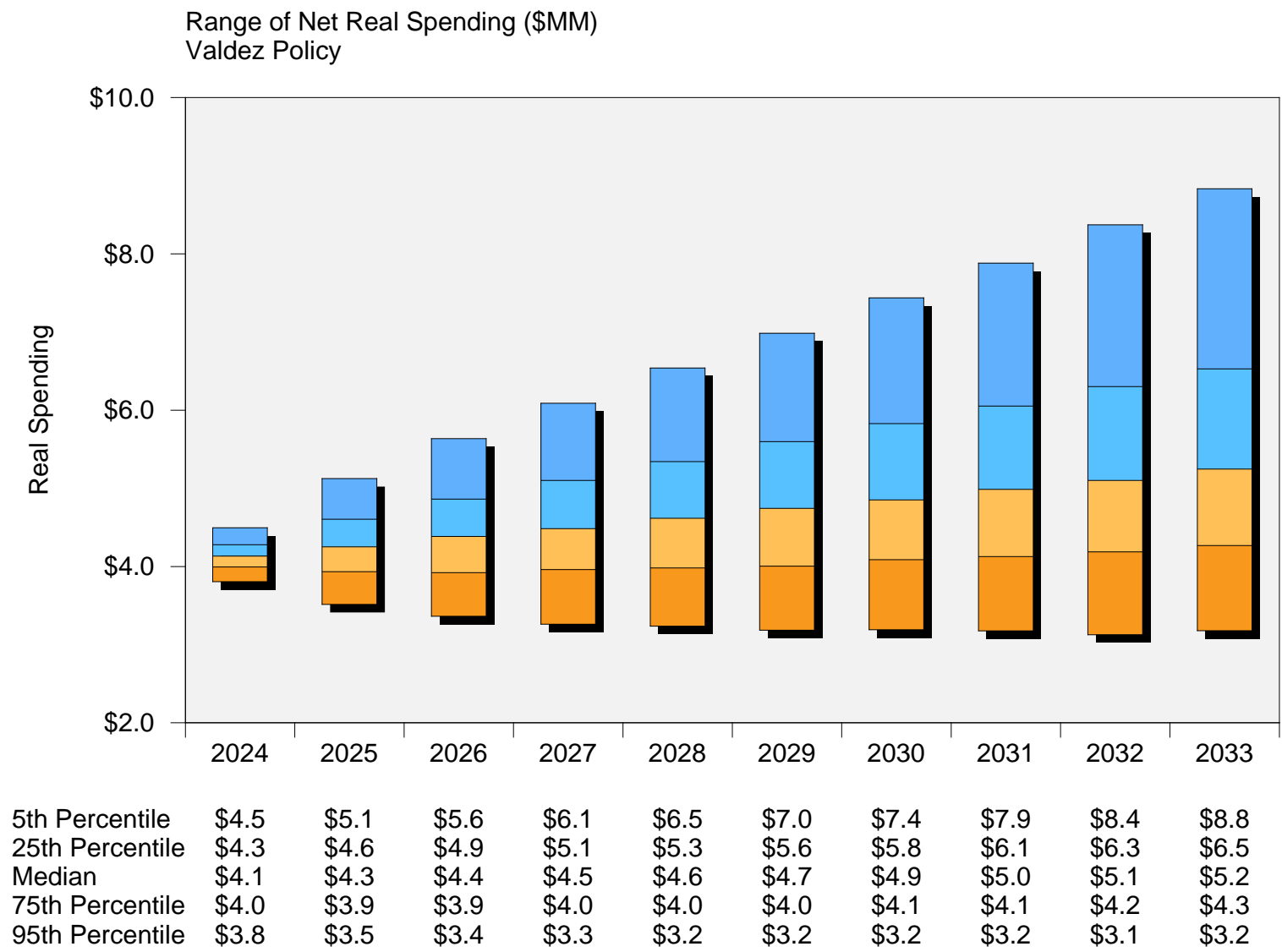
# Net Real Asset Value Projections (year end values)



Assuming a 1.5% spend, there is an 80% chance the real asset value will increase over the forecast period



# Net Real Spending Projections (year end values)



Assuming a 1.5% spend, the median spend amount will increase from \$4.1 to \$5.2 million, a 25% increase

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## Summary Observations

- Using the current asset allocation over the ten-year projection horizon, the Permanent Fund is expected to grow from \$276MM to \$362MM after accounting for the effects of expected inflation and the 1.50% annual distribution
- Annual fund distributions are expected to grow by approximately 2.40% per year after accounting for inflation in the expected case; growing from \$4.1MM to \$5.2MM
- The Investment Committee continues to review potential alternative asset allocations and their impacts on total fund and annual distribution growth

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## Appendix

# Asset Distribution and Cash Flow Across Investment Managers

As of June 30, 2024

	June 30, 2024				March 31, 2024	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
<b>Domestic Equity</b>	<b>\$88,285,233</b>	<b>31.62%</b>	<b>\$281,987</b>	<b>\$1,468,514</b>	<b>\$86,534,733</b>	<b>31.26%</b>
<b>Large Cap Equity</b>	<b>\$62,553,045</b>	<b>22.40%</b>	<b>\$218,855</b>	<b>\$2,342,038</b>	<b>\$59,992,152</b>	<b>21.67%</b>
Vanguard Institutional Index	62,553,045	22.40%	218,855	2,342,038	59,992,152	21.67%
<b>Mid Cap Equity</b>	<b>\$16,685,318</b>	<b>5.98%</b>	<b>\$63,132</b>	<b>\$(661,473)</b>	<b>\$17,283,659</b>	<b>6.24%</b>
Vanguard S&P Mid Cap 400 Index	16,685,318	5.98%	63,132	(661,473)	17,283,659	6.24%
<b>Small Cap Equity</b>	<b>\$9,046,870</b>	<b>3.24%</b>	<b>\$0</b>	<b>\$(212,051)</b>	<b>\$9,258,921</b>	<b>3.34%</b>
PGIM Small Cap Core Equity Fund	9,046,870	3.24%	0	(212,051)	9,258,921	3.34%
<b>International Equity</b>	<b>\$59,191,262</b>	<b>21.20%</b>	<b>\$(25,875)</b>	<b>\$1,105,747</b>	<b>\$58,111,391</b>	<b>20.99%</b>
Vanguard Intl Growth	23,284,109	8.34%	0	534,779	22,749,330	8.22%
Vanguard Intl Value	22,132,888	7.93%	0	(288,411)	22,421,299	8.10%
Brandes International Small Cap	13,774,266	4.93%	(25,875)	859,379	12,940,762	4.67%
<b>Fixed Income</b>	<b>\$106,732,017</b>	<b>38.22%</b>	<b>\$(1,415)</b>	<b>\$267,708</b>	<b>\$106,465,725</b>	<b>38.46%</b>
Alaska Permanent Cap Mgmt	37,654,185	13.48%	(1,415)	93,495	37,562,105	13.57%
Insight Global Fixed	31,683,128	11.35%	0	83,489	31,599,640	11.42%
Baird Aggregate Bond	37,394,704	13.39%	0	90,724	37,303,980	13.48%
<b>Real Estate</b>	<b>\$25,023,837</b>	<b>8.96%</b>	<b>\$(436,701)</b>	<b>\$(238,331)</b>	<b>\$25,698,869</b>	<b>9.28%</b>
UBS Trumbull Property *	11,891,149	4.26%	(199,623)	(109,589)	12,200,362	4.41%
Morgan Stanley Prime Property Fund	13,132,688	4.70%	(237,077)	(128,742)	13,498,508	4.88%
<b>Total Fund</b>	<b>\$279,232,350</b>	<b>100.00%</b>	<b>\$(182,004)</b>	<b>\$2,603,637</b>	<b>\$276,810,718</b>	<b>100.00%</b>

# Callan Periodic Table of Investment Returns

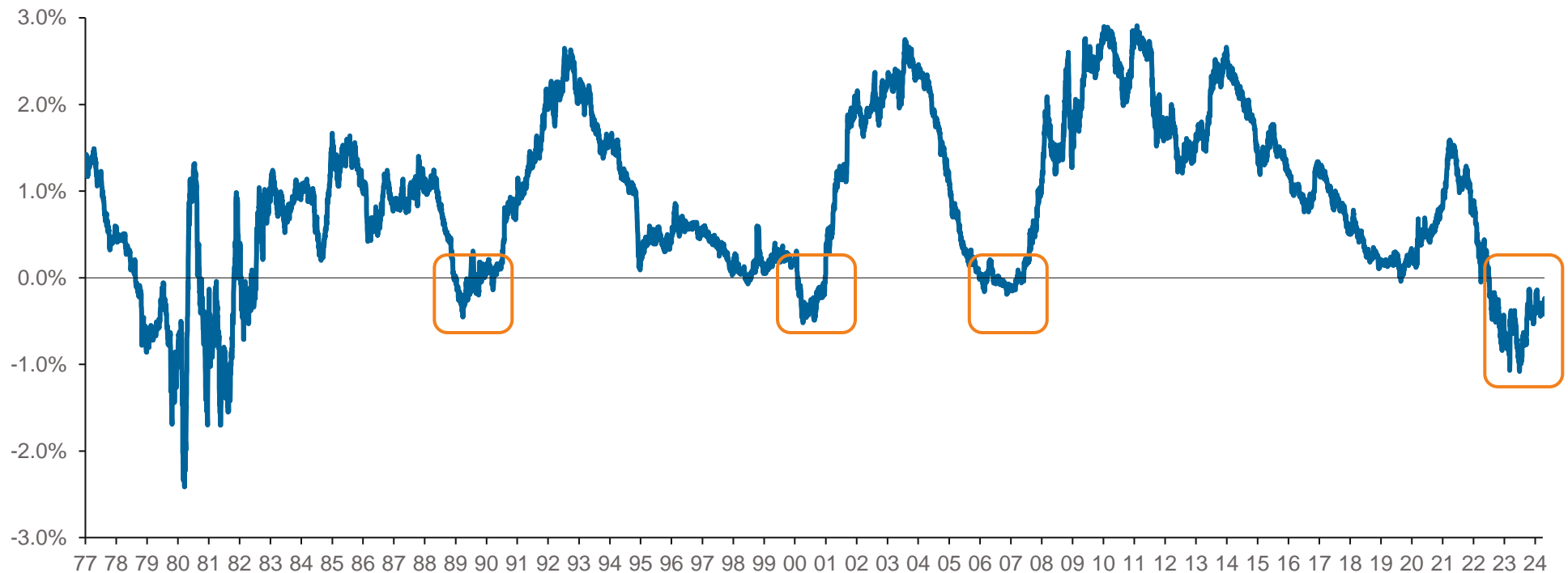
Cumulative Returns as of June 30, 2024  
Periods greater than one year are annualized

Annual Returns						Cumulative Returns						
2018	2019	2020	2021	2022	2023	15 Years	10 Years	5 Years	3 Years	1 Year	YTD	Last Qtr.
U.S. Fixed Income	Large Cap Equity	Small Cap Equity	Large Cap Equity	High Yield	Large Cap Equity	Large Cap Equity	Large Cap Equity	Large Cap Equity	Large Cap Equity	Large Cap Equity	Large Cap Equity	Emerging Market Equity
0.01%	31.49%	19.96%	28.71%	-11.19%	26.29%	14.82%	12.86%	15.05%	10.01%	24.56%	15.29%	5.00%
High Yield	Small Cap Equity	Large Cap Equity	Real Estate	U.S. Fixed Income	Dev ex-U.S. Equity	Small Cap Equity	Small Cap Equity	Small Cap Equity	Dev ex-U.S. Equity	Emerging Market Equity	Emerging Market Equity	Large Cap Equity
-2.08%	25.52%	18.40%	27.21%	-13.01%	17.94%	11.24%	7.00%	6.94%	2.82%	12.55%	7.49%	4.28%
Global ex-U.S. Fixed Income	Real Estate	Emerging Market Equity	Small Cap Equity	Dev ex-U.S. Equity	Small Cap Equity	Real Estate	High Yield	Dev ex-U.S. Equity	High Yield	Dev ex-U.S. Equity	Dev ex-U.S. Equity	High Yield
-2.15%	23.06%	18.31%	14.82%	-14.29%	16.93%	7.59%	4.31%	6.55%	1.64%	11.22%	4.96%	1.09%
Large Cap Equity	Dev ex-U.S. Equity	Global ex-U.S. Fixed Income	Dev ex-U.S. Equity	Large Cap Equity	High Yield	High Yield	Dev ex-U.S. Equity	High Yield	Small Cap Equity	High Yield	High Yield	U.S. Fixed Income
-4.38%	22.49%	10.11%	12.62%	-18.11%	13.44%	7.44%	4.27%	3.92%	-2.58%	10.44%	2.58%	0.07%
Real Estate	Emerging Market Equity	Dev ex-U.S. Equity	High Yield	Global ex-U.S. Fixed Income	Real Estate	Dev ex-U.S. Equity	Real Estate	Emerging Market Equity	U.S. Fixed Income	Small Cap Equity	Small Cap Equity	Dev ex-U.S. Equity
-4.74%	18.44%	7.59%	5.28%	-18.70%	10.85%	6.68%	2.99%	3.10%	-3.02%	10.06%	1.73%	-0.60%
Small Cap Equity	High Yield	U.S. Fixed Income	U.S. Fixed Income	Emerging Market Equity	Emerging Market Equity	Emerging Market Equity	Emerging Market Equity	Real Estate	Real Estate	Real Estate	U.S. Fixed Income	Global ex-U.S. Fixed Income
-11.01%	14.32%	7.51%	-1.54%	-20.09%	9.83%	4.90%	2.79%	0.26%	-3.85%	5.66%	-0.71%	-2.11%
Dev ex-U.S. Equity	U.S. Fixed Income	High Yield	Emerging Market Equity	Small Cap Equity	Global ex-U.S. Fixed Income	U.S. Fixed Income	U.S. Fixed Income	U.S. Fixed Income	Emerging Market Equity	U.S. Fixed Income	Real Estate	Real Estate
-14.09%	8.72%	7.11%	-2.54%	-20.44%	5.72%	2.50%	1.35%	-0.23%	-5.07%	2.63%	-3.17%	-2.15%
Emerging Market Equity	Global ex-U.S. Fixed Income	Real Estate	Global ex-U.S. Fixed Income	Real Estate	U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Small Cap Equity
-14.57%	5.09%	-8.18%	-7.05%	-24.42%	5.53%	0.18%	-1.86%	-3.56%	-7.48%	-0.66%	-5.26%	-3.28%

**Sources:** ● S&P 500 Index ● Russell 2000 Index ● MSCI World ex-U.S. Index ● MSCI Emerging Markets Index ● Bloomberg Aggregate U.S. Bond Index  
● Bloomberg Corp. High Yield Index ● Bloomberg Global Aggregate ex-U.S. Index ● FTSE EPRA Nareit Developed Index

# The Yield Curve Remains Inverted

## 10-Year Treasury vs. 2-Year Treasury Spread



- Inversion in the 10-year to 2-year Treasury yields does not always forecast a recession, but most recessions are preceded by a yield curve inversion.
- Inversion started in July 2022, bottomed at -1.08% in July 2023, and ended June 2024 at -0.35%.
- Rate cut expectations from the Fed ratcheted down to one rate cut this year, and three more cuts in 2025.

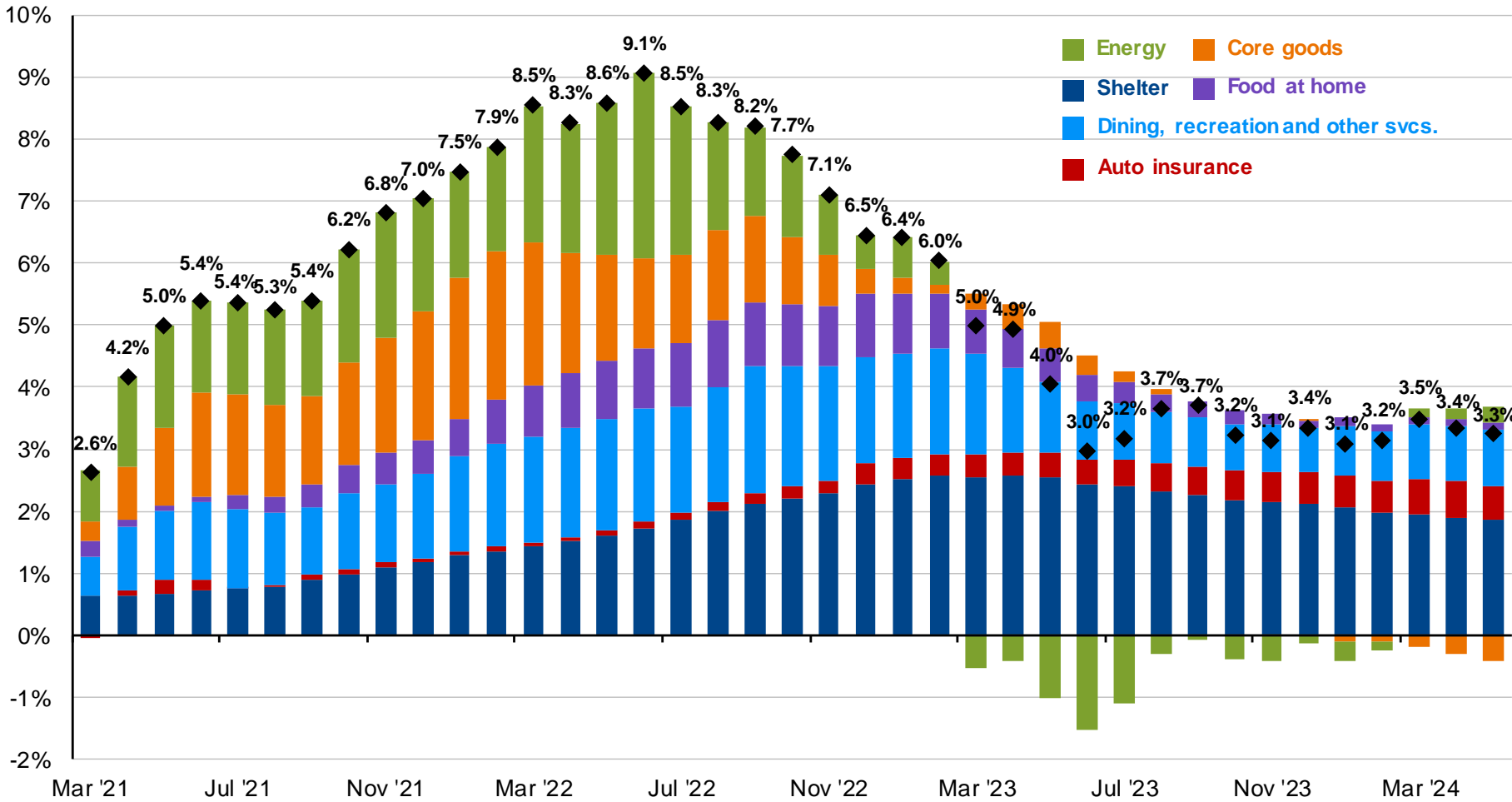
Source: Federal Reserve Bank of St. Louis

# Inflation Still Driven by Shelter and Services

Goods and grocery prices have fallen

## Contributors to headline CPI inflation

Contribution to y/y % change in CPI, non-seasonally adjusted



Source: J.P. Morgan *Guide to the Markets* – U.S. Data are as of June 30, 2024.

June 12, 2024

- Median year-end in 2024 = 5.1% (up from 4.6% projection at March meeting)
- “Longer run” up 20 basis points to 2.8%
- Dispersion of views widens in 2025 and 2026 but narrows over longer run.
- Market expects more cuts next year based on CME FedWatch as of July. Fed Funds expectations for end of 2024:
  - 48% expect 4.50% to 4.75%
  - 42% expect 4.75% to 5.00%
  - 7% expect 5.00% to 5.25%





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Callan's performance measurement service reports estimated returns for a portfolio and compares them against relevant benchmarks and peer groups, as appropriate; such service may also report on historical portfolio holdings, comparing them to holdings of relevant benchmarks and peer groups, as appropriate ("portfolio holdings analysis"). To the extent that Callan's reports include a portfolio holdings analysis, Callan relies entirely on holdings, pricing, characteristics, and risk data provided by third parties including custodian banks, record keepers, pricing services, index providers, and investment managers. Callan reports the performance and holdings data as received and does not attempt to audit or verify the holdings data. Callan is not responsible for the accuracy or completeness of the performance or holdings data received from third parties and such data may not have been verified for accuracy or completeness.

Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

The content of this document may consist of statements of opinion, which are made as of the date they are expressed and are not statements of fact. The opinions expressed herein may change based upon changes in economic, market, financial and political conditions and other factors. Callan has no obligation to bring current the opinions expressed herein.

The information contained herein may include forward-looking statements regarding future results. The forward-looking statements herein: (i) are best estimations consistent with the information available as of the date hereof and (ii) involve known and unknown risks and uncertainties. Actual results may vary, perhaps materially, from the future results projected in this document. Undue reliance should not be placed on forward-looking statements.

Callan is not responsible for reviewing the risks of individual securities or the compliance/non-compliance of individual security holdings with a client's investment policy guidelines.

This document should not be construed as legal or tax advice on any matter. You should consult with legal and tax advisers before applying any of this information to your particular situation.

Reference to, or inclusion in this document of, any product, service or entity should not necessarily be construed as recommendation, approval, or endorsement or such product, service or entity by Callan. This document is provided in connection with Callan's consulting services and should not be viewed as an advertisement of Callan, or of the strategies or products discussed or referenced herein.

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## Important Disclosures (continued)

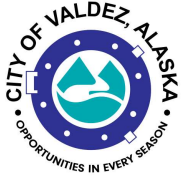
The issues considered and risks highlighted herein are not comprehensive and other risks may exist that the user of this document may deem material regarding the enclosed information. Please see any applicable full performance report or annual communication for other important disclosures.

Unless Callan has been specifically engaged to do so, Callan does not conduct background checks or in-depth due diligence of the operations of any investment manager search candidate or investment vehicle, as may be typically performed in an operational due diligence evaluation assignment and in no event does Callan conduct due diligence beyond what is described in its report to the client.

Any decision made on the basis of this document is sole responsibility of the client, as the intended recipient, and it is incumbent upon the client to make an independent determination of the suitability and consequences of such a decision.

Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.



# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686

## Legislation Text

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**File #:** 24-0304, **Version:** 1

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**ITEM TITLE:**

Approval of City Council Minutes from July 16, 2024

**SUBMITTED BY:** Elise Sorum-Birk, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

**RECOMMENDATION:**

n/a

**SUMMARY STATEMENT:**

City Council Minutes from July 16, 2024 are attached for review.

# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



## Meeting Minutes - DRAFT

Tuesday, July 16, 2024

7:00 PM

Regular Meeting

Council Chambers

**City Council**

**WORK SESSION AGENDA - 6:00 pm**

**1. Valdez Fire Department and EMS Operations Report**

**REGULAR AGENDA - 7:00 PM**

**I. CALL TO ORDER**

Present: 6 - Mayor Dennis Fleming  
Council Member Alan Sorum  
Council Member Jimmy Devens  
Council Member Joseph Lally  
Council Member Olivia Foster  
Council Member Scheidt

Absent: 1 - Council Member Austin Love

Also Present: 3 - City Clerk Sheri Pierce  
City Manager John Douglas  
Deputy City Clerk Elise Sorum-Birk  
City Attorney Jack Wakeland

**II. PLEDGE OF ALLEGIANCE**

**III. ROLL CALL**

**IV. APPROVAL OF MINUTES**

**1. Approval of City Council Minutes from July 2, 2024**

**V. PUBLIC APPEARANCES**

**1. Valdez Adventure Alliance (VAA)**

Pete Carter, VAA President, and Lynette Oliver, VAA Executive Director, provided an update to Council on their programs.

**2. T3 Alliance (Adam Low) and Mariculture Update (Tommy Sheridan)**

Adam Low introduced the T3 Alliance and students involved in the program.

Tommy Sheridan reviewed his report on mariculture.

**3. Valdez Senior Housing**

Shawne Mastrodoni provided an update on the senior housing complex.

**VI. PUBLIC BUSINESS FROM THE FLOOR**

## VII. CONSENT AGENDA

1. **Appointments to Ports and Harbors Commission - Applicants: Colleen Stephens and Ed Day**
2. **Approval to Go Into Executive Session: Escaped Property Litigation Strategy**

MOTION: Foster moved, seconded by Council Member Lally, to approve the consent agenda.

VOTE ON THE MOTION

**Yays: 6 - Fleming, Sorum, Devens, Lally, Scheidt and Foster**

**Absent: 1 - Love**

MOTION CARRIED.

## VIII. NEW BUSINESS

1. **Discussion Item: 2024 Economic Strategic Plan**

Colleen Stephens and Martha Barberio, Economic Diversification Commission, introduced and reviewed the proposed plan.

Council agreed their priorities aligned with those presented and shared their support of development of the Economic Strategic Plan.

## IX. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS

1. **City Manager Report**

Assistant City Manager Bart Hinkle noted that a project update would be provided at the next upcoming regular meeting.

2. **City Clerk Report**

City Clerk Sheri Pierce reviewed the upcoming council calendar.

3. **City Attorney Report**

City Attorney Jack Wakeland provided updates on cases his firm is working on for the City, including escaped property, Alaska Trappers, and Alderwood.

4. **City Mayor Report**

Mayor Fleming requested staff investigate ways to ease the burden of the transition to city water on Alderwood residents. He noted information on the potential

unionization of the fire department would be forthcoming.

## **X. COUNCIL BUSINESS FROM THE FLOOR**

Council Member Sorum requested an update on efforts around childcare at the next meeting. Deputy Clerk Sorum-Birk provided a brief update.

Council Member Devens reminded those listening to attend the upcoming Gold Rush Festival and encourage the public to volunteer if they were interested in contributing.

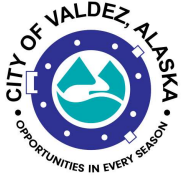
Council Member Foster provided an update on the container terminal. She noted a large uptick of respiratory disease in the community.

Council Member Lally thanked those who presented during the meeting.

## **XI. EXECUTIVE SESSION**

## **XII. RETURN FROM EXECUTIVE SESSION**

## **XIII. ADJOURNMENT**



## Legislation Text

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**File #:** 24-0306, **Version:** 1

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**ITEM TITLE:**

Jacob Caldwell, Owner/CMO - Kenai Aviation

**SUBMITTED BY:** Martha Barberio, Economic Development Director

**FISCAL NOTES:**

Expenditure Required: NA

Unencumbered Balance: NA

Funding Source: NA

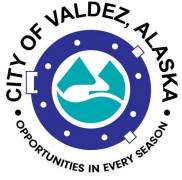
**RECOMMENDATION:**

[Click here to enter text.](#)

**SUMMARY STATEMENT:**

Mr. Caldwell, owner/CMO of Kenai Aviation, requested the opportunity to introduce himself and provide the city council with information about his company. Mr. Caldwell recently met with several members of city administration regarding Kenai Aviation's intent to submit a proposal for the essential air service program.





## Legislation Text

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**File #:** 24-0299, **Version:** 1

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**ITEM TITLE:**

Proclamation: Coast Guard Day

**SUBMITTED BY:** Elise Sorum-Birk, Deputy Clerk

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

**RECOMMENDATION:**

n/a

**SUMMARY STATEMENT:**

Proclamation recognizing August 4<sup>th</sup> 2024 as Coast Guard Day. Celebrating the important role of the Coast Guard in the community and recognizing the service of Coast Guard members.



# *PROCLAMATION*

WHEREAS, the United States Coast Guard has had a presence in Alaskan waters for over 150 years; and

WHEREAS, the United States Coast Guard's 17<sup>th</sup> District encompasses over 3,853,500 sq. miles and over 47,300 miles of shoreline throughout Alaska and the Arctic, with the mission to serve and safeguard the public, protect the environment and its resources, and defend the nation's interests in the Alaska maritime region; and

WHEREAS, during an average month in the 17<sup>th</sup> District, the Coast Guard saves 22 lives; assists 53 people; reports and investigates 25 marine casualties; performs 74 living marine resource boardings; responds to 22 pollution incidents; services 93 buoys and fixed aids to navigation; conducts 13 security boardings and 22 security patrols; performs 143 commercial fishing vessel safety exams; saves over \$1.65 million in property; teaches 375 children about proper life jacket use; and performs 95 marine inspections; and

WHEREAS, the United States Coast Guard played an instrumental role in managing Valdez's two largest historic disasters, with the response of the Coast Guard Cutter Sedge after the 1964 Earthquake and the Coast Guard's oversight of response efforts and coordination of other federal resources after the 1989 Exxon Valdez Oil Spill, an event that involved service from about 1100 Coast Guard personnel over a six-month period; and

WHEREAS, Valdez serves as the home to Marine Safety Unit Valdez and Coast Guard Station Valdez, and has been the homeport for many cutters throughout the years, most recently the Coast Guard Cutter Liberty, which arrived this year; and

WHEREAS, the significant presence of the United States Coast Guard in Valdez greatly aids maritime industry operations, safe vessel navigation and emergency response capabilities in the area; and

WHEREAS, Coast Guard service members and their families play a key role in making Valdez a vital and appealing place to live; and

WHEREAS, on April 7<sup>th</sup> 2021, Valdez was named a Coast Guard City in recognition of the efforts made to make Coast Guard men and women feel at home in our community; and

WHEREAS, Coast Guard Day is an annual celebration of the founding of the United States Coast Guard as the Revenue Marine on August 4<sup>th</sup> 1790, by then-Secretary of the Treasury Alexander Hamilton.

NOW, THEREFORE, I, Dennis Fleming, Mayor of the City of Valdez, Alaska, do hereby recognize that August 4<sup>th</sup> 2024 was celebrated as

**Coast Guard Day**

In Valdez, and urge our community to show our sincere appreciation to the service members who provide critical support for maritime safety and security in Port Valdez, Prince William Sound and across Alaska throughout this month.

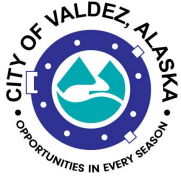
Dated this 6<sup>th</sup> day of August, 2024.

CITY OF VALDEZ, ALASKA

ATTEST:

\_\_\_\_\_  
Dennis Fleming, Mayor

\_\_\_\_\_  
Sheri L. Pierce, MMC, City Clerk



## Legislation Text

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**File #:** 24-0296, **Version:** 1

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**ITEM TITLE:**

Proclamation: Safe and Sound Week 2024

**SUBMITTED BY:** Rhea Cragun, Human Resources Director

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

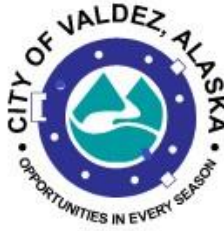
**RECOMMENDATION:**

Approve proclamation

**SUMMARY STATEMENT:**

Proclaiming Aug 12 - Aug 17 2024, to be Safe and Sound Week 2024 for City of Valdez Employees and encouraging all citizens to join with the Occupational Safety and Health Administration (OSHA), the City Administration and the City Employee Safety Committee in an effort to increase awareness of the value of following safe practices and staying safe at work while helping enhance their workplace safety efforts.

Please see attached proclamation



# PROCLAMATION

WHEREAS, the City of Valdez values a safe and healthy workplace for all of our citizens;  
and

WHEREAS, the majority of workplace injuries and fatalities are preventable, however more than 5,000 U.S. workers die each year from job-related injuries, and millions more suffer occupational injuries and illnesses; and

WHEREAS, businesses spend \$170 billion a year on costs tied to occupational injuries, illnesses and healthcare, as well as facing intangible costs of losing a loved one, friend or coworker; and

WHEREAS, by fostering a culture of safety, where every employee truly believes they have a right to a safe and healthy workplace, we can protect our workers, reduce workplace risks, and enhance productivity; and

WHEREAS, during the week of August 12<sup>th</sup> thru August 17<sup>th</sup>, the Occupational Safety and Health Administration, the membership of leading safety professional organizations, and corporate and association partners representing thousands of businesses will recognize the importance of safety and health programs in every workplace and encourage organizations to hold safety as a core value; and

WHEREAS, the City of Valdez will join these groups in celebrating Safe and Sound Week with our employees by engaging in activities to increase awareness of the value of following safe practices in the workplace.

NOW, THEREFORE, I, Dennis Fleming, Mayor of the City of Valdez, do hereby proclaim, the week of August 12<sup>th</sup> to 17<sup>th</sup>, 2024, to be

## **Safe and Sound Week 2024**

In Valdez, and encourage all organizations, community leaders, employers and employees to support activities designed to increase awareness of the importance of safe workplaces for all.

CITY OF VALDEZ, ALASKA

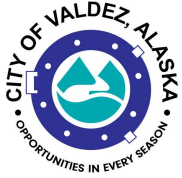
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Dennis Fleming, Mayor

ATTEST:

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Sheri L. Pierce, MMC, City Clerk



## Legislation Text

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**File #:** 24-0298, **Version:** 1

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**ITEM TITLE:**

Appointment to the Beautification Commission- Applicants: Meg Weaver and Timi Miner

**SUBMITTED BY:** Elise Sorum-Birk, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

**RECOMMENDATION:**

Review and appoint applicants.

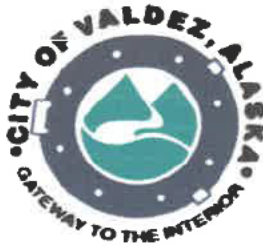
**SUMMARY STATEMENT:**

Three vacancies exist on the Beautification Commission due to normal term expiration. The following applications have been received to fill these vacancies:

- Meg Weaver
- Timi Miner

The term of appointment is for a one-year term ending July 31, 2026. If both applicants are appointed, one vacancy will remain.

Application materials are attached.



## APPLICATION FOR APPOINTMENT TO BOARD OR COMMISSION

BOARD/COMMISSION Beautification Commission

DATE 7-22-24

NAME Margaret Warner (Meg)

RESIDENCE ADDRESS [REDACTED]

MAILING ADDRESS [REDACTED] Valdez AK 99686

TELEPHONE NUMBER Daytime [REDACTED] Evening Same

OCCUPATION Retired EMPLOYER —

Please check the main reason(s) for applying for appointment to this board/commission:

- ☒ I have expertise that I want to contribute.  
☒ I am interested in the activities the board/commission handles.  
☐ I want to participate in local government.  
☐ I am strongly concerned with better government.  
☐ I want to make sure my segment of the community is represented.  
☒ Other: Re-apply for commission seat

Please explain in greater detail those items you have checked: I was appointed to this commission when it was a task force by former Mayor Cobb. I have worked on many projects with the commission and have a lot of ideas that I would like to see come forward and finished.

It is suggested you attach an outline of your education, work and volunteer experience.

How did you learn of this vacancy? (circle one)

Media

Word of mouth

Solicitation

Other Re-apply

[Signature]  
Signature

\*\*\* Please return this form to the Office of the City Clerk, P.O. Box 307, Valdez, AK 99686 \*\*\*

Application Form

Profile

Timi

First Name

Miner

Last Name

Email Address

Valdez Mailing Address (PO BOX # or HCI BOX #)

Home Address

City

Primary Phone

Suite or Apt

State

Postal Code

Alternate Phone

City of Valdez

Employer

Heavy Equipment Operator

Occupation

Which Boards would you like to apply for?

Beautification Commission: For Review

How did you learn about this vacancy?

- ☒ City Website
- ☒ Other

Interests & Experience

Why are you interested in serving on a City of Valdez board or commission?

I am interested in serving on a commission because I want to find ways to further serve my community.



**Please outline your education, work, and volunteer experience which will assist you in serving on a City of Valdez board/commission.**

---

I have a Bachelors degree in Environmental Ethics from UAF and am currently in a Masters Program about Arctic Studies, focusing on alaskan issues. I currently work for the City of Valdez as a heavy equipment operator, but have also worked in other departments such as Building Maintenance and Parks and Rec. I have other experience such as working as a Front Desk attendant at UAF, an operator for the local 302, and as a high school ski coach for 3 years. As for my volunteering I have a long history such as being a volunteer at the Valdez Animal Shelter, the food bank, a counselor at Victory Bible Camp, and a volunteer for many events hosted by the Elks Lodge. I enjoy spending my time volunteering for various groups and events.

Question applies to Beautification Commission

**How do you think the community of Valdez could improve upon the aesthetics of its built environment?**

---

Part of why I'm interested in this commission is to start getting involved in how to help Valdez develop. I really enjoy how Valdez utilizes green space. I would like to see more development of green space/trails in out of town areas and to help develop existing areas (such as the Glacier Park area).

---

[Timi\\_Miner.resume.commissions.pfd.pdf](#)

Upload a Resume or Letter of Interest

# Timi Miner

Heavy Equipment Operator

Valdez, AK 99686



## SUMMARY

I have a love of the outdoors and have spent much of my career working in it. I have spent many years at the City of Valdez as a seasonal laborer and a full time operator. I also have 3 years under the 302 apprenticeship where I was able to work with different companies to develop a broad range of experience in operating, including rock pit development. I also spent two seasons working for Parks and Rec developing trail systems, maintaining cemeteries, and landscaping. I am interested in this commission as my background is relevant to development in Alaskan communities.

## EDUCATION

### University of Alaska Fairbanks

Bachelor's Degree in Environmental Ethics  
2019

### University of Alaska Fairbanks

Arctic and Northern Studies Masters Program  
2021 - current

## SKILLS

- Professional writing such as grants or policy briefs
- Microsoft word, Adobe, Google programs
- Educational tools such as Prezi, Canva, and others

## VOLUNTEERING

Valdez Elks Lodge, 2017- current  
Valdez Fire Department, 2016  
Valdez Ski Team, 2016-2018  
Valdez Food Bank, 2009-2011  
Valdez Animal Shelter, 2009-2011  
Creative Counselor, Victory Camp 2012

## PROFESSIONAL EXPERIENCE

### Heavy Equipment Operator

IOEU 302 Union Apprenticeship | 2021 - 2023

- Working with various companies to develop a well-rounded background as an operator
- Developing rock quarries and pits for various materials
- Welding and plant maintenance
- Road construction
- Snow Removal
- Various other equipment training

### Heavy Equipment Operator

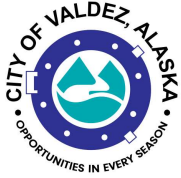
City of Valdez | 2019 - current

- Fire hydrant maintenance and winterization
- Street maintenance such as signage replacement and pothole repair
- Assistance with sewer and baler departments
- Assistance with shop maintenance
- Snow removal
- Various other labor duties

### City of Valdez Temporary Laborer

City of Valdez | 2016 - 2019

- Worked as a temporary laborer for the Parks and Rec department to maintain cemeteries and construct playgrounds
- Worked as a temporary maintenance technician with Building Maintenance on various labor and maintenance projects
- Worked as a temporary streets laborer for summer time streets maintenance



## Legislation Text

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**File #:** 24-0300, **Version:** 1

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**ITEM TITLE:**

Approval of Liquor License Renewal: The Wheelhouse

**SUBMITTED BY:** Sheri Pierce, MMC, City Clerk

**FISCAL NOTES:**

Expenditure Required: NA

Unencumbered Balance: NA

Funding Source: NA

**RECOMMENDATION:**

[Click here to enter text.](#)

**SUMMARY STATEMENT:**

A local governing body may protest the approval of an applicant pursuant to AS 04.11.480 by furnishing the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of the notice.

Following notification of a new license or renewal of an existing license by the Alcohol & Marijuana Control Office, the City Clerk's office submits all license applications to the city council for approval. The Police Chief is notified of the request and is provided the opportunity to express any concerns with the issuance or re-issuance of the license.

Please see attached information provided by the AMCO office regarding this application.



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

July 11, 2024

From: [Alcohol.licensing@alaska.gov](mailto:Alcohol.licensing@alaska.gov) ; [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

Licensee: **Johnson Inn Valdez, Llc**  
DBA: The Wheelhouse  
VIA email: [dj\\_bidarkainn@hotmail.com](mailto:dj_bidarkainn@hotmail.com)  
CC: None  
Local Government 1: Valdez  
Local Government 2:  
Via Email: [spierce@valdezak.gov](mailto:spierce@valdezak.gov); [esorumbirk@valdezak.gov](mailto:esorumbirk@valdezak.gov)

Community Council: n/a  
Via Email:

Re: Beverage Dispensary License #1038 Combined Renewal Notice

<b>License Number:</b>	#1038
<b>License Type:</b>	Beverage Dispensary License
<b>Licensee:</b>	Johnson Inn Valdez, Llc
<b>Doing Business As:</b>	The Wheelhouse
<b>Physical Address:</b>	100 N Harbor Dr, Valdez, AK 99686
<b>Designated Licensee:</b>	Johnson Inn Valdez, Llc
<b>Phone Number:</b>	907-299-1413; 907-235-8148
<b>Email Address:</b>	<a href="mailto:dj_bidarkainn@hotmail.com">dj_bidarkainn@hotmail.com</a>

☒ License Renewal Application

☐ Endorsement Renewal Application

**Dear Licensee:**

Our staff has reviewed your application after receiving your application and required fees. Your renewal documents appear to be in order, and I have determined that your application is complete for purposes of AS 04.11.510, and AS 04.11.520.

Your application is now considered complete and will be sent electronically to the local governing body(ies), your community council if your proposed premises is in Anchorage or certain locations in the Matanuska-Susitna Borough, and to any non-profit agencies who have requested notification of applications. The local governing body(ies) will have 60 days to protest the renewal of your license.

Your application will be scheduled for the **September 10<sup>th</sup>, 2024** board meeting for Alcoholic Beverage Control Board consideration. The address and call-in number for the meeting will be posted on our home page. The board will not grant or deny your application at the meeting unless your local government waives its right to protest per AS 04.11.480(a).

Please feel free to contact us through the [Alcohol.licensing@alaska.gov](mailto:Alcohol.licensing@alaska.gov) email address if you have any questions.

**Dear Local Government:**

We have received completed renewal applications for the above listed licenses within your jurisdiction. This is the notice required under AS 04.11.480. A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license with one or more endorsement, or issuance of an endorsement by sending the director and the applicant a protest and the reasons for the protest in a clear and concise statement within 60 days of the date of the notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer.

To protest any application(s) referenced above, please submit your written protest for each within 60 days to AMCO and provide proof of service upon the applicant and proof that the applicant has had reasonable opportunity to defend the application before the meeting of the local governing body. If you have any questions, please email [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov).

**Dear Community Council (Municipality of Anchorage and Mat-Su Borough only)**

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This letter serves to provide written notice to the above referenced entities regarding the above application, as required under AS 04.11.310(b) and AS 04.11.525.

Please contact the local governing body with jurisdiction over the proposed premises for information regarding review of this application. Comments or objections you may have about the application should first be presented to the local governing body.

If you have any questions, please email [Alcohol.licensing@alaska.gov](mailto:Alcohol.licensing@alaska.gov)

Sincerely,

A handwritten signature in blue ink that reads "Joan M. Wilson". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Joan M. Wilson, Director  
907-269-0350



Document reference ID : 1403

# Licensing Application Summary

<b>Application ID:</b>	1403
<b>Applicant Name:</b>	Johnson Inn Valdez, Llc
<b>License Type applied for:</b>	Beverage Dispensary License(BDL) (AS 04.09.200)
<b>Application Status:</b>	In Review
<b>Application Submitted On:</b>	12/19/2023

## Entity Information

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<b>Business Structure:</b>	Limited liability company
<b>Alaska Entity Number (CBPL):</b>	10024824

## Entity Contact Information

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<b>Entity Address:</b>	575 Sterling Highway, Homer, AK, 99603, USA
------------------------	---

## Premises Address

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<b>Nearest municipality, city, and/or borough:</b>	Valdez
<b>Country, State, Zip:</b>	AK, United States,

## Basic Business information

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<b>Business/Trade Name:</b>	The Wheelhouse
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# Local Government and Community Council Details

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**City/Municipality**

Valdez

**Borough**

Unorganized Borough

## Public Notice Posting Attestation and Publishers Affidavit

### Attestations

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I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

I certify that all proposed licensees have been listed with Division of Corporation, Business, and Professional Licensing.

I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

### Signature

---

Electronic Signature not collected; application submitted based on paper form.

# Payment Info

---

Payment Type : CC

PaymentId: 06e72a49-b58b-49db-bb14-  
b53ec8737b3d

Receipt Number:



# License Renewal

Is this application being made by you for the benefit of someone else? If “YES,” indicate below or attach explanation.

No

Has the applicant, applicant’s spouse, partner, officer, director or stockholders, of the licensed entity become disqualified by law or by facts and conditions from holding a license or permit under the Alcohol and Cannabis Control Information System Alcoholic Beverage Code ? If “YES,” indicate below or attach explanation.

No

Have there been changes since your original application that have not been reported on this or previous applications ? If “YES,” indicate below or attach explanation.

No

How many hours did you operate in 2022 as set forth in AS 04.11.330?

Operated to meet the minimum 240 hrs.

How many hours did you operate in 2023 as set forth in AS 04.11.330?

Operated to meet the minimum 240 hrs.

Are you a seasonal license and has your operation times/dates/seasons changed?

No

Has any person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2022 or 2023.?

No

Have any Notices of Violation been issued for this license in 2022 or 2023?

No



License Number:  
1038



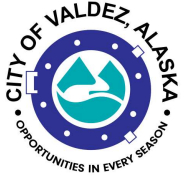
License Expiration Date:  
12/31/2023



License Trade Name:  
The Wheelhouse



Mailing Address:  
575 Sterling Hwy  
Homer , AK  
99603



## Legislation Text

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**File #:** 24-0301, **Version:** 1

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**ITEM TITLE:**

Approval of Liquor License Renewal: The Fat Mermaid

**SUBMITTED BY:** Sheri Pierce, MMC, City Clerk

**FISCAL NOTES:**

Expenditure Required: NA

Unencumbered Balance: NA

Funding Source: NA

**RECOMMENDATION:**

[Click here to enter text.](#)

**SUMMARY STATEMENT:**

A local governing body may protest the approval of an applicant pursuant to AS 04.11.480 by furnishing the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of the notice.

Following notification of a new license or renewal of an existing license by the Alcohol & Marijuana Control Office, the City Clerk's office submits all license applications to the city council for approval. The Police Chief is notified of the request and is provided the opportunity to express any concerns with the issuance or re-issuance of the license.

Please see attached information provided by the AMCO office regarding this application.



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

July 29, 2024

From: [Alcohol.licensing@alaska.gov](mailto:Alcohol.licensing@alaska.gov) ; [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

Licensee: **North Harbor Project, Inc.**

DBA: The Fat Mermaid

VIA email: [ables@cvinternet.net](mailto:ables@cvinternet.net)

CC: None

Local Government 1: Valdez

Local Government 2: Unorganized Borough

Via Email: [spierce@valdezak.gov](mailto:spierce@valdezak.gov); [esorumbirk@valdezak.gov](mailto:esorumbirk@valdezak.gov)

Community Council: n/a

Via Email:

Re: Beverage Dispensary #4675 Combined Renewal Notice

<b>License Number:</b>	#4675
<b>License Type:</b>	Beverage Dispensary
<b>Licensee:</b>	North Harbor Project, Inc.
<b>Doing Business As:</b>	The Fat Mermaid
<b>Physical Address:</b>	143 N Harbor Dr, Valdez, AK 99686
<b>Designated Licensee:</b>	North Harbor Project, Inc.
<b>Phone Number:</b>	907-831-0274
<b>Email Address:</b>	<a href="mailto:ables@cvinternet.net">ables@cvinternet.net</a>

☒ **License Renewal Application**

☐ **Endorsement Renewal Application**

**Dear Licensee:**

Our staff has reviewed your application after receiving your application and required fees. Your renewal documents appear to be in order, and I have determined that your application is complete for purposes of AS 04.11.510, and AS 04.11.520.

Your application is now considered complete and will be sent electronically to the local governing body(ies), your community council if your proposed premises is in Anchorage or certain locations in the Matanuska-Susitna Borough, and to any non-profit agencies who have requested notification of applications. The local governing body(ies) will have 60 days to protest the renewal of your license.

Your application will be scheduled for the **September 10<sup>th</sup>, 2024** board meeting for Alcoholic Beverage Control Board consideration. The address and call-in number for the meeting will be posted on our home page. The board will not grant or deny your application at the meeting unless your local government waives its right to protest per AS 04.11.480(a).

Please feel free to contact us through the [Alcohol.licensing@alaska.gov](mailto:Alcohol.licensing@alaska.gov) email address if you have any questions.

**Dear Local Government:**

We have received completed renewal applications for the above listed licenses within your jurisdiction. This is the notice required under AS 04.11.480. A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license with one or more endorsement, or issuance of an endorsement by sending the director and the applicant a protest and the reasons for the protest in a clear and concise statement within 60 days of the date of the notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer.

To protest any application(s) referenced above, please submit your written protest for each within 60 days to AMCO and provide proof of service upon the applicant and proof that the applicant has had reasonable opportunity to defend the application before the meeting of the local governing body. If you have any questions, please email [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov).

**Dear Community Council (Municipality of Anchorage and Mat-Su Borough only)**

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This letter serves to provide written notice to the above referenced entities regarding the above application, as required under AS 04.11.310(b) and AS 04.11.525.

Please contact the local governing body with jurisdiction over the proposed premises for information regarding review of this application. Comments or objections you may have about the application should first be presented to the local governing body.

If you have any questions, please email [Alcohol.licensing@alaska.gov](mailto:Alcohol.licensing@alaska.gov)

Sincerely,

A handwritten signature in blue ink that reads "Joan M. Wilson". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Joan M. Wilson, Director  
907-269-0350



Document reference ID : 1621

# Licensing Application Summary

<b>Application ID:</b>	1621
<b>Applicant Name:</b>	North Harbor Project, Inc.
<b>License Type applied for:</b>	Beverage Dispensary License(BDL) (AS 04.09.200)
<b>Application Status:</b>	In Review
<b>Application Submitted On:</b>	12/22/2023

## Entity Information

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<b>Business Structure:</b>	Corporation
<b>Alaska Entity Number (CBPL):</b>	131570

## Entity Contact Information

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<b>Entity Address:</b>	P.O. Box 1999, Valdez, AK, 99686, USA
------------------------	---------------------------------------

## Premises Address

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<b>Nearest municipality, city, and/or borough:</b>	Valdez
<b>Country, State, Zip:</b>	AK, United States,

## Basic Business information

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<b>Business/Trade Name:</b>	The Fat Mermaid
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# Local Government and Community Council Details

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**City/Municipality**

Valdez

**Borough**

Unorganized Borough

## Public Notice Posting Attestation and Publishers Affidavit

### Attestations

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I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

I certify that all proposed licensees have been listed with Division of Corporation, Business, and Professional Licensing.

I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

### Signature

---

Electronic Signature not collected; application submitted based on paper form.

# Payment Info

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Payment Type : CC

Payment Id: 8700ca7d-1283-484c-a5dc-87d0046e4ae5

Receipt Number: 100736453

Payment Date: 12/22/2023 2:17:35 PM

## License Renewal

Is this application being made by you for the benefit of someone else? If "YES," indicate below or attach explanation.

No

Has the applicant, applicant's spouse, partner, officer, director or stockholders, of the licensed entity become disqualified by law or by facts and conditions from holding a license or permit under the Alcohol and Cannabis Control Information System Alcoholic Beverage Code ? If "YES," indicate below or attach explanation.

No

Have there been changes since your original application that have not been reported on this or previous applications ? If "YES," indicate below or attach explanation.

No

How many hours did you operate in 2022 as set forth in AS 04.11.330?

Operated to meet the minimum 240 hrs.

How many hours did you operate in 2023 as set forth in AS 04.11.330?

Operated to meet the minimum 240 hrs.

Are you a seasonal license and has your operation times/dates/seasons changed?

No

Has any person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2022 or 2023.?

No

Have any Notices of Violation been issued for this license in 2022 or 2023?

No

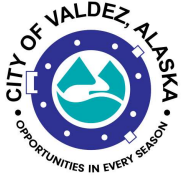
# License Number:  
4675

# License Expiration Date:  
12/31/2023

# License Trade Name:  
The Fat Mermaid

Mailing Address:  
 PO Box 1999  
Valdez , AK  
99686





## Legislation Text

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**File #:** 24-0302, **Version:** 1

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**ITEM TITLE:**

Approval to Go Into Executive Session: Escaped Property Litigation Strategy

**SUBMITTED BY:** Jake Staser, City Attorney

**FISCAL NOTES:**

Expenditure Required: NA

Unencumbered Balance: NA

Funding Source: NA

**RECOMMENDATION:**

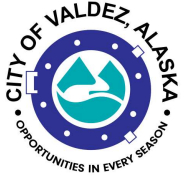
[Click here to enter text.](#)

**SUMMARY STATEMENT:**

Alaska Statute AS 44.62.310 provides an exception to the Alaska Open Meetings law (AS 44.62.310) which allows the City Council to meet in executive session for the purpose of discussion related to:

1. Matters which involve litigation and where matters of which the immediate knowledge would clearly have an adverse effect upon the finances of the City.
2. Matters which by law, municipal charter, or ordinance are required to be confidential.

**Any formal action related to the discussion requiring a motion and vote of the governing body must be done in open session.**



## Legislation Text

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**File #:** 24-0307, **Version:** 1

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**ITEM TITLE:**

Approval of Valdez Ramp Construction Agreement Between City of Valdez and Alaska Marine Lines, Inc.

**SUBMITTED BY:** Jeremy Talbott, Ports and Harbors Director

**FISCAL NOTES:**

Expenditure Required: \$300,000

Unencumbered Balance: NA

Funding Source: Revenue Accounts associated with Alaska Marine Lines, Inc.

**RECOMMENDATION:**

Approve Valdez Ramp Construction Agreement with Alaska Marine Lines, Inc.

**SUMMARY STATEMENT:**

Alaska Marine Lines would like to enter into the purposed attached agreement with the City of Valdez. The proposed agreement would allow Alaska Marine Lines to make needed barge landing improvements to the Valdez Container Dock barge landing.

The barge landing currently is only accessible during high tide and continues to be washed out during storms and winter extreme high tides. Barges are unable to tie up and must be constantly pushed against the landing during loading operations creating a potential safety hazard.

This improvement is currently in the City Waterfront Master Plan and Capital Facilities Department Long Range Plan.

The Ports & Harbors Commission held a work session to discuss this specific project on June 17<sup>th</sup> at 1800 hours. The Commission felt strongly that the project had merit, and asked staff to bring the final agreement for formal recommendation to the Valdez City Council.

The Ports & Harbors Commission will hold a regular meeting on August 5, 2024 at 1900 hours. A formal recommendation to approve the Valdez Ramp Construction Agreement with Alaska Marine Lines is on the Commission's agenda.

Staff will update the City Council on the Ports & Harbors commission's recommendation verbally as the City Council Agenda will have already been published.

## **VALDEZ RAMP CONSTRUCTION AGREEMENT**

This Valdez Ramp Construction Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between the CITY OF VALDEZ (the "City") and ALASKA MARINE LINES, INC. ("AML") (sometimes herein referred to individually as "Party" and together as the "Parties").

### **RECITALS**

WHEREAS, The City owns certain tidelands and dock facilities in Valdez, Alaska known as the Valdez Container Terminal, which is operated as a marine terminal suitable for performing marine-related cargo services at the Port of Valdez; and

WHEREAS, when an AML integrated tug and barge arrives at the Valdez Container Terminal, containers are discharged and back-loaded by forklifts via a short ramp at the Valdez Container Terminal, depicted in Exhibit A (the "Ramp"); and

WHEREAS, AML desires to modify the Ramp in a manner that will permit AML to more safely and efficiently discharge and back-load its containers over the Ramp via forklift at all or most stages of the tide ; and

WHEREAS, cost estimates are roughly \$300,000 for the ramp improvements, abutment work, and winches, and the City desires to have such improvements constructed, and is willing to reimburse AML for up to \$300,000 of the cost of construction through credits to rates charged under the Port of Valdez Terminal Tariff ("Tariff"), as provided herein; and

WHEREAS, these improvements are contemplated in the City of Valdez Waterfront Master Plan and the Capital Facilities Department Long Range Plan.

WHEREAS, the Parties intend, by this Agreement, to set forth their mutual understanding concerning the construction, ownership and costs with respect to said improvements.

NOW, THEREFORE, based upon the Recitals above, which are a material part of this Agreement, the Parties agree as follows:

1. Project Scope. The scope of the project is the modification and upgrade of the Ramp and addition of winches to allow more safe and efficient discharge and back-loading of AML's containers (the "Project") and includes the following major components as generally depicted in Exhibit B:

- a. Design, project management and construction of the modifications and upgrades.
- b. Installation of 50-ton barge winches, abutment and concrete approach, and bollards.

2. AML's Project Responsibilities. AML shall be responsible for the design, project management and construction of the Project within the initial budget approved by the City and any change orders approved by the City. AML shall be responsible for all Project costs in excess of Three Hundred Thousand Dollars (\$300,000) including any budget overruns. AML shall

coordinate both the Project design and construction with the City so that the final product is acceptable to the City. Prior to commencing work on the Project, AML shall submit to the City for approval all plans and specifications for the Project, including the selection of a general contractor. AML agrees not to commence any associated work until the aforesaid approval has been received. The City agrees to promptly and timely review the plans and specifications and will not unreasonably withhold any approval thereof. The final plans and specifications, reviewed and approved by both AML and the City shall be attached hereto as Exhibit C. AML shall require the contractor to pay Davis-Bacon wages as required by law. AML shall also acquire and maintain in good standing all permits and licenses necessary for construction of the Project.

3. The City's Responsibilities. The City's total commitment to the Project cost shall not exceed Three Hundred Thousand Dollars (\$300,000). The City shall promptly and timely review the Project design, and will not unreasonably withhold any approval thereof. The City shall promptly review the plans and specifications for the Project and the budget for the Project and any change orders in excess of Ten Thousand Dollars (\$10,000) to seek City Council approval, and any other approvals necessary for the Project to proceed and for this Agreement to be fully enforceable. The City shall assist as reasonably required in AML's obtaining of all permits and licenses necessary for construction of the Project, but AML remains responsible for all requirements thereof.

4. Construction Standards. AML shall ensure that any contractor performing work on AML's portion of the Project shall perform said work:

- a. In a skillful manner using qualified workers;
- b. In accordance with all plans, drawings and specifications as approved by the City;
- c. In compliance with all applicable building codes, federal, state, and local and laws and regulations;
- d. In compliance with all applicable U.S. Coast Guard and Homeland Security rules and regulations.

5. Warranty. AML shall obtain from its general contractor a warranty of no less than one year starting from first beneficial use of the modified Ramp. The warranties shall provide that all defects in materials and workmanship of the Project shall be repaired or replaced free of charge. If a defect makes safe use of the Ramp impossible, then both AML and the contractor will use their best efforts to return the Ramp to service as soon as reasonably possible. The City shall have a right to enforce this warranty against AML and the contractor, and no costs associated with work under this warranty shall count toward the Final Total Cost below.

6. Title to and use of improvements. Upon completion of the Project, all improvements, modifications and upgrades to the Ramp performed by AML shall become the property of the City. The improvements shall be available for use by third parties and shall not be reserved for the exclusive use of AML.

7. Payment; Tariff Credit. Upon completion of construction, AML will submit to the City statements detailing AML's costs for labor, materials and equipment for work performed on the Project (the "Final Total Cost"). The City shall not unreasonably reject such statements

of costs but shall have final approval of such statements. In no event shall the City's total share of the Final Total Cost exceed Three Hundred Thousand Dollars (\$300,000.00). The City will charge AML and its affiliate, Bering Marine Corporation ("BMC"), rates for use of the Valdez Container Terminal at the Tariff rates applicable to all third-party users. The City shall setoff all such Tariff rate charges incurred by AML or BMC as a credit against the City's share of the Final Total Cost until the City's share of the Final Total Cost, which shall not exceed Three Hundred Thousand Dollars (\$300,000.00), is reduced to zero. No setoff shall be applied until all Project work is completed, the modified Ramp is in service, and the Final Total Cost has been approved by the City. The setoff shall expire on December 31, 2029 subject to renewal by new agreement of both Parties. The City agrees to charge all third parties minimum Tariff rates for use of the completed Project at a rate at least equal to the rate charged to AML.

8. Insurance and Indemnification.

- a. Workers' Compensation. AML shall ensure that, with respect to all personnel performing work on the Project, AML or its contractors maintain in effect at all times during the construction of the Project, coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance.
- b. Liability Insurance. Prior to construction of the Project, AML or its contractors shall secure such liability insurance as will protect both AML and the City and their respective contractors and affiliates from and against any and all claims and liabilities arising out of bodily harm (including death resulting therefrom) or property damage that may result from such construction. Without limiting the generality of the foregoing, such insurance shall include the following:
  - i. General liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence, One Hundred Thousand Dollars (\$100,000) for damage to rented premises, One Thousand Dollars (\$1,000) for medical payments, One Million Dollars (\$1,000,000) for personal and advertising injury, Two Million Dollars (\$2,000,000) aggregate for bodily harm (including death resulting therefrom), and Two Million Dollars (\$2,000,000) for products and completed operations aggregate coverage.
  - ii. Automobile liability insurance (including owned, hired, and non-owned) with a combined single limit of not less than One Million Dollars (\$1,000,000) each accident for bodily harm (including death) and property damage.
- c. Evidence of Insurance. AML shall deliver to the City proof of insurance including but not limited to certificates of insurance and endorsements as the City may require prior to the construction of the Project or within such further time the City may allow in writing.
- d. Additional Insured. AML shall ensure that any policies of commercial general liability and automobile liability insurance required hereunder include the City as an additional insured and contain a waiver of subrogation in favor of the City.
- e. AML Indemnity. AML shall assume complete liability for any and all claims

resulting from the acts or omissions of AML relating to the construction of the Project. AML shall defend, indemnify and hold the City harmless from and against all claims, losses, costs, liabilities, damages, and expenses (including, but not limited to, attorneys' fees), directly or indirectly arising out of or due to:

- i. any negligence or strict liability of AML in connection with or incident to the Project;
  - ii. any claim asserted by the contractor or any subcontractor for breach of contract or other civil claims related to the construction of the Project;
  - iii. any bodily harm (including death) to any person or damage to any property in connection with the acts or omissions of AML relating to the Project;
  - iv. any lien or asserted liens upon the property of the City arising out of or in connection with work performed by AML or its contractors or subcontractors on the Project;
- f. City Indemnity. The City shall assume complete liability for any and all claims resulting from the acts or omissions of the City relating to the construction of the Project. The City shall defend, indemnify and hold AML and its affiliates harmless from and against all claims, losses, costs, liabilities, damages, and expenses (including, but not limited to, attorneys' fees), directly or indirectly arising out of or due to:
- i. any negligence, or strict liability of the City in connection with the Project;
  - ii. any bodily harm (including death) to any person or damage to any property in connection with the acts or omissions of the City relating to the Project;
  - iii. any failure of the City to comply with all applicable laws, ordinances, rules, regulations, orders, and other requirements of the City, now or hereafter in effect.

All indemnification by the City is subject to appropriation by the Valdez City Council.

9. Modification. At any time during the construction of the Project, the parties may reassess their needs and reaffirm, revise, extend, or create amendments or addenda to this Agreement. Any changes shall be by mutual agreement of the parties and confirmed in writing.

10. Integration. This Agreement embodies the entire agreement of the parties concerning the Project. There are no promises, terms, conditions or obligations other than those contained herein and this Agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto in regard to the stated matters only.

11. No Agency or Partner Relationship. Nothing in this Agreement shall be deemed to create the legal relationship of a joint venture or a general or limited partnership between the parties nor shall either party be deemed an agent of the other with respect to any action taken hereunder.

12. Jurisdiction; Choice of Law. Any civil action rising from this Agreement shall be brought in the Superior Court for the Third Judicial District of the State of Alaska at Anchorage. The laws of the State of Alaska shall govern the rights and obligations of the parties under this Agreement.

13. Severability. Any provision of this Agreement decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Agreement.

14. Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original, but all of which together shall constitute the same instrument. Delivery by a party of a signed counterpart, or an execution page of this Agreement by facsimile transmission or a photocopy thereof, shall be as effective as delivery by it of a manually signed counterpart of this Agreement.

15. No Third-Party Beneficiaries. Except for Section 11, the provisions of this Agreement are for the benefit of the parties hereto and not for any other person or entity. This Agreement shall not provide any person or entity not a party hereto with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference hereto.

16. Time of the Essence. The parties agree that time is of the essence in this matter. Timelines for Project completion will be established as the final design develops, but completion is expected in the first half of 2025 barring unanticipated conditions. Both parties agree to prompt reviews and approvals to expedite the Project.

17. Authority. The undersigned represent and warrant that they possess the authority to bind the party for which they have executed this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first herein above written.

**ALASKA MARINE LINES, INC.**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed name

Date: \_\_\_\_\_

Title: \_\_\_\_\_

FEDERAL ID #:  
\_\_\_\_\_

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Signature of Company Secretary or  
Attest

Date:  
\_\_\_\_\_

**CITY OF VALDEZ, ALASKA  
APPROVED:**

\_\_\_\_\_  
Dennis Fleming, Mayor

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Sheri L. Pierce, MMC, City Clerk

Date: \_\_\_\_\_

**RECOMMENDED:**

\_\_\_\_\_  
John Douglas, City Manager

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**  
Brena, Bell & Walker, P.C.

\_\_\_\_\_  
Jake W. Staser

Date: \_\_\_\_\_



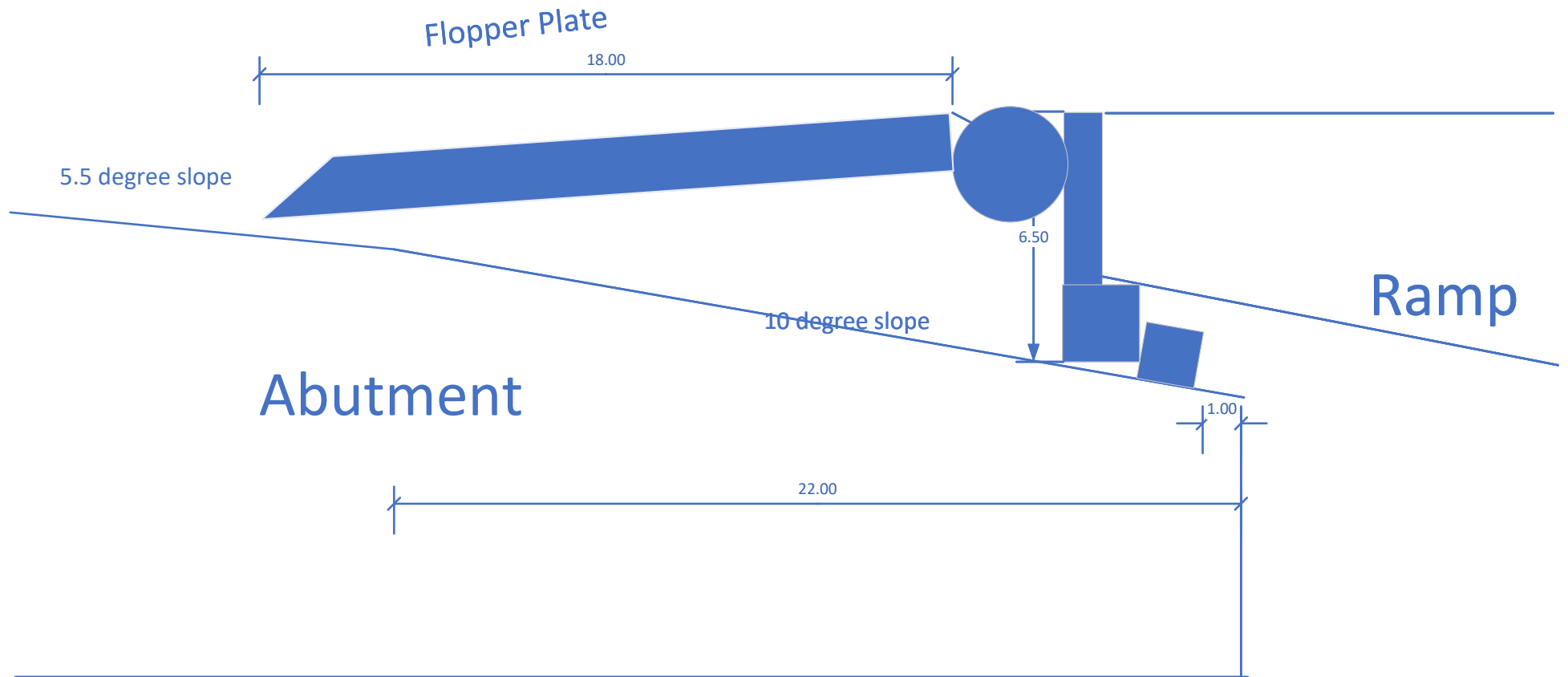
STATE OF ALASKA                    )  
  )ss.  
THIRD JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_ known to me and to me known to be the individual named in and who executed the foregoing document on behalf of Alaska Marine Lines, Inc. and executed the foregoing document as free and voluntary act and deed for the uses and purposes therein set forth.

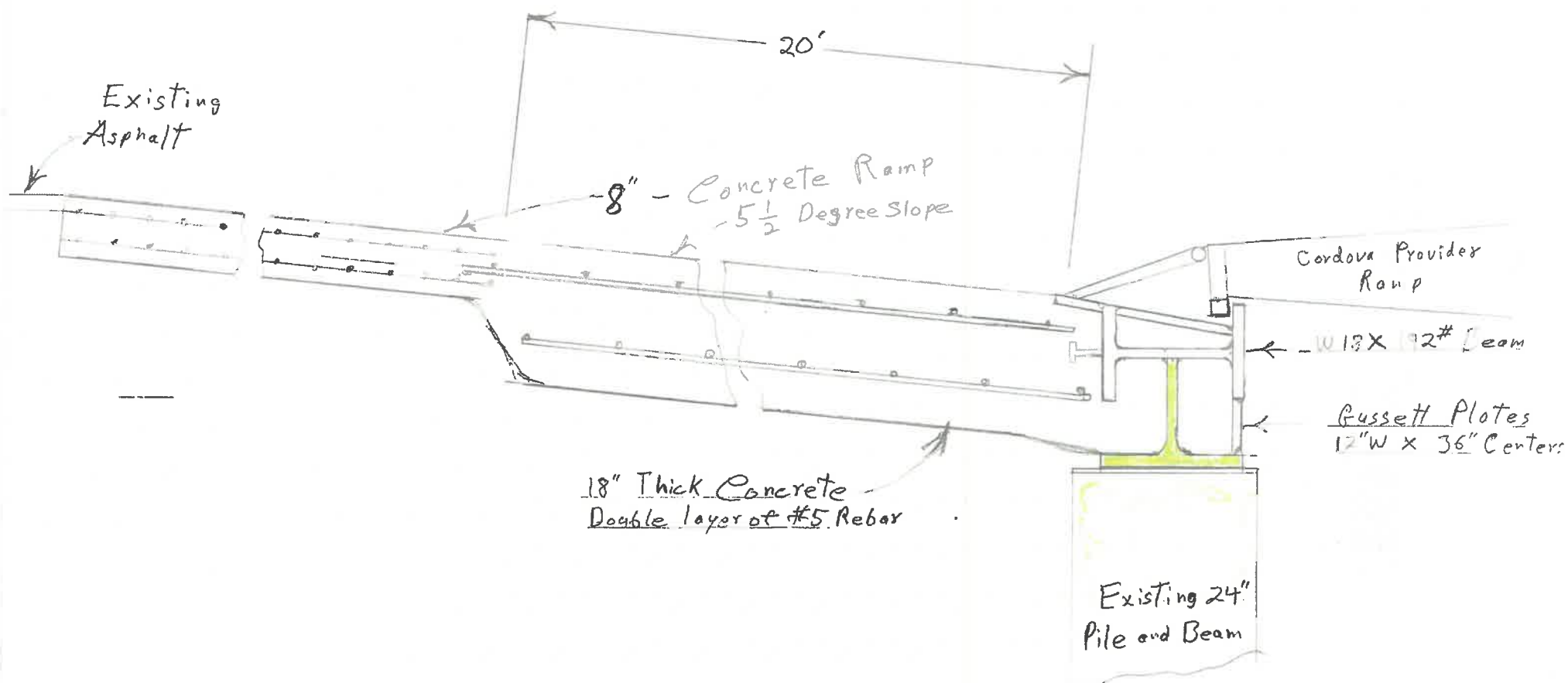
WITNESS my hand and notarial seal the day and year first hereinabove written.

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission Expires:\_\_\_\_\_



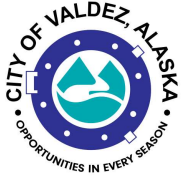


# Cordova Provider Landing Valdez Container Dock



Scale 1" = 1'

Abutment	\$	48,000
Winch Bases	\$	18,500
Concrete Approach	\$	138,500
Winches	\$	29,252
Winch Cable	\$	1,669
Contingency 20%	\$	47,184
Total	\$	283,105



## Legislation Text

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**File #:** 24-0303, **Version:** 1

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**ITEM TITLE:**

Approval Of Memorandum of Agreement between the U.S. Department of Commerce National Oceanic and Atmospheric Administration National Ocean Service and the City of Valdez for the Purpose of Coordinating and Leveraging Partner Resources for Ocean and Coastal Mapping

**SUBMITTED BY:** Aaron Baczuk, Emergency Manager

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Approve of MOA with NOAA for Ocean and Coastal Mapping

**SUMMARY STATEMENT:**

Attached is the MOA with NOAA to establish terms and conditions for the acquisition and processing of, and the product development from, mapping data within the Valdez area of interest, with initial focus on approximately 32.5 square nautical miles of hydrographic survey in Port Valdez waters.

Background:

The city applied to NOAA for a matching grant to conduct hydrographic surveys of Port Valdez and it was awarded. Funding for the city's share of the project was included in the 2024 budget and will be allocated this year. Mapping work will be performed in 2025.

The last hydrographic survey of Port Valdez is over 20 years old and extensive sediment deposition has taken place since then (unconsolidated and can be hazardous). The new hydrographic survey represents one part of baseline data to accompany new ground-based lidar data through USGS/DGGS/COV.

A slope instability hazard detection and monitoring program for the Valdez area will be organized through a City, USGS/DGGS, and UAF partnership, using comparison and analysis of baseline data with any future changes related to seismic activity, ground saturation during high precipitation events, perma-frost melt, glacier retreat, etc. Monitoring, mitigation, public education and early warning systems will be developed if hazards are discovered to increase public safety.

**A MEMORANDUM of AGREEMENT**

**PURSUANT TO THE  
COAST AND GEODETIC SURVEY ACT  
33 U.S.C. §§ 883a *et seq.***

**BETWEEN THE**

**U.S. DEPARTMENT OF COMMERCE  
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION  
NATIONAL OCEAN SERVICE**

**AND THE**

**CITY of VALDEZ, ALASKA**

**FOR THE PURPOSE OF  
COORDINATING AND LEVERAGING PARTNER RESOURCES  
FOR OCEAN AND COASTAL MAPPING**

**NOS MOA-2024-061/12890  
Valdez Tracking #:**

## I. PARTIES and PURPOSE

- A. This Memorandum of Agreement (Agreement) is between the U.S. Department of Commerce, National Oceanic and Atmospheric Administration (NOAA), National Ocean Service (NOS), and the City of Valdez (Valdez), Alaska, (independently, the “party,” collectively, the “parties”). The Office of Coast Survey is the primary NOS program office participating in this Agreement.
- B. The purpose of this Agreement is to establish terms and conditions for the acquisition and processing of, and the product development from, mapping data within the Valdez area of interest, with initial focus on approximately 32.5 square nautical miles of hydrographic survey in Port Valdez waters. Valdez seeks bathymetric data to help city emergency managers understand and plan for potential impacts of known historical subaerial slope failures that have caused previous damage and loss of life in the Valdez community. NOAA’s interest is in acquiring elevation data for safe navigation and other coastal resilience and/or management decisions.
- C. NOAA accepted the Valdez project as a Brennan Matching Fund project in November 2023.<sup>1</sup> The Brennan Matching Fund is a program that invites non-Federal entities to partner with NOAA on co-funded ocean and coastal mapping projects with a 70/30 funding split between NOAA and the non-Federal entity. Non-Federal entities benefit from this opportunity by leveraging NOAA's contracting expertise, including its pool of pre-qualified technical experts in surveying and mapping as well as its data management to ensure that the data are fit for the intended purpose and are usable for a broad set of purposes.
- D. This Agreement is funded.

## II. AUTHORITIES

- A. The legal authority for NOS to enter into this Agreement is the Coast and Geodetic Survey Act (CGSA; 33 U.S.C. §§ 883 *et seq.*).
  - 1. Section 883e(1) of the CGSA authorizes NOAA to enter into cooperative agreements, or any other agreements, with, and to receive and expend funds made available by, any State or subdivision thereof, any Federal agency, or any public or private organization, or individual, for surveys or investigations authorized herein, or for performing related surveying and

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<sup>1</sup> Background information about the Brennan Matching Fund is available at <https://iocm.noaa.gov/planning/contracts-grants-agreements.html>.



mapping activities, including special-purpose maps, and for the preparation and publication of the results thereof.

2. Section 883e(2) of the CGSA authorizes NOAA to establish the terms of any such agreement, including the amount of funds to be received, and may contribute that portion of the costs incurred by NOAA, including ship time and personnel expenses, which the Secretary determines represents the amount of benefits derived by the Administration from the agreement.
- B. The programmatic authority for NOS to enter into this Agreement is the CGSA, 33 U.S.C. §§ 883a *et seq.*
  - C. Valdez's statutory authority to enter into this Agreement is AS 29.04.010 (Home rule) and AS 20.35.260 (Cities outside boroughs). As a chartered home rule municipality, Valdez has all powers not prohibited by law or charter.

### **III. PROJECT BACKGROUND and SCOPE of WORK**

- A. Brief Project Description: This NOAA/Valdez partnership project is for a new hydrographic survey of Port Valdez, located in the northeast Prince William Sound beginning at the west end of the Valdez Arm. In 1964, a magnitude 9.2 earthquake decimated the Old Town of Valdez through a series of subaerial landslides that swept away infrastructure and caused inundating tsunamis, contributing to loss of life. Large amounts of unconsolidated sediment are constantly being deposited in Port Valdez; however, the last hydrographic surveys were conducted over twenty years ago. The current amount, size, or location of subaerial slope instability is unknown. A new hydrographic survey of Port Valdez will provide a contemporary baseline to support further hazard detection, planning, monitoring, mitigation, and response. The evaluation of this area requires high-resolution bathymetry and backscatter to help assess current conditions in Port Valdez waters and its seafloor configuration. The survey area is approximately 32.5 square nautical miles and encompasses known historical subaerial slope failures that have caused previous damage and loss of life in the Valdez community (Figure 1). New data and monitoring of ongoing environmental changes to that data, create opportunities for new disaster modeling, contribute to informed mitigation, preparation, and response decision making by Valdez officials, inform the City Planning Department's Hazard Mitigation Plan, and prepare the City's Incident Management Team by identifying known hazards.



Figure 1: Port Valdez Brennan Matching Fund Project Area

- B. The parties agree to jointly acquire a minimum of 32.5 square miles of complete coverage bathymetric (more specifically described as high-resolution MultiBeam EchoSounder (MBES)) data<sup>2</sup> within the Valdez area of interest as follows:
1. NOS will contribute funding to acquire 25 square nautical miles of MBES data in the project area, and provide hydrographic surveying and mapping expertise; project design; contract management and oversight; survey compliance; survey/control and correction/calibration services; data processing, including fully processed bathymetric attributed grids (BAGs) and backscatter imagery, quality assessment and review of all acquired mapping data; and data management and stewardship from acquisition to dissemination, inclusion in NOAA's National Bathymetric Source database, and archive at the NOAA National Centers for Environmental Information. The table below, from NOAA's 2024 Hydrographic Survey Specifications and Deliverables (HSSD) publication, represents the

Table 6.4.2 General 1 Minimum Required Grid Resolution

Depth Bands (m)		General 1 Minimum Required Grid Resolution (m)
Single Resolution (SR)	Variable Resolution (VR)	
0-40	0-40	1
36-80	40-80	2
72-160	80-160	4
144-320	160-320	8
288-640	320-640	16
576-1280	640-1280	32
1152+	1280+	64

<sup>2</sup> Refers to MBES data acquired in accordance with specifications in Sections 5.2 and 6.2 and including Option A for coverage in Sections 5.2.2.2-.4 of the NOAA Office of Coast Survey Hydrographic Surveys Division *Hydrographic Survey Specifications and Deliverables* (HSSD, 2022) and following *Backscatter measurements by seafloor-mapping sonars: Guidelines and Recommendations* (GOEHAB, 2015).

various grid resolutions that NOAA anticipates delivering relative to water depths.<sup>3</sup> These resolutions align with International Hydrographic Organization Order 1a standards.

2. Valdez will contribute funding to acquire 7.5 square nautical miles of MBES data in the project area and provide input on project design to ensure appropriate coverage and resolution of the multibeam hydrographic survey and promote public access to the resulting MBES data, BAGs, backscatter imagery, any other products, and metadata for their availability and use in regional analyses for decision-making.
- C. Pursuant to 33 U.S.C. § 883e(2), NOAA has determined that the benefit it receives from this Agreement will meet or exceed its contributions for MBES data collected and processed. The benefits to NOAA include: an additional 7.5 square miles of complete coverage, high-resolution MBES data acquired, for comprehensive coverage of the Valdez area of interest to improve nautical charts and other mapping products that NOAA would not otherwise acquire at this time.

#### **IV. SCHEDULE, FUNDING, AND REIMBURSEMENT ARRANGEMENTS**

- A. Once this Agreement becomes effective, NOS will assume responsibility for a minimum of \$250,000 in NOAA funding plus the Valdez funding identified in Section IV.B. for the services and deliverables identified in Section III.B, including bathymetry and backscatter acquisition and processing, and contractor mobilization and de-mobilization costs for the full Valdez data project, as well as roughly \$100,000 in in-kind services for data QA/QC and contract management.
- B. Once this Agreement becomes effective, Valdez will transfer \$75,000 in funds to NOAA for the acquisition area and deliverables identified in Section III. Contractor mobilization and de-mobilization costs will be covered by NOS's contribution in Section IV.A. herein. NOAA reserves the right to increase the area surveyed depending on NOAA resources available and its own assessment of additional survey requirements in the vicinity to take advantage of contracting efficiencies.
  1. Valdez will advance these funds ahead of performance, as the funds are required for NOAA to issue a task order for an approximate total of \$325,000 on one of its geospatial services contract vehicles for MBES data. Valdez shall make payment within 45 days of the receipt of the invoice. Invoices not paid within 90 days from date of bill will bear

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<sup>3</sup> Available at [https://nauticalcharts.noaa.gov/publications/documents/HSSD\\_2024-1-01.pdf](https://nauticalcharts.noaa.gov/publications/documents/HSSD_2024-1-01.pdf)

Interest, and other fees required by Federal law, at the annual rate pursuant to the Debt Collection Act of 1982 (31 U.S.C. § 3717). A high-level cost breakdown of the full project follows:

- \$250,000 – 25 sq. mi MBES acquisition and processing (NOAA)
- \$75,000 – 7.5 sq. mi. MBES acquisition and processing (Valdez)
- \$100,000 – data QA/QC and contract management (NOAA in-kind)

- C. After executing a contract, NOS will deliver to Valdez copies of the survey Project Instructions that will detail projected survey dates and deliverables, to include high resolution MBES data and backscatter data and data products. All project deliverables will be in accordance with the standards and specifications as laid out in NOAA’s HSSD. All deliverables will be provided to Valdez after they are delivered to NOAA by the contractor on Task Order specified timeframes. NOS anticipates being able to share these deliverables with Valdez by no later than September 30, 2026.
1. All processed data and data products shall be referenced to horizontal datum NAD83 (2011) or later. All vertical data shall be reduced to NAVD88 and Mean Lower Low Water. Bathymetric data shall be gridded to 1 meter resolution and delivered in BAG format. A backscatter mosaic shall be delivered in floating point GeoTIFF format. A Data Acquisition and Processing Report documenting all equipment, systems, and processes used for data acquisition and processing and a Descriptive Report, detailing the survey standards, methods and results, shall be submitted with the data.
- D. NOS will send invoice(s) for the \$75,000 funding match to the following address:

Name: Aaron Baczuk  
 Title: Emergency Manager, Office of Emergency & Disaster Management  
 City of Valdez  
 Address 1: 212 Chenega Ave/ Box 307  
 Address 2: Valdez, Alaska 99686  
 Phone: 907-835-4560  
 Email: [ABaczuk@pd.valdezak.gov](mailto:ABaczuk@pd.valdezak.gov)

E. Fiscal and Accounting Data

1. Valdez Employer ID: 92-6000143  
UEI: J4J1BXA95JA8
2. NOAA/NOS DUNS Number: 78-156140209  
Employer ID: 52-0821608  
Appropriation Symbol for Collection: 13x1450  
CBS ACCS number: 14-202X-1RKXXX- P00-10-XX-0000-00-00-00-00

**V. CONTACTS**

A. The contacts for coordinating activities under this Agreement are:

1. NOS Technical  
Name: Michael W. Stephens  
Title: Contracts Team Lead, Operations Branch, Hydrographic Surveys Division  
Agency: Office of Coast Survey, NOAA  
Address 1: 1315 EW Hwy N/CS  
Address 2: Silver Spring, MD 20910  
Phone: 404-444-0412  
Email: michael.stephens@noaa.gov
2. NOS Administrative/Financial  
Name: Ashley Chappell  
Title: NOAA IOCM Coordinator  
Address 1: 1315 EW Hwy N/CS  
Address 2: Silver Spring, MD 20910  
Phone: 240.429.0293  
Email: ashley.chappell@noaa.gov
3. Valdez Administrative/Technical  
Name: Aaron Baczuk  
Title: Emergency Manager, Office of Emergency & Disaster Management City of Valdez  
Address 1: 212 Chenega Ave/ Box 307  
Address 2: Valdez, Alaska 99686  
Phone: 907-835-4560  
Email: [ABaczuk@pd.valdezak.gov](mailto:ABaczuk@pd.valdezak.gov)

4. Valdez Financial  
Name: Barb Rusher  
Title: Comptroller  
Address 1: 212 Chenega Avenue/P.O. Box 307  
Address 2: Valdez, Alaska 99686  
Phone: 907-834-3475  
Email: [brusher@valdezak.gov](mailto:brusher@valdezak.gov)

## **VI. PERIOD OF AGREEMENT, MODIFICATION, OR TERMINATION**

- A. This Agreement will become effective upon the date of the last signature and shall remain in effect until September 30, 2029, unless modified or extended by amendment.
- B. The parties agree to review the terms and conditions of this Agreement at least once every 2 years to determine whether the Agreement should be revised or canceled.
- C. This Agreement may be amended to include other joint project areas between the parties relating to coastal mapping or extended at any time before the expiration through mutual written consent of the parties.
- D. This Agreement may be terminated by (1) mutual written consent; (2) 30 days advance written notice by either party, or (3) completion of operation/terms of this Agreement.

## **VII. RESOLUTION OF DISAGREEMENTS**

- A. Nothing herein is intended to conflict with current Department of Commerce or Valdez directives. If the terms of the Agreement are inconsistent with existing directives of either of the parties entering into this Agreement, then those portions of this Agreement that are determined to be inconsistent shall be invalid, but the remaining terms and conditions not affected by the inconsistency shall remain in full force and effect. At the first opportunity for review of the Agreement, all necessary changes will be accomplished by either an amendment to this Agreement or by entering into a new agreement, whichever is deemed expedient to the interests of the parties.
- B. Should disagreement arise on the interpretation of the provisions of this Agreement, or amendments and/or revisions thereto that cannot be resolved at the operating level, the area(s) of disagreement shall be stated in writing by each

party and presented to the other party for consideration. If agreement on interpretation is not reached within 30 days, the parties shall forward the written presentation of the disagreement to respective higher officials for appropriate resolution.

**VIII. APPROVALS**

ACCEPTED AND APPROVED FOR THE U.S. DEPARTMENT OF COMMERCE,  
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL  
OCEAN SERVICE

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

Name: RDML Benjamin K. Evans, NOAA  
Title: Director, NOAA Office of Coast Survey

ACCEPTED AND APPROVED FOR THE CITY of VALDEZ, ALASKA

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

Name: Dennis Fleming  
Title: Mayor

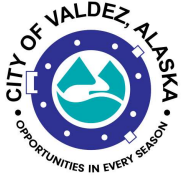
ATTEST: \_\_\_\_\_

Sheri L. Pierce, MMC, City Clerk

APPROVED AS TO FORM:

BRENA, BELL & WALKER  
Attorneys for City of Valdez

By: \_\_\_\_\_  
Jon S. Wakeland



## Legislation Text

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**File #:** 24-0308, **Version:** 1

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**ITEM TITLE:**

Approval to Purchase a 2025 Type 1 Ambulance from Hughes Fire Equipment Inc. in the Amount of \$365,259.00

**SUBMITTED BY:** Tracy Raynor, Fire Chief

**FISCAL NOTES:**

Expenditure Required: \$365,259.00  
Unencumbered Balance: \$365,259.00  
Funding Source: 350-0400-58000

**RECOMMENDATION:**

Approve the Purchase of a 2025 Type 1 Ambulance from Hughes Fire Equipment Inc., Including Delivery to Valdez, in the Amount of \$365,259.00

**SUMMARY STATEMENT:**

This apparatus is a 2025 Type 1 Ambulance manufactured by Lifeline Emergency Vehicles, Sumner, Iowa, and is a 2025 Major Equipment budgeted item. The ambulance will be delivered to Hughes Fire Equipment's dealership in Springfield Oregon for installation of accessories and a final inspection before being transported to Valdez. Cost for delivery of the ambulance to Valdez, as well as one inspection trip by city personnel to the factory is included in the cost.

The purchase price of this ambulance is based on the unit being purchased through HGAC contract AM 10-23 valid until 09/30/2027.

The new Ambulance replaces a 2010 F350 Northstar Ambulance with 41,003 miles on it. Once the new Ambulance is placed in service, Council will be asked to surplus and/or donate the old ambulance. The new Ambulance has a 15-year life expectancy.

Reason behind this early request - We are currently seeing delays in all emergency service vehicle build times. Lifeline has a 36 month build time, that is why we are asking to place the order in 2024 with an expected delivery in 2026-2027, one to two years after the scheduled replacement of the 2010 Ambulance.

Payment schedule is outlined in the attached proposal.







July 15, 2024

City of Valdez, AK

One (1) Ford F450 XLT 4X4 Life Line Superliner

Type I Ambulance JY10062-0002

Build Location: Sumner, Iowa

Proposal Price

\$365,259.00

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#### Terms:

**Delivery:** The units would be ready for delivery from the factory, based on current conditions, within 30 to 36 months after receipt of fully executed purchase agreement and order acceptance by the manufacturer. Delivery time is contingent **upon receipt of chassis from manufacturer at Life Line facility within a reasonable amount of time**. Delivery is subject to change prior to order placement. This time does not include any possible delays that may be caused by national disasters or pandemic

**Proposal Expires:** The above discount recap will be valid until August 27, 2024. If order is not submitted prior to that date, revised pricing will be required.

#### Payment Terms:

- a. Payment of the chassis is due upon receipt at the factory. The price of each unit is currently \$62,708.00 and will be invoiced based on the model year pricing received.
- b. Final payment due prior to the unit leaving the factory for delivery.
- c. Payments made for apparatus using a credit card will be applicable to a credit card convenience fee.

**Commercial Chassis & Component Price Volatility:** Company shall not be responsible for any unforeseen price increase enacted by the commercial chassis supplier or suppliers of major components of the Product (including but not limited to electrical systems, aluminum, and hardware) after order placement. Any price increase for commercial chassis or major components of the product will be passed through to the Customer and will be documented on a Change Order.

**Performance Bond:** A performance bond is not included in the above pricing.

**Consortium Purchase:** The proposal is based on the unit being purchased through H-GACBuy (Houston-Galveston-Area-Council Cooperative Purchasing Program) utilizing contract AM10-23 valid until 9/30/2027 with a registered End User member Interlocal Contract "ILC." It is the purchaser's responsibility to determine if the use of consortiums meets their purchasing requirements. More information can be found at hgacbuy.org.

**Change Orders:** Changes processed after order placement will be processed per the following structure; deductions will be based on the option price at time of order placement, additions will be based on current pricing levels at time of change request.

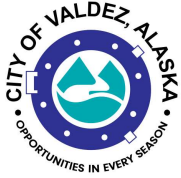
**Future Changes:** Various state or federal regulatory agencies (e.g. NFPA, DOT, EPA) may require changes to the Specifications and/or the Product and in any such event any resulting cost increases incurred to comply therewith will be added to the Purchase Price to be paid by the Customer.

**Transportation:** Transportation of the units to be driven from the factory is included in the pricing. However, if we are unable to obtain necessary permits, due to the weight of the unit, and the unit must be transported on a flat bed, additional transportation charges will be the responsibility of the purchaser. We will provide pricing at that time if necessary. If customer elects to drive the units from the factory, \$21,103.00 may be deducted from the purchase price.

**Inspection Trips:** One (1) factory inspection trip for one (1) fire department customer representative is included in the above pricing. The inspection trip will be scheduled at a time mutually agreed upon between the manufacture's representative and the customer, during the window provided by the manufacturer. Airfare, lodging and meals while at the factory are included. In the event the customer is unable to travel to the factory or the factory is unable to accept customers due to the restrictions caused by a national disaster or pandemic then the Dealership reserves the right to use forms of electronic media to accomplish the intention of the inspection trip. Every effort will be made to make the digital media as thorough as possible to satisfy the expectations of the of the customer. If the Department elects to forgo an inspection trip \$3,450.00 per traveler (per trip) will be deducted from the final invoice.

**Acceptance of Proposal:** If the customer wishes to purchase the proposed apparatus Hughes Fire Equipment will provide the Customer its form of Purchase Agreement for the Customer's review and signature. If the Customer desires to use its standard form of purchase order as the Purchase Agreement, the purchase order is subject to review for any required revisions prior to acceptance. **All purchase orders shall be made out to Hughes Fire Equipment Inc.**

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## Legislation Text

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**File #:** RES 24-0032, **Version:** 1

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**ITEM TITLE:**

#24-32 - Establishing Council Priorities for the 2025 Budget

**SUBMITTED BY:** Jordan Nelson, Finance Director

**FISCAL NOTES:**

Expenditure Required: na

Unencumbered Balance: na

Funding Source: na

**RECOMMENDATION:**

Approve

**SUMMARY STATEMENT:**

This resolution captures the Council Budget priorities for the 2025 Operating Budget as articulated during the recent city council strategic planning session. It provides formal direction to management as they construct their budgets.

Management acknowledges the value of such a document and will attempt to regularly include it as an annual milestone, as well as including it in the final adopted budget document.

CITY OF VALDEZ, ALASKA

RESOLUTION #24-32

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ,  
ALASKA, ESTABLISHING COUNCIL PRIORITIES FOR THE 2025  
OPERATING BUDGET

WHEREAS, City Council holds a strategic planning session annually to articulate priorities and related action plans; and

WHEREAS, Management and Council meet annually at the beginning of the budget process to discuss budgeting parameters and how to fund strategic planning priorities; and

WHEREAS, budgeting best-practices include capturing and disseminating these discussions to management so as to guide the development of their respective budgets; and

WHEREAS, Council and Management adopt a budget priorities resolution in an effort to provide full transparency to the public and other stakeholders at each step of the planning and budgeting process;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that the 2025 Operating Budget will be developed in accordance with the priorities and parameters as detailed in Attachment A.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 6<sup>th</sup> day of August, 2024.

City of Valdez, Alaska

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Dennis Fleming, Mayor

ATTEST:

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Sheri L. Pierce, MMC, City Clerk

## **Resolution #24-32**

### **Attachment A**

## **Council Priorities for the 2025 Operating Budget**

### **INTRODUCTION**

Valdez City Council held its annual strategic planning retreat June 20-21<sup>st</sup>, 2024 to discuss financial outlook, vision, and top priorities. During this meeting management also presented revised pro-forma budget summaries for 2025, as well as five-year forecasts through 2029. During the strategic planning retreat, the City Council developed Budget Parameters for the upcoming Fiscal Year, completed vision statement pre-work and identified next steps, received status updates on Comprehensive Plan goals, revisited established goal qualifiers, and refined priorities for the 2025 Budget. The various data and information were then factored into preliminary Council direction, summarized below, for development of the 2025 Operating and Capital Budget.

### **SUMMARY**

Management presented preliminary budget figures and five-year forecasts illustrating a long-range financial plan for the City. Calculations reflect added oil and gas tax revenue assumptions, along with the continuation of a Repayment Reserve to capture the “worst-case” repayment of ongoing oil and gas revenue currently in jeopardy. Preliminary calculations otherwise reflected status-quo funding of Citywide levels of service, growth in personnel costs based on recent history, and inflationary growth in other expense categories averaged over 5 preceding years. Management further presented scenarios with large “levers” or decision-points for council to consider, each with varying degrees of impact to the City’s financial picture. Levers included the upcoming conclusion of the current 5-Year agreement with Trans-Alaska Pipeline System (TAPS) owners most recently renewed in Fiscal Year 2020 which represents roughly 80% of General Fund revenue. Current forecasted trends of revenue and expenditure based on history and historic TAPS valuation, reflect cautious optimism of a balanced budget through fiscal year 2028.

### **REVENUES**

**Property Tax** – Ad Valorem Tax, i.e. property tax, continues to be the City’s primary revenue source, comprising 90% of General Fund revenues based on a twenty-mill levy. The 2025 preliminary budget will be developed based on a continued twenty-mill levy.

**Permanent Fund** – For the 2025 budget, the City Council will appropriate for expenditure 1.5% from the permanent fund, as mandated by the charter's Section 6.7(a). The funds will be utilized for bonded infrastructure debt, while ensuring that the remaining amount continues to be held in trust for the benefit of present and future generations of Valdez residents, as per the City’s Charter.

**Other Revenues** – All Other Revenues in the 2024 Budget will reflect historic levels of activity. This assumption will be presented in the General Fund, for items such as Parks and Recreation program participation and hotel occupancy tax, the Utility Fund for water and sewer charges, and in Ports and Harbor funds, for facilities fees, leases, and shipping volume. Interest earnings on accumulated fund balances will reflect current market rates on allowable investment instruments.

## EXPENSES

**Personnel** - “FTE Personnel”, an expense category containing the combined costs of salary, wages, and benefits for all approved positions. Management will continue the convention of budgeting for full employment, so as to reflect the full committed costs of all approved positions. Position vacancies during the budget year will result in actual expenses below budgeted amounts. Management is encouraged to use position vacancies as an occasion to re-examine staffing levels for changing priorities and reallocation of overall staffing levels. The City Council will evaluate specific feedback from the City Manager as to positions and services needed on a case-by-case basis, keeping goal qualifiers first and foremost as a backdrop for balancing levels of service to the community.

As a budget category, FTE Personnel has a baseline increase of 6.5% driven by the following three factors:

**Cost of Living Adjustment (COLA)** – Salary and Wage rates will reflect a 2.5% Cost of Living Adjustment (COLA). This figure is based on Alaska/Anchorage official First-Half Consumer Price Index (CPI) figure. Council has indicated support to include this adjustment for consideration during the 2025 Budget Workshops in October.

**Merit/Longevity Increases** – Personnel costs will also reflect Finance and Human Resources best-estimates of scheduled raises pursuant to personnel regulations and current staffing data. Preliminary estimates reflect approximately a 0.9% increase.

**Benefits** – Additional benefits costs are associated with every marginal increase in wages such as the two examples above, however, the combination of substantial increases to reinsurance carrier markets and a small, self-funded healthcare pool comprise the primary drivers behind an estimated 11.3% increase to employee benefits costs for the upcoming budget year.

**Other Expenses** – Management is also directed to present and quantify all expense categories, including FTE Personnel, versus inflationary growth over a 5-year time horizon and with year over year inflationary metrics. Council desires this objective to be on an individual department basis and serve as a foundation for Council’s consideration and analysis relative to their articulated program and service priorities. Departments under 5-year inflationary growth and year over year inflationary growth will most likely require little dialogue during 2025 Budget Workshops in October.

**Education** – Council reaffirms its commitment to funding Valdez Schools to the maximum permitted by statutory formula, and requests that Valdez City Schools give a budget overview presentation prior to the adoption of the school’s budget by the City in the second quarter of the upcoming fiscal year. Management will also present College and dual-credit funding requests as-received for Council consideration. These three expenses reside in the City’s “Education” department within the General Fund, and will be scheduled for coordinated presentation and discussion during regular October budget workshops.

**Community Service Organizations (CSOs)** – The City Council desires to keep overall Community Service Organization (CSO) funding consistent with established Council priorities and has provided guidance to staff on a few minor CSO application changes and expectations. Changes for the 2025 CSO Program include:

- Biannual progress report for each CSO receiving funding
- Overall funding target is not more than 75% of the Valdez Program Budget for each organization
- Financial statements be presented side-by-side with prior year and current year.

Council wishes to acknowledge that future iterations of the set of guidelines may include an overall funding target of not more than 50% of the Valdez Program Budget for each organization and a requirement for local representation with respect to the expenditure of City of Valdez funds. These parameters notwithstanding, CSO requests will be compiled by staff and forwarded to Council as-received. CSO applications will be discussed during a standalone workshop during the 2025 budget process, though approval during this workshop is not a final budget decision. Furthermore, any funding requests approved but not unanimously supported by the Council, or any in which further discussion is needed, will be revisited at a subsequent meeting prior to the adoption of the 2025 Budget.

#### **INTER-FUND TRANSFERS**

**Capital Projects (CIP) Funds** – For the first time in recent history, the Long-Range Capital Plan and Capital (CIP) Budget will be folded into the Operating Budget process. This change was driven by numerous factors and will allow a view to the full commitment to Operating and Capital expenditures in the 2025 Adopted Budget. The CIP program will continue to be funded by established convention, where prior year expenditures under-budget and revenues over-budget are appropriated and held in a CIP Planning Reserve in late first quarter of each fiscal year. Projects are then prioritized, and funds appropriated to specific projects by the City Council during Budget Workshops in October.

**Reserve Funds** - Reserve Funds are established via transfers from General Fund, and reflect costs-items that span multiple years, are unpredictable in nature, and/or serve to mitigate drastic annual variances. Examples include maintenance and capital projects as mentioned above, liquidation of accrued leave-time, and purchase of major equipment items, respectively. Management will continue with conventional reserve-fund levels to ensure adequate coverage of related expenses and liabilities.

**Energy Assistance** – Among the Reserve Funds is a specific appropriation for the Energy Assistance program. The program consists of a \$550 energy credit per qualifying residential customer. Management estimates the cost for the program to be approximately \$675,000.

**Special Revenue Funds and Fee Subsidies** – Council has historically approved fee-levels that are less than full cost-recovery levels, so as to provide reduced cost of living and enhanced quality of life for the benefit of residents. The imbalance of revenues and costs for related services are reflected in transfers from General Fund to impacted funds, specifically Airport and Utilities. Council has expressed a desire to evaluate the level of subsidies to special revenue funds on an annual basis and explore ways to inform the public about these subsidies. Management will present preliminary 2025 budget transfers accordingly.

## **CONCLUSION**

The directives and parameters articulated in this document represent a starting point for the 2025 budget and the dynamic long range financial plan. The final adopted operating budget may ultimately reflect revised priorities and parameters following a review of preliminary budgets during related work sessions in October. The preliminary budget will reflect Capital Project needs, composing a full picture of the City's Operational and Capital Budget as a work plan for the upcoming fiscal year.

Council continues to strive to evaluate budget requests within a multi-year context, within the framework of the mission of the City of Valdez – “To cultivate an environment of opportunity, sustained prosperity, and well-being for all people of Valdez” – while in pursuit of articulated programming evaluated within the framework of the City's Comprehensive Plan.





## Legislation Text

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**File #:** 24-0309, **Version:** 1

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**ITEM TITLE:**

Contract Amendment Report: Amendment #2 Landsharks Well Monitoring and Sampling in the amount of \$37,904.00

**SUBMITTED BY:** Brad Sontag, Capital Facilities Project Manager

**FISCAL NOTES:**

Expenditure Required: \$37,904.00

Unencumbered Balance: \$237,156.07

Funding Source: 350-0600-55000

**RECOMMENDATION:**

Receive and File.

**SUMMARY STATEMENT:**

Environmental professional services are required to complete the soil analysis during excavation of the remaining contaminated soil on the Landsharks property. Shannon & Wilson will have a certified environmental professional on site to take samples for testing of the soil to meet the ADEC requirements. This will require an increase of \$37,904.00 to the original contract amount. See attached cost proposal dated July 23, 2024.

This Report is Filed Per City Procurement Code 2.80.050



**City of Valdez  
Contract Amendment #2**

THIS AMENDMENT between the CITY OF VALDEZ, ALASKA, (“City”) and SHANNON & WILSON, INC., (“Consultant”), is to the following AGREEMENT dated the 24th day of August 2022:

**Project: Landsharks Well Monitoring and Sampling**

**Project No: 22-350-0600**

**Contract No.: 1966**

**Cost Code: 350-0600-55000**

Consultant’s project manager under this agreement is Dan McMahon.

City’s project manager is Brad Sontag.

**ARTICLE 1. Justification**

The above referenced AGREEMENT requires modification due to the following requirements or conditions: Environmental professional services are required to complete the excavation of the remaining contaminated soil on the Landsharks property. Shannon & Wilson will have a certified environmental professional on site to take samples for testing of the soil. This will require an increase to the original contract amount. See attached proposal.

**ARTICLE 2. Scope of Work - Period of Performance**

Scope of work and/or Period of Performance to the above referenced AGREEMENT shall be modified as specified in Appendix A and B, which is hereby incorporated by this reference.

**ARTICLE 3. Compensation**

Original amount of the AGREEMENT: \$46,626.00

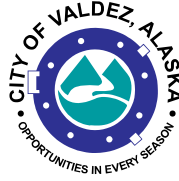
Amount Changed by previously authorized Amendment: \$0.00

AGREEMENT Amount prior to this Amendment: \$46,626.00

Amount of this Amendment: \$37,904.00

New total AGREEMENT amount including this Amendment: \$84,530.00

Agreement for Services  
Project: Landsharks Well Monitoring and Sampling  
Project No. 22-350-0600  
Contract No. 1966  
Cost Code: 350-0600-55000



ARTICLE 4. Extent of Agreement:

The above referenced AGREEMENT, including this and all previously authorized Amendments and appendices, represents the entire and integrated AGREEMENT between the City and the Contractor.

Nothing contained herein may be deemed to create any contractual relationship between the City and any Subconsultants or material suppliers; nor may anything contained herein be deemed to give any third party a claim or right of action against the City or the Contractor which does not otherwise exist without regard to this AMENDMENT.

All terms, conditions, and provisions of the above referenced AGREEMENT, to include all previously authorized Amendments, remain in full force and effect, except as specifically modified herein by this AMENDMENT.

IN WITNESS WHEREOF, the parties to this presence have executed this AMENDMENT in two (2) counterparts, each of which shall be deemed an original, on the date first mentioned above.

**SHANNON & WILSON. INC.**

Signed by:

*Dan McMahon*

9D6A17A1C38B493...

**Name of Company Rep Authorized to Sign**

**BY:** Dan McMahon

**TITLE:** Vice President

**DATE:** 7/26/2024 | 9:13 AM AKDT

**FEDERAL ID #:** 91-0745357

5430 Fairbanks St., Suite 3

**Mailing Address**

Anchorage, AK 99518

**City, State, Zip Code**

**Signature of Company Secretary or Attest**

**Date:** \_\_\_\_\_

**CITY OF VALDEZ, ALASKA**

**APPROVED:**

Docusigned by:

*John Douglas*

D4D8F6FDB2C043F...

**John Douglas, City Manager**

**Date:** 7/30/2024 | 10:15 AM AKDT

**RECOMMENDED:**

Docusigned by:

*Nathan Duval*

F259023D96294C0...

**Nathan Duval, Capital Facilities Director**

**Date:** 7/26/2024 | 9:14 AM AKDT



July 23, 2024

Mr. Brad Sontag  
City of Valdez  
500 South Sawmill Road  
Valdez, AK 99686

RE: PROPOSAL FOR CLEANUP SAMPLING ACTIVITIES, 121 EGAN AVENUE, VALDEZ, ALASKA

Dear Mr. Sontag:

We are pleased to submit herein our proposal to conduct soil sampling activities during proposed cleanup activities at 121 Egan Avenue in Valdez, Alaska.

## PROPOSED SCOPE OF SERVICES

It is understood that RSR Construction will conduct the cleanup excavation activities under subcontract to the City of Valdez. In general, the excavation will be advanced until contamination is no longer identified, or groundwater is encountered. For cost estimating purposes we estimate that the excavation will measure approximately 3,650 square feet.

Our scope of services will include the following:

- Shannon & Wilson will perform field screening using a photoionization detector (PID) at a frequency of one screening sample per 10 cubic yards (cy) of excavated soil. Field screening samples will be collected directly from the excavator bucket or from the excavation. Excavated soil will be designated potentially clean, potentially contaminated, or contaminated based on field observations or the field screening results per our ADEC-approved work plan. Analytical soil samples will be collected from the potentially clean soil stockpile. For cost estimating purposes, up to four stockpile samples will be collected. The samples will be analyzed for diesel range organics (DRO) by Alaska Method (AK) 102, polynuclear aromatic hydrocarbons (PAHs) by Environmental Protection Agency (EPA) Method 8270D SIM, and volatile organic compounds (VOCs) by EPA Method 8260D. One duplicate sample will be collected per 10 primary samples.
- Following completion of the excavation activities, field screening and analytical soil samples will be collected from the limits of the excavation. The field screening and analytical samples will be collected from the base and sidewalls of the excavations in accordance with the frequency specified in Table 2B of the ADEC's January 2022 *Field Sampling Guidance* document. If groundwater is present within the base of the

excavation, the analytical samples will be collected from the excavation sidewalls at the soil/water interface. The analytical samples will be collected directly from the excavation or the excavator bucket, depending upon the depth of the excavation. The analytical soil samples will be collected using the procedures outlined above. Each analytical sample will be analyzed for DRO by AK 102, PAHs by EPA Method 8270D SIM, and VOCs by EPA Method 8260D. For quality control purposes, one duplicate sample will be collected and submitted per 10 primary analytical samples.

- Contaminated and potentially contaminated soil generated during the excavation activities will be transported directly to the project's off-site landfarm area. If the results of the samples collected from the potentially clean soil stockpile contain contaminant concentrations exceeding the ADEC Method Two cleanup levels, the material will also be transported to the Valdez Landfill for landfarming. If the stockpile sample results are less than the ADEC Method Two cleanup levels, the material will be used to backfill the excavation.
- Prior to constructing the landfarm, baseline samples were collected from the footprint of the landfarm area by Shannon & Wilson. Four spatially representative analytical soil samples, and one duplicate sample, were collected to document baseline analyte concentrations. The baseline environmental samples were analyzed for DRO by AK 102, VOCs by EPA Method 8260D, and PAHs by EPA Method 8270D SIM.
- Reporting Efforts.

## SCHEDULE

Field work is anticipated to occur during summer 2024 and is estimated to take approximately 4 days. Analytical laboratory results are typically available approximately 10 business days following submittal. A summary report following the cleanup activities will be submitted to the City of Valdez within four weeks following receipt of the analytical results.

## ESTIMATED COSTS AND CONDITIONS OF SERVICES

We are prepared to conduct the above-described project on a time and material basis in accordance with the attached Summary Cost Estimate. If additional soil is excavated, it will be necessary to revise this cost estimate. It is assumed that the project will be conducted under a mutually-agreed contract. We are also including "Important Information about Your Geotechnical/ Environmental Proposal" to clarify the nature and extent of our service.

Mr. Brad Sontag  
City of Valdez  
July 23, 2024  
Page 3 of 3



If you have any questions or comments, or wish to revise the scope of our services, please contact the undersigned at (907) 433-3223. We look forward to continuing work with you on this project.

Sincerely,

SHANNON & WILSON

Dan P. McMahon, PMP  
Vice President

Enc: Summary Cost Estimate  
Important Information About Your Geotechnical/Environmental Proposal

**SUMMARY COST ESTIMATE**

<b>Soil Sampling</b>						<b><u>COST</u></b>
<b><u>Task 1 - Field Activities</u></b>						<b>\$31,904</b>
<b>Shannon &amp; Wilson</b>						
Vice President	4 hrs.	@	\$250	/hr.	=	\$1,000
Professional IV	64 hrs.	@	\$125	/hr.	=	\$8,000
Project Coordination	4					
Soil Sampling	48					
Travel To/ From Site	12					
Per Diem	6 days	@	\$60	/day	=	\$360
Lodging	5 nights	@	\$410	/night	=	\$2,050
Vehicle	6 days	@	\$150	/day	=	\$900
S&W Expenses (Sampling Equipment etc.)	5 days	@	\$150	/day	=	\$750
<b>SGS North America Inc.</b>						
10 sidewall, 14 excavation base, 4 baseline stockpile, 4 stockpile, and 4 field duplicates)						
DRO by AK 102	36 Samples	@	\$92	ea.	=	\$3,312
VOCs by EPA 8260D	36 Samples	@	\$202	ea.	=	\$7,272
PAHs by EPA 8270D SIM	36 Samples	@	\$207	ea.	=	\$7,452
Trip Blank- VOCs	4 Samples	@	\$202	ea.	=	\$808
<b><u>Task 2 - Summary Report</u></b>						<b>\$6,000</b>
<b>Shannon &amp; Wilson</b>						
Vice President	4 hrs.	@	\$250	/hr.	=	\$1,000
Professional IV	40 hrs.	@	\$125	/hr.	=	\$5,000
<b>TOTAL:</b>						<b>\$37,904</b>

Attachment to and part of Proposal: 107114-PDate: July 2024To: City of Valdez

## Important Information About Your Geotechnical/Environmental Proposal

More construction problems are caused by site subsurface conditions than any other factor. The following suggestions and observations are offered to help you manage your risks.

### HAVE REALISTIC EXPECTATIONS.

If you have never before dealt with geotechnical or environmental issues, you should recognize that site exploration identifies actual subsurface conditions at those points where samples are taken, at the time they are taken. The data derived are extrapolated by the consultant, who then applies judgment to render an opinion about overall subsurface conditions; their reaction to construction activity; appropriate design of foundations, slopes, impoundments, and recovery wells; and other construction and/or remediation elements. Even under optimal circumstances, actual conditions may differ from those inferred to exist, because no consultant, no matter how qualified, and no subsurface program, no matter how comprehensive, can reveal what is hidden by earth, rock, and time.

### DEVELOP THE SUBSURFACE EXPLORATION PLAN WITH CARE.

The nature of subsurface explorations—the types, quantities, and locations of procedures used—in large measure determines the effectiveness of the geotechnical/environmental report and the design based upon it. The more comprehensive a subsurface exploration and testing program, the more information it provides to the consultant, helping to reduce the risk of unanticipated conditions and the attendant risk of costly delays and disputes. Even the cost of subsurface construction may be lowered.

Developing a proper subsurface exploration plan is a basic element of geotechnical/environmental design that should be accomplished jointly by the consultant and the client (or designated professional representatives). This helps the parties involved recognize mutual concerns and makes the client aware of the technical options available. Clients who develop a subsurface exploration plan without the involvement and concurrence of a consultant may be required to assume responsibility and liability for the plan's adequacy.

### READ GENERAL CONDITIONS CAREFULLY.

Most consultants include standard general contract conditions in their proposals. One of the general conditions most commonly employed is to limit the consulting firm's liability. Known as a "risk allocation" or "limitation of liability," this approach helps prevent problems at the beginning and establishes a fair and reasonable framework for handling them should they arise.

Various other elements of general conditions delineate your consultant's responsibilities. These are used to help eliminate confusion and misunderstandings, thereby helping all parties recognize who is responsible for different tasks. In all cases, read your consultant's general conditions carefully and ask any questions you may have.

### HAVE YOUR CONSULTANT WORK WITH OTHER DESIGN PROFESSIONALS.

Costly problems can occur when other design professionals develop their plans based on misinterpretations of a consultant's report. To help avoid misinterpretations, retain your consultant to work with other project design professionals who are affected by the geotechnical/environmental report. This allows a consultant to explain report implications to design professionals affected by them, and to review their plans and specifications so that issues can be dealt with adequately. Although some other design professionals may be familiar with geotechnical/environmental concerns, none knows as much about them as a competent consultant.



## OBTAIN CONSTRUCTION MONITORING SERVICES.

Most experienced clients also retain their consultant to serve during the construction phase of their projects. Involvement during the construction phase is particularly important because this permits the consultant to be on hand quickly to evaluate unanticipated conditions, conduct additional tests if required, and when necessary, recommend alternative solutions to problems. The consultant can also monitor the geotechnical/environmental work performed by contractors. It is essential to recognize that the construction recommendations included in a report are preliminary, because they must be based on the assumption that conditions revealed through selective exploratory sampling are indicative of actual conditions throughout a site.

Because actual subsurface conditions can be discerned only during earthwork and/or drilling, design consultants need to observe those conditions in order to provide their recommendations. Only the consultant who prepares the report is fully familiar with the background information needed to determine whether or not the report's recommendations are valid. The consultant submitting the report cannot assume responsibility or liability for the adequacy of preliminary recommendations if another party is retained to observe construction.

## REALIZE THAT ENVIRONMENTAL ISSUES MAY NOT HAVE BEEN ADDRESSED.

If you have requested only a geotechnical engineering proposal, it will not include services needed to evaluate the likelihood of contamination by hazardous materials or other pollutants. Given the liabilities involved, it is prudent practice to always have a site reviewed from an environmental viewpoint. A consultant cannot be responsible for failing to detect contaminants when the services needed to perform that function are not being provided.

## ONE OF THE OBLIGATIONS OF YOUR CONSULTANT IS TO PROTECT THE SAFETY, PROPERTY, AND WELFARE OF THE PUBLIC.

A geotechnical/environmental investigation will sometimes disclose the existence of conditions that may endanger the safety, health, property, or welfare of the public. Your consultant may be obligated under rules of professional conduct, or statutory or common law, to notify you and others of these conditions.

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July 23, 2024

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Enc: Summary Cost Estimate  
Important Information About Your Geotechnical/Environmental Proposal

**SUMMARY COST ESTIMATE****Soil Sampling****COST****Task 1 - Field Activities****\$31,904****Shannon & Wilson**

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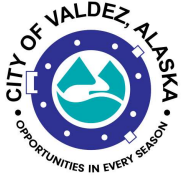
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**The preceding paragraphs are based on information provided by the GBA, Silver Spring, Maryland**



## Legislation Text

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**File #:** 24-0310, **Version:** 1

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**ITEM TITLE:**

Report: Issuance of Temporary Land Use Permit #24-03 for the Fat Mermaid Restaurant for 518 Square Feet of Public Right-of-Way Immediately Adjacent to Lot 1A, Block 39A, Harbor Subdivision

**SUBMITTED BY:** Nicole Chase, Planner

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Receive and file

**SUMMARY STATEMENT:**

The Fat Mermaid Restaurant applied for a temporary land use permit for seasonal outdoor seating adjacent to their restaurant at 143 North Harbor Drive. This is the sixth year they have pursued a permit of this type. Fat Mermaid requested use of a 518 square foot portion of public right-of-way for covered outdoor restaurant seating. The permit duration is May 14 - September 30, 2024.

When this permit was first processed in 2018, staff recommended compliance with the Americans with Disabilities Act (ADA) be a condition of the permit approval to allow all pedestrians an accessible route through the public right-of-way. There was debate at the time as to the required slope of the sidewalk for qualification as an accessible route as defined by the ADA. Through inspection of the site at the time, it was determined that the slope of the accent strip exceeded the 2% maximum slope mandated by the ADA, disqualifying it as an approved accessible route. As such, it was determined by staff that 36" distance of flat, clear sidewalk would need to be maintained to meet the ADA minimum clearance for accessible routes.

Per Ord. 24-01 VMC 17.04.120 (G) (1) Criterion 1: Use of the property under the permit shall not constitute a nuisance, substantially interfere with the use and enjoyment of adjacent property, or adversely impact public access or city operations. requirement to meet ADA compliance meets the intent of this provision.



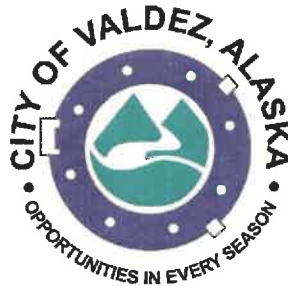
In addition, per Ord. 24-01 VMC 17.04.120 (G) (6) Criterion 6: No permanent alteration of land shall occur. To satisfy this code requirement, all barricades for the permitted area are temporary and moveable, and no modification to the sidewalk will occur.

Staff submitted the temporary land use permit application to Capital Facilities, Public Works, and Ports and Harbor for their comments and received no objection to the permit.

Pursuant to Ord. 24-01 Valdez Municipal Code 17.04.120 (F)(1) Long-term permits may be approved by the Planning and Zoning Commission pursuant to Table 17.04.030.a. Long-term permit activities that reoccur on an annual basis may be renewed annually, with approval by the Planning Director, if the duration of the use exceeds one year, and may be renewed for a maximum of four years. After four years the reoccurring use must go through the full application and approval process. Minor changes to the original permit may be reviewed and approved by the Planning Director during the renewal process if the changes do not change the extent, intensity, or use approved in the original permit.

Temporary land use permit 24-03 was administratively authorized under this provision since the Planning and Zoning Commission authorized this use under temporary land use permit 23-06, with the conditions that the Fat Mermaid comply with all ADA guidelines, make no permanent alteration to the area, and obtain a building permit and required inspections for the proposed awning structure.

Fees for temporary land use permits of this type were established by City Council with Resolution #23-43 which states that "For temporary land use permits for areas that are less than two acres in size, the fee shall be a flat monthly rate of \$311.00, or a pro-rated daily rate of \$11 per day for those periods less than one month." For the term requested the permit fee is \$1,442.00.



**CITY OF VALDEZ**  
**TEMPORARY LAND USE PERMIT AGREEMENT**

**Permit No. 24-03**

This Temporary Land Use Permit Agreement (hereinafter referred to as Permit) is entered into this 31 day of May, 2024 by and between the **CITY OF VALDEZ**, an Alaska municipal corporation (hereinafter referred to as "Valdez"), whose address is P.O. Box 307, Valdez, Alaska, 99686, and **THE FAT MERMAID**, (hereinafter referred to as "Permittee"), whose address is **P.O. Box 1999, Valdez AK 99686**.

W I T N E S S E T H:

1. Permit. Valdez hereby grants to Permittee the right and privilege to be present upon the following described real property belonging to Valdez pursuant to the terms of this Permit Agreement:

**518 square feet of Public Right of Way Immediately Adjacent to Lot 1A, Block 39A, Harbor Subdivision (See Exhibit "A")**

2. Term and Termination. Permittee may use the Property for the purposes set forth herein beginning on the 14 day of May, 2024 and continuing until the 30 day of September, 2024. In no circumstance shall this Permit exceed six months in duration. The City of Valdez, may at its sole discretion terminate this Permit at any time for any reason with 30 days' written notice to Permittee. Permittee shall vacate the property within thirty days from receiving written notification from the City of Valdez. This is the first annual renewal for this reoccurring use authorized under VMC 17.04.120(F)(2).

3. Use. Permittee shall use the Property to erect an outdoor awning and restaurant seating, for the purpose of serving customers or patrons of Fat Mermaid Restaurant and for no other purpose whatsoever without the prior written consent of the City of Valdez. Use of the Property under this Permit shall not adversely impact public access or Valdez operations. **No permanent structures shall be erected on the property; and no permanent alteration of the land shall occur.** This permit is subject to the conditions set forth in Exhibit B.

4. Permittee Not a Lessee. No legal title or leasehold interest in the Property shall be deemed or construed to have been created or vested in Permittee by anything contained herein. The purpose of this permit is to convey a non-possession interest by the City of Valdez to Permittee in that certain property (not to exceed two acres) described in paragraph 1 above. The City of Valdez shall maintain all right, title, and interest in that Property as fee simple owner thereof, and Permittee by virtue of this Permit has only the right and privilege to be present upon the Property and to make use of it for the purpose set forth in paragraph 3 above.

5. Fee. In consideration for use of land owned by the City of Valdez, Permittee agrees to pay in advance a lump sum equal to a flat monthly fee of three hundred fifty dollars (\$311.00) per month of occupancy plus a pro-rated daily rate of eleven dollars (\$11.00) per day for the number of days this permit is in effect other than a full month.

6. Insurance Requirement. The Permittee shall, at its own expense, purchase, maintain and otherwise keep in force the following insurance for the duration of this Agreement. The City shall be notified no fewer than thirty (30) days prior to any termination, cancellation, or any other material change in such insurance. The Permittee shall provide the City proof of insurance with a full policy including all endorsements prior to the commencement of any activity undertaken in connection with this Temporary Land Use Permit Agreement.

General Liability: Covering the Permittee and the City for any and all claims for personal injury, bodily injury (including death) and property damage (including environmental degradation or contamination) arising from any activity occurring as a result of this Temporary Land Use Permit Agreement.

Minimum limits:	\$1,000,000 Each Occurrence
	\$100,000 Damage to Rented Premises
	\$5,000 Medical Payments
	\$1,000,000 Personal & Adv Injury
	\$2,000,000 General Aggregate
	\$2,000,000 Products and Completed Operations Aggregate

The City of Valdez shall be included as an Additional Insured.

Auto Liability (if applicable): Permittee shall maintain business auto liability insurance covering liability arising out of any auto (including owned, hired, and non-owned autos).

Minimum Limits: \$1,000,000 Combined single limit each accident

The City of Valdez shall be included as an Additional Insured.

Workers' Compensation: Permittee shall maintain Workers' Compensation and Employer's Liability Insurance.

- Minimum Limits:
1. Workers' compensation – statutory limit
  2. Employer's liability:
    - \$100,000 bodily injury for each accident
    - \$100,000 bodily injury by disease for each employee
    - \$500,000 bodily injury disease policy limit

Waiver of Subrogation. For the purpose of waiver of subrogation, Permittee releases and waives all rights to claim or recover damages, costs or expenses against Valdez for any casualty of any type whatsoever in, on or about the Premises if the amount of such damage, cost or expense has been paid to such damaged party under the terms of any policy of insurance required herein.

7. Maintenance. Permittee agrees to maintain the property in a neat and orderly fashion. Upon termination of this Permit, Permittee agrees to leave the premises in a neat and clean condition.

8. Mechanic's Liens. Permittee shall pay all costs for construction done by it or caused to be done by it on the Property as permitted by this Permit. Permittee agrees not to construct any permanent structures on the property.

9. Utilities. Permittee shall be solely liable for and shall timely pay when due all expenses and fees for all utilities used or consumed with respect to the Property. The Permittee shall be required to provide and maintain sanitary facilities to include, but not be limited to, port-a-potties and garbage dumpsters.

10. Exculpation of Valdez. Valdez shall not be liable to Permittee for any damage to Permittee or Permittee's property from any cause. Permittee waives all claims against Valdez for damage to persons or property arising from any reason.

11. Indemnity. Permittee shall hold the City of Valdez harmless from and against any and all damages arising out of any damage to any persons or property occurring in, on, or about the Property.

12. Condemnation. If during the term of this Permit there is any taking by condemnation of the Property or any interest in this Permit, this Permit shall terminate on the date of taking. Any condemnation award shall belong to and be paid to The City of Valdez, and Permittee hereby assigns to the City of Valdez Permittee's interest therein.

13. No Encumbrance or Assignment Permitted. Permittee shall not voluntarily encumber its interest in this Permit or in the Property or attempt to assign all or any part of the Property, or allow any other person or entity, except its authorized representatives, to occupy or use all or any part of the Property.

14. Default. The occurrence of any of the following shall constitute a default under this Permit by Permittee:

(a) Failure to pay fees when due, if the failure continues for fifteen (15) days after written notice for payment;

(b) Any default in or failure to perform any term, covenant, or condition of this Permit including those set forth in Exhibit B;

(c) The cessation by Permittee of the operation of the Permittee's business located on the Property for a period of thirty (30) days;

(d) The making of any assignments for the benefit of creditors of Permittee, the appointment of a receiver for Permittee's business, the entry of an Order for Relief as to Permittee under the United States Bankruptcy Code as now in effect or hereafter amended, the insolvency of Permittee, or any similar situation.

15. Remedies. In the event of any default by Permittee under the provisions of paragraph 14 of this Permit, all of Permittee's rights hereunder shall immediately terminate; and the City of Valdez may, in addition to any rights and remedies that it may be given by statute, common law, express agreement, or otherwise, enter and take sole possession and control of the Property.

16. Valdez' Entry on Premises. The City of Valdez shall have the right to enter the Property at any time and, in view of the fact this Permit constitutes a license on real property rather than a lease, shall at all times remain in possession of the Property.

17. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by certified mail, return receipt requested, and shall be addressed to the other party at the address set forth in the introductory paragraph of this Permit. Either party may change its address by notifying the other party of the change of address. Such notices shall be deemed given when mailed irrespective of whether or not they are received.

18. Modification, Amendment, Waiver. No delay or omission in the exercise of any right or remedy of the City of Valdez on any default by Permittee shall impair such a right or remedy or be construed as a waiver. No modification, amendment, or waiver of any of the provisions of this Agreement shall be effective unless in writing, specifically referring hereto, and authorized by both parties.

19. Governing Law/Jurisdiction. This Permit shall be governed by, interpreted, and enforced in accordance with the laws of the State of Alaska and the laws of the United States, as applicable. The venue for all litigation arising out of or relating to this Agreement shall be Valdez, Alaska. The parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts

in the State of Alaska and waive any defense of *forum non conveniens*.

20. Miscellaneous. Time is of the essence with respect to each provision of the Permit, and it shall be binding upon and inure to the benefit of the parties, their heirs, assigns, and successors in interest. The enforceability, invalidity, or illegality of any provisions of this Permit shall not render the other provisions of this Permit unenforceable, invalid, or illegal.

IN WITNESS WHEREOF the parties have caused this Permit to be executed by their duly authorized officers the day and year first above written.

CITY OF VALDEZ, ALASKA

DocuSigned by:  
By: Kate Huber  
Kate Huber, Community Development Director

Date: 5/3/2024 | 5:41 PM AKDT

Approved as to Form:  
BRENA, BELL & WALKER, P.C.  
Attorneys for the City of Valdez

By: Jon S. Wakeland

ATTEST  
By: Sheri L. Pierce  
Sheri L. Pierce, MMC, City Clerk

PERMITTEE: THE FAT MERMAID

DocuSigned by:  
By: Karen Ables  
Karen Ables, Owner

Date: 5/3/2024 | 6:39 PM PDT



“Exhibit A”



4/4/2023, 1:20:19 PM

 Parcels

1:1,128  
0 25 50 100 ft  
0 5 10 20 m

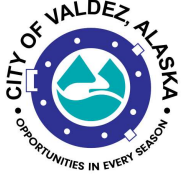
**“EXHIBIT B”**

The additional conditions of this permit have been set forth and are detailed as follows:

1. The permittee shall maintain at least 36” of uninhibited access on the sidewalk between the Fat Mermaid and North Harbor Drive and Wrangell Avenue to comply with Federal handicap access requirements under the Americans with Disabilities Act (ADA). The permittee shall contact the Building Inspector for the Planning Department to schedule inspection following obtaining a building permit for the awning structure. The placement of the temporary awning structure under this permit should not violate ADA access requirements.







## Legislation Text

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**File #:** 24-0311, **Version:** 1

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**ITEM TITLE:**

Report: Issuance of Temporary Land Use Permit 24-04 for the Roadside Potatohead Too, LLC for Six Months on 369 Square Feet of Public Right-of-Way Immediately Adjacent to Lot 12, Block 40, Harbor Subdivision

**SUBMITTED BY:** Nicole Chase, Planner

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Receive and file

**SUMMARY STATEMENT:**

Community Development staff received temporary land use permit application 24-04 from the Roadside Potatohead Too, LLC for a 369 square foot portion of public right-of-way adjacent to Lot 12, Block 40, Harbor Subdivision. The permit is for temporary outdoor restaurant seating for May 1, 2024 through September 30, 2024.

This area has been utilized by the Potatohead for outdoor restaurant seating for the past few years. In 2018, staff assessed the area by measuring thirty and fifty feet from the center lines of Chitina and Harbor Drives which revealed three picnic tables at the Potatohead sit partially in the public right-of-way off Chitina Drive.

The City Public Works Director, Capital Facilities Director and Assistant City Manager, and Ports and Harbor Director were solicited for comments on the application and had no objections.

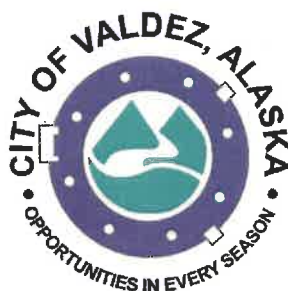
The public sidewalk remains unobstructed under this permit, and no permanent alteration of the land shall occur.

Pursuant to Ord. 24-01 Valdez Municipal Code 17.04.120 (F)(1) Long-term permits may be approved by the Planning and Zoning Commission pursuant to Table 17.04.030.a. Long-term permit activities that reoccur on an annual basis may be renewed annually, with approval by the Planning Director, if the duration of the use exceeds one year, and may be renewed for a maximum of four years. After four years the reoccurring use must go through the full application and approval process. Minor changes to the original permit may be reviewed and approved by the Planning Director during the renewal process if the changes do not change the extent, intensity, or use approved in the original

permit.

Temporary land use permit 24-04 was administratively authorized under this provision since the Planning and Zoning Commission authorized this use under temporary land use permit 23-09 last year.

Fees for temporary land use permits of this type were established by City Council with Resolution #23-43 which states that "For temporary land use permits for areas that are less than two acres in size, the fee shall be a flat monthly rate of \$311.00, or a pro-rated daily rate of \$11 per day for those periods less than one month." For the term requested the permit fee is \$1,555.00.



**CITY OF VALDEZ**  
**TEMPORARY LAND USE PERMIT AGREEMENT**

**Permit No. 24-04**

This Temporary Land Use Permit Agreement (hereinafter referred to as Permit) is entered into this 3<sup>rd</sup> day of May, 2024 by and between the **CITY OF VALDEZ**, an Alaska municipal corporation (hereinafter referred to as "Valdez"), whose address is **P.O. Box 307, Valdez, Alaska, 99686**, and **THE ROADSIDE POTATOHEAD**, (hereinafter referred to as "Permittee"), whose address is **P.O. Box 2924 Valdez, Alaska 99686**.

**WITNESSETH:**

1. Permit. Valdez hereby grants to Permittee the right and privilege to be present upon the following described real property belonging to Valdez pursuant to the terms of this Permit Agreement:

**369 square foot portion of public right-of- way immediately adjacent to Lot 12,  
Block 40, Harbor Subdivision (See Exhibit "A")**

2. Term and Termination. Permittee may use the Property for the purposes set forth herein beginning on the 1<sup>st</sup> day of May, 2024 and continuing until the 30<sup>th</sup> day of September, 2024. In no circumstance shall this Permit exceed six months in duration. The City of Valdez, may at its sole discretion terminate this Permit at any time for any reason with 30 days' written notice to Permittee. Permittee shall vacate the property within thirty days from receiving written notification from the City of Valdez. This is the first annual renewal for this reoccurring use authorized under VMC 17.04.120(F)(2).

3. Use. Permittee shall use the Property for temporary outdoor restaurant seating, for the purpose of serving customers or patrons of The Roadside Potatohead Restaurant and for no other purpose whatsoever without the prior written consent of the City of Valdez. Use of the Property under this Permit shall not adversely impact public access or Valdez operations. **No permanent structures shall be erected on the property; and no permanent alteration of the land shall occur.**

4. Permittee Not a Lessee. No legal title or leasehold interest in the Property shall be deemed or construed to have been created or vested in Permittee by anything contained herein. The purpose of this permit is to convey a non-possession interest by the City of Valdez to Permittee in that certain property (not to exceed two acres) described in paragraph 1 above. The City of Valdez shall maintain all right, title, and interest in that Property as fee simple owner thereof, and Permittee by virtue of this Permit has only the right and privilege to be present upon the Property and to make use of it for the purpose set forth in paragraph 3 above.

5. Fee. In consideration for use of land owned by the City of Valdez, Permittee agrees to pay in advance a lump sum equal to a flat monthly fee of three hundred and eleven dollars (\$311.00) per month of occupancy plus a pro-rated daily rate of nine dollars (\$11.00) per day for the number of days this permit is in effect other than a full month.

6. Insurance Requirement. The Permittee shall, at its own expense, purchase, maintain and otherwise keep in force the following insurance for the duration of this Agreement. The City shall be notified no fewer than thirty (30) days prior to any termination, cancellation, or any other material change in such insurance. The Permittee shall provide the City proof of insurance with a full policy including all endorsements prior to the commencement of any activity undertaken in connection with this Temporary Land Use Permit Agreement.

General Liability: Covering the Permittee and the City for any and all claims for personal injury, bodily injury (including death) and property damage (including environmental degradation or contamination) arising from any activity occurring as a result of this Temporary Land Use Permit Agreement.

Minimum limits:       \$1,000,000 Each Occurrence  
                              \$100,000 Damage to Rented Premises  
                              \$5,000 Medical Payments  
                              \$1,000,000 Personal & Adv Injury  
                              \$2,000,000 General Aggregate  
                              \$2,000,000 Products and Completed Operations Aggregate

The City of Valdez shall be included as an Additional Insured.

Auto Liability (if applicable): Permittee shall maintain business auto liability insurance covering liability arising out of any auto (including owned, hired, and non-owned autos).

Minimum Limits:       \$1,000,000 Combined single limit each accident

The City of Valdez shall be included as an Additional Insured.

Workers' Compensation: Permittee shall maintain Workers' Compensation and Employer's

## Liability Insurance.

- Minimum Limits:
1. Workers' compensation – statutory limit
  2. Employer's liability:
    - \$100,000 bodily injury for each accident
    - \$100,000 bodily injury by disease for each employee
    - \$500,000 bodily injury disease policy limit

Waiver of Subrogation. For the purpose of waiver of subrogation, Permittee releases and waives all rights to claim or recover damages, costs or expenses against Valdez for any casualty of any type whatsoever in, on or about the Premises if the amount of such damage, cost or expense has been paid to such damaged party under the terms of any policy of insurance required herein.

7. Maintenance. Permittee agrees to maintain the property in a neat and orderly fashion. Upon termination of this Permit, Permittee agrees to leave the premises in a neat and clean condition.

8. Mechanic's Liens. Permittee shall pay all costs for construction done by it or caused to be done by it on the Property as permitted by this Permit. Permittee agrees not to construct any permanent structures on the property.

9. Utilities. Permittee shall be solely liable for and shall timely pay when due all expenses and fees for all utilities used or consumed with respect to the Property. The Permittee shall be required to provide and maintain sanitary facilities to include, but not be limited to, port-a-potties and garbage dumpsters.

10. Exculpation of Valdez. Valdez shall not be liable to Permittee for any damage to Permittee or Permittee's property from any cause. Permittee waives all claims against Valdez for damage to persons or property arising from any reason.

11. Indemnity. Permittee shall hold the City of Valdez harmless from and against any and all damages arising out of any damage to any persons or property occurring in, on, or about the Property.

12. Condemnation. If during the term of this Permit there is any taking by condemnation of the Property or any interest in this Permit, this Permit shall terminate on the date of taking. Any condemnation award shall belong to and be paid to The City of Valdez, and Permittee hereby assigns to the City of Valdez Permittee's interest therein.

13. No Encumbrance or Assignment Permitted. Permittee shall not voluntarily encumber its interest in this Permit or in the Property or attempt to assign all or any part of the Property, or allow any other person or entity, except its authorized representatives, to occupy or use all or any part of the Property.

14. Default. The occurrence of any of the following shall constitute a default under this Permit by Permittee:

(a) Failure to pay fees when due, if the failure continues for fifteen (15) days after written notice for payment;

(b) Any default in or failure to perform any term, covenant, or condition of this Permit;

(c) The cessation by Permittee of the operation of the Permittee's business located on the Property for a period of thirty (30) days;

(d) The making of any assignments for the benefit of creditors of Permittee, the appointment of a receiver for Permittee's business, the entry of an Order for Relief as to Permittee under the United States Bankruptcy Code as now in effect or hereafter amended, the insolvency of Permittee, or any similar situation.

15. Remedies. In the event of any default by Permittee under the provisions of paragraph 14 of this Permit, all of Permittee's rights hereunder shall immediately terminate; and the City of Valdez may, in addition to any rights and remedies that it may be given by statute, common law, express agreement, or otherwise, enter and take sole possession and control of the Property.

16. Valdez' Entry on Premises. The City of Valdez shall have the right to enter the Property at any time and, in view of the fact this Permit constitutes a license on real property rather than a lease, shall at all times remain in possession of the Property.

17. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by certified mail, return receipt requested, and shall be addressed to the other party at the address set forth in the introductory paragraph of this Permit. Either party may change its address by notifying the other party of the change of address. Such notices shall be deemed given when mailed irrespective of whether or not they are received.

18. Modification, Amendment, Waiver. No delay or omission in the exercise of any right or remedy of the City of Valdez on any default by Permittee shall impair such a right or remedy or be construed as a waiver. No modification, amendment, or waiver of any of the provisions of this Agreement shall be effective unless in writing, specifically referring hereto, and authorized by both parties.

19. Governing Law/Jurisdiction. This Permit shall be governed by, interpreted, and enforced in accordance with the laws of the State of Alaska and the laws of the United States, as applicable. The venue for all litigation arising out of or relating to this Agreement shall be Valdez, Alaska. The parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts

in the State of Alaska and waive any defense of *forum non conveniens*.

20. Miscellaneous. Time is of the essence with respect to each provision of the Permit, and it shall be binding upon and inure to the benefit of the parties, their heirs, assigns, and successors in interest. The enforceability, invalidity, or illegality of any provisions of this Permit shall not render the other provisions of this Permit unenforceable, invalid, or illegal.

IN WITNESS WHEREOF the parties have caused this Permit to be executed by their duly authorized officers the day and year first above written.

CITY OF VALDEZ, ALASKA

DocuSigned by:  
By: Kate Huber  
Kate Huber, Planning Director  
Date: 5/3/2024 | 4:54 PM AKDT

PERMITTEE: THE ROADSIDE POTATOHEAD

DocuSigned by:  
By: Gaea Bard  
Gaea Bard, Manager  
Date: 4/29/2024 | 2:26 PM PDT

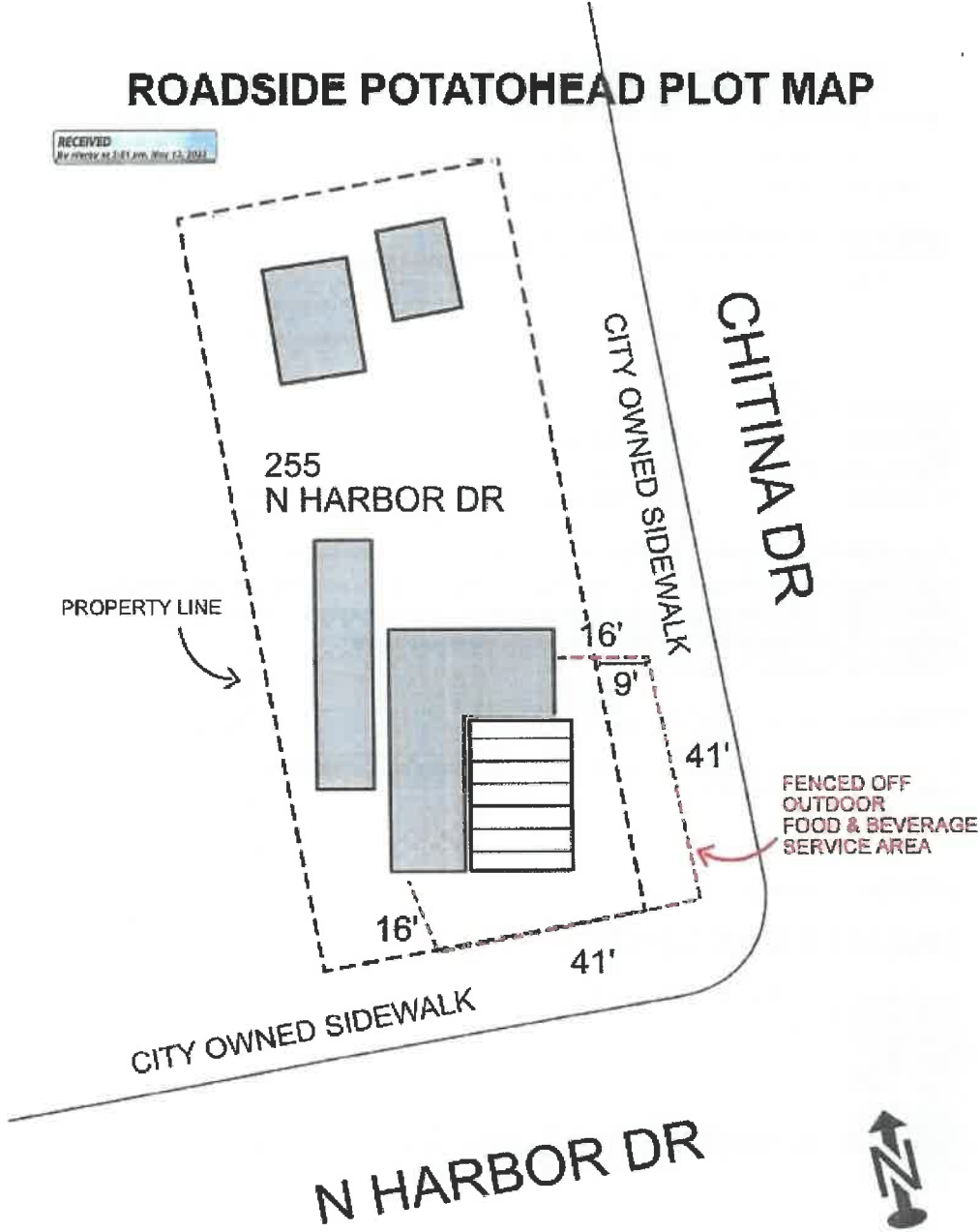
Approved as to Form:  
BRENA, BELL & WALKER, P.C.  
Attorneys for the City of Valdez  
By: Jon S. Wakeland

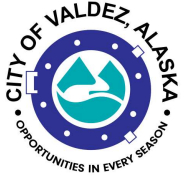
ATTEST:  
By: Elin OnBirk Deputy  
Sheri L. Pierce, MMC, City Clerk to





Exhibit "A"





## Legislation Text

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**File #:** 24-0312, **Version:** 1

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**ITEM TITLE:**

Report: Issuance of Temporary Land Use Permit #24-05 for Faith Harbor Fellowship for 334 Galena Drive, Lot 22, Block 35 Mineral Creek Subdivision Owned by the City of Valdez

**SUBMITTED BY:** Nicole Chase, Planner

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Receive and file

**SUMMARY STATEMENT:**

Faith Harbor Fellowship applied for a temporary land use permit for use of city snow lot 334 Galena Drive, Lot 22, Block 35 Mineral Creek Subdivision for June 24 - August 7, 2024. The request is for the erection of a 52' x 76' temporary tent for the purpose of church services, youth activities, and church fellowship with music.

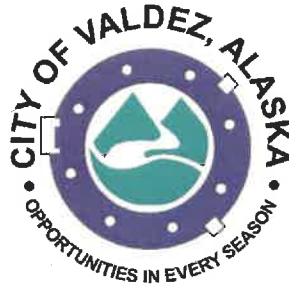
Assistant City Manager and Capital Facilities Director, and Public Works Director were solicited for comments on the application and expressed no objection. Use of the property should not interfere with the primary purpose of the lot for snow storage, and the applicant must wait for natural snow melt to occur and may not remove snow from the lot themselves to make room for this use. The permit includes language describing this condition.

Faith Harbor Fellowship was required to obtain a building permit for placement of the tent. The public sidewalk will remain unobstructed under this permit, and no permanent alteration of the land shall occur.

Pursuant to Ord. 24-01 Valdez Municipal Code 17.04.120 (F)(1) Long-term permits may be approved by the Planning and Zoning Commission pursuant to Table 17.04.030.a. Long-term permit activities that reoccur on an annual basis may be renewed annually, with approval by the Planning Director, if the duration of the use exceeds one year, and may be renewed for a maximum of four years. After four years the reoccurring use must go through the full application and approval process. Minor changes to the original permit may be reviewed and approved by the Planning Director during the renewal process if the changes do not change the extent, intensity, or use approved in the original permit.

Temporary land use permit 24-05 was administratively authorized under this provision since the Planning and Zoning Commission authorized this use under temporary land use permit 23-10.

Fees for temporary land use permits of this type were established by City Council with Resolution #23-43 which states that "For temporary land use permits for areas that are less than two acres in size, the fee shall be a flat monthly rate of \$311.00, or a pro-rated daily rate of \$11 per day for those periods less than one month." For the term requested the permit fee is \$465.00.



**CITY OF VALDEZ**  
**TEMPORARY LAND USE PERMIT AGREEMENT**

**Permit No. 24-05**

This Temporary Land Use Permit Agreement (hereinafter referred to as Permit) is entered into this ~~20<sup>th</sup>~~ 24<sup>th</sup> day of June, 2024 by and between the **CITY OF VALDEZ**, an Alaska municipal corporation (hereinafter referred to as "Valdez"), whose address is P.O. Box 307, Valdez, Alaska, 99686, and **FAITH HARBOR FELLOWSHIP (FAITH HARBOR MINISTRIES INC)**, (hereinafter referred to as "Permittee"), whose address is **P.O Box 2330, Valdez AK 99686**.

W I T N E S S E T H:

1. Permit. Valdez hereby grants to Permittee the right and privilege to be present upon the following described real property belonging to Valdez pursuant to the terms of this Permit Agreement:

**334 Galena Drive, Lot 22, Block 34, Mineral Creek Subdivision (See Exhibit "A")**

2. Term and Termination. Permittee may use the Property for the purposes set forth herein beginning on the **24<sup>th</sup> day of June 2024 and continuing until the 7<sup>th</sup> day of August 2024**. In no circumstance shall this Permit exceed six months in duration. The City of Valdez, may at its sole discretion terminate this Permit at any time for any reason with 30 days' written notice to Permittee. Permittee shall vacate the property within thirty days from receiving written notification from the City of Valdez. This is the first annual renewal for this reoccurring use authorized under VMC 17.04.120(F)(2).

3. Use. Permittee shall use the Property to erect a 52' x 76' temporary tent for the purpose of church services, youth activities, and church fellowship with music. Use of the Property under this Permit shall not adversely impact public access or Valdez operations. **No permanent structures shall be erected on the property; and no permanent alteration of the land shall occur.** This permit is subject to the conditions set forth in Exhibit B.

4. Permittee Not a Lessee. No legal title or leasehold interest in the Property shall be deemed or construed to have been created or vested in Permittee by anything contained herein. The purpose of this permit is to convey a non-possession interest by the City of Valdez to Permittee in that certain property (not to exceed two acres) described in paragraph 1 above. The City of Valdez shall maintain all right, title, and interest in that Property as fee simple owner thereof, and Permittee by virtue of this Permit has only the right and privilege to be present upon the Property and to make use of it for the purpose set forth in paragraph 3 above.

5. Fee. In consideration for use of land owned by the City of Valdez, Permittee agrees to pay in advance a lump sum equal to a flat monthly fee of three hundred fifty dollars (\$311.00) per month of occupancy plus a pro-rated daily rate of eleven dollars (\$11.00) per day for the number of days this permit is in effect other than a full month.

6. Insurance Requirement. The Permittee shall, at its own expense, purchase, maintain and otherwise keep in force the following insurance for the duration of this Agreement. The City shall be notified no fewer than thirty (30) days prior to any termination, cancellation, or any other material change in such insurance. The Permittee shall provide the City proof of insurance with a full policy including all endorsements prior to the commencement of any activity undertaken in connection with this Temporary Land Use Permit Agreement.

General Liability: Covering the Permittee and the City for any and all claims for personal injury, bodily injury (including death) and property damage (including environmental degradation or contamination) arising from any activity occurring as a result of this Temporary Land Use Permit Agreement.

Minimum limits:	\$1,000,000 Each Occurrence
	\$1,000,000 Damage to Rented Premises (each occurrence)
	\$10,000 Medical Payments (any one person)
	\$1,000,000 Personal & Adv Injury
	\$3,000,000 General Aggregate
	\$1,000,000 Products and Completed Operations Aggregate

The City of Valdez shall be included as an Additional Insured.

Waiver of Subrogation. For the purpose of waiver of subrogation, Permittee releases and waives all rights to claim or recover damages, costs or expenses against Valdez for any casualty of any type whatsoever in, on or about the Premises if the amount of such damage, cost or expense has been paid to such damaged party under the terms of any policy of insurance required herein.

7. Maintenance. Permittee agrees to maintain the property in a neat and orderly fashion. Upon termination of this Permit, Permittee agrees to leave the premises in a neat and clean condition.

8. Mechanic's Liens. Permittee shall pay all costs for construction done by it or caused to be done by it on the Property as permitted by this Permit. Permittee agrees not to construct any permanent structures on the property.

9. Utilities. Permittee shall be solely liable for and shall timely pay when due all expenses and fees for all utilities used or consumed with respect to the Property. The Permittee shall be required to provide and maintain sanitary facilities to include, but not be limited to, port-a-potties and garbage dumpsters.

10. Exculpation of Valdez. Valdez shall not be liable to Permittee for any damage to Permittee or Permittee's property from any cause. Permittee waives all claims against Valdez for damage to persons or property arising from any reason.

11. Indemnity. Permittee shall hold the City of Valdez harmless from and against any and all damages arising out of any damage to any persons or property occurring in, on, or about the Property.

12. Condemnation. If during the term of this Permit there is any taking by condemnation of the Property or any interest in this Permit, this Permit shall terminate on the date of taking. Any condemnation award shall belong to and be paid to The City of Valdez, and Permittee hereby assigns to the City of Valdez Permittee's interest therein.

13. No Encumbrance or Assignment Permitted. Permittee shall not voluntarily encumber its interest in this Permit or in the Property or attempt to assign all or any part of the Property, or allow any other person or entity, except its authorized representatives, to occupy or use all or any part of the Property.

14. Default. The occurrence of any of the following shall constitute a default under this Permit by Permittee:

(a) Failure to pay fees when due, if the failure continues for fifteen (15) days after written notice for payment;

(b) Any default in or failure to perform any term, covenant, or condition of this Permit including those set forth in Exhibit B;

(c) The cessation by Permittee of the operation of the Permittee's business located on the Property for a period of thirty (30) days;

(d) The making of any assignments for the benefit of creditors of Permittee, the appointment of a receiver for Permittee's business, the entry of an Order for Relief as to Permittee under the United States Bankruptcy Code as now in effect or hereafter amended, the insolvency of Permittee, or any similar situation.

15. Remedies. In the event of any default by Permittee under the provisions of paragraph 14 of this Permit, all of Permittee's rights hereunder shall immediately terminate; and the City of Valdez may, in addition to any rights and remedies that it may be given by statute, common law, express agreement, or otherwise, enter and take sole possession and control of the Property.

16. Valdez' Entry on Premises. The City of Valdez shall have the right to enter the Property at any time and, in view of the fact this Permit constitutes a license on real property rather than a lease, shall at all times remain in possession of the Property.

17. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by certified mail, return receipt requested, and shall be addressed to the other party at the address set forth in the introductory paragraph of this Permit. Either party may change its address by notifying the other party of the change of address. Such notices shall be deemed given when mailed irrespective of whether or not they are received.

18. Modification, Amendment, Waiver. No delay or omission in the exercise of any right or remedy of the City of Valdez on any default by Permittee shall impair such a right or remedy or be construed as a waiver. No modification, amendment, or waiver of any of the provisions of this Agreement shall be effective unless in writing, specifically referring hereto, and authorized by both parties.

19. Governing Law/Jurisdiction. This Permit shall be governed by, interpreted, and enforced in accordance with the laws of the State of Alaska and the laws of the United States, as applicable. The venue for all litigation arising out of or relating to this Agreement shall be Valdez, Alaska. The parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of Alaska and waive any defense of *forum non conveniens*.

20. Miscellaneous. Time is of the essence with respect to each provision of the Permit, and it shall be binding upon and inure to the benefit of the parties, their heirs, assigns, and successors in interest. The enforceability, invalidity, or illegality of any provisions of this Permit shall not render the other provisions of this Permit unenforceable, invalid, or illegal.

IN WITNESS WHEREOF the parties have caused this Permit to be executed by their duly authorized officers the day and year first above written.

CITY OF VALDEZ, ALASKA

PERMITTEE: FAITH HARBOR FELLOWSHIP  
(FAITH HARBOR MINISTRIES INC)

By: *Kate Huber*  
Kate Huber, Community Development Director

Date: 6/20/2024 | 4:47 PM AKDT

By: *Ray Tapp*  
Ray Tapp, Pastor

Date: 6/20/2024 | 4:14 PM AKDT

Approved as to Form:  
BRENA, BELL & WALKER, P.C.  
Attorneys for the City of Valdez

By: *Jon S. Wakeland*  
Jon S. Wakeland

ATTEST: *Eline De Birk* *deputy for*  
By: Sheri L. Pierce, MMC, City Clerk



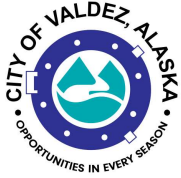




“EXHIBIT B”

The additional conditions of this permit are as follows:

1. The Permittee shall contact the Building Inspector for the Planning Department to schedule inspection following obtaining a building permit for the structure. The public sidewalk must remain unobstructed under this permit. The Permittee shall not remove snow from the Property.



## Legislation Text

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**File #:** 24-0313, **Version:** 1

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**ITEM TITLE:**

Report: Issuance of Temporary Land Use Permit #24-06 for End of the Road Ren Fair for an Approximately 4.5-Acre Portion of 196 South Harbor Drive, Tract V, Harbor Subdivision Owned by the City of Valdez

**SUBMITTED BY:** Nicole Chase, Planner

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Receive and file

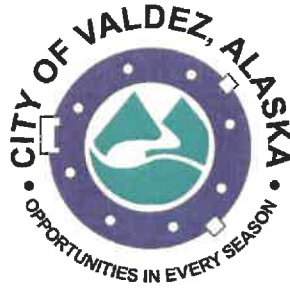
**SUMMARY STATEMENT:**

End of the Road Ren Fair applied for a temporary land use permit for use of an approximately 4.5-acre portion of 196 S Harbor Drive, Tract V Harbor Subdivision for June 19th - June 24th, 2024. The request was for the use of the property for a renaissance fair open to the public. The event included a vendor square, food vendor area, stage, and game area. The event took place June 19th-June 24th, 2024. The End of the Road Ren Fair received a permit in 2023 for the same event at the Barney Meyring Parkstrip.

The City Economic Development Director, Chief of Police, Ports and Harbors Director, and Parks and Recreation Director were solicited for comments on the application and expressed no objection. The applicant worked with the Economic Development Department for in-kind services.

Use of the property under this permit did not constitute a nuisance, and no permanent alteration of the land occurred.

Per resolution #23-43, this permit was exempted from permit fees as a community celebration less than 10 days in duration.



**CITY OF VALDEZ**  
**TEMPORARY LAND USE PERMIT AGREEMENT**

**Permit No. 24-06**

This Temporary Land Use Permit Agreement (hereinafter referred to as Permit) is entered into this 19<sup>th</sup> day of June, 2024 by and between the **CITY OF VALDEZ**, an Alaska municipal corporation (hereinafter referred to as "Valdez"), whose address is P.O. Box 307, Valdez, Alaska, 99686, and **END OF THE ROAD REN FAIR**, (hereinafter referred to as "Permittee"), whose address is **P.O. Box 1132, Valdez AK 99686**.

W I T N E S S E T H:

1. Permit. Valdez hereby grants to Permittee the right and privilege to be present upon the following described real property belonging to Valdez pursuant to the terms of this Permit Agreement:

An Approximately 4.5-acre Portion of 196 S Harbor Drive, Tract V Harbor Subdivision (See Exhibit "A")

2. Term and Termination. Permittee may use the Property for the purposes set forth herein beginning on the **19<sup>th</sup> day of June, 2024 and continuing until the 24<sup>th</sup> day of June, 2024**. In no circumstance shall this Permit exceed 10 days in duration. Permittee shall vacate the property immediately upon expiration of this permit.

3. Use. Permittee shall use the Property for a renaissance fair open to the public. The event will include a vendor square, food vendor area, stage, portable restrooms, and game area. Use of the Property under this Permit shall not adversely impact public access or City of Valdez operations. **No permanent structures shall be erected on the property; and no permanent alteration of the land shall occur.**

4. Permittee Not a Lessee. No legal title or leasehold interest in the Property shall be deemed or construed to have been created or vested in Permittee by anything contained herein.

The purpose of this permit is to convey a non-possession interest by the City of Valdez to Permittee in that certain property described in paragraph 1 above. The City of Valdez shall maintain all right, title, and interest in that Property as fee simple owner thereof, and Permittee by virtue of this Permit has only the right and privilege to be present upon the Property and to make use of it for the purpose set forth in paragraph 3 above.

5. Fee. Pursuant to resolution #23-43 fees for this Agreement have been waived by Valdez City Council passed and approved August 15, 2023.

6. Insurance Requirement. The Permittee shall, at its own expense, purchase, maintain and otherwise keep in force the following insurance for the duration of this Agreement. The City shall be notified no fewer than thirty (30) days prior to any termination, cancellation, or any other material change in such insurance. The Permittee shall provide the City proof of insurance with a full policy including all endorsements prior to the commencement of any activity undertaken in connection with this Temporary Land Use Permit Agreement.

General Liability: Covering the Permittee and the City for any and all claims for personal injury, bodily injury (including death) and property damage (including environmental degradation or contamination) arising from any activity occurring as a result of this Temporary Land Use Permit Agreement.

Minimum limits:	\$1,000,000 Each Occurrence
	\$100,000 Damage to Rented Premises
	\$1,000 Medical Payments
	\$1,000,000 Personal & Adv Injury
	\$2,000,000 General Aggregate
	\$2,000,000 Products and Completed Operations Aggregate

The City of Valdez shall be included as an Additional Insured.

Waiver of Subrogation. For the purpose of waiver of subrogation, Permittee releases and waives all rights to claim or recover damages, costs or expenses against Valdez for any casualty of any type whatsoever in, on or about the Premises if the amount of such damage, cost or expense has been paid to such damaged party under the terms of any policy of insurance required herein.

7. Maintenance. Permittee agrees to maintain the property in a neat and orderly fashion. Upon termination of this Permit, Permittee agrees to leave the premises in a neat and clean condition.

8. Mechanic's Liens. Permittee shall pay all costs for construction done by it or caused to be done by it on the Property as permitted by this Permit. Permittee agrees not to construct any permanent structures on the property.

9. Utilities. Permittee shall be solely liable for and shall timely pay when due all expenses and fees for all utilities used or consumed with respect to the Property. The Permittee shall be required to provide and maintain sanitary facilities to include, but not be limited to, port-a-potties and garbage dumpsters.

10. Exculpation of Valdez. Valdez shall not be liable to Permittee for any damage to Permittee or Permittee's property from any cause. Permittee waives all claims against Valdez for damage to persons or property arising from any reason.

11. Indemnity. Permittee shall hold the City of Valdez harmless from and against any and all damages arising out of any damage to any persons or property occurring in, on, or about the Property.

12. Condemnation. If during the term of this Permit there is any taking by condemnation of the Property or any interest in this Permit, this Permit shall terminate on the date of taking. Any condemnation award shall belong to and be paid to The City of Valdez, and Permittee hereby assigns to the City of Valdez Permittee's interest therein.

13. No Encumbrance or Assignment Permitted. Permittee shall not voluntarily encumber its interest in this Permit or in the Property or attempt to assign all or any part of the Property, or allow any other person or entity, except its authorized representatives, to occupy or use all or any part of the Property.

14. Default. The occurrence of any of the following shall constitute a default under this Permit by Permittee:

(a) Failure to pay fees when due, if the failure continues for fifteen (15) days after written notice for payment;

(b) Any default in or failure to perform any term, covenant, or condition of this Permit;

(c) The cessation by Permittee of the operation of the Permittee's business located on the Property for a period of thirty (30) days;

(d) The making of any assignments for the benefit of creditors of Permittee, the appointment of a receiver for Permittee's business, the entry of an Order for Relief as to Permittee under the United States Bankruptcy Code as now in effect or hereafter amended, the insolvency of Permittee, or any similar situation.

15. Remedies. In the event of any default by Permittee under the provisions of paragraph 14 of this Permit, all of Permittee's rights hereunder shall immediately terminate; and the City of Valdez may, in addition to any rights and remedies that it may be given by statute, common law, express agreement, or otherwise, enter and take sole possession and control of the Property.

16. Valdez' Entry on Premises. The City of Valdez shall have the right to enter the Property at any time and, in view of the fact this Permit constitutes a license on real property rather than a lease, shall at all times remain in possession of the Property.

17. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by certified mail, return receipt requested, and shall be addressed to the other party at the address set forth in the introductory paragraph of this Permit. Either party may change its address by notifying the other party of the change of address. Such notices shall be deemed given when mailed irrespective of whether or not they are received.

18. Modification, Amendment, Waiver. No delay or omission in the exercise of any right or remedy of the City of Valdez on any default by Permittee shall impair such a right or remedy or be construed as a waiver. No modification, amendment, or waiver of any of the provisions of this Agreement shall be effective unless in writing, specifically referring hereto, and authorized by both parties.

19. Governing Law/Jurisdiction. This Permit shall be governed by, interpreted, and enforced in accordance with the laws of the State of Alaska and the laws of the United States, as applicable. The venue for all litigation arising out of or relating to this Agreement shall be Valdez, Alaska. The parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of Alaska and waive any defense of *forum non conveniens*.

20. Miscellaneous. Time is of the essence with respect to each provision of the Permit, and it shall be binding upon and inure to the benefit of the parties, their heirs, assigns, and successors in interest. The enforceability, invalidity, or illegality of any provisions of this Permit shall not render the other provisions of this Permit unenforceable, invalid, or illegal.

IN WITNESS WHEREOF the parties have caused this Permit to be executed by their duly authorized officers the day and year first above written.

CITY OF VALDEZ, ALASKA

PERMITTEE: END OF THE ROAD REN FAIR

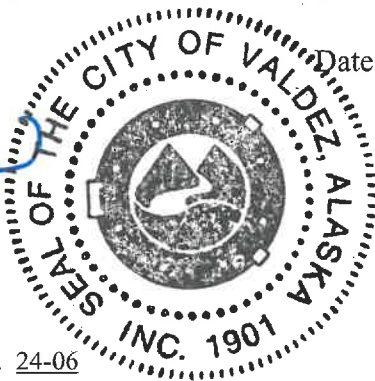
DocuSigned by:  
By: Kate Huber  
Kate Huber, Community Development Director

DocuSigned by:  
By: Zadie Carmen  
Zadie Carmen, President and Event Director

Date: 6/19/2024 | 2:25 PM AKDT

Date: 6/19/2024 | 2:10 PM AKDT

ATTEST:  
By: Sheri L. Pierce  
Sheri L. Pierce, MMC, City Clerk



TEMPORARY LAND USE PERMIT NO. 24-06

Page 4 of 6

Approved as to Form:  
BRENA, BELL & WALKER, P.C.  
Attorneys for the City of Valdez


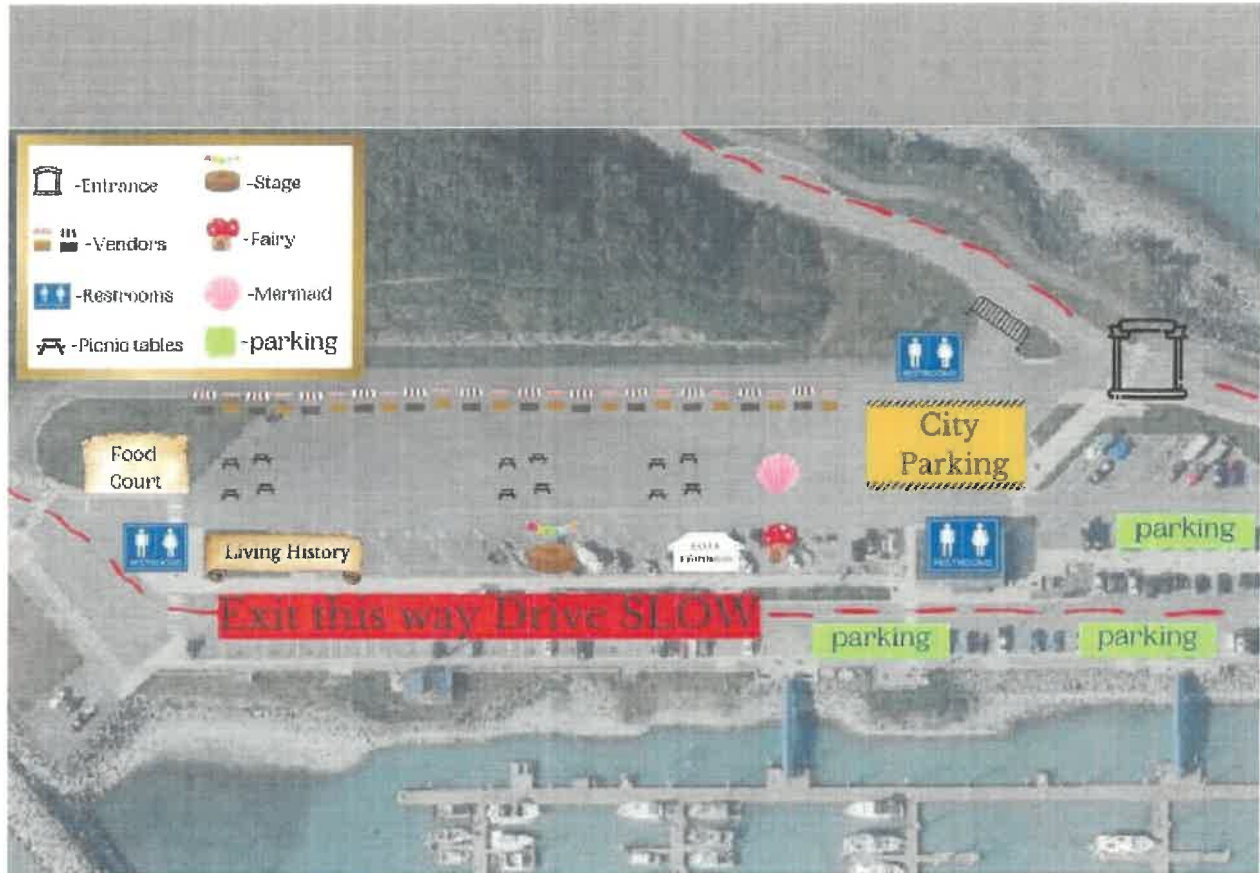
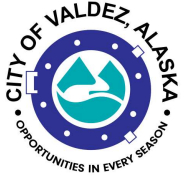
By:   
Jon S. Wakeland



Exhibit "A"





## Legislation Text

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**File #:** 24-0314, **Version:** 1

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**ITEM TITLE:**

Monthly Projects Update Report

**SUBMITTED BY:** Nathan Duval, Assistant City Manager / Capital Facilities Director

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

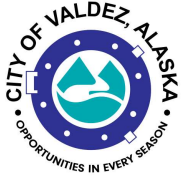
**RECOMMENDATION:**

Receive & File

**SUMMARY STATEMENT:**

A verbal report will be presented to the Council on current project statuses.

General project information can be found on the City website at  
<https://www.valdezak.gov/520/Featured-Projects>



# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686

## Legislation Text

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**File #:** 24-0297, **Version:** 1

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**ITEM TITLE:**

August 2024 City Council Calendar

**SUBMITTED BY:** Elise Sorum-Birk, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

**RECOMMENDATION:**

n/a

**SUMMARY STATEMENT:**

Attached is the city council calendar for August 2024.

# August 2024

## Valdez City Council Calendar



				1	2 5 p.m. to 7 p.m. COV Legislative Reception	3
4	5 7 p.m. – Ports and Harbors Commission	6 6 p.m. – City Council – Annual Permanent Fund Meeting 7 p.m. – City Council Regular Meeting	7 5 p.m. – Beautification Commission	8	9	10
11	12 6 p.m. – School Board - Work Session 7 p.m. – School Board – Regular Meeting	13 6:30 p.m. – Parks & Rec Commission  Summer AML/ AcoM Kodiak  USCG Foundation Dinner Anchorage	14 7 p.m. – Planning & Zoning Commission  Summer AML/ AcoM Kodiak	15 Noon – VMHA Board  Summer AML/ AcoM Kodiak	16	17
18	19 7 p.m. – Ports and Harbors Commission	20 State of Alaska Primary Election	21 6 p.m. – City Council – Work Session - TBD 7 p.m. – City Council Regular Meeting	22 7 p.m. – Economic Diversification Commission	23	24
25	26 6 p.m. – School Board - Work Session 7 p.m. – School Board – Regular Meeting	27 6 p.m. – City Council – Work Session – Code Enforcement	28 7 p.m. – Planning & Zoning Commission	29	30	31

Note 1: This calendar is subject to change. Contact the Clerk's Office for the most up-to-date information. Strike-thru indicates cancellation of standing meeting.

Note 2: Unless otherwise indicated, all meetings occur in Valdez Council Chambers.

Updated 7.31.24

July 23, 2024

Mr. Brad Sontag  
City of Valdez  
500 South Sawmill Road  
Valdez, AK 99686

RE: PROPOSAL FOR CLEANUP SAMPLING ACTIVITIES, 121 EGAN AVENUE, VALDEZ, ALASKA

Dear Mr. Sontag:

We are pleased to submit herein our proposal to conduct soil sampling activities during proposed cleanup activities at 121 Egan Avenue in Valdez, Alaska.

## PROPOSED SCOPE OF SERVICES

It is understood that RSR Construction will conduct the cleanup excavation activities under subcontract to the City of Valdez. In general, the excavation will be advanced until contamination is no longer identified, or groundwater is encountered. For cost estimating purposes we estimate that the excavation will measure approximately 3,650 square feet.

Our scope of services will include the following:

- Shannon & Wilson will perform field screening using a photoionization detector (PID) at a frequency of one screening sample per 10 cubic yards (cy) of excavated soil. Field screening samples will be collected directly from the excavator bucket or from the excavation. Excavated soil will be designated potentially clean, potentially contaminated, or contaminated based on field observations or the field screening results per our ADEC-approved work plan. Analytical soil samples will be collected from the potentially clean soil stockpile. For cost estimating purposes, up to four stockpile samples will be collected. The samples will be analyzed for diesel range organics (DRO) by Alaska Method (AK) 102, polynuclear aromatic hydrocarbons (PAHs) by Environmental Protection Agency (EPA) Method 8270D SIM, and volatile organic compounds (VOCs) by EPA Method 8260D. One duplicate sample will be collected per 10 primary samples.
- Following completion of the excavation activities, field screening and analytical soil samples will be collected from the limits of the excavation. The field screening and analytical samples will be collected from the base and sidewalls of the excavations in accordance with the frequency specified in Table 2B of the ADEC's January 2022 *Field Sampling Guidance* document. If groundwater is present within the base of the

excavation, the analytical samples will be collected from the excavation sidewalls at the soil/water interface. The analytical samples will be collected directly from the excavation or the excavator bucket, depending upon the depth of the excavation. The analytical soil samples will be collected using the procedures outlined above. Each analytical sample will be analyzed for DRO by AK 102, PAHs by EPA Method 8270D SIM, and VOCs by EPA Method 8260D. For quality control purposes, one duplicate sample will be collected and submitted per 10 primary analytical samples.

- Contaminated and potentially contaminated soil generated during the excavation activities will be transported directly to the project's off-site landfarm area. If the results of the samples collected from the potentially clean soil stockpile contain contaminant concentrations exceeding the ADEC Method Two cleanup levels, the material will also be transported to the Valdez Landfill for landfarming. If the stockpile sample results are less than the ADEC Method Two cleanup levels, the material will be used to backfill the excavation.
- Prior to constructing the landfarm, baseline samples were collected from the footprint of the landfarm area by Shannon & Wilson. Four spatially representative analytical soil samples, and one duplicate sample, were collected to document baseline analyte concentrations. The baseline environmental samples were analyzed for DRO by AK 102, VOCs by EPA Method 8260D, and PAHs by EPA Method 8270D SIM.
- Reporting Efforts.

## SCHEDULE

Field work is anticipated to occur during summer 2024 and is estimated to take approximately 4 days. Analytical laboratory results are typically available approximately 10 business days following submittal. A summary report following the cleanup activities will be submitted to the City of Valdez within four weeks following receipt of the analytical results.

## ESTIMATED COSTS AND CONDITIONS OF SERVICES

We are prepared to conduct the above-described project on a time and material basis in accordance with the attached Summary Cost Estimate. If additional soil is excavated, it will be necessary to revise this cost estimate. It is assumed that the project will be conducted under a mutually-agreed contract. We are also including "Important Information about Your Geotechnical/ Environmental Proposal" to clarify the nature and extent of our service.

If you have any questions or comments, or wish to revise the scope of our services, please contact the undersigned at (907) 433-3223. We look forward to continuing work with you on this project.

Sincerely,

SHANNON & WILSON

Dan P. McMahon, PMP  
Vice President

Enc: Summary Cost Estimate  
Important Information About Your Geotechnical/Environmental Proposal

**SUMMARY COST ESTIMATE****Soil Sampling****COST****Task 1 - Field Activities**

\$31,904

**Shannon & Wilson**

Vice President	4 hrs.	@	\$250	/hr.	=	\$1,000
Professional IV	64 hrs.	@	\$125	/hr.	=	\$8,000
Project Coordination	4					
Soil Sampling	48					
Travel To/ From Site	12					
Per Diem	6 days	@	\$60	/day	=	\$360
Lodging	5 nights	@	\$410	/night	=	\$2,050
Vehicle	6 days	@	\$150	/day	=	\$900
S&W Expenses (Sampling Equipment etc.)	5 days	@	\$150	/day	=	\$750

**SGS North America Inc.**

10 sidewall, 14 excavation base, 4 baseline stockpile, 4 stockpile, and 4 field duplicates)

DRO by AK 102	36 Samples	@	\$92	ea.	=	\$3,312
VOCs by EPA 8260D	36 Samples	@	\$202	ea.	=	\$7,272
PAHs by EPA 8270D SIM	36 Samples	@	\$207	ea.	=	\$7,452
Trip Blank- VOCs	4 Samples	@	\$202	ea.	=	\$808

**Task 2 - Summary Report**

\$6,000

**Shannon & Wilson**

Vice President	4 hrs.	@	\$250	/hr.	=	\$1,000
Professional IV	40 hrs.	@	\$125	/hr.	=	\$5,000

**TOTAL: \$37,904**



## Important Information About Your Geotechnical/Environmental Proposal

More construction problems are caused by site subsurface conditions than any other factor. The following suggestions and observations are offered to help you manage your risks.

### HAVE REALISTIC EXPECTATIONS.

If you have never before dealt with geotechnical or environmental issues, you should recognize that site exploration identifies actual subsurface conditions at those points where samples are taken, at the time they are taken. The data derived are extrapolated by the consultant, who then applies judgment to render an opinion about overall subsurface conditions; their reaction to construction activity; appropriate design of foundations, slopes, impoundments, and recovery wells; and other construction and/or remediation elements. Even under optimal circumstances, actual conditions may differ from those inferred to exist, because no consultant, no matter how qualified, and no subsurface program, no matter how comprehensive, can reveal what is hidden by earth, rock, and time.

### DEVELOP THE SUBSURFACE EXPLORATION PLAN WITH CARE.

The nature of subsurface explorations—the types, quantities, and locations of procedures used—in large measure determines the effectiveness of the geotechnical/environmental report and the design based upon it. The more comprehensive a subsurface exploration and testing program, the more information it provides to the consultant, helping to reduce the risk of unanticipated conditions and the attendant risk of costly delays and disputes. Even the cost of subsurface construction may be lowered.

Developing a proper subsurface exploration plan is a basic element of geotechnical/environmental design that should be accomplished jointly by the consultant and the client (or designated professional representatives). This helps the parties involved recognize mutual concerns and makes the client aware of the technical options available. Clients who develop a subsurface exploration plan without the involvement and concurrence of a consultant may be required to assume responsibility and liability for the plan's adequacy.

### READ GENERAL CONDITIONS CAREFULLY.

Most consultants include standard general contract conditions in their proposals. One of the general conditions most commonly employed is to limit the consulting firm's liability. Known as a "risk allocation" or "limitation of liability," this approach helps prevent problems at the beginning and establishes a fair and reasonable framework for handling them should they arise.

Various other elements of general conditions delineate your consultant's responsibilities. These are used to help eliminate confusion and misunderstandings, thereby helping all parties recognize who is responsible for different tasks. In all cases, read your consultant's general conditions carefully and ask any questions you may have.

### HAVE YOUR CONSULTANT WORK WITH OTHER DESIGN PROFESSIONALS.

Costly problems can occur when other design professionals develop their plans based on misinterpretations of a consultant's report. To help avoid misinterpretations, retain your consultant to work with other project design professionals who are affected by the geotechnical/environmental report. This allows a consultant to explain report implications to design professionals affected by them, and to review their plans and specifications so that issues can be dealt with adequately. Although some other design professionals may be familiar with geotechnical/environmental concerns, none knows as much about them as a competent consultant.

#### OBTAIN CONSTRUCTION MONITORING SERVICES.

Most experienced clients also retain their consultant to serve during the construction phase of their projects. Involvement during the construction phase is particularly important because this permits the consultant to be on hand quickly to evaluate unanticipated conditions, conduct additional tests if required, and when necessary, recommend alternative solutions to problems. The consultant can also monitor the geotechnical/environmental work performed by contractors. It is essential to recognize that the construction recommendations included in a report are preliminary, because they must be based on the assumption that conditions revealed through selective exploratory sampling are indicative of actual conditions throughout a site.

Because actual subsurface conditions can be discerned only during earthwork and/or drilling, design consultants need to observe those conditions in order to provide their recommendations. Only the consultant who prepares the report is fully familiar with the background information needed to determine whether or not the report's recommendations are valid. The consultant submitting the report cannot assume responsibility or liability for the adequacy of preliminary recommendations if another party is retained to observe construction.

#### REALIZE THAT ENVIRONMENTAL ISSUES MAY NOT HAVE BEEN ADDRESSED.

If you have requested only a geotechnical engineering proposal, it will not include services needed to evaluate the likelihood of contamination by hazardous materials or other pollutants. Given the liabilities involved, it is prudent practice to always have a site reviewed from an environmental viewpoint. A consultant cannot be responsible for failing to detect contaminants when the services needed to perform that function are not being provided.

#### ONE OF THE OBLIGATIONS OF YOUR CONSULTANT IS TO PROTECT THE SAFETY, PROPERTY, AND WELFARE OF THE PUBLIC.

A geotechnical/environmental investigation will sometimes disclose the existence of conditions that may endanger the safety, health, property, or welfare of the public. Your consultant may be obligated under rules of professional conduct, or statutory or common law, to notify you and others of these conditions.

#### RELY ON YOUR CONSULTANT FOR ADDITIONAL ASSISTANCE.

Your consulting firm is familiar with several techniques and approaches that can be used to help reduce risk exposure for all parties to a construction project, from design through construction. Ask your consultant, not only about geotechnical and environmental issues, but others as well, to learn about approaches that may be of genuine benefit.

**The preceding paragraphs are based on information provided by the GBA, Silver Spring, Maryland**



**City of Valdez  
Contract Amendment #2**

THIS AMENDMENT between the CITY OF VALDEZ, ALASKA, (“City”) and SHANNON & WILSON, INC., (“Consultant”), is to the following AGREEMENT dated the 24th day of August 2022:

**Project: Landsharks Well Monitoring and Sampling**

**Project No: 22-350-0600**

**Contract No.: 1966**

**Cost Code: 350-0600-55000**

Consultant’s project manager under this agreement is Dan McMahon.

City’s project manager is Brad Sontag.

**ARTICLE 1. Justification**

The above referenced AGREEMENT requires modification due to the following requirements or conditions: Environmental professional services are required to complete the excavation of the remaining contaminated soil on the Landsharks property. Shannon & Wilson will have a certified environmental professional on site to take samples for testing of the soil. This will require an increase to the original contract amount. See attached proposal.

**ARTICLE 2. Scope of Work - Period of Performance**

Scope of work and/or Period of Performance to the above referenced AGREEMENT shall be modified as specified in Appendix A and B, which is hereby incorporated by this reference.

**ARTICLE 3. Compensation**

Original amount of the AGREEMENT: \$46,626.00

Amount Changed by previously authorized Amendment: \$0.00

AGREEMENT Amount prior to this Amendment: \$46,626.00

Amount of this Amendment: \$37,904.00

New total AGREEMENT amount including this Amendment: \$84,530.00

Agreement for Services  
Project: Landsharks Well Monitoring and Sampling  
Project No. 22-350-0600  
Contract No. 1966  
Cost Code: 350-0600-55000



ARTICLE 4. Extent of Agreement:

The above referenced AGREEMENT, including this and all previously authorized Amendments and appendices, represents the entire and integrated AGREEMENT between the City and the Contractor.

Nothing contained herein may be deemed to create any contractual relationship between the City and any Subconsultants or material suppliers; nor may anything contained herein be deemed to give any third party a claim or right of action against the City or the Contractor which does not otherwise exist without regard to this AMENDMENT.

All terms, conditions, and provisions of the above referenced AGREEMENT, to include all previously authorized Amendments, remain in full force and effect, except as specifically modified herein by this AMENDMENT.

IN WITNESS WHEREOF, the parties to this presence have executed this AMENDMENT in two (2) counterparts, each of which shall be deemed an original, on the date first mentioned above.

**SHANNON & WILSON. INC.**

Signed by:

*Dan McMahon*

9D6A17A1C38B493...

**Name of Company Rep Authorized to Sign**

**BY:** Dan McMahon

**TITLE:** Vice President

**DATE:** 7/26/2024 | 9:13 AM AKDT

**FEDERAL ID #:** 91-0745357

5430 Fairbanks St., Suite 3

**Mailing Address**

Anchorage, AK 99518

**City, State, Zip Code**

**Signature of Company Secretary or Attest**

**Date:** \_\_\_\_\_

**CITY OF VALDEZ, ALASKA**

**APPROVED:**

DocuSigned by:

*John Douglas*

D4D8F6FDB2C043F...

**John Douglas, City Manager**

**Date:** 7/30/2024 | 10:15 AM AKDT

**RECOMMENDED:**

DocuSigned by:

*Nathan Duval*

F259023D96294C0...

**Nathan Duval, Capital Facilities Director**

**Date:** 7/26/2024 | 9:14 AM AKDT



July 23, 2024

Mr. Brad Sontag  
City of Valdez  
500 South Sawmill Road  
Valdez, AK 99686

RE: PROPOSAL FOR CLEANUP SAMPLING ACTIVITIES, 121 EGAN AVENUE, VALDEZ, ALASKA

Dear Mr. Sontag:

We are pleased to submit herein our proposal to conduct soil sampling activities during proposed cleanup activities at 121 Egan Avenue in Valdez, Alaska.

## PROPOSED SCOPE OF SERVICES

It is understood that RSR Construction will conduct the cleanup excavation activities under subcontract to the City of Valdez. In general, the excavation will be advanced until contamination is no longer identified, or groundwater is encountered. For cost estimating purposes we estimate that the excavation will measure approximately 3,650 square feet.

Our scope of services will include the following:

- Shannon & Wilson will perform field screening using a photoionization detector (PID) at a frequency of one screening sample per 10 cubic yards (cy) of excavated soil. Field screening samples will be collected directly from the excavator bucket or from the excavation. Excavated soil will be designated potentially clean, potentially contaminated, or contaminated based on field observations or the field screening results per our ADEC-approved work plan. Analytical soil samples will be collected from the potentially clean soil stockpile. For cost estimating purposes, up to four stockpile samples will be collected. The samples will be analyzed for diesel range organics (DRO) by Alaska Method (AK) 102, polynuclear aromatic hydrocarbons (PAHs) by Environmental Protection Agency (EPA) Method 8270D SIM, and volatile organic compounds (VOCs) by EPA Method 8260D. One duplicate sample will be collected per 10 primary samples.
- Following completion of the excavation activities, field screening and analytical soil samples will be collected from the limits of the excavation. The field screening and analytical samples will be collected from the base and sidewalls of the excavations in accordance with the frequency specified in Table 2B of the ADEC's January 2022 *Field Sampling Guidance* document. If groundwater is present within the base of the

excavation, the analytical samples will be collected from the excavation sidewalls at the soil/water interface. The analytical samples will be collected directly from the excavation or the excavator bucket, depending upon the depth of the excavation. The analytical soil samples will be collected using the procedures outlined above. Each analytical sample will be analyzed for DRO by AK 102, PAHs by EPA Method 8270D SIM, and VOCs by EPA Method 8260D. For quality control purposes, one duplicate sample will be collected and submitted per 10 primary analytical samples.

- Contaminated and potentially contaminated soil generated during the excavation activities will be transported directly to the project's off-site landfarm area. If the results of the samples collected from the potentially clean soil stockpile contain contaminant concentrations exceeding the ADEC Method Two cleanup levels, the material will also be transported to the Valdez Landfill for landfarming. If the stockpile sample results are less than the ADEC Method Two cleanup levels, the material will be used to backfill the excavation.
- Prior to constructing the landfarm, baseline samples were collected from the footprint of the landfarm area by Shannon & Wilson. Four spatially representative analytical soil samples, and one duplicate sample, were collected to document baseline analyte concentrations. The baseline environmental samples were analyzed for DRO by AK 102, VOCs by EPA Method 8260D, and PAHs by EPA Method 8270D SIM.
- Reporting Efforts.

## SCHEDULE

Field work is anticipated to occur during summer 2024 and is estimated to take approximately 4 days. Analytical laboratory results are typically available approximately 10 business days following submittal. A summary report following the cleanup activities will be submitted to the City of Valdez within four weeks following receipt of the analytical results.

## ESTIMATED COSTS AND CONDITIONS OF SERVICES

We are prepared to conduct the above-described project on a time and material basis in accordance with the attached Summary Cost Estimate. If additional soil is excavated, it will be necessary to revise this cost estimate. It is assumed that the project will be conducted under a mutually-agreed contract. We are also including "Important Information about Your Geotechnical/ Environmental Proposal" to clarify the nature and extent of our service.

Mr. Brad Sontag  
City of Valdez  
July 23, 2024  
Page 3 of 3



If you have any questions or comments, or wish to revise the scope of our services, please contact the undersigned at (907) 433-3223. We look forward to continuing work with you on this project.

Sincerely,

SHANNON & WILSON

Dan P. McMahon, PMP  
Vice President

Enc: Summary Cost Estimate  
Important Information About Your Geotechnical/Environmental Proposal

**SUMMARY COST ESTIMATE**

<b>Soil Sampling</b>						<b><u>COST</u></b>
<b><u>Task 1 - Field Activities</u></b>						<b>\$31,904</b>
<b>Shannon &amp; Wilson</b>						
Vice President	4 hrs.	@	\$250	/hr.	=	\$1,000
Professional IV	64 hrs.	@	\$125	/hr.	=	\$8,000
Project Coordination	4					
Soil Sampling	48					
Travel To/ From Site	12					
Per Diem	6 days	@	\$60	/day	=	\$360
Lodging	5 nights	@	\$410	/night	=	\$2,050
Vehicle	6 days	@	\$150	/day	=	\$900
S&W Expenses (Sampling Equipment etc.)	5 days	@	\$150	/day	=	\$750
<b>SGS North America Inc.</b>						
10 sidewall, 14 excavation base, 4 baseline stockpile, 4 stockpile, and 4 field duplicates)						
DRO by AK 102	36 Samples	@	\$92	ea.	=	\$3,312
VOCs by EPA 8260D	36 Samples	@	\$202	ea.	=	\$7,272
PAHs by EPA 8270D SIM	36 Samples	@	\$207	ea.	=	\$7,452
Trip Blank- VOCs	4 Samples	@	\$202	ea.	=	\$808
<b><u>Task 2 - Summary Report</u></b>						<b>\$6,000</b>
<b>Shannon &amp; Wilson</b>						
Vice President	4 hrs.	@	\$250	/hr.	=	\$1,000
Professional IV	40 hrs.	@	\$125	/hr.	=	\$5,000
<b>TOTAL:</b>						<b>\$37,904</b>



Attachment to and part of Proposal: 107114-PDate: July 2024To: City of Valdez

## Important Information About Your Geotechnical/Environmental Proposal

More construction problems are caused by site subsurface conditions than any other factor. The following suggestions and observations are offered to help you manage your risks.

### HAVE REALISTIC EXPECTATIONS.

If you have never before dealt with geotechnical or environmental issues, you should recognize that site exploration identifies actual subsurface conditions at those points where samples are taken, at the time they are taken. The data derived are extrapolated by the consultant, who then applies judgment to render an opinion about overall subsurface conditions; their reaction to construction activity; appropriate design of foundations, slopes, impoundments, and recovery wells; and other construction and/or remediation elements. Even under optimal circumstances, actual conditions may differ from those inferred to exist, because no consultant, no matter how qualified, and no subsurface program, no matter how comprehensive, can reveal what is hidden by earth, rock, and time.

### DEVELOP THE SUBSURFACE EXPLORATION PLAN WITH CARE.

The nature of subsurface explorations—the types, quantities, and locations of procedures used—in large measure determines the effectiveness of the geotechnical/environmental report and the design based upon it. The more comprehensive a subsurface exploration and testing program, the more information it provides to the consultant, helping to reduce the risk of unanticipated conditions and the attendant risk of costly delays and disputes. Even the cost of subsurface construction may be lowered.

Developing a proper subsurface exploration plan is a basic element of geotechnical/environmental design that should be accomplished jointly by the consultant and the client (or designated professional representatives). This helps the parties involved recognize mutual concerns and makes the client aware of the technical options available. Clients who develop a subsurface exploration plan without the involvement and concurrence of a consultant may be required to assume responsibility and liability for the plan's adequacy.

### READ GENERAL CONDITIONS CAREFULLY.

Most consultants include standard general contract conditions in their proposals. One of the general conditions most commonly employed is to limit the consulting firm's liability. Known as a "risk allocation" or "limitation of liability," this approach helps prevent problems at the beginning and establishes a fair and reasonable framework for handling them should they arise.

Various other elements of general conditions delineate your consultant's responsibilities. These are used to help eliminate confusion and misunderstandings, thereby helping all parties recognize who is responsible for different tasks. In all cases, read your consultant's general conditions carefully and ask any questions you may have.

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