

# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



## Meeting Agenda - Final

Wednesday, January 2, 2019

7:00 PM

Regular Meeting

Council Chambers

City Council

**REGULAR AGENDA - 7:00 PM**

## I. CALL TO ORDER

## II. PLEDGE OF ALLEGIANCE

## III. ROLL CALL

## IV. APPROVAL OF MINUTES

1. [City Council Regular Meeting Minutes of December 18, 2018](#)
2. [City Council Regular Meeting Minutes of November 7, 2018](#)
3. [City Council Regular Meeting Minutes of October 16, 2018](#)

## V. PUBLIC BUSINESS FROM THE FLOOR

## VI. UNFINISHED BUSINESS

1. [Approval of Settlement with Alyeska Pipeline Company Regarding C-Plan Administrative Appeal \(Postponed from January 15, 2019 Regular City Council Meeting\)](#)

## VII. NEW BUSINESS

1. [Approval of Contract with Wolverine Supply, Inc. for School Administration Building HVAC and Boiler Upgrades in the Amount of \\$361,000.00.](#)
2. [Approval of Purchase Contract with Stageline for Mobile Events Stage in the Amount of \\$175,000](#)
3. [Approval of Contract Amendment #10 with Arcadis, Inc. Project Management Services for the New Harbor Contract No. 1176 in the Amount of \\$170,901.34](#)
4. [Authorization to Proceed with a Proposed Change to the Prescription Drug Benefit Provider](#)

## VIII. ORDINANCES

1. [#18-06 - Amending Chapter 15.30, Section 15.30.030 Relating to Adoption of Flood Insurance Study \(FIS\) and Flood Maps. Second Reading. Adoption.](#)

## IX. RESOLUTIONS

1. [#19-01 - Authorizing a Lease with the Valdez Emergency Assistance and Food Bank for a Portion of Tract D, USS 447 \(Postponed from January 2, 2019 Regular City Council Meeting\)](#)

2. [#19-02 - Amending the 2018 City Budget by Transferring \\$25,000 from Budget Variance Reserve to Technology Reserve to Cover Actual 2018 Expenses in Excess of Initial Estimates and Unencumbered Budgeted Funds](#)

X. REPORTS

1. [Change Order Report: Change Order #3 with Rain Proof Roofing, Inc. for the Seven Building Roof Replacements Contract](#)

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

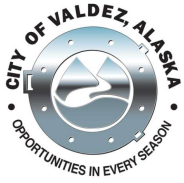
1. City Manager Report
2. City Clerk Report
3. City Attorney Report
4. City Mayor Report

XII. COUNCIL BUSINESS FROM THE FLOOR

XIII. ADJOURNMENT

XIV. APPENDIX

1. [City Council Calendars - January & February 2019](#)



Legislation Text

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**File #:** 19-0001, **Version:** 1

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**ITEM TITLE:**

City Council Regular Meeting Minutes of December 18, 2018

**SUBMITTED BY:** Allie Ferko, CMC, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

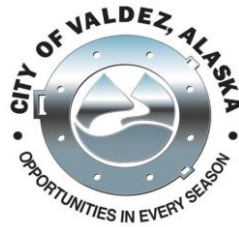
Receive and file

**SUMMARY STATEMENT:**

Regular City Council meeting minutes of December 18, 2018 attached for Council review.

# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



## Meeting Minutes - Draft

Tuesday, December 18, 2018

6:00 PM

Work Session (Review of 2019 Budget Process)  
& Regular Meeting

Council Chambers

**City Council**

**WORK SESSION AGENDA - 6:00 pm**  
Review of 2019 Budget Process

**REGULAR AGENDA - 7:00 PM**

**I. CALL TO ORDER**

Mayor Pro Tempore Dennis Fleming called the meeting to order at 7:00 p.m. in Valdez City Council Chambers.

**II. PLEDGE OF ALLEGIANCE**

The City Council led in the Pledge of Allegiance to the American flag.

**III. ROLL CALL**

Present: 6 - Mayor Pro Tempore Dennis Fleming  
Council Member Ron Ruff  
Council Member Christopher Moulton  
Council Member Lon Needles  
Council Member Jim Shirrell  
Council Member Darren Reese

Excused: 1 - Mayor Jeremy O'Neil

Also Present: 4 - City Clerk Sheri Pierce  
Deputy City Clerk Allie Ferko  
Assistant City Manager Roxanne Murphy  
City Attorney Jake Staser

**IV. APPROVAL OF MINUTES**

**1. Regular City Council Meeting Minutes of December 4, 2018**

The regular meeting minutes of December 4, 2018 were approved as presented.

**V. PUBLIC BUSINESS FROM THE FLOOR**

There was no public business from the floor.

**VI. CONSENT AGENDA**

- 1. Acceptance of Resignation from the Valdez Museum & Historical Archive Board of Directors (Jeremy Young)**
- 2. Appointment to Economic Diversification Commission (Two-year, Nine-month Term)**
- 3. Appointment to Economic Diversification Commission (Nine-month Term)**

- 4. **Approval To Go Into Executive Session Regarding:**
  - 1. **Proposed Settlement of C-Plan Administrative Appeal**
  - 2. **Proposed Settlement of Verfaillie Arbitration**
  - 3. **F/V Boulder Bay Demand Letter and Settlement Offer**

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve the Consent Agenda. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

**VII. NEW BUSINESS**

- 1. **Approval of Physician Recruitment and Retention Agreement with Dr. Corina Hopkins-Vacca**

MOTION: Council Member Shirrell moved, seconded by Council Member Needles to approve Physician Recruitment and Retention Agreement with Dr. Corina Hopkins-Vacca. The motion carried by the following vote after the following discussion occurred.

Dr. Hopkins-Vacca introduced herself and outlined her professional background.

Ms. Pierce stated she had two additional physicians interested in the City Physician Recruitment and Retention Program. Both physicians were in the process of signing contracts with the Valdez Medical Clinic.

Dr. John Cullen, physician and owner of the Valdez Medical Clinic, thanked the Council for the City's recruitment and retention program. The Valdez Medical Clinic and Providence Valdez Medical Center are also contributing recruitment and retention funding for physicians in addition to the City program.

VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

2. ~~Approval of Settlement Agreement Related to Darryl Verfaillie Arbitration (Item Administratively Moved to After Executive Session)~~
3. ~~Approval of Settlement with Alyeska Pipeline Company Regarding C-Plan Administrative Appeal (Item Administratively Moved to After Executive Session)~~

## VIII. ORDINANCES

1. **#18-06 - Amending Chapter 15.30, Section 15.30.030 Relating to Adoption of Flood Insurance Study (FIS) and Flood Maps. First Reading. Public Hearing.**

MOTION: Council Member Shirrell moved, seconded by Council Member Moulton, to approve Ordinance #18-06, amending VMC Chapter 15.30 to adopt the 2019 FEMA flood insurance rate maps. First Reading. Public Hearing. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked for clarification on the effects of the Alpine Woods Subdivision area being left out of the 2019 FEMA flood mapping process. Ms. Kate Huber, City Certified Floodplain Manager, explained the City is in the FEMA certification process for the levies and improvements made for flood mitigation in that area. At the time multiple years ago, a decision was made to exclude the 10-mile area from the flood mapping process to allow time to work through the certification process. Notifications were sent to all property owners in the area and a public meeting was held to provide information and resources about the exclusion and mapping process.

Ms. Huber explained once the certification is in place, the City can pursue a Letter of Map Revision from FEMA which will update mapping in that area. She stated all information for certification has been submitted by the City to FEMA. Ms. Huber stated building development requirements and permitting is based upon the floodplain maps. The newer maps change the base flood elevation for certain areas. She stated all residents have access to flood insurance, even if they live in the area excluded from the 2019 mapping process.

VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

## IX. RESOLUTIONS

1. **#18-45 - Authorizing Lease Amendment No. 7 with Valdez Ocean Dock, Inc. dba Big State Logistics for Lot 3, Alaska Tideland Survey 564.**

MOTION: Council Member Moulton moved, seconded by Council Member Needles, to approve Resolution #18-45 authorizing lease amendment No. 7 with Valdez Ocean Dock, Inc. dba Big State Logistics for Lot 3, Alaska Tideland



Survey 564. The motion carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

**2. #18-46 - Adopting Terminal Tariff No. 100-19 and Terminal Rules & Regulations for the Port of Valdez and Repealing Resolution No.18-03**

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve Resolution # 18-46, adopting Terminal Tariff No. 100-19 and Terminal Rules & Regulations for the Port of Valdez and repealing Resolution No. 18-03. The motion carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

**3. #18-47 - Amending the 2018 City Budget by Closing the Concluded Emergency Watershed Protection Program Grant, Eliminating the Unused Grant Award in the Amount of \$320,540.25,, and Repurposing Unused Matching Fund Appropriations of \$192,580.75 to Capital Projects Fund.**

MOTION: Council Member Moulton moved, seconded by Council Member Ruff, to approve Resolution #18-47 amending the 2018 City budget by closing the concluded emergency watershed protection program grant eliminating the unused grant award in the amount of \$320,540.25 and repurposing unused matching fund appropriations of \$192,580.75 to Capital Projects Fund. The motion carried by the following vote after the following discussion occurred.

Ms. Rochelle Rollenhagen, City Community Development Director, explained the project came in under budget and the unexpended grant funding was not needed.

Council Member Reese asked why the funds were being repurposed into the Capital Projects Fund instead of another location. Mr. Brian Carlson, City Finance Director, explained the money will reside in that reserve fund because it was originally slated for a capital improvement project. It will stay in the unspecified project reserve until it is appropriated for a different project by formal Council resolution.

Council asked several questions regarding Mr. Carlson's vision of the capital improvement project budget process in the future.

## VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

**4. #18-48 - Amending the 2018 Budget by Accepting the U.S. Department Of Homeland Security Port Security Grant Program Award in the Amount of \$326,250 and Authorizing the Expenditure for the Replacement and Installation of Security Cameras at Port Facilities**

MOTION: Council Member Moulton moved, seconded by Council Member Ruff, to approve Resolution #18-48 amending the 2018 Budget by accepting the U.S. Department of Homeland Security Port Security Grant Program award in the amount of \$326,250 and authorizing the expenditure for the replacement and installation of security cameras at Port facilities. The motion carried by the following vote after the following discussion occurred.

## VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

**X. REPORTS**

1. **Financial Statements - Third Quarter 2018**
2. **November 2018 New Boat Harbor Report**

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

**1. City Manager Report**

Ms. Roxanne Murphy, Assistant City Manager, explained she is acting City Manager while Ms. Doom is out of town for the holidays.

**2. City Clerk Report**

Ms. Pierce worked with Council to schedule an upcoming work session for the new Fire Station Project Concept on January 17, 2019 at 6:00 p.m.

Ms. Pierce briefly reviewed the process for the City Clerk annual evaluation.

**3. City Attorney Report**

Mr. Staser outlined projects and provided updates on cases his firm is working on behalf of the City, including the Verfaillie settlement, proposed borough formation, municipal code updates, the Cummings litigation, C-plan adjudication, and the Barton litigation.

Council Member Shirrell asked how the City's legal firm and the City's insurance provider collaborate regarding liability cases. Mr. Staser stated after discussions with the insurance company, there is an agreement that City legal will represent the City. Legal expenses are then paid by the insurance company under the liability claim.

#### 4. City Mayor Report

### XII. COUNCIL BUSINESS FROM THE FLOOR

Council Member Shirrell asked if Council wanted to schedule a work session with the Valdez Museum to discuss a new museum facility. Mr. Staser explained he revised the MOU between the City and Museum and returned it to Ms. Patty Relay, Museum Executive Director, earlier in the day. He explained the MOU would assist the Museum staff in exploring grant options, but does not commit the City to provision of any type of funding for a new museum project. Council did not express consensus for scheduling a work session on the topic in the near future.

Council Member Shirrell asked for the next step following the Council work session regarding local government's role in community childcare. Ms. Murphy explained she has taken responsibility, in coordination with the City Manager and Ms. Martha Barberio, City Economic Development Director, to explore needs and program options related to childcare.

### XIII. EXECUTIVE SESSION

City Council transitioned into Executive Session at 7:48 p.m.

### XIV. RETURN FROM EXECUTIVE SESSION

City Council returned from Executive Session at 8:28 p.m.

#### 1. Approval of Settlement Agreement Related to Darryl Verfaillie Arbitration (Item Administratively Moved from New Business to After Executive Session)

MOTION: Council Member Moulton moved, seconded by Council Member Ruff to approve settlement agreement related to Darryl Verfaillie arbitration. The motion carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION:

Yays: 6 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Excused: 1 - Mayor O'Neil

#### 2. Approval of Settlement with Alyeska Pipeline Company Regarding C-Plan Administrative Appeal (Item Administratively Moved from New Business to After Executive Session)

MAIN MOTION: Council Member Moulton moved, seconded by Council Member Reese to approve settlement with Alyeska Pipeline Company regarding

C-Plan administrative appeal.

MOTION TO POSTPONE: Council Member Moulton moved, seconded by Council Member Ruff to postpone approval of settlement with Alyeska Pipeline Company regarding C-Plan administrative appeal to the next regular City Council meeting of January 2, 2019

Mayor Pro Tempore Fleming stated he had a conflict of interest due to his employment and recused himself from the discussion and vote and handed the gavel to Council Member Ruff.

VOTE ON THE MOTION TO POSTPONE:

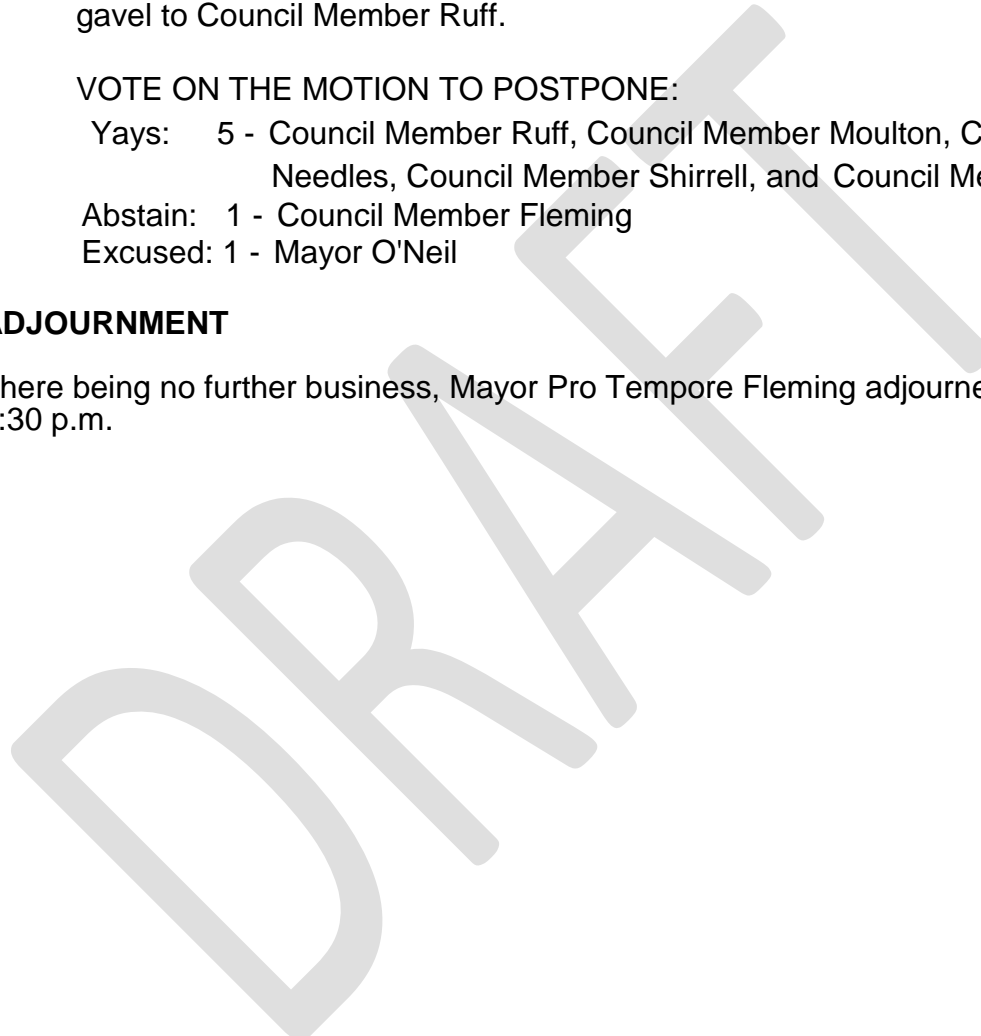
Yays: 5 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, and Council Member Reese

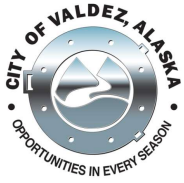
Abstain: 1 - Council Member Fleming

Excused: 1 - Mayor O'Neil

**XV. ADJOURNMENT**

There being no further business, Mayor Pro Tempore Fleming adjourned the meeting at 8:30 p.m.





Legislation Text

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**File #:** 19-0002, **Version:** 1

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**ITEM TITLE:**

City Council Regular Meeting Minutes of November 7, 2018

**SUBMITTED BY:** Allie Ferko, CMC, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

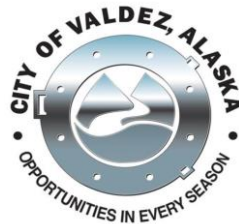
Receive and file

**SUMMARY STATEMENT:**

Regular City Council meeting minutes of November 7, 2018 attached for Council review.

# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



## Meeting Minutes - Draft

Wednesday, November 7, 2018

7:00 PM

Regular Meeting

Council Chambers

**City Council**

**REGULAR AGENDA - 7:00 PM****I. CALL TO ORDER**

Mayor O'Neil called the meeting to order at 7:00 p.m. in Valdez City Council Chambers.

**II. PLEDGE OF ALLEGIANCE**

City Council led in the Pledge of Allegiance to the American flag.

**III. ROLL CALL**

Present: 5 - Mayor Jeremy O'Neil  
Council Member Ron Ruff  
Council Member Lon Needles  
Council Member Jim Shirrell  
Council Member Darren Reese

Excused: 2 - Council Member Christopher Moulton  
Council Member Dennis Fleming

Also Present: 5 - City Manager Elke Doom  
City Clerk Sheri Pierce  
Deputy City Clerk Allie Ferko  
Assistant City Manager Roxanne Murphy  
City Attorney Jack Wakeland

**IV. PUBLIC APPEARANCES****1. Amanda Bauer, Valdez Representative on Prince William Sound Aquaculture Association Board of Directors (Fall Meeting Report)**

Ms. Amanda Bauer gave a report about the Prince William Sound Aquaculture Association (PWSAC) board of directors meeting held October 17<sup>th</sup> and 18<sup>th</sup>. She explained she is the appointed representative from the city to PWSAC Board of Directors. She gave an overview of how the board meets in spring and fall, with one meeting at Cordova and the other at Anchorage. She said it was the largest board of directors in Alaska, with board members representing all interests from commercial to personal use and subsistence.

Ms. Bauer reported PWSAC hired a new general manager named Casey Kimball, whose presence had been a positive change. She felt his ability to look ahead to the future stood out. She said his focus had been on more than just releasing thousands of salmon fry, it was also on innovation and making the hatcheries some of the best in the world.

Ms. Bauer stated it had been a down fishing year for Prince William Sound pink salmon and Copper River sockeyes, but that the board felt it was to be expected for an even year for the pinks as odd years always had a much higher return. As for the sockeyes, she informed the Council that fishing was not open much commercially and only 40,000 were caught in the flats. She said the fish were

small and still feeding in the ocean. Subsistence and personal use suffered as well. She explained the projected return to Gulkana hatchery area was 90,800 sockeye and so far that number was just over 29,000. She said the PWSAC operated that hatchery and their egg take would likely be under goal.

Ms. Bauer observed weather conditions have made egg take difficult in the past. She stated they also had a recent Infectious hematopoietic necrosis (IHN) event, and problems with predators such as trout and dolly varden have made it difficult to reach both egg take and fry release goals. She explained IHN was an infectious viral disease that occurred naturally in the wild and can run rampant through salmon and trout farms. She reported the hatchery was only able to release 46% of the sockeye fry this summer. She remarked committees have treated it as a topic of concern for several years and they were working on solutions to improve those numbers.

Ms. Bauer advised cost recovery this summer for PSWAC was excellent. They were able to get the highest prices they have ever seen for chum and pink cost recovery, with chum at \$1.40 per pound and pinks at \$1.25 per pound. She informed the Council cost recovery boats decided to fish outside the hatchery entrances where the fish were of good quality, resulting in good prices. She explained this completed cost recovery within nine days and provided more opportunities for common property fishing.

Ms. Bauer went on to say egg takes this summer and fall have gone well. She reported in Cannery Creek egg take of pinks was difficult because they suffered a lack of rainfall in September, resulting in inadequate freshwater. She stated they still were able to get 94% of their egg take.

Ms. Bauer provided Council with a report by the McDowell Group on the economic impact of PWSAC in the years 2012-2017. She reported the annual impact of those hatcheries was \$192.2 million and all of them combined provided 850 million salmon meals annually.

Council Member Jim Shirrell expressed concern about hatchery volumes and the impacts on various factors. He encouraged Ms. Bauer to relay her opinion on the subject. Ms. Bauer reported in Board of Fish meetings, they wanted to limit pinks due to concerns about the carrying capacity of the ocean and competition for resources. She explained an Exxon Valdez scientific study had shown that sockeyes decreased when pinks increased in Prince William Sound. She advised, for now, there was no science that explained where the fish go in the ocean or what they are feeding on. She explained there may be science done in the future that explains whether or not the ocean has reached carrying capacity or gone over it.

Ms. Bauer stated for now it was business as usual and the Valdez Fisheries Development Association (VFDA) was allowed to do its increase and egg take. She reported there was already another push from the Kenai Peninsula to limit



hatcheries, but unless more science comes out she did not think they would be successful.

Council Member Shirrell asked if the larger corporations were stable in their production. Ms. Bauer reported they were stable and the only place they might consider an increase was in Gulkana where the sockeyes were released. She advised there was a problem because the fry funneled out of the Paxson Lake area where there were trout and other fish preying on them. She said they could combat that by releasing more fry, but it would cause an increase in predators. She said otherwise they were solid in their numbers and there was no talk of an increase.

## V. PUBLIC BUSINESS FROM THE FLOOR

There was no public business from the floor.

## VI. CONSENT AGENDA

1. **Acceptance of Resignation from Valdez Museum & Historical Archive Association Board of Directors (Lydia Lardy)**
2. **Proclamation: General Aviation Appreciation Month 2018**
3. **Approval to Go Into Executive Session Regarding Personnel Matter Relating to Arbitration Decision**

MOTION: Council Member Shirrell moved, seconded by Council Member Reese, to approve the Consent Agenda. The motion carried by the following vote.

### VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese  
Excused: 2 - Council Member Moulton and Council Member Fleming

## VII. NEW BUSINESS

1. **Approval of a Contract with Curtis Electric, LLC for the VCT & SBH LED Lighting Upgrades Project in the Amount of \$399,750.00.**

MOTION: Council Member Ruff moved, seconded by Council Member Shirrell, to approve the contract with Curtis Electric, LLC for the VCT & SBH LED Lighting Upgrades project in the amount of \$399,750.00. The motion carried by the following vote after the following discussion occurred.

### VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese  
Excused: 2 - Council Member Moulton and Council Member Fleming

## 2. **Approval of Software Agreement with MOLO-Marine Management Software for Port and Harbor Billing Services**

MOTION: Council Member Shirrell moved, seconded by Council Member Reese, to approve software agreement with MOLO Marine Management Software for Ports and Harbors billing services. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if the dollar amount included the estimated fees of processing credit card transactions. Ports & Harbors Department Director Jeremy Talbott advised it was included as a package. Council Member Shirrell inquired if the three-year contract had a locked down price and if upgrades would cost anything. Mr. Talbott explained they pushed out upgrades every six months but updates and training were all included in the price. He said they went with a three year contract as it allowed them to negotiate the price down.

Council Member Darren Reese asked if the hardware was a lease or purchase. Mr. Talbott said it was all in the cloud and the only hardware being bought were devices, like iPads, that connected to the internet. This would allow Ports & Harbor personnel to conduct transactions with their customers in the field, such as the boat harbor. Council Member Reese questioned if city computers could access the program. Mr. Talbott explained the software program could be accessed anywhere there was internet.

Council Member Reese expressed concern over the devices being bought and maintained by any department other than the City IT Department. Mr. Talbott confirmed IT would have the lead on the hardware and software, with his departmental staff acting as the end users. The credit card readers would go through MOLO due to the setting up the banking process. Council Member Reese asked if the readers are being leased or purchased. Mr. Talbott reported they would be purchased and were included in the contract price. Council Member Reese asked for the life cycle of the machines and Mr. Talbott answered they would last as long as the three years on the contract.

Mayor O'Neil asked if there would be reduced merchant fee. Mr. Talbott confirmed it would be reduced. He said the 2017 expenses on merchant fees were \$36,000 in one year for the harbor. He explained this program would allow boat owners to get a link with their bill that would let them pay online. He felt this would increase the amount of transactions, but decrease associated fees by half.

Mayor O'Neil wondered if using this software was a harbor best practice and asked about automation capabilities. Mr. Talbott replied customers could set-up auto-pay, which was useful for those out fishing for several weeks at a time. He explained, using the new system, his staff could help people tie up their boats and take a payment right at the point of sale, log them in and out of the slips, and make that slip immediately available to someone else. He remarked they would

not have to read meters, which took several hours in the existing harbor. He said it would become automated and updated in the system every six seconds.

Council Member Shirrell asked the city manager and city attorney if the contract had been reviewed and if it met all the requirements of the city. Mr. Wakeland said City Attorney Jake Staser negotiated the contract and accepted the terms after legal review.

**VOTE ON THE MOTION:**

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese

Excused: 2 - Council Member Moulton and Council Member Fleming

**3. Approval of Contract Award to Gulf Coast, Inc. in the Amount of \$125,400.00 for 2019 Janitorial Services**

MOTION: Council Member Reese moved, seconded by Council Member Ruff, to approve the contract with Gulf Coast, Inc. in the amount of \$125,400.00 for 2019 Janitorial Services. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell inquired if there was an increase in service cost over prior years. Mr. Duval said they added the scope of the new harbor for both contractors and that there was a decrease in cost. Mr. Duval explained for the same scope of work, plus the harbor facilities, both contractors came in for amounts less than previous years.

**VOTE ON THE MOTION:**

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese

Excused: 2 - Council Member Moulton and Council Member Fleming

**4. Approval of Contract Award to X-DLX Investments, Inc. in the Amount of \$134,100.00 for 2019 Janitorial Services**

MOTION: Council Member Ruff moved, seconded by Council Member Shirrell to approve the contract with X-DLX Investments, Inc. in the amount of \$134,100.00 for 2019 Janitorial Services. The motion carried by the following vote.

**VOTE ON THE MOTION:**

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese

Excused: 2 - Council Member Moulton and Council Member Fleming

## 5. Approval of Providence Valdez Medical Center Annual Budget

MOTION: Council Member Needles moved, seconded by Council Member Shirrell, to approve Providence Valdez Medical Center Annual Budget. The motion carried by the following vote after the following discussion occurred.

Mayor O'Neil stated he had a conflict of interest due to his employment and recused himself from the discussion and vote and handed the gavel to Council Member Ruff.

Council Member Shirrell asked who to direct questions to about the hospital. Ms. Lindsie King, the finance manager of the hospital and counseling center, stepped forward to take questions. Council Member Shirrell asked what actions had come out of the community needs assessment and where the hospital was in meeting them. Mr. Jeremy O'Neil, hospital and counseling center administrator, said members of hospital staff and members of the Health Advisory Council (HAC) had approved the community health improvement plan.

Mr. O'Neil explained four priorities had been identified from the needs assessment: provider workforce, mental health, access to specialty care, and chronic disease and community wellness. He said the Providence website had a document with a community health improvement plan which spells out the tactics and partner agencies they would focus on in a three-year plan to improve those issues.

Mr. O'Neil informed Council that one of the major improvements had been provider assistance with education and incentivizing physician providers to come and practice in Valdez. He explained the program was funded for five providers and one had already taken advantage of it. He also knew of two more who would be signing on in the near future. Mr. O'Neil Council stated Council Member Needles was part of the HAC who brought the idea of the physician recruitment program to City Council and made it happen. He praised the HAC and the citizens who spoke up and said it was a priority for the community.

Council Member Shirrell stated he would like to see a summary report regarding Providence Valdez Medical Center operations as it relates to the contract with the City. Mr. O'Neil said the HAC produced a monthly report on each tactic, focusing on each issue every three months. He offered to give Council a summary abstract on actions taken and the monthly reports the HAC were already receiving. Council Member Needles asked when they could expect the first report. Mr. O'Neil said the abstract was already completed and he could refer to the meeting minutes of the last couple HAC meetings that elaborated on three priorities. He said they would address community wellness and chronic disease this month. Mr. O'Neil said the community health improvement plan was not a Providence-only endeavor and it outlined community partners who were better situated to address some of the health needs.

Council Member Shirrell asked if Mr. O'Neil took personal leave from Providence when he traveled on official business as Mayor. Mr. O'Neil confirmed he does take leave from his full-time job.

VOTE ON THE MOTION:

Yays: 4 - Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese  
Abstain: 1 – Mayor O'Neil  
Excused: 2 - Council Member Moulton and Council Member Fleming

**VIII. RESOLUTIONS**

**1. #18-35 - Amending the City of Valdez Personnel Regulations and Creating an Effective Date (Postponed from the November 7, 2018 Regular Meeting)**

MAIN MOTION ALREADY ON THE FLOOR.

Council Member Shirrell said the Employee Relations Team (ERT) was looking at potential options and wanted some time before coming back to Council. He felt Council should take no action and have a motion to postpone until the next meeting to give the ERT time to discuss.

MOTION TO POSTPONE: Council Member Shirrell moved, seconded by Council Member Ruff, to postpone Resolution #18-35 to the next regular City Council meeting of November 20, 2018. The motion to postpone carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION TO POSTPONE:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese  
Excused: 2 - Council Member Moulton and Council Member Fleming

**2. #18-36 - Authorizing Lease Amendment #18 with the State of Alaska for the Public Health Nurse Office at the Mary Kevin Gilson Medical Clinic**

MOTION: Council Member Ruff moved, seconded by Council Member Reese, to approve Resolution #18-36 authorizing lease amendment #18 with the State of Alaska for the Public Health Nurse Office at the Mary Kevin Gilson Medical Clinic. The motion carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles,  
Council Member Shirrell and Council Member Reese  
Excused: 2 - Council Member Moulton and Council Member Fleming

**3. #18-37 - Accepting the 2018-2019 EMPG Grant in the Amount of \$25,000 from the Division of Homeland Security and Emergency Management and Approving its Expenditure**

MOTION: Council Member Ruff moved, seconded by Council Member Reese, to approve Resolution #18-37 accepting the 2018-2019 EMPG Grant in the amount of \$25,000 from the Division of Homeland Security and Emergency Management and approving its expenditure. The motion carried by the following vote after the following discussion occurred.

Council Member Ron Ruff asked if this grant was subsidizing part of the wages for the employee serving as the City emergency manager. City Manager Elke Doom confirmed these monies are included in the wages of the City economic development director, who is currently also serving as the acting City emergency manager. Council Member Ruff stated the last fire chief served as the City emergency manager, which he believed made more sense based on their field of expertise. He expressed concern about moving the emergency manager position from department to department and then having to train every new person that stepped up in this position. Ms. Doom explained this was the second year the city had applied for the grant with the City economic development director serving as the acting City emergency manager. If another staff member took on those duties, the grant money would shift to that position.

Council Member Ruff expressed concerns about workload for the City economic development director. Ms. Doom stated she hoped to eventually permanently assign the City emergency manager position. She expressed praise for the work the acting City emergency manager had done over the past year. Mayor O'Neil talked about the importance of disaster preparedness due to Valdez history.

**VOTE ON THE MOTION:**

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Needles, Council Member Shirrell and Council Member Reese  
Excused: 2 - Council Member Moulton and Council Member Fleming

**IX. REPORTS**

- 1. Procurement Report-Agreement for Professional Services with HDR Alaska, for Contract #1387-C&D Debris Disposal Area Lateral Expansion**
- 2. Procurement Report: Cornerstone General Contractors for Construction Manager/General Contractor Services for Providence Valdez Medical Center Projects in the Amount of \$50,000.00**

Mayor O'Neil stated he had a conflict of interest due to his employment and recused himself from the discussion and vote and handed the gavel to Council Member Ruff.

Council Member Shirrell asked for clarification regarding changing plans for the piping. Mr. Duval explained they had solicited the copper piping project in conjunction with the Airborne Infection Isolation (All) project and the long-term care firewall. He said they wanted to see if they could get value by bundling the projects together. The combined scope could help keep the cost of the copper piping down and allow them to spend funding on preventative measures that would forestall repairs down the road. Council Member Shirrell asked Mr. Duval to look at this from a maintenance perspective instead of a capital project decision.

Council Member Lon Needles asked where the clinic factored in to this project package. Mr. Duval replied the clinic would be the fourth project. The clinic and Airborne Infection Isolation would be fixed scopes of work. The remainder of the package was scalable.

3. **Change Order Report: Change Order #1 with Rain Proof Roofing, Inc. for the Seven Building Roof Replacements Contract**
4. **Change Order Report: Change Order #4 with Harris Sand and Gravel, Inc. for the West Klutina Repave, Gutter and Sidewalk Replacement Contract**

Council Member Reese expressed concerns about the dirt moved from the project on West Klutina. He stated he thought Council had discussed leaving it until they made a decision about the new fire station, since more dirt would have to be moved in that project.

Mr. Duval explained he had discussed moving the dirt with the City Manager and Parks & Recreation director and the price to move it now to the Gold Fields area had been the determining factor. Council Member Needles questioned why staff directed the dirt to be moved despite Council discussion about wanting it to stay in place. Mayor O'Neil stated there was not vote taken and a quorum vote was required to mandate things.

Council Member Reese asked if Gold Fields were going to be smoothed out this year. He asked if Public Works would have the project money to do that and wondered about the price advantage of doing it now instead of next spring. Mr. Duval stated it was to establish the seeding so they could utilize the space next summer. Council Member Reese said the grass would not germinate because the ground is too cold. Mr. Duval said they would dormant seed it.

Council Member Shirrell asserted there was a lesson to be learned with this topic. He explained, even when Council talked about something, it was not locked down until they voted. He said if they felt strongly about something, they needed to vote on it.

Council Member Reese stated there were learning curves on the West Klutina project and its change orders. Mr. Duval said there were definitely lessons

learned which would be incorporated into future construction projects. He explained, overall, the project was successful.

Mayor O'Neil said he was not going to be punitive about the work the Capital Facilities Department was doing in negotiating with the residents on West Klutina to complete the project to the satisfaction of the taxpayers and those who were most effected by the project. He explained he felt concerns and decisions about where piles of dirt were located were best left to Mr. Duval and Mr. Comstock, the City Public Works Director. Council Member Reese expressed the Council had a right and responsibility to voice their concerns.

Council Member Needles stated change orders on the project were a little over \$90,000. Mayor O'Neil asked if contingency funds to cover the change orders were budgeted. Mr. Duval asserted the total contract value, including all change orders, was less than the next bidder would have charged to complete the project. The project had a 25% contingency. Mr. Duval said he was hesitant to say the bid price was the final price and that they tried to keep the percentage of change under 20%. He explained it should be in the 5-10% range or less. Mr. Duval stated he and his staff try to be a good stewards of the taxpayers' funding and some line items came in as less than expected. Council Member Reese reiterated his hope that lessons learned from this project would be incorporated into future project plans.

#### **5. Quarterly Financial Statements for Period Ending 6/30/2018**

### **X. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS**

#### **1. City Manager Report**

Ms. Doom said the city was nearly finished with the budget. She stated she had attended the Beautification Task Force meeting. The group is looking at a number of projects to enhance and beautify the community.

Ms. Doom said on October 29<sup>th</sup> they had expected Senator Murkowski to visit but incoming bad weather conditions caused her to leave Valdez earlier than anticipated. Council Member Reese said she visited the elementary school. Council Member Shirrell believed it would be of benefit for the Council to meet with congressional members when they visited. Ms. Doom explained Senator Murkowski was interested in response efforts following the cyber-attack because cyber security is a large area of concern around the state. Council Member Shirrell stated opportunities should be created in the future for congressional representatives to hear from the community's representatives.

Ms. Doom said she has now established a satellite office at the airport to be onsite and available a few days a week to City departments housed in the facility. She was pleased with the arrangement and the ability to regularly interact more with all City staff.



On November 5<sup>th</sup>, Ms. Doom and the Human Resources department met with Todd Allen, the consultant on the pay study. She hoped to see a finished product soon to share with the City Employee Relations Team and City Council and hoped Mr. Allen could attend an upcoming meeting to discuss the process and results of the study.

Council Member Shirrell asked if the salary study would address cost of living in Valdez compared to the rest of the state. Ms. Doom answered cost of living was not part of this contract. She said they talked about subjects like Alyeska and what companies pay to bring employees from Anchorage. She explained they are typically paid 10-11% more because of higher cost of living.

Council Member Reese asked if the salary survey also looked at employee benefits. Ms. Doom said the survey study did not currently include employee benefit comparisons. She explained, while it was important, asking to analyze benefits from different communities would add additional time and cost on the survey contract terms. Council expressed consensus and provided direction to the Ms. Doom to add benefits comparison, including health insurance, retirement, life insurance, and other employee benefits, to the scope of the salary survey contract.

## **2. City Clerk Report**

Ms. Pierce stated they had an election the day before and had a good turnout in all of the City's precincts. Ms. Pierce said the election had received a good turnout and that they had worked past issues to get the results successfully transmitted. Council Member Reese asked what the overall turnout was. Ms. Pierce said she did not know the exact number, but that it was more than 40%.

Ms. Pierce expressed hope the state of Alaska would replace some their aging voting equipment over the next few years. She explained Valdez precincts were sending back two machines with serious mechanical problems. She said the City leases its own voting equipment for municipal elections. Council Member Shirrell asked if Valdez uses two different sets of election equipment. Ms. Pierce answered yes. The state's older equipment was required for state elections. She thanked Valdez election workers for a job well done.

Council Member Shirrell asked what the City's liability is if the state's election equipment underperformed. Ms. Pierce said the city had no liability in a state election. Council Member Shirrell wondered if a resolution from Council was a good idea to register that the malfunctioning equipment was unacceptable. Ms. Pierce stated the Alaska Municipal Clerks Association had put forth a resolution to the state and offered to serve on committees looking at elections equipment upgrades. She explained it ultimately came down to them allocating the funds to replace the equipment.

Ms. Pierce said next week was Alaska Municipal League (AML) and that Council Member Shirrell, Council Member Reese, Council Member Needles, and Mayor O'Neil would be attending alongside Ms. Doom, Assistant city manager Roxanne Murphy, and herself.

Council Member Reese asked if Council could meet with the city's attorneys while in Anchorage at AML. Ms. Pierce said state statute provides an exception to the Open Meetings Act to allow more than a quorum of City Council Members and Borough Assembly Members to attend AML. Meetings outside organized AML activities did not fall under the exception.

### **3. City Attorney Report**

Mr. Wakeland provided City Council with a billing summary, which now included a summary of year-to-date billing expenses breakdown. He then outlined projects and provided updates on cases his firm is working on behalf of the City, including the tax cap, C-plan adjudication proceedings, and the Cummings litigation.

### **4. City Mayor Report**

Mayor O'Neil praised the citizens of the community for being engaged and getting out to vote. He wished Governor Walker the best in his future endeavors and was looking on in anticipation as the new state administration took form. Mayor O'Neil looked forward to discussing statewide issues and networking with the city's counterparts throughout the state in the Alaska Municipal League. He hoped to push issues locally and at the statewide level.

Mayor O'Neil commended Mr. Carlson, City Finance Director, and the staff members working on the budget for putting scrutiny where it was required in the democratic process.

Mayor O'Neil pointed out the holiday season was approaching and urged people to consider helping the less fortunate in the community. He said Valdez was very good at supporting agencies and volunteer efforts. He wished good will on the community for the holiday season.

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

Several members of Council expressed praise for Mr. Carlson and his budget team. The budget process involves an extraordinary amount of hard work and Council expressed appreciation for continued process improvements each year.

Several members of City Council commended local election volunteers for assisting Valdez citizens exercise their right to vote.

Council Member Reese stated November 11<sup>th</sup> is Veterans Day. He urged residents to thank veterans for their service to our country. He also recognized November 10<sup>th</sup> as the 243<sup>rd</sup> birthday of the United States Marine Corps.

**XII. EXECUTIVE SESSION**

City Council transitioned into Executive Session at 8:35 p.m.

**XIII. RETURN FROM EXECUTIVE SESSION**

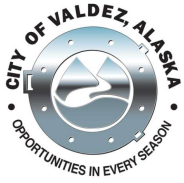
City Council transitioned out of Executive Session at 10:13 p.m.

City Council provided direction to the City attorney to continue settlement negotiations in the personnel arbitration case.

**XIV. ADJOURNMENT**

There being no further business, Mayor O'Neil adjourned the meeting at 10:15 p.m.

DRAFT



## Legislation Text

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**File #:** 19-0003, **Version:** 1

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**ITEM TITLE:**

City Council Regular Meeting Minutes of October 16, 2018

**SUBMITTED BY:** Allie Ferko, CMC, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

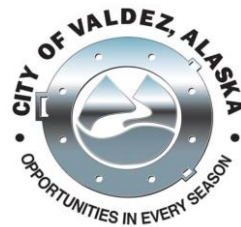
Receive and file.

**SUMMARY STATEMENT:**

Regular City Council meeting minutes of October 16, 2018 attached for Council review.

# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



## Meeting Minutes - Draft

Tuesday, October 16, 2018

7:00 PM

Regular Meeting

Council Chambers

**City Council**

**REGULAR AGENDA - 7:00 PM**

**I. CALL TO ORDER**

Mayor O’Neil called the meeting to order at 7:00 p.m. in City Council Chambers.

**II. PLEDGE OF ALLEGIANCE**

The City Council led in the Pledge of Allegiance to the American flag.

**III. ROLL CALL**

Present: 7 - Mayor Jeremy O’Neil  
Council Member Ron Ruff  
Council Member Christopher Moulton  
Council Member Lon Needles  
Council Member Jim Shirrell  
Council Member Dennis Fleming  
Council Member Darren Reese

Also Present: 5 - City Manager Elke Doom  
City Clerk Sheri Pierce  
Records Manager Shelley McMillen  
Assistant City Manager Roxanne Murphy  
City Attorney Jake Staser

**IV. APPROVAL OF MINUTES**

**1. Regular City Council Meeting Minutes of October 2, 2018**

The regular City Council meeting minutes of October 2, 2018 were approved as presented.

**V. PUBLIC APPEARANCES**

**1. Alaska ADOT&PF Valdez Airport Master Plan**

Ms. Judy Chapman, Northern Region Planning Chief for State of Alaska Department of Transportation & Public Facilities (ADOT&PF), was joined by Mr. John Lin from Stantech, a consultant for the ADOT&PF Valdez Airport master plan.

Ms. Chapman announced they would be running a public open house at the Civic Center until 9:00 p.m. that evening. She stated ADOT&PF had a team of people working on the Valdez Airport master plan update, including herself, John Lin, Daniel Phillips (the northern region maintenance engineer), Jennifer Anderson (transportation planner), and Ryan Cooper with Stantech (airport planner). Ms. Chapman explained the master plan is a comprehensive study of the airport and would recommend short, medium, and long-term capital projects for the facility. She said it would study environmental and socioeconomic impacts and justify future funding and projects, guiding their investment in the airport over the next 20 years.

Ms. Chapman further explained Valdez Pioneer Field is a certificated airport which means it receives aircraft with 30 or more seats. She said the certification requires airport rescue and firefighting personnel be present when flights of that size arrive. She was aware of the difficulty of flights making it into Valdez due to weather and other factors. This is one of the issues being addressed by the open house. She said the plan would deal with the facility's regional role and criticalness of the airport. Her team was anticipating future community needs would involve things such as additional hangers, larger aprons, the Valdez Fly-In event, and floats to wheels conversions.

Ms. Chapman stated they were early in the master plan process and were doing an inventory of airport facilities. The next step would be a forecast gauging aviation activity for the next 20 years. She explained they will look at what the facilities require to meet the forecast. After that, she said they would explore alternatives and do environmental analyses. She said they are also doing an aeronautical survey, which can help with future approach development.

For public involvement, Ms. Chapman said they will have two sets of meetings: one concurrent with tonight's Council meeting and the other taking place in February. She stated they were putting out public radio and newspapers announcements, and working on a project website and a mailing list.

Ms. Chapman said the inventory for the airport was near completion, and is looking at gates, fences, hangers, support facilities, aprons, and taxi ways. Her team is assessing issues like weather, snowfall, maintenance, traffic, and the weather minimums. She stated they are also looking at whether land use around the airport is compatible with the airport, like lease lots, residential areas, and smokestacks that could obscure aircraft on final approach.

Ms. Chapman said they are trying to find the best ways to operate safely, how to increase the benefits of the airport to the community, and how to increase economic advantages the airport can offer to the city. She showed slides of the airport and explained the land of the airport was far greater than the runway and operational services.

Ms. Chapman stated they heard the snow removal equipment building needed to be replaced, and commented that it would be replaced before the end of 2018. She stated that they heard about such issues as weather minimums and difficulty with approaches, necessary safety upgrades for the taxi way, the need for snow and grass airstrips, housing and recreation land uses around the airport, gates and electrical issues, and the need for a sea plane base.

Ms. Chapman commented they would be getting into alternative development a little bit later. She said they would be looking at low growth, medium growth, and large growth alternatives. She explained they had to be practical. The Federal Aviation Administration (FAA) would expect reasonable growth based on the forecast. The FAA would have to approve the forecast with the critical aircraft

identified (the Dash 8 Ravn is using), the airport layout plan (a graphical representation of the airport) and the capital projects taking place for the next 20 years. She expressed people should feel free to contact her, Mr. Lin, or any of the team, if they wanted to discuss any issues related to the airport master planning process.

Council Member Jim Shirrell asked how they were engaging the local government and the City of Valdez. He pointed out it changes to the airport and airport operations will have significant impact on the City's economic well-being. He explained he would like to see the City take an active role discussing the plan on a periodic basis instead of a more passive role where they were just passing along information. He asked administration if the City had someone actively involved in the planning process. City Manager Elke Doom answered the City Community Development Director would be at tonight's public meeting to represent the City and would report back to Ms. Doom. Ports and Harbor Director Jeremy Talbott added airport operations fall under his department and he would also become actively involved in the planning process.

Ms. Chapman said they were open to the City's involvement in the planning process. Jonathan Lim agreed the City needs an active role. He explained the ADOT&PF team wanted to work with City operational staff separately, rather than as part of the general public meetings. However, they wanted to get the basics established before moving forward.

## VI. PUBLIC BUSINESS FROM THE FLOOR

### Mr. Harold Blehm, Valdez Resident

Mr. Blehm expressed concerns about the City not having enough housing for seniors and pointed out there was an office building with 15,000 square feet for sale across from the airport.

Mr. Blehm stated one of the partners of the Valdez Senior Center is the Alaska Housing Finance Corporation (AHFC), which is in business to provide affordable housing. He explained they have funded construction projects and support for affordable housing. He was curious as to how this could play into the City's overall comprehensive plan. He warned the Valdez Senior Center is full, with a waiting list of 21 people. He suggested it would be good to investigate AHFC and see if they could provide any help or advice on a way forward.

Mr. Blehm also said there was about five acres of land adjacent to the Valdez Senior Center where a planned utility development could be constructed. He explained the old plan for building an annex was still stored at the Senior Center, but it would have required raising half a million dollars to go forward.

Mr. Blehm expressed hope Valdez would have enough housing for seniors to stay in town as they retired. He stated if a family member does not qualify for the Long-Term Care facility at Providence Valdez Medical Center, families are sometimes forced to



look outside Valdez and must relocate to be close to where their loved one is in assisted living.

Ms. Lee Hart, Valdez Adventure Alliance

Ms. Hart thanked the City for the letter of support for their federal grant application to provide gravel and drainage to the first stretches of the Shoup Bay Trail. She shared news the short film her organization created had been accepted into the Anchorage International Film Fest and will debut sometime between November 30<sup>th</sup> and December 9<sup>th</sup>. She said they also have confirmation of media placements in *Ravn Airlines Spirit* magazine and *Alaska Airlines Beyond* magazine.

Ms. Hart updated Council on the Meals Hill situation and said the project is proceeding in an optimistic direction. She commented, with the airport master plan, waterfront masterplan, comprehensive master plan, and the cruise ships arriving, she wanted to encourage City administration to do a better job of having places online where citizens can keep track of progress and provide input for each project. She said the hot topics on the City website were out of date. Council Member Chris Moulton said providing better internet communication has been discussed and the City Information Technology Department will focus on website improvements after recovering fully from the cyber-attack.

Council Member Shirrell asked if the City was involved in the process of purchasing Meals Hill. Ms. Doom said it was privately owned property and the current land sale negotiation is between the Great Land Trust and the property owners. She explained, originally, the Great Land Trust approached the City and suggested if the Trust purchased the land they would then ask the City to manage it. However, the Trust decided against the process since all the other properties they have purchased so far has been turned over to the state of Alaska for management. Ms. Doom said she expected the role of the City might be creation and maintenance of trails. The land would be a passive recreation area only.

Ms. Hart said the landowner was still negotiating terms with Great Land Trust about purchase price and conditions of sale. These terms would influence a lot of direction regarding what happens next. She explained more should be known by spring 2019. She said once the sale is complete, it will be communicated to the City and state of Alaska. Memorandums of understanding would be developed at that time. Ms. Pierce said the City did a resolution of support when they first started the process.

## VII. CORPORATIONS

City Council recessed at 7:34 p.m.

### 1. Appointment to Valdez Museum & Historical Archive Board of Directors

MOTION: Board Member Moulton moved, seconded by Board Member Fleming, to approve appointment of Lydia Lardy to a one-year, three month term on the VMHA board of directors. The motion carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION:

Yays: 7 - Board Chair O'Neil, Board Member Ruff, Board Member Moulton, Board Member Needles, Board Member Shirrell, Board Member Fleming and Board Member Reese

**2. Valdez Museum and Historical Archive Corporation Annual Meeting**

*VMHA Corporation annual meeting minutes are available by request from the City Clerk's Office.*

City Council reconvened at 8:35 p.m.

**VIII. CONSENT AGENDA**

- 1. Appointments to the City Parks & Recreation Commission**
- 2. Approval of Transfer of Liquor License from Ernesto's Taqueria to The Stampmill LLC**

MOTION: Council Member Moulton moved, seconded by Council Member Reese to approve the Consent Agenda. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**IX. RESOLUTIONS**

- 1. #18-34 - Waiving Solid Waste Fees for Disposal of Debris Resulting from Demolition of a Residential Structure Located at 354 Mendeltna Street**

MOTION: Council Member Moulton moved, seconded by Council Member Ruff, to approve Resolution # 18-34 waiving solid waste fees for disposal of debris resulting from demolition of a residential structure located at 354 Mendeltna Street. The motion carried by the following vote after the following discussion occurred.

Council Member Moulton stated he was glad to see the condition of this house being addressed. Council Member Jim Shirrell asked who currently owned the house. Ms. Pierce said the owner of the property was in the middle of selling to Zastrow Enterprises, who hoped to build a new house there to be sold.

Council Member Shirrell stated demolition of the property was good as the home was close to being condemned. However, he had concerns waiving solid waste fees was a slippery slope. He worried citizens would be seeking the City to pay for demolition clean-up of personal property. He asked if the dump was being opened up for routine waivers. Council Member Moulton explained the situation was a very special case. He said a will was found in the house on a deed so someone wound up owning the property by surprise. However, they did not want

to keep the property. Council Member Shirrell agreed it was a special condition. Mayor Jeremy O'Neil felt this situation did not set precedent as the property was going to be condemned at tremendous expense, cost, and delay. He said waiving solid waste fees was a relatively small expense in comparison.

VOTE ON THE MOTION:

Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**2. #18-35 - Amending the City of Valdez Personnel Regulations and Creating an Effective Date**

MAIN MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve Resolution # 18-35 amending the City of Valdez Personnel Regulations and creating an effective date.

Council Member Moulton voiced his support and felt arbitration was expensive on both sides, benefitting those who receive higher salaries since they can afford to take it to binding arbitration. He said there was a structure laid by the Human Resources department over the years in getting employees comfortable with airing grievances and resolving them right away. However, he felt the decision on this resolution should be postponed so the Council could have a work session to meet with the City Employee Relations Team (ERT) and hear their concerns before making a decision. A work session was scheduled for November 1, 2019.

MOTION TO POSTPONE: Council Member Moulton moved, seconded by Council Member Shirrell to postpone Resolution #18-35 until the next regular City Council meeting of November 7, 2018. The motion to postpone carried by the following vote after the following discussion occurred.

Council Member Dennis Fleming said he wanted the Council to look at the entirety of the personnel regulations, particularly the merit increase process. He explained he is concerned because supervisors are not being held accountable for completing employee evaluations and linked merit increases. In many cases, merit increases become automatic to not penalize employees whose supervisor do not get evaluations done in time. Mayor O'Neil stated the topic before the Council is the arbitration section of the regulations only.

Ms. Pierce explained the personnel regulations in their entirety would be brought before the Council. She explained Human Resources Director Tim James was working on revisions to other portions of the regulations. Revisions had to first go to the ERT for review and comment.

## VOTE ON THE MOTION TO POSTPONE:

Yays: 6 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Shirrell, Council Member Fleming and Council Member Reese

Nays: 1 – Council Member Needles

**X. REPORTS****1. Ports & Harbor Staff Report**

Council Member Shirrell asked for clarification about the abandoned equipment and vehicles left on the beach in Old Town. Mr. Talbott explained a large amount of equipment was discovered beached on City property in Old Town. After a thorough investigation, the owners could not be identified. It appears the owners were attempting to avoid port fees by illegally storing equipment on the beach. The issue was forwarded to the Army Corps of Engineers. However, the equipment disappeared again about 45 days later. Council Member Shirrell asked if the City had been exposed to any liability, damage to the wetlands, or contamination. Mr. Talbott stated there were no issues identified or reported.

**2. September 2018 New Boat Harbor Report****3. Parks, Recreation and Cultural Services Operational Report****XI. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS****1. City Manager Report**

City Manager Elke Doom introduced the new Assistant City Manager Roxanne Murphy and said they were pleased to have her on board. She and Deputy Clerk Allie Ferko volunteered at the high school for the mass flu shot dispensing exercise on October 6<sup>th</sup>.

Ms. Doom attended the employee appreciation dinner on October 5<sup>th</sup> and said it was nice to see families of staff getting to know each other. She expressed thanks to Tina Fifarek, Debbie Roberts, Chef Casey Lean, and other volunteers who coordinated the event. She said they were hoping to have another employee appreciation dinner next year.

Ms. Doom stated she, Ms. Ferko, and Ms. Murphy participated in the TAPS tanker oil spill exercise on October 11<sup>th</sup> at the Valdez Civic Center. She said it was great Incident Command System (ICS) practical training and good to see the Regional Stakeholders Committee put into action. She said exercise organizers were very appreciative the City participated.

Ms. Doom explained City Capital Facilities Director Nate Duval released the request for qualification the new fire station project. Submissions are due by October 23<sup>rd</sup>. She apprised Mr. Duval is waiting for a legal opinion to add a price

proposal into the scope of the RFQ as requested by City Council. Once a response is received from legal, he will do an amendment to the proposal, if needed. Mr. Staser stated the two concerns were about using price proposals in an RFQ and identification of a preferential bidders list. He explained he would prepare written legal opinion on both topics.

## **2. City Clerk Report**

Ms. Pierce reviewed the calendar for the upcoming Council meeting and event schedule, as well as her travel schedule for the International Institute of Municipal Clerks Board of Directors.

Ms. Pierce said there would be a Flood Task Force on October 23<sup>rd</sup> at noon. Council Members Ruff, Fleming, and Needles volunteered to serve on the Task Force.

Ms. Pierce discussed the potential end of the Council meeting broadcasting agreement with KVAK radio. She said the City currently has the capability to livestream audio of meetings on the City website through the Granicus legislative management system. Livestreaming video would also be possible following purchase and installation of camera hardware. Ms. Laurie Prax from KVAK let Ms. Pierce know they were interested in not renewing the agreement for broadcasting in 2019 due to increasing costs and staff burden at the station. However, KVAK would still work with the City to get paid public notices and advertising out to the public. Ms. Pierce said KVAK's radio equipment would be kept in Council Chambers as the Valdez School Board might decide to continue to broadcast meetings on KVAK under a separate agreement. Leaving KVAK's equipment in place would also allow the City to broadcast on the radio during a state of emergency.

Several members of City Council expressed concerns about citizen demographics that do not have good access to online forms of communication. Mayor O'Neil asked if they could entertain the idea of continuing to use radio alongside livestreaming provided it was not cost prohibitive. Ms. Pierce said she would continue the discussion with KVAK about options for 2019.

## **3. City Attorney Report**

Mr. Staser outlined projects and provided updates on cases his firm is working on behalf of the City, including the Alaska LNG Pipeline, municipal code updates with a focus on nuisance abatement code, the Cummings litigation, C-Plan adjudication, the Boulder Bay case, and the Barton litigation.

Mr. Staser said he would compose a written briefing regarding the personnel regulations and removal of arbitration provisions to provide information on dispute resolution channels and the pros and cons of different options. He stated Council could expect the briefing before the November 1<sup>st</sup> regular meeting.

Mr. Staser said he would also get Council a written opinion on whether the City could legally select preferred bidders and send project bid packets directly to them. He was also going to see if RFQ bids could include price proposals under current state of Alaska statute. Council Member Shirrell said the compromise request from Council was to include a price proposal with quotes on hourly rates and other direct costs so they could get a feel on the parameters. However, the price proposal would not be one of the weighted criteria used in the selection process. He explained the data would be helpful to negotiate pricing or price for change orders. Mr. Staser said, as a municipal corporation, the City cannot show favoritism or limit bids to only “preferred bidders”. This practice would result in litigation against the City.

#### **4. City Mayor Report**

Mayor O’Neil said he had spent time out of state, on both sides of the Gulf Coast, when the hurricane came through and expressed regret over the lives lost. He also welcomed the new assistant city manager and the new commission members. He thanked all of the various community members who serve on Valdez boards and commissions.

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

Several City Council Members welcomed the new assistant city manager.

Council Member Moulton said he participated in the flu shot clinic and the new drive-thru option was successful. He said there were more volunteers and less people getting shots than in years past.

Council Member Moulton said he had received a large amount of public comment about RVs and other vehicles parked in the old Three Bears parking lot. He stated issues like these would hopefully be addressed by the new code enforcement officer.

Council Member Reese stated, with the budget process coming up, he would like to see a plan in place for the future of the yellow warehouse by the Kelsey Dock.

Council Member Needles stated, at a recent Council meeting, an individual representing the fire department came forward and passionately asked for Council to respond to a safety issue with the fire department building. The individual expressed worries about the effects of diesel exhaust on fire department staff, volunteers, and families. Council Member Needles asked the Fire Chief to speak on the topic.

Fire Chief Tracy Raynor explained the main concern was the build-up of carbon monoxide released into the fire station when the fire apparatus were started or parked. In recent years, much more data has become available to understand the effects of

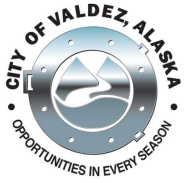
diesel exhaust on human health, including elevated risk of cancer amongst fire station personnel. He stated he has been working with the City Capital Facilities Director to obtain price quotes on different exhaust removal systems.

Council Member Shirrell said the exhaust removal system had already come before Council and had support. He asked if the purchased system could transition to the new fire station facility. Mr. Raynor confirmed purchasing a system which could be moved was the intent.

**XIII. ADJOURNMENT**

There being no further business, Mayor O’Neil adjourned the meeting at 9:43 p.m.

DRAFT



## Legislation Text

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**File #:** 18-0451, **Version:** 1

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**ITEM TITLE:**

Approval of Settlement with Alyeska Pipeline Company Regarding C-Plan Administrative Appeal  
(Postponed from January 15, 2019 Regular City Council Meeting)

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

**FISCAL NOTES:**

Expenditure Required: N/A  
Unencumbered Balance: N/A  
Funding Source: N/A

**RECOMMENDATION:**

None.

**SUMMARY STATEMENT:**

Legal counsel has requested this item be placed on the agenda for action following executive session on December 18, 2018.



**BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS  
ON REFERRAL FROM THE COMMISSIONER OF  
ENVIRONMENTAL CONSERVATION**

VALDEZ FISHERIES DEVELOPMENT	)	
ASSOCIATION, INC.; PRINCE WILLIAM	)	
SOUND REGIONAL CITIZENS’ ADVISORY	)	
COUNCIL; PRINCE WILLIAM SOUND	)	
AQUACULTURE CORPORATION; and	)	OAH No. 17-1218-DEC
CITY OF VALDEZ,	)	OAH No. 17-1219-DEC
	)	
Requesters,	)	
	)	
v.	)	
	)	
ALASKA DEPARTMENT OF ENVIRONMENTAL	)	
CONSERVATION, DIVISION OF SPILL	)	
PREVENTION & RESPONSE,	)	
	)	
Respondent.	)	
	)	

---

**SETTLEMENT AGREEMENT**

This settlement agreement (“Settlement Agreement”), dated January 16, 2019, is between Prince William Sound Regional Citizens’ Advisory Council (“PWSRCAC”), Prince William Sound Aquaculture Corporation, Valdez Fisheries Development Association, Inc., the City of Valdez (collectively “Requesters”), and the State of Alaska, Department of Environmental Conservation (“ADEC”), Division of Spill Prevention and Response (“SPAR”) and Alyeska Pipeline Service Company (“Alyeska”) (individually “Party,” collectively “Parties”).<sup>1</sup>

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<sup>1</sup> Party and Parties is used to define signatories. Each individual Requester, SPAR, and Alyeska are signatories and Parties to this Settlement Agreement. ADEC is not a signatory or a Party to this Settlement Agreement.

## RECITALS

A. The Parties engaged in mediation before Mediator Dana Fabe on December 12, 2018, to resolve the above-captioned administrative appeals.

B. The mediation resulted in the resolution among the Parties of the disputes in the above-captioned administrative appeals on the terms set forth in this Settlement Agreement.

C. Through this Settlement Agreement, the Parties have agreed to engage in a collaborative process for a five-year pilot period (“Pilot Period”), on the terms and conditions set forth below, for the purpose of reaching consensus on all suggested amendments to the Solomon Gulch Hatchery and Valdez Duck Flats Sensitive Area Protection Mobilization Decision Matrix initially developed in 1997 (“1997 Decision Matrix”) contained in the Valdez Marine Terminal (“VMT”) Spill Response and Contingency Plan (“C-Plan”) (“Collaborative Process”).

## SETTLEMENT AGREEMENT

The Parties agree and stipulate as follows:

**1. Stay of Pending Administrative Appeals.** The Parties agree to stay the above-captioned administrative appeals in Case Nos. OAH No. 17-1218-DEC and OAH No. 17-1219-DEC, which were consolidated for adjudicatory hearing before Administrative Law Judge Mandala. The Parties agree the Decision Regarding Valdez Fisheries Development Association’s November 21, 2017, Request for Stay issued by Commissioner Larry Hartig on December 29, 2017 (“Stay”), shall remain in effect, and Alyeska and SPAR agree to withdraw any pending motion or request to lift the Stay and

not to file any motion or request to lift the Stay during the period the Parties have agreed to maintain the 1997 Decision Matrix. The Parties further agree to dismiss the above captioned administrative appeals upon the ADEC's issuance of a final decision amending the 1997 Decision Matrix.

**2. Maintenance of the 1997 Decision Matrix.** The Parties agree the 1997 Decision Matrix will remain in effect until the Collaborative Process is complete, Alyeska has proposed an amendment to the VMT C-Plan regarding the 1997 Decision Matrix based on the Collaborative Process, and ADEC has issued a final decision on Alyeska's proposed amendment after the first Collaborative Process.

**3. Collaborative Process.** Following ADEC's final decision on a proposed amendment of the VMT C-Plan regarding the 1997 Decision Matrix after the first Collaborative Process, the Parties hereby agree to engage in the Collaborative Process prior to submission of any subsequent amendment of the 1997 Decision Matrix for the Pilot Period set out in Section 3(f). This includes any amendment proposed by Alyeska to whatever instrument may have replaced the 1997 Decision Matrix as a result of the first Collaborative Process. For any future Collaborative Process the Parties agree to use similar and reasonable procedures and timelines to those used for the first Collaborative Process. The Collaborative Process shall be guided by the following principles:

a. Goal. The goal of the Collaborative Process is to reach consensus on how to ensure the protection of the Solomon Gulch Hatchery and Valdez Duck Flats ("Collaborative Process") consistent with applicable statutes and regulations.

b. Facilitation. The Collaborative Process shall be facilitated. The facilitator for the Collaborative Process shall be selected by mutual agreement of Alyeska and Requesters. Should Alyeska and Requesters fail to reach mutual agreement in choosing a facilitator, Alyeska and Requesters shall each select a facilitator who, together, shall select another person to act as facilitator. Final selection of the facilitator shall be completed within sixty (60) days of the execution of this Settlement Agreement for the first Collaborative Process. Alyeska and Requesters agree to share all facilitator's costs in two equal shares.

c. Participants. Each Party may choose to attend the Collaborative Process with up to two representatives, plus any federal and state government entities. The representatives for each Party may be whomever the Party may choose, except that, at least one representative for each Party shall have decision making authority and no representative may be legal counsel. Any representative may, however, consult with legal counsel at any time during the Collaborative Process. To the degree reasonable scheduling permits, each Party shall maintain the same selected representatives throughout each Collaborative Process to promote efficiency and continuity.

d. Information. The Collaborative Process is intended to be based upon the transparent sharing and use of technical and scientific information among the Parties. Such information shall include the following: (1) Requesters will have access to Alyeska's spill trajectory modeling also known as the OILMAP (including information necessary to understand and use such programs such as the inputs and runs used for oil trajectory modeling as well as manuals and reasonable access to personnel necessary to

understand and apply such programs), although that modeling information and the trajectories provided will be limited in their use to the use in the work group, and any data developed by either side and all data or trajectory developed or reviewed or used in that collaborative process by either side would be able to be used in any comments on/or challenge to appeals of an amendment to be approved, (2) a recording anemometer to monitor and record real-time wind direction and speed at the VMT with such information to be collected and maintained by PWSRCAC and shared real-time with Alyeska and the public, (3) a current meter to monitor and record real-time current direction and speed in the Port of Valdez including at the VMT in the exclusionary zone with such information to be collected and maintained by PWSRCAC and shared real-time with Alyeska and the public, at a location that allows for accurate measuring of currents and wind as those conditions affect oil movements but does not interfere with tanker movements or VMT operations, and (4) such other relevant information as may be agreed by Parties. Alyeska agrees to provide access to the VMT to PWSRCAC to permit it to install and maintain the anemometer and current meter at locations most relevant to gathering information regarding oil spill trajectories from the VMT. Alyeska and PWSRCAC agree to devote their best efforts to having the anemometer and the current meter in place within sixty (60) days from the execution of this Settlement Agreement. The current meter may involve a temporary current meter buoy at the VMT as soon as possible that is later replaced by a land-based meter. The Parties agree the information provided by Alyeska pursuant to Section 3(d)(1) of this Settlement Agreement relating to oil modeling may only be used for the purposes of the Collaborative Process or in appeals related to

the VMT C-Plan. The Parties also agree that the information recorded and maintained by PWSRCAC pursuant to Section 3(d)(2) and (3) of this Settlement Agreement relating to wind and current direction and speed shall be publicly available.

e. First Collaborative Process. The Parties agree the first Collaborative Process shall be concluded by November 15, 2019, absent mutual agreement among the Parties.

f. Pilot Period. The Pilot Period during which the Parties agree to use the Collaborative Process shall commence upon execution of this Settlement Agreement and remain in place for a period of five (5) years after ADEC approves the 2019 VMT C-Plan application for renewal. During the Pilot Period, the Collaborative Process shall apply as set out in Section 3, including any amendment proposed in the 2024 VMT C-Plan renewal application. The Parties intend to extend the Pilot Period if the Collaborative Process proves successful.

**4. No Limitation on Future Proposed Amendments.** With the exception of the agreement to engage in the Collaborative Process as stated above, no Party shall be limited in any manner in its right to make any proposal concerning the protection of the Solomon Gulch Hatchery and Valdez Duck Flats.

**5. Amendments.** This Settlement Agreement may be modified, amended, or supplemented only by a written instrument executed by all Parties.

**6. Signatories.** The signatories hereby represent and warrant that they have full authority to execute this Settlement Agreement on behalf of their respective Parties.

7. **Interpretation.** The language of this Settlement Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against any Party. No Party shall be deemed to be the drafter of this Settlement Agreement, and no provision of the Settlement Agreement shall be interpreted for or against any Party based upon a Party being deemed to be a drafter of the Settlement Agreement or any provision of the Settlement Agreement. Headings of articles and sections of this Settlement Agreement are solely for the convenience of the Parties and are not a part of this Settlement Agreement.

8. **Parties in Interest.** This Settlement Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors and assigns. Nothing in this Settlement Agreement, express or implied, is intended to confer upon any person or entity other than the Parties, or their successors or assigns, any rights or remedies under or by reason of this Settlement Agreement.

9. **Future Positions.** The Parties agree that this Settlement Agreement does not prevent the Parties from presenting or arguing in future cases their respective positions on issues that were raised or that might have been raised in Case Nos. OAH No. 17-1218-DEC and OAH No. 17-1219-DEC or any other proposed amendment or renewal to the VMT C-Plan.

10. **Negotiated Settlement.** The Parties expressly understand and agree that this Settlement Agreement constitutes a negotiated settlement for the sole purpose of resolving the matters agreed to herein. No Party shall be prejudiced or bound by this Settlement Agreement in any proceeding except as specifically provided herein, nor shall

any Party be deemed to have conceded, approved, accepted, agreed to, or consented to any concept, theory, or principle underlying or supposed to underlie any position taken by any other Party in the proceedings resolved by this Settlement Agreement. This Settlement Agreement shall not constitute an admission of liability or an admission against interest by any Party and shall not be cited or relied on as precedent by one Party to the detriment of the other in any proceedings other than those referenced herein, except to the extent necessary to enforce the provisions of this Settlement Agreement. Nothing in this Settlement Agreement changes, alters, or constitutes a waiver of the underlying terms of any agreements executed between Alyeska and PWSRCAC.

**11. Law of State of Alaska.** This Settlement Agreement shall be governed by and construed in accordance with Alaska law. The rights and obligations of this Settlement Agreement may be enforced in an action before the courts of the State of Alaska.

**12. Severability and Waiver.** The invalidity of any portion of this Settlement Agreement shall not affect the validity or enforceability of any other portion of this Settlement Agreement. The waiver of any term of this Settlement Agreement shall not constitute a waiver of any other provision or constitute a continuing waiver.

**13. Counterpart Signatures.** This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same agreement notwithstanding the fact that all Parties are not signatories to the original or the same counterpart.



14. **Signatures.** Being duly authorized, the Parties execute this Settlement Agreement as of the date first written above.

**REQUESTERS**

**PRINCE WILLIAM SOUND REGIONAL  
CITIZENS' ADVISORY COUNCIL**

By Joseph N. Levesque  
Printed Name Joseph N. Levesque  
Its Attorney

**VALDEZ FISHERIES DEVELOPMENT  
ASSOCIATION, INC.**

By Mike H. Wells  
Printed Name Mike H. Wells  
Its Executive Director

**CITY OF VALDEZ**

By \_\_\_\_\_  
Jeremy O'Neil, Mayor

**Approved as to Form:**  
**VALDEZ CITY ATTORNEYS**

By Robin O. Brena  
Robin O. Brena, Alaska Bar No. 8410089  
Jake W. Staser, Alaska Bar No. 1111089

**PRINCE WILLIAM SOUND  
AQUACULTURE CORPORATION**


By Matthew T. Findley  
Printed Name Matthew T. Findley  
Its Attorney

**ALYESKA PIPELINE SERVICE  
COMPANY**

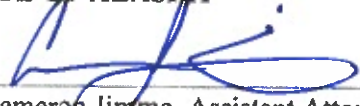
By Michael W. Seville  
Printed Name Michael W. Seville  
Its attorney

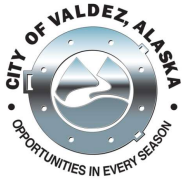
SPAR

STATE OF ALASKA, DEPARTMENT OF  
ENVIRONMENTAL CONSERVATION,  
DIVISION OF SPILL PREVENTION AND  
RESPONSE

By   
Graham Wood on Behalf of  
Denise Koch, Director

KEVIN CLARKSON  
ATTORNEY GENERAL FOR THE  
STATE OF ALASKA

By   
Cameron Jimmo, Assistant Attorney  
General, Alaska Bar No. 1711055



## Legislation Text

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**File #:** 19-0004, **Version:** 1

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**ITEM TITLE:**

Approval of Contract with Wolverine Supply, Inc. for School Administration Building HVAC and Boiler Upgrades in the Amount of \$361,000.00.

**SUBMITTED BY:** Scott Benda, Capital Facilities Project Manager

**FISCAL NOTES:**

Expenditure Required: \$361,000.00

Unencumbered Balance: \$662,794.96

Funding Source: 350-0310-55000.1812 School Admin water damage abatement

**RECOMMENDATION:**

Approve a Contract with Wolverine Supply, Inc. for School Administration Building HVAC and Boiler Upgrades in the Amount of \$361,000.00.

**SUMMARY STATEMENT:**

In May 2018 the School District office suffered a failure in a weld on a pressure vessel that resulted in a flooded building and significant damage to the boiler system. Clark Contracting DBA ServPro was contracted by recommendation of the insurance carrier to perform remediation and restoration services. The remediation and remodel is complete and the boiler system is temporarily running on a trailer mounted system. The attached contract is for a project to permanently replace the damaged boiler, replace an existing failed boiler, and update/upgrade the HVAC system to work in concert with the current DDC control system district wide.

The City solicited bids and Wolverine Supply was the low bid for base bid and Alt. 1. Capital Facilities recommends performing both the base bid and the alternate for the updated HVAC due to the fact that parts for the old pneumatic system are obsolete and with limited availability, for continuity of systems district wide, increased efficiency, and increased lifespan of the system. The HVAC system was on the list of future school projects and the opportunity to complete now in conjunction with the loss makes sense. Additionally, by taking proactive measures to upgrade the systems the City can avoid some negative effect on insurance premiums into the future following the claim.

Relative to a "total project cost" the City was responsible for a \$100k deductible and has carried the cost for the remediation and repairs that will be reimbursed by insurance. The carrier has acknowledged most of the loss at the boiler room and negotiations are ongoing. The HVAC controls upgrades, Bid Alt, are not covered by insurance.

Expenses to date:

**Deductible:** \$100,000 - Paid to ServPro (Subrogation recoverable)

**Remediation & Restoration:** ServPro- \$457,711.81 (Anticipated fully covered by insurance)

**Temp Boiler:** Valley Mechanical: \$30,760 Plus \$1500/month boiler rental (Anticipated fully covered by insurance)

**Computer/Personal Property Damages** - approx. \$45,000 (Anticipated fully covered by insurance)

**Boiler Replacement Engineering:** RSA Engineering Inc. \$36,836 (Coverage to be negotiated with insurance)

**Boiler Room Repairs:** Insurance ROM estimate \$47,788 (Coverage to be negotiated with insurance)

**CoV Project Management:** Cost TBD (Coverage to be negotiated with insurance)

CITY OF VALDEZ  
ALASKA

CONTRACT DOCUMENTS

Project: School Administration Building HVAC Upgrades

Project Number: 18-350-1812

Contract Number: 1443

Cost Code: 350-0310-55000.1812

Issued for Construction

Date: November 21, 2018



City of Valdez  
Capital Facilities and Engineering  
300 Airport Road, Suite 201  
P.O. Box 307  
Valdez, Alaska 99686

Project Manager:  
Scott Benda

Construction Plan Set Completed By:  
**RSA Engineering, Inc.**  
**670 W. Fireweed Ln, Suite 200**  
**Anchorage, AK 99503**

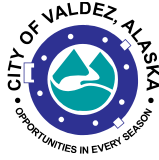


**City of Valdez  
Contract Documents**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

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Drawings Titled “ <u>Boiler &amp; Control Upgrades</u> ”_____	Attached
Electrical and Mechanical specifications _____	Attached



**City of Valdez  
Invitation to Bid**

**Date: November 21, 2018**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

This project includes, but is not necessarily limited to: Replace two existing oil fired boilers and all associated appurtenances. Replace existing pneumatic controls with new DDC controls. Additional work includes hydronic piping and VAV replacement.

Engineers Estimate for construction under \$600,000.

Sealed bids will be accepted until 2:00pm local time on December 19, 2018, at the office of the Capital Facilities Director, 300 Airport Road, Suite 201, P. O. Box 307, Valdez, Alaska 99686. The bids will be publicly opened and read at that time.

A non-mandatory pre-bid conference will be held at the office of the Capital Facilities Director, 300 Airport Road, Suite 201, Valdez, Alaska on December 5, 2018 at 2:00 pm.

Complete sets of the bid documents may be purchased from Digital Blueprint, 903 West Northern Lights Blvd., Anchorage, AK 99503, (907) 274-4060. Bid documents may also be downloaded from the City of Valdez website at [www.ci.valdez.ak.us](http://www.ci.valdez.ak.us); documents are located under "Bids" on the lower right hand side of the opening page. Bidders are encouraged to download, fill out, and return the Request for Addendum form located at the link listed above to ensure receipt of any addendum issued for this project.

Bid security in the amount of 5% of the total bid is required.

For bids in excess of \$100,000, Payment and Performance Bonds in the amount of 100% of the contract amount are required.

The City reserves the right to waive any irregularities or informalities in a bid and to reject any and all bids without cause.

Current minimum prevailing wage rates as published by the Alaska Department of Labor must be paid as required by AS 36.05.070.

Requirements of the Alaska Employment Preference (AS 36.10) must be met.

Solicitation of bids, award of bid, bid protest of qualified bidders and award of contract will be conducted in accordance with 04 AAC 31.080. Bid protests may be filed within 10 days after notice of Intent to Award is issued.



The City of Valdez “Standard Specifications and Standard Details” shall be used. An electronic copy is available from the City of Valdez website at <http://www.ci.valdez.ak.us> under “standards and specifications” located on the “quick links” portion of the Capital Facilities Department page.

Advertising Dates: 11/25, 12/2, 12/9





**City of Valdez  
Instructions to Bidders**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

**CAUTION:**

Your bid may be rejected if it is not properly executed. Check that the following items have been accomplished to help assure a responsive bid. Please read Sections 6 and 7 carefully.

1. Bid Form
  - A. The Bid Form has been executed and signed.
  - B. Addendum Acknowledgement Form has been executed and signed.
2. Bid Security or Bid Bond
  - A. An executed Bid Security (Bid Bond) in the amount indicated on the Invitation to Bid.
  - B. Verify that the Certificate showing the Corporate Principal on the form is executed if applicable.
3. Alaska Business License, a copy your current license must be included.
4. Alaska Contactor Certificate of Registration
  - A. A copy of your current Alaska Contractor License of Registration in the bidder's name must be included with the bid.
  - B. The Contractor is required to verify that the appropriate license(s) is in place prior to submitting their bid for the project's scope of work.
5. A bid may be rejected if it contains any alterations or erasures that are not initialed by the signer of the bid.

Note: Any certified checks may be held uncollected at the risk of bidders submitting them.

**1. General**

Bidders are requested to study and follow these instructions about the method and form for submitting bids to avoid having their bid rejected.

Bidders will find all required forms and documents contained within this assembly. Please notice under Section 7, Required Documents for Bid, as to which forms and documents are required for your bid to be considered.

**2. Explanation to Bidders**

Requests from bidders concerning interpretations or clarifications of the bid documents shall be made in writing to the project manager or project engineer. Such requests shall arrive at least three working days prior to the date for opening bids. There needs to be sufficient time allowed for a reply to reach all bidders before the submission of the bids. Explanations made will be in the form of an addendum to the specifications or drawings and will be furnished to all bidders and receipt of the addendum must be acknowledged on the Addendum Form.



### 3. Site Conditions

Bidders are encouraged to visit the site to ascertain pertinent local conditions, location, accessibility, terrain, labor conditions, conditions of surrounding areas, and any other aspect that may impact the project.

### 4. Addenda Requirements

All bids must include the Addendum Acknowledgement Form. If addendums have been issued the bidder must state on the form all the addendums have been acknowledged. If no addendums were issued then the bidder is to write “NONE” on the form. The Addendum Acknowledgement Form shall be reviewed prior to acceptance of the bid.

### 5. Submissions of Bids

All bids, including any amendment or withdrawal, must be received at the address shown in the Invitation to Bid no later than the scheduled time of bid opening. Any bid, amendment or withdrawal that has not been actually received by the person opening the bid prior to the time of the scheduled bid opening will not be considered. The bid will be returned unopened. Conditioned or qualified bids unless requested will be considered nonresponsive.

Bids must be in a sealed envelope marked as follows:

BIDS FOR CITY OF VALDEZ	CAPITAL FACILITIES DIRECTOR
School Admin Building HVAC Upgrades	CITY OF VALDEZ
PROJECT NO. 18-350-1812	300 AIRPORT ROAD, SUITE 201
CONTRACT NO. 1443	P.O. BOX 307
DATE OF BID OPENING: December 19, 2018	VALDEZ, AK 99686

### 6. Preparation of Bids

Bids shall be submitted on the forms furnished, or copies thereof, and must be manually signed in ink. If erasures or other changes appear on the forms, the person signing the bid must initial each erasure or change.

The Bid Form will provide for quotation or price for all items. Bidders must quote on all items. Failure to do so may result in disqualification. Alternative bids will not be acceptable unless requested.

**Modification by facsimile of bids already submitted will be considered if received before the bid opening time noted in the Invitation for Bid or the addenda. Modification by facsimile is at the risk of the bidder. The Owner makes no warranty as to telephone line or equipment availability or condition. All addenda must be acknowledged prior to the bid opening; facsimile acknowledgement is acceptable for all addenda issued as long as an original**



**completed form was provided within your sealed bid. Facsimile modifications shall not reveal the total amount of the original or revised bid.**

Facsimile number to use is (907) 835-5574.

## **7. Required Documents for Bid**

The following listed documents are to be completed and submitted at the time of bidding. Deviation from these requirements will be grounds for rejection of the bid.

- A. Addenda Acknowledged Form, fully completed original (see Item 6 above also)
- B. Bid Schedule, fully completed original (see Item 6 above also)
- C. Bid Bond, original
- D. Copy of current and appropriate Alaska Contractor License for this Scope of Work.
- E. Copy of current Alaska Business License

## **8. Required Documents for Award of the Contract**

The following documents must be executed prior to award of the contract and the initiation of work. Contractors are urged to expedite the completion of these documents. This will allow the contract award and notice to proceed to be issued expeditiously. These documents must be submitted within ten (10) working days after the date of notice of award.

- A. Contract Bond (Payment Bond: See Bonding Requirements below)
- B. Contract Bond (Performance Bond: See Bonding Requirements below)
- C. Certificate of Insurance naming City of Valdez as an “Additional Insured”
- D. Certificate of good standing for a Corporation or LLC
- E. Non-collusion Affidavit
- F. Agreement (2 signed copies)
- G. City of Valdez Business Registration
- H. Executed W-9 Form

## **9. Bonding Requirements**

### **A. Bid Security**

Bid Security is required and shall be in the form of a Certified Check for each bid or a Bid Bond prepared on the attached Bid Bond Form.

The Bid Bond must be executed by the bidder as principal and be executed by a surety company authorized to transact business in the State of Alaska. The Owner must approve the surety company.

The Bid Security or Bid Bond shall be issued for five percent (5%) of the bid amount.



Bid Securities will be returned to all except the three lowest bidders. The remaining certified checks or bid bonds will be returned, after the Owner and the accepted bidder have executed the Contract. Failure of the Owner to return the certified checks or bid bonds in a timely manner will create no liability on the part of the Owner. If no award has been made within sixty (60) days after the bid opening, all bidders except the one who has received the notice of intent to award may request the return of their cash, check or bid bonds.



## B. Contract Payment Bond

A Contract Payment Bond is not required if the total dollar amount of the contract is less than One Hundred Thousand Dollars (\$100,000).

A Contract Payment Bond is required if the total dollar amount of the contract is equal to or greater than One Hundred Thousand Dollars (\$100,000). Contract Payment Bond will be in the amount of One Hundred Percent (100%) of the Bid amount.

Contract Payment Bond shall be prepared on the Payment Bond Form that is attached. The Bond must be executed by the Contractor as principal and executed by a surety company authorized to transact business in the State of Alaska. The Owner must approve the surety company.

## C. Contract Performance Bond

A Contract Performance Bond is not required if the total dollar amount of the contract is less than One Hundred Thousand Dollars (\$100,000).

A Contract Performance Bond is required if the total dollar amount of the contract is equal to or greater than One Hundred Thousand Dollars (\$100,000). Contract Performance Bond) will be in the amount of One Hundred Percent (100%) of the Bid amount.

Contract Performance Bond shall be prepared on the Performance Bond Form that is attached. The Bond must execute by the Contractor as principal and executed by a surety company authorized to transact business in the State of Alaska. The Owner must approve the surety company.

Section 2.80.080 of Valdez City Code provides for a modified contractor bond. Bidders shall familiarize themselves with exemptions allowed and the requirements for exemptions.

## 10. Bidder Qualifications

Before a bid is considered for award, the apparent low bidder may be requested to submit a statement of facts or proof in detail as to his previous experience in performing similar or comparable work, technical abilities, equipment, size, manpower and financial resources to complete and perform the work as outlined in the contract documents, plans and specifications.

## 11. Withdrawal of Bids

Bids may be withdrawn by written request received from the bidder prior to the bid opening time. Errors on the part of the bidder in preparing the bid, confers no right for the withdrawal of the bid after the bid has been opened.



## **12. Bidders Interested in More than One Bid**

If any one party, by or in name of his or their agent, partner or other person, offers more than one bid, all such bids will be rejected. A party who quoted prices to a bidder is not disqualified from quoting prices to other bidders or from a bid directly for the work.

## **13. Rejection of Bids**

The Owner reserves the right to reject any and all bids, when such rejection is in the interest of the Owner; to reject the bid of a bidder who previously failed to perform properly or to complete on time; and to reject the bid of a bidder who is not, in the opinion of the Owner in, in a position to perform the contract; or to waive any irregularities or informalities in a bid.

## **14. Hiring of Local Labor**

The Owner encourages that every Contractor and Subcontractor, employ to the maximum extent practical and allowed by law, qualified people who regularly reside in the project area.

## **15. Protests**

Any protest of the bids or award must be filed by the aggrieved bidder with the Owner, in writing, within ten (10) calendar days of the Notice of Intent to Award requesting a hearing for a determination and award of the contract in accordance with the law. The final decision regarding any protest will rest solely and completely with the Owner.

## **16. Award of Bid**

The bid, if awarded, will be awarded to the lowest responsive responsible bidder as determined by the terms of the City Code and this document.

## **17. Pre-Bid Conference**

A non-mandatory Pre-Bid Conference will be held December 5th, 2018, at 2:00 pm at the office of the Capital Facilities Director, Suite 201 300 Airport Road, Valdez, Alaska.

## **18. Pre-Award Conference**

Before the award of the contract a Pre-Award Conference may be held between the Engineer or Project Manager and the apparent low bidder.



City of Valdez  
Addendum Acknowledgement

Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443

The bidder acknowledges receipt of the following addenda and certifies that their contents have been considered in the preparation of this Bid. If there are no addendums please state NONE above your name.

Addendum Number	<u>01</u>	Dated	<u>12/12/18</u>	Initials	<u>MC</u>
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____
Addendum Number	_____	Dated	_____	Initials	_____

Wolverine Supply, Inc.  
Company Name

Michelle Clapp  
Authorizing Name

December 12, 2018  
Date

Vice President  
Title

Michelle Clapp  
Signature



**City of Valdez  
Bid Schedule Page 1 of 2**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

<u>Item No.</u>	<u>Item Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Item Price</u>
Base Bid	R&R heating mains, boilers, water heater, circ pumps, tanks, piping, valves, etc.	All Req'd	LS	500,000.00	500,000.00
AA#1	Replace pneumatic controls with DDC system along with upgrades of existing VAV's control valves, ductwork, VFD's, etc.	All Req'd	LS	100,000.00	100,000.00

Base Bid Amount:

Five Hundred Thousand Dollars No Cents

(\$ 500,000.00 )

Additive Alternate #1 Amount

One Hundred Thousand Dollars No Cents

(\$ 100,000.00 )



**WOLVERINE SUPPLY, INC.**  
 5099 E. BLUE LUPINE DR.  
 WASILLA, ALASKA 99654  
 PHONE: 907-373-6572 FAX: 907-357-2023

---

**FACSIMILE TRANSMITTAL SHEET**

---

TO:	FROM:
Capital Facilities and Engineering	Michelle Clapp
FAX NUMBER:	DATE:
(907) 835-5574	December 19, 2018
COMPANY	TOTAL NO. OF PAGES INCLUDING COVER:
City of Valdez	2
PHONE NUMBER	SENDER'S REFERENCE NUMBER:
(907) 835-5478	
RE:	PROJECT:

**BID**

**MODIFICATION**

**School Administration Building  
 HVAC Upgrades**

18-350-1812

---

URGENT    FOR REVIEW    PLEASE COMMENT    PLEASE REPLY    PLEASE RECYCLE

---

NOTES/COMMENTS:

Please find attached Wolverine Supply, Inc.'s **Bid Modification** for the School Administration Building HVAC Upgrades.

Should you have any questions or need any additional information, please feel free to contact me.

Thank You,

*Michelle Clapp*  
 Michelle Clapp  
 Vice President



Wolverine Supply, Inc. BID MODIFICATION

Page 12 of 33

**City of Valdez  
Bid Schedule Page 1 of 2**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1512 / Contract Number: 1443**

<u>Item No.</u>	<u>Item Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Item Price</u>
Base Bid	R&R heating mains, boilers, water heater, circ pumps, tanks, piping, valves, etc	All Req'd	LS	DEDUCT \$316,000.00	DEDUCT \$316,000.00
AA#1	Replace pneumatic controls with DDC system along with upgrades of existing VAV's control valves, ductwork, VFD's, etc.	All Req'd	LS	ADD \$77,000.00	ADD \$77,000.00

**Base Bid Amount:** DEDUCT  
 THREE HUNDRED SIXTEEN THOUSAND DOLLARS Dollars NO Cents  
 (\$ 316,000.00 )

**Additive Alternate #1 Amount** ADD  
 SEVENTY SEVEN THOUSAND DOLLARS Dollars NO Cents  
 (\$ 77,000.00 )



City of Valdez  
Bid Schedule Page 2 of 2  
Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443

Grand Total Bid Amount

Six Hundred Thousand Dollars No Cents  
(\$ 600,000.00 )

I, Wolverine Supply, Inc., hereinafter called Bidder, ~~an individual or sole~~  
~~business as~~ (strike out inapplicable words:) a  
~~partnership~~ a corporation incorporated in the State of Alaska, ~~or joint venture~~, hereby submits  
~~xxxxxxx~~ this bid and agrees: to hold this bid open for forty five (45) days, to accept the provisions of the  
Instruction to Bidders, to accomplish the work in accordance with the contract documents, plans,  
specifications, for the lump sum and unit price amounts as set forth in this bid schedule.

Respectfully submitted this 19th day of December, 2018.

BIDDER:

Wolverine Supply, Inc.  
Company Name  
5099 E. Blue Lupine Drive  
Address  
Wasilla, Alaska 99654  
City, State, Zip Code  
(907) 373-6572  
Telephone Number  
92-0043461  
Federal I.D. or S.S.N.

Michelle Clapp  
Authorizing Name  
Vice President  
Title  
Michelle Clapp  
Signature  
michelle@wsiak.com  
Email Address

CORPORATE SEAL

ATTEST:

[Signature]  
Signature of Corporate Sec.

Marc Van Buskirk, Secretary  
Print Name



**City of Valdez  
Bid Bond**

**KNOW ALL MEN BY THESE PRESENTS**, that we

Wolverine Supply, Inc.  
5099 E. Blue Lupine Dr.  
Wasilla AK 99654-8419

(Insert full name and address or legal title of Contractor)

as Principal, hereinafter called the Principal, and

The Ohio Casualty Insurance Company  
62 Maple Avenue  
Keene NH 03431

(Insert full name and address or legal title of Surety)

a corporation duly organized under the laws of the State of Alaska as surety, hereinafter called the Surety, are held and firmly bound unto

City of Valdez  
P.O. Box 307  
Valdez, Alaska 99686

as Obligee, hereinafter called the Obligee, in the sum of Five Percent of The Total Amount Bid-----  
----- Dollars (\$ -----5%----- ),

For the payment of which sum well and truly to be made, the said Principal and the Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Whereas, the Principal has submitted a bid for

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

**NOW, THEREFORE**, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with Obligee in accordance with terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 19th day or December, 2018

[Signature]  
(Witness)

Wolverine Supply, Inc.  
(Principal) \_\_\_\_\_ (Seal)

Michelle Clapp  
(Title) Michelle Clapp, Vice President

[Signature]  
(Witness) Zack Skaufel

The Ohio Casualty Insurance Company  
(Surety) \_\_\_\_\_ (Seal)  
Charla M. Boadle  
(Title) Charla M. Boadle, Attorney-In-Fact

**THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.**

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 8113714

Liberty Mutual Insurance Company  
The Ohio Casualty Insurance Company West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Charla M. Boadle; James Dinneen; John L. Green; Penny J. Silvey; Zack Skaufel

all of the city of SPOKANE, state of WA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 29th day of May, 2018.



The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

By: David M. Carey  
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss  
COUNTY OF MONTGOMERY

On this 29th day of May, 2018, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Upper Merion Twp., Montgomery County  
My Commission Expires March 28, 2021  
Member, Pennsylvania Association of Notaries

By: Teresa Pastella  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

**ARTICLE IV – OFFICERS** – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

**ARTICLE XIII – Execution of Contracts – SECTION 5 Surety Bonds and Undertakings.** Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation** – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization** – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 19th day of December, 2018.



By: Renee C. Llewellyn  
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

Alaska Business License #

21686

**Alaska Department of Commerce, Community, and Economic Development**

Division of Corporations, Business and Professional Licensing  
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

**WOLVERINE SUPPLY, INC.**

5099 E BLUE LUPINE DRIVE SUITE 201 WASILLA AK 99654

owned by

WOLVERINE SUPPLY, INC.

is licensed by the department to conduct business for the period

November 29, 2018 through December 31, 2020  
for the following line of business:

23 - Construction

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Mike Navarre



License #: CONG340  
 Effective: 11/14/2018  
 Expires: 12/31/2020

# STATE OF ALASKA

Department of Commerce, Community, and Economic Development  
 Division of Corporations, Business, and Professional Licensing

## Regulation of Construction Contractors and Home Inspectors

Licensee: **WOLVERINE SUPPLY, INC.**

License Type: **General Contractor With Residential Contractor Endorsement**

Status: **Active**

Doing Business As: **WOLVERINE SUPPLY INC**

Commissioner: Mike Navarre

### Relationships

RelationType	License #	LicenseType	Owners/Entities	Names/DBA
Electrical Administrator Assignee	EADE1478	Electrical Administrator	Dagwood Shoemaker	
Residential Endorsement Assignee	RESR1175	Residential Contractor Endorsement	BILL VAN BUSKIRK	
Residential Endorsement Assignee	RESR2515	Residential Contractor Endorsement	BRUCE VAN BUSKIRK	

### Designations

Type	Group
No designations found.	

WOLVERINE SUPPLY INC  
 5099 E BLUE LUPINE DR  
 WASILLA, AK 99654-8419

### Wallet Card

**State of Alaska**  
 Department of Commerce, Community, and Economic Development  
 Division of Corporations, Business, and Professional Licensing  
 Regulation of Construction Contractors and Home Inspectors  
**WOLVERINE SUPPLY, INC.**  
 DBA: WOLVERINE SUPPLY INC  
 As  
 General Contractor With Residential Contractor Endorsement

<b>License</b> CONG340	<b>Effective</b> 11/14/2018	<b>Expires</b> 12/31/2020
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**City of Valdez  
Agreement Page 1 of 2**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

---

This agreement is made \_\_\_\_ day of January, 2019, by and between the City of Valdez, Alaska, hereinafter called the Owner and, acting through its Mayor, and Wolverine Supply, Inc. doing business as ~~an individual, partnership,~~ a corporation (strike out inapplicable words) located in Wasilla, Alaska, hereinafter called the Contractor.

The Contractor agrees to this Contract known as:

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

Furthermore the Contractor agrees to accept as full and complete payment for all work to be done in this Contract for the lump sum and per unit prices as set forth in the Bid Form and Addendums in the Contract Documents for this project. The total amount of this Contract shall be: **three hundred sixty-one thousand dollars and zero cents (\$361,000.00).**

The Contractor hereby agrees to commence work on this project within ten (10) working days after the date of the written Notice to Proceed and to complete all work in accordance with the Contract Documents and addendums within one hundred twenty (**120**) calendar days of the Notice to Proceed. Said Contract Documents are listed in the Table of Contents herein. All documents listed therein are by this reference made a part hereof.

The Contractor further agrees to pay, as liquidated damages, the sum of one thousand, five hundred dollars (\$1,500.00) for each calendar day in excess of the completion date specified in the written Notice To Proceed in which this project remains incomplete.

The Owner agrees to pay the Contractor for the performance of the Contract, subject to additions and deductions, as provided in the City of Valdez Standard Specifications Section 10 Standard General Provisions of this of this Contract, and to make payments on account thereof as provided in the City of Valdez Standard Specifications Section 10 Standard General Provisions and City of Valdez City Code.





**City of Valdez  
Agreement Page 2 of 2**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

---

IN WITNESS WHEREOF, the parties to this presence have executed this Contract in two (2) counterparts, each of which shall be deemed as original, in the year and day first mentioned above.

**Wolverine Supply, Inc.**

**City of Valdez, Alaska, Authorized**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Jeremy O'Neil, Mayor

\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**Attested:**

\_\_\_\_\_  
Date

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

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

**Recommended:**

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

\_\_\_\_\_  
Elke Doom, City Manager

\_\_\_\_\_  
Federal I.D. or S.S.N.

\_\_\_\_\_  
Date

Corporate Secretary

\_\_\_\_\_  
Nathan Duval, Capital Facilities Director

\_\_\_\_\_  
Date

**Approved as to Form:  
Brena, Bell & Clarkson, P.C.**

Attest: \_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
Jon S. Wakeland

\_\_\_\_\_  
Date





**City of Valdez  
Non-Collusion Affidavit**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

(to be executed prior to award)

UNITED STATES OF AMERICA    )  
  )SS.  
STATE OF ALASKA                            )

I, \_\_\_\_\_, of \_\_\_\_\_, being duly sworn, do depose and state:

I, or the firm, association of corporation of which I am a member, a bidder on the Contract to be awarded, by the City of Valdez, Alaska, for the construction of that certain construction project designated as:

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

Located at Valdez, in the State of Alaska, have not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with such Contract.

\_\_\_\_\_  
Signature

Subscribed and sworn to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_



**City of Valdez  
Performance Bond**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

**KNOW ALL MEN BY THESE PRESENTS:** that

(Here insert full name and address or legal title of contractor)

as Principal, hereinafter called Contractor, and ,

(Here insert full name and address or legal title Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto

**City of Valdez  
P.O. Box 307  
Valdez, AK 99686**

as Obligee, hereinafter called Owner, in the amount of

Dollars (\$ )

for the payment whereof Contractor and Surety bind themselves, their heirs, executor, administrators, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS,**

Contractor has by written agreement dated \_\_\_\_\_, 20\_\_\_\_, entered into a contract with Owner for

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

in accordance with Drawings and Specifications prepared by

**RSA Engineering, Inc  
670 W. Fireweed Ln, Suite 200  
Anchorage, AK 99503**

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.



**City of Valdez  
Performance Bond**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

Now, therefore the condition of this obligation is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the Owner.

Whenever Contractor shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner’s obligations thereunder, the Surety may promptly remedy the default, or shall promptly comply with one of the following:

1. Complete the Contract in accordance with its terms and conditions, or
2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the bidder, arrange for contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term “balance of the contract price,” as used in this paragraph, shall mean the total amount payable by Owner to contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and Sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Principal) (Seal)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Surety) (Seal)

\_\_\_\_\_  
(Title)



**City of Valdez  
Labor and Material Payment Bond**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

Know all men by these presents that:

(Insert full name and address or legal title of Contractor)

as Principal, hereinafter called Principal, and,

(Here insert full name and address or legal title of Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto

**City of Valdez  
P.O. Box 307  
Valdez, Alaska 99686**

as Obligee, hereinafter called Owner, for the use and benefit of claimants as herein below defined, in the amount of

Dollars (\$\_\_\_\_\_),  
(Here insert a sum equal to the contract amount)

for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS,**

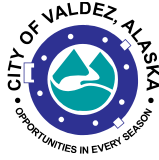
Principal has by written agreement dated \_\_\_\_\_, 20\_\_\_\_, entered into a contract with Owner for

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

in accordance with Drawings and Specifications prepared by

**RSA Engineering, Inc.  
670 W. Fireweed Ln, Suite 200  
Anchorage, AK 99503**

which contract is be reference made a part hereof, and is hereinafter referred to as the Contract.



**City of Valdez  
Labor and Material Payment Bond**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expirations of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

3. No suit or action shall be commenced hereunder by any claimant:

a) Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to any two of the following: the Principal, the Owner, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials are

furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business. Or served in any manner in which legal process may be served in the state in which aforesaid project is located, save that such service need not be made by a public officer.

b) After the expiration of one (1) year following the date on which Principal ceased Work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

c) Other than in a state court of competent jurisdiction in and for the county of other political subdivision of the state in which the Project, or any part thereof is situated, or in the United States District Court for the district in which the Project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment of payments made in good faith hereunder, inclusive of the payment by Surety or mechanic's liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against the bond

Signed and Sealed this \_\_\_\_\_, day of \_\_\_\_\_, 2018

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Principal)

\_\_\_\_\_  
(Seal)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Surety)

\_\_\_\_\_  
(Seal)

\_\_\_\_\_  
(Title)



**City of Valdez  
Contractor Certificate of Substantial Completion**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

CONTRACTOR: Wolverine Supply, Inc.

This is to certify that I, \_\_\_\_\_, am a duly authorized official of the said CONTRACTOR working in the capacity of \_\_\_\_\_, and in my official capacity representing said CONTRACTOR do hereby certify as follows:

1. The work of the subject Contract above has been performed, and materials used and installed in accordance with and in conformity to, the Contract Drawings, Contract Specifications, City of Valdez Standard Specifications and Details.
2. The Contract work is now substantially complete in all parts and requirements.
3. I understand that neither the determination by the Engineer--Architect that the work is substantially complete nor the acceptance thereof by the Owner shall operate as a bar to claim against the Contractor under the terms of the guarantee provisions of the Contract Documents.
4. The work to which this Certificate applies has been properly inspected and that work is hereby declared to be substantially complete in accordance with the Contract Documents.
5. The date of Substantial Completion is the date upon which all guarantees and warranties begin.
6. The Owner accepts the Project or specified area as described under "REMARKS," of the Project as substantially complete and will assume full possession of the Project or specified area of the Project at \_\_\_\_\_(time) on \_\_\_\_\_day, \_\_\_\_\_, 201\_\_.

WOLVERINE SUPPLY, INC.

CITY OF VALDEZ, OWNER

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Capital Facilities Director

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

REMARKS: \_\_\_\_\_  
\_\_\_\_\_





**City of Valdez  
Contract Release Page 1 of 2**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

The undersigned, Wolverine Supply, Inc.  
for itself, its successors in interest, assigns trustees, administrators, subcontractors, suppliers, and laborers do hereby release and forever discharge the CITY OF VALDEZ, ALASKA a municipal corporation, from all actions, causes of actions, suits, controversies, claims, damages and demands of every kind and nature, mature or to mature in the future, for and by reason of any matter, thing or claim arising out of the following Contract:

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

The undersigned also intends hereby to discharge the City of Valdez from all liability for any and all damages or injuries presently undiscovered or unanticipated. The undersigned's intention hereby is to waive any right it may subsequently have to set aside this release under the doctrine of Witt v. Watkins, 579 P.2d 1065 (Alaska 1978).

The undersigned further agrees to defend, indemnify and hold harmless the City of Valdez against any claims, liens, or causes of action arising under or by virtue of this Contract, including, but not limited to, any claim that the undersigned, any successor in interest, assignee, trustee, administrator, subcontractor, supplier or laborer of the undersigned or any other person might make or claim that he could possibly make against the City of Valdez.

The undersigned certifies that he has not assigned any amounts payable under this Contract to anyone.

The undersigned hereby acknowledges receipt of the amount of \$ \_\_\_\_\_  
as full of final payment in consideration for all services, materials and labors rendered in connection with this Contract.

The undersigned hereby declares that the terms of this RELEASE have been completely read and are fully understood, and said terms are voluntarily accepted for the purpose of making a full and final release of any and all claims, disputed or otherwise, arising under or by virtue of this Contract.



**City of Valdez  
Contract Release Page 2 of 2**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

IN WITNESS WHEREOF, I have hereunto set my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
COMPANY

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE

STATE OF ALASKA                    )  
  )ss.  
THIRD JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, before me, Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_ of \_\_\_\_\_, known to me to be its \_\_\_\_\_ and acknowledged to me that he has read this foregoing RELEASE and knew contents thereof to be true and correct to the best of his knowledge and belief, and that he signed the same freely and voluntarily for the uses and purposes therein mentioned, and that he was duly authorized to execute the foregoing document according to the Bylaws or by Resolutions of said corporation.

WITNESS my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

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



**City of Valdez  
Special Provisions**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

**SP 01 General Statement**

The Special Provisions set forth conditions and requirements unique to this Project and supersede the City of Valdez “Standard Specifications and Standard Details.”

**SP 02 Scope of Work**

**Base Bid**

The Scope of Work of the Base Bid of this Contract shall include providing all labor, materials, tools, equipment, transportation, supervision and facilities necessary to: Demolish the existing heating mains, boilers, water heater, boiler vent, three-way valve, circulation pumps, expansion tanks, air separator, piping and valves. Work will include new heating mains, boilers, boiler vent, electric water heater, boiler pumps, main circulator VFD pumps, circulator pumps, expansion tanks, air separator valves, electric power and controls for the new boilers and pumps. Base bid includes all work designated on drawings and specifications with the exception of the additive alternate described below.

**Alternate Bid**

The Scope of Work of the Additive Alternate No. 1 Bid of this Contract shall include providing all labor, materials, tools, equipment, transportation, supervision and facilities necessary to: Replace the existing pneumatic controls with a new DDC system with digital controls for control of existing and new HVAC equipment. Upgrades include replacement of variable air volume terminal units, fan powered terminal units, control valves, flexible ductwork, motor replacement and variable frequency drive installation.

**SP 03 Time of Completion**

All work shall be completed in accordance with the Contract Documents within 120 calendar days of the date of the written Notice to Proceed.

Liquidated damages will be assessed in the sum of one thousand, five hundred dollars (\$1,500.00) for each calendar day after the completion date during which the Project remains incomplete.

Substantial Completion: Substantial Completion shall be defined as the stage in the progress of the work when the work is sufficiently complete in accordance with the Contract Documents so the



Owner (School District) can occupy or use the structure or that which is the subject of the contract, for its intended use with an operational and properly functioning heating system

#### **SP 04 Special Site Conditions**

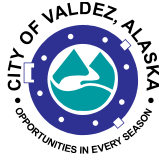
The school administration building will remain in operation throughout the project. The contractor will need to work during evenings & weekends in the office and public areas of the building so as not to interfere with normal school district operations. A temporary heating system consisting of a trailer mounted, propane fired boiler is currently in place and providing heat to the facility. This system is owned by Valley Mechanical at 907-376-6400 and any work involving or impacting this system will need to be coordinated with Valley Mechanical.

The Contractor will be responsible for the disposal of all refuse and debris generated by the project. The City has, on a limited 'first come first served' basis, dumpsters for use free of charge on City projects if available.

Dump fees will be waived. The Contractor will be responsible for hauling demolished materials and construction waste out to the City Baler facility on South Sawmill Drive. The Baler is located approximately 5 miles out of town. Please contact the Baler ahead of time to make arrangements for the disposal of such materials. The Baler's number is 907-835-2356. The project name or contract number will be required on all Baler disposal forms and when calling to reserve or empty dumpsters.

The two existing, non-functioning boilers at the site are lined with asbestos containing materials.

The contractor staging area location near the building will be determined after the bid is awarded. The contractor will be responsible for any snow removal necessary inside their staging area.



**City of Valdez  
Special Provisions**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

**SP 05 Hazardous Waste Generation**

Every effort to minimize or eliminate the generations of hazardous waste shall be used by the Contractor in the performance of the work of this Contract. Unless there is no substitute, no hazardous material shall be used in the performance of the work of this Contract.

**SP 06 Coordination and Schedule**

The Contractor shall, within ten (10) working days of the date of the Notice to Proceed, submit to the Engineer a schedule as required in Section 10.5, Control of Work, Article 5.3. The schedule shall be updated every week. An updated schedule shall be submitted with each of the Contractor's Periodic Payment Requests. Failure to provide an updated schedule will be cause to withhold partial payment.

**SP 07 Site Preservation, Restoration, Cleanup and Environmental Reporting**

The Contractor shall be solely responsible for damage to public or private property caused by construction operations. The Contractor shall take all precautions necessary to control dust. The Contractor shall notify the City of any claims of damage, and shall clean and restore any property so damaged at the sole expense of the Contractor. All spills or releases of any hazardous substance shall be reported to the appropriate governmental agency as well as notice to the City. The Contractor shall be responsible for all associated clean up costs and fines.

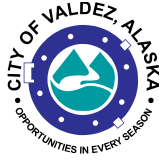
At all times during the work, keep the premises clean and orderly. Upon completion of the work, repair all damage caused by equipment and leave the Project free of rubbish and excess materials of any kind.

**SP 08 Permits**

The Contractor shall obtain all licenses and permits that are required to do the work. A Building Permit will be required but there will be no charge.

**SP 09 Order of Award of Alternative Bids**

Additive Alternate and/or Deductive Alternative Bids will be awarded, if any are awarded, in any order determined to be the most advantageous combination by the owner.



## City of Valdez Special Provisions

### Project: School Administration Building HVAC Upgrades Project Number: 18-350-1812 / Contract Number: 1443

#### **SP 10 Local Forest Products**

Use of timber, lumber, and manufactured lumber products originating from local forests in Alaska shall be used wherever practicable per AS 36.15.010.

#### **SP 11 Payment**

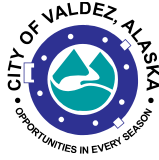
Payments shall be in accordance with Section 10.07, Measurement and Payment of the CVSS. All invoices for payment must be submitted on a City of Valdez *Periodic Payment Request Form*. An electronic copy of this form (Excel Spreadsheet) will be made available for the Contractor's use.

Disbursement of money to a person, firm or corporation will be made only after all the various receivable accounts of the general government and any municipal utility or enterprise have been reviewed for outstanding balances owed, and the disbursement will be reduced by setting off the amount of any delinquent indebtedness due the city from such person, firm or corporation.

All contracts to which the city is a party which will or may involve the disbursement of city funds shall contain the following clause, or its substantial equivalent: "Disbursement of money by the City of Valdez hereunder shall be subject to set-off pursuant to the provisions of the Valdez City Code." Such contracts include, but are not limited to, oral contracts, employment contracts, construction contracts, purchasing contracts and contracts of any municipal utility or enterprise, including customer's deposits.

#### **SP 12 Change Orders**

Changes to the work may be accomplished after award of the contract by change order. Any change to the scope of work, including any cost difference or change in completion date from that shown in the original contract, shall be approved by the Owner in writing prior to initiation of any such work. The Contractor shall provide a written breakdown showing costs of all materials, labor, and any markups for the work for review by the Owner prior to approval.



The total amount of Contractor markups on such work shall be limited to not more than 20% of the actual cost of the work (materials and labor), or not more than 30% of the total cost of the work if such work shall be performed by a subcontractor.

### **SP 13 Warranty**

The Contractor will provide minimum one year warranty from date of substantial completion on all Contractor and Subcontractor supplied materials, labor and services provided.

### **SP 14 Closeout**

#### Tax Clearances

Upon completion of the project, the Contractor shall grant permission to the Alaska Department of Labor and Workforce Development to provide the Owner with clearance that all Payroll Taxes have been paid by the Contractor and all Subcontractors that have worked on the project.

In addition, the Contractor shall grant permission to the Alaska Department of Revenue to provide the Owner with clearance that all Corporate Taxes have been paid by the Contractor.

#### Certified Payroll

The Contractor shall provide the Owner with an approved Notice of Completion from the Alaska Department of Labor and Workforce Development upon completion of the project.

Per ADOLWD directive, a portion of the final payment shall be retained by the Owner until such time as an approved Notice of Completion is received. This standard shall also be applied to include the Payroll and Corporate tax clearances.

#### Release of Liens

Following final payment of the contract, the Contractor shall provide the Owner with a Release of Liens removing all claims the Owner.

#### Consent of Surety

Following final payment of the contract where Payment and Performance bonds have been issued, the Contractor shall in addition provide the Owner with a Consent of Surety.

#### Maintenance, Operation, Ownership of the Completed Project

The Contractor shall provide project documentation required to establish an effective facility management and preventative maintenance program that satisfies the requirements of AS 14.11.011(b)(4).

### **SP 15 References to City of Valdez Standard Specifications (CVSS)**

The City of Valdez Standard Specifications & Standard Details, Streets-Drainage-Utilities-Parks, dated April 2003, hereafter referred to as CVSS, are incorporated in and become a part of the Contract Documents for the work, The Standard Specifications are available for purchase from the



Engineer's Office of the City of Valdez, P.O. Box 307, Valdez, Alaska 99686. All work under this Contract shall comply with the latest edition and addenda to all applicable codes, ordinances, and standards.

It shall be the responsibility of the Bidder to prepare his bid so all materials and/or different arrangements of connections or fittings shall harmoniously conform with the intent of the Contract Drawings, CVSS, and the Special Provisions.

### **SP 16 Construction Specifications**

The Specifications for construction of the work of this Project are incorporated into the following pages and on the attached drawing titled "Boiler & Control Upgrades". These drawings are by reference included herein.





**City of Valdez  
Modifications and Additions to the Standard Specifications**

**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

Division 10                      Standard General Provisions

Article 7.5    Progress Payments

Add the following:

Any request for payments for work accomplished within the calendar fiscal year (January 1<sup>st</sup> to December 31<sup>st</sup>) must be received by the city no later than January 31<sup>st</sup> of the following year. Failure to provide a request for payment by Jan. 31<sup>st</sup> for work accomplished the previous year will delay payment. Failure to provide a request for payment by January 31<sup>st</sup> for work accomplished the previous year will be subject to a penalty. Penalty may be assessed at a minimum of \$1000 and up to 5% of the invoice not to exceed \$10,000.

Article 7.7    Final Payments

Add the following:

Any request for final payment for work accomplished within the calendar fiscal year (January 1<sup>st</sup> to December 31<sup>st</sup>) must be received by the city no later than January 31<sup>st</sup> of the following year. Failure to provide a request for final payment by January 31<sup>st</sup> for work accomplished the previous year will delay payment. Failure to provide a request for payment by January 31<sup>st</sup> for work accomplished the previous year will be subject to a penalty. Penalty may be assessed at a minimum of \$1000 and up to 5% of the invoice not to exceed \$10,000.



**City of Valdez  
Wage Rates**

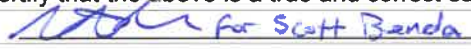
**Project: School Administration Building HVAC Upgrades  
Project Number: 18-350-1812 / Contract Number: 1443**

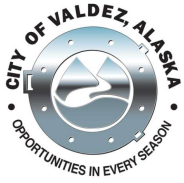
Minimum Prevailing Wage Rates and Title 36 Public Contracts Follows  
See attached Links:

<http://labor.state.ak.us/lss/pamp600.htm>  
<http://labor.alaska.gov/lss/forms/Pam400.pdf>

In accordance with the requirements of AS 36.05.070 and AS 36.05.080, the following provisions are included where applicable:

- (1) The Contractor or subcontractors of the Contractor shall pay all employees unconditionally and not less than once a week;
- (2) wages may not be less than those stated in the advertised specifications, regardless of the contractual relationship between the Contractor or subcontractors and laborers, mechanics, or field surveyors;
- (3) the scale of wages to be paid shall be posted by the Contractor in a prominent and easily accessible place at the site of the work;
- (4) Owner shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the Contractor or subcontractors the difference between
  - (A) the rates of wages required by the contract to be paid laborers, mechanics, or field surveyors on the work; and
  - (B) the rates of wages in fact received by laborers, mechanics, or field surveyors.
- (5) If it is found that a laborer, mechanic, or field surveyor employed by the Contractor or subcontractor has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid, the Owner may, by written notice to the Contractor, terminate the Contractor's right to proceed with the work or the part of the work for which there is a failure to pay the required wages and to prosecute the work to completion by contract or otherwise, and the Contractor and the Contractor's sureties are liable to Owner for excess costs for completing the work.

Summary of Proposals Received				Project: School Administration Building HVAC Upgrades											
Bid Opening				Contract No. 1443											
Date:	December 19, 2018, 2:00pm			Project No. 18-350-1812											
Place:	Capital Facilities Conference Room			Klebs Mechanical, Inc.		Orion Construction, Inc.		Sheet Metal, Inc.		Wolverine Supply, Inc.					
Bid Item	Description	Quantity	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	R & R heating main, boilers, water heater, circ pumps, tanks, piping, valves, etc.	1	LS	N/A	\$224,592.00	N/A	\$360,000.00	N/A	\$170,637.00	N/A	\$184,000.00				
AA #1	Replace pneumatic controls with DDC system along with upgrades of existing VAV's control valves, ductwork, VFD's, etc.	1	LS	N/A	\$211,106.00	N/A	\$180,000.00	N/A	\$203,489.00	N/A	\$177,000.00				
	1 Addendum Acknowledged				✓		✓		✓		✓				
	Bid Bond				✓		✓		✓		✓				
	Alaska Business License				✓		✓		✓		✓				
	Alaska Contractor License				✓		✓		✓		✓				
	<b>Total Base Bid</b>				\$224,592.00		\$360,000.00		\$170,637.00		\$184,000.00		\$0.00		\$0.00
	<b>Total AA #1</b>				\$211,106.00		\$180,000.00		\$203,489.00		\$177,000.00		\$0.00		\$0.00
	<b>Total Base Bid + AA #1</b>				\$435,698.00		\$540,000.00		\$374,126.00		\$361,000.00		\$0.00		\$0.00
	<b>Total Adjusted Bid</b>														
The bid totals are subject to correction after the bids have been completely reviewed.															
Totals have been reviewed				✓											
Totals have been corrected				N/A											
												I hereby certify that the above is a true and correct summary of proposals received.			
												 for Scott Benda Project Manager			



## Legislation Text

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**File #:** 19-0005, **Version:** 1

---

**ITEM TITLE:**

Approval of Purchase Contract with Stageline for Mobile Events Stage in the Amount of \$175,000

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

**FISCAL NOTES:**

Expenditure Required: \$175,000.00  
Unencumbered Balance: \$175,000.00  
Funding Source: 350-0400-58000

**RECOMMENDATION:**

Approve contract with Stageline, for Events Stage in the amount of \$175,000

**SUMMARY STATEMENT:**

Three requests for quotes were sent to vendors for the purchase of a mobile events stage. The three contractors were Stageline, The Stage Depot and Apex. The city received two proposals which are attached. Stageline was chosen due to the matched requirements needed to fulfill a mobile stage. Council approved funding for the Events Stage in the 2019 budget.

# The Stage Depot

27702 Crown Valley Pkwy  
 Suite D-4 # 174  
 Ladera Ranch, CA 92694  
 877-884-3426  
[www.thestagedepot.com](http://www.thestagedepot.com)

## Estimate

Date	Estimate #
11/11/2018	18312C

### America's Portable Staging Authority

Name / Address
Laurine Regan 9078310950 LRegan@ValdezAK.gov

				Project
Item	Description	Qty	Rate	Total
	20' x 24' x 47 1/4" to 78" Adjustable Pro Stage System (15 pcs of 4x8 platforms w/Telescopic Legs)-Industrial			
PF288I6	12' X 24' X 47 1/4"-78 1/2" Pro Stage Staging System (9 pcs. of 4x8 panels)-Industrial Finish	1	9,844.99	9,844.99T
PF192I6	12' x 16' x 47 1/4"-78 1/2" Adjustable Pro Stage Staging System (6 pcs. of 4x8 panels w/legs)	1	6,599.99	6,599.99T
PFASTR7	Seven Steps Adjustable Stairs for Stages 39 1/2" to 70 3/4"	1	639.99	639.99T
PF2ASTGR	Universal, Adjustable Stair Handrail. Fits all Adjustable Stairs - dual pack, Mounting hardware included	1	309.99	309.99T
PF2GR8	8ft long Stage Guardrail - dual pack - Mounting Hardware included	1	353.99	353.99T
PFGR8	8 ft. long Stage Guardrail-Single piece. Mounting Hardware included	1	176.99	176.99T
PF2GR4	4ft Long Stage Guardrail - dual pack - Mounting Hardware included	3	282.99	848.97T
PFPTR	Platform Trolley - stores up to 10 pcs. of 8x4 ft Panels	2	499.99	999.98T
PFGRTR	Guardrails Trolley - stores up to 22 8 ft Guardrails or 44 4 ft Guardrails	1	499.99	499.99T

**Voted #1 in Customer Service!**  
**The Stage Depot**  
 America's Portable Staging Authority  
[orders@thestagedepot.com](mailto:orders@thestagedepot.com)

<b>Subtotal</b>
<b>Sales Tax (0.0%)</b>
<b>Total</b>

# The Stage Depot

27702 Crown Valley Pkwy  
 Suite D-4 # 174  
 Ladera Ranch, CA 92694  
 877-884-3426  
[www.thestagedepot.com](http://www.thestagedepot.com)

## Estimate

Date	Estimate #
11/11/2018	18312C

### America's Portable Staging Authority

Name / Address
Laurine Regan 9078310950 LRegan@ValdezAK.gov

Project

Item	Description	Qty	Rate	Total
Shipping	Valdez, Alaska, 99686		4,695.00	4,695.00T

**Voted #1 in Customer Service!**  
**The Stage Depot**  
 America's Portable Staging Authority  
[orders@thestagedepot.com](mailto:orders@thestagedepot.com)

<b>Subtotal</b>	\$24,969.88
<b>Sales Tax (0.0%)</b>	\$0.00
<b>Total</b>	\$24,969.88

WE ACCEPT P.O.'s FROM Churches, Schools, Gov. Orgs. & Many Companies.

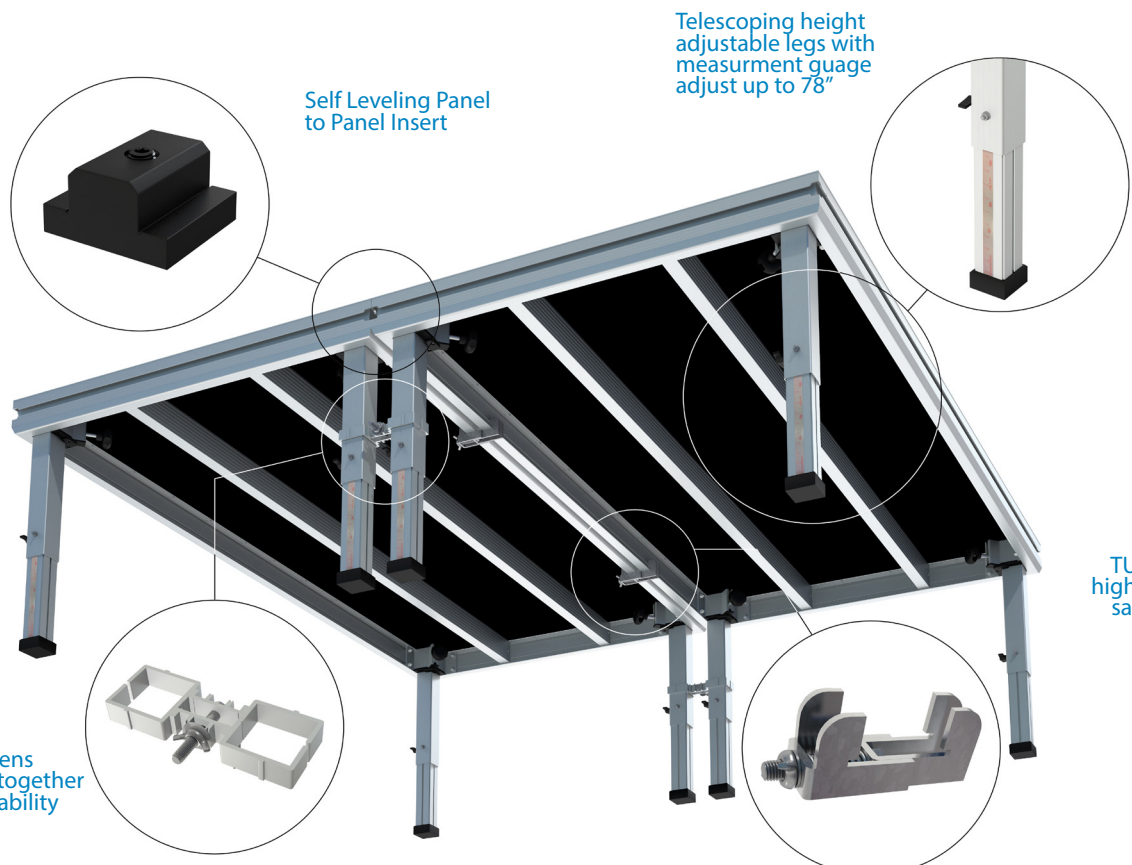
### Financing is Available!

## MONEY SAVING NEW DESIGN!

### NEW! STRONGER CHANNELLED PANEL DESIGN! 4' X 8' PANELS NOW ONLY NEED 4 LEGS INSTEAD OF 6!



TUV rated to the highest international safety standards



Clamp Fastens Stage legs together for Extra Stability

Clamp connects Stage Panels together



Can be set-up on curbs, slopes, hills, etc.



Super strong and stable! Perfect for dynamic activities such as dancing and jumping!

## ProStage Staging

- Pro-Grade staging great for dynamic loads such as dancing or jumping.
- 10 year warranty
- Available in **Industrial Finish** or Black Production Grade Finish
- Modular, height-adjustable, telescoping leg staging system based on aluminium construction.
- Can be installed on flat as well as on uneven surfaces such as slopes, curbs, and hills.
- Available in metric and imperial sizes; **4ft x 8ft** platforms.
- Available with various heights of adjustable legs which can be set at heights ranging from **16" up to 78" (40cm to 200cm) high.**
- Universal leg corners allow you to use square or round cut pipe legs on the same platform. Perfect for production companies!
- This system is designed for various events and concert markets.
- Stairs, guardrails, and transportation trolleys are available.
- Weight capacity: 153 lbs per sq. foot (750 KGS/sq. Meter).
- TUV rated at 500kg/m2 to comply with the highest safety standards

# Panels, Legs, Guardrails, Skirts & Accessories

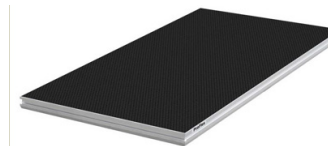
**NEW PRODUCT**



Choose from Height Adjustable or fixed stairs



Height adjustable legs



Available in industrial finish or black production grade finish.

- Stage Panel Features:
- 12mm panel thickness
  - 4' x 8' Panel sizes ( 107 lbs panel weight).
  - Weight capacity:153 lbs per sq. foot (750 KGS/sq. Meter).
  - TUV rated at 500kg/m2 to comply with the highest safety standards

Stages be set at an be at height ranges from 16" up to 78"

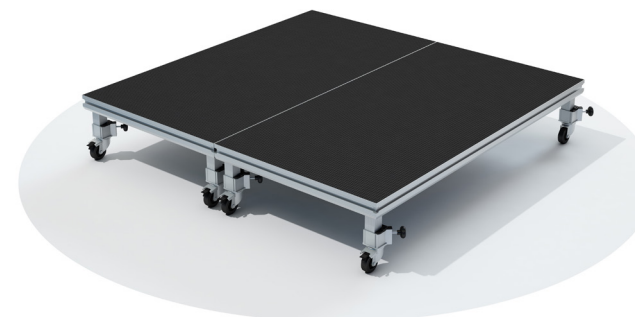
Height Adjustable Telescoping Legs

- Leg Features:
- Lightweight, aluminum, telescoping, height adjustable legs with rubber feet
  - Available in various lengths 16' up to 78"

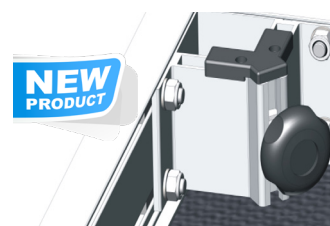
- Leg Height Available:
- SDTL1- 16", adjustable from (15 3/4" to 19 1/2")
  - SDTL2- 24", adjustable from (19 3/4" to 27 1/2")
  - SDTL3- 24" and 32", adjustable from (23 3/4" to 35 1/2")
  - SDTL4- 32", 40", 48", adjustable from (31 1/2" to 51")
  - SDTL5- 40",48",56",62", adjustable from (39 1/2" to 62 3/4")
  - SDTL6- 48",56",62",70",78", adjustable from ( 42 1/4" to 78 1/2")



Guard rails



Wheeled leg adaptors fit on stage legs to create mobile stages and drum risers!



**NEW PRODUCT**

New universal corner adaptors built into the panels allow you to use our square legs or cut your own round pipe legs.



**NEW PRODUCT**



Leg braces (which come with mounting brackets) are recommended to be installed on all stages higher than 36" (90cm) high to provide added stability



Quality construction from the highest grade materials that's our promise



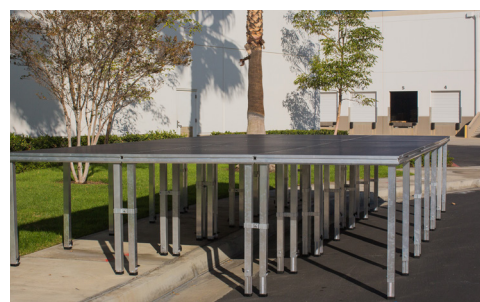
Panel Cart



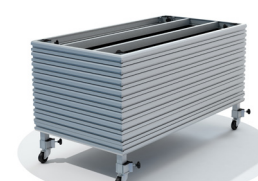
Accessory case



Can even be set-up on ultra steep grades or inside stadiums



Easily set-up on slopes and sidewalks



Caster board platform trolley



Guardrail trolley





# INSPECTION PROGRAM

## 2018



Like any sophisticated piece of equipment, the Stageline mobile stage requires basic maintenance throughout the year. This maintenance must be performed according to specific guidelines.

*“The mobile stage must be inspected within the last 24 months by a competent authority for this certificate to be valid. If critical defects are found on the structure during the inspection, repairs and procedures must be approved by a structural engineer and completed according to professional standards.”*

### YOUR STAGELINE EQUIPMENT INTEGRATES FOUR PRODUCTS IN ONE

- A road legal trailer
- A pre-assembled building structure
- A heavy-duty hydraulic equipment
- A staging structure

### UNDERLYING THIS PRODUCT ARE NO FEWER THAN FOUR TECHNOLOGIES

- Transportation
- Structural & Mechanical Engineering
- Hydraulics
- Scenic Technology

The key to making sure that the staging system functions perfectly lies in an integration so finely tuned that every component interacts perfectly with each other. With this in mind, Stageline's engineers and experienced technicians have developed a unique inspection program.

This program will give you a complete analysis of your equipment's condition including a list of immediate repairs and recommendations.

Each mandated Stageline inspector is a Stageline product specialist and knows all technological aspects of Stageline equipment as well as the various common applications of our products.

## METHODS

- Visual inspection and functional testing;
- Verbal preliminary report;
- Point-by-point verification list ;
- Written report.

## INSPECTION POINTS

- Hydraulic components;
- Structural components;
- Mechanical components;
- Stage structure;
- Efficient operation of all systems;
- Aesthetic and degree of wear and tear.  
(Soft goods are not included i.e. windwalls and skirts.)

## FINAL PRODUCT

- Detailed Technical Inspection Report including technical recommendations;
- On site maintenance suggestions;
- Estimate (if applicable);
- The service department will support you in any action following the inspection.

## CONDITIONS

- The stage and a manageable site must be available;
- The owner or one of his/her representatives must be present and available at the inspector's request;
- One or more stagehands are to be provided for the duration of the inspection process.

MODEL	DURATION	CLIENT'S LOCATION	STAGELINE'S FACILITIES *
SL50 / SL75	1 day	\$ 1 150	\$ 1 650*
SL100	1 day	\$ 1 450	\$ 1 950*
SL100 MIX	1 day	\$ 1 750	\$ 2 250*
SL200 / SL250 / SL260	1 day	\$ 1 450	\$ 1 950*
SL320 / PROMOBILE	1 day	\$ 1 950	\$ 2 450*
SAM SERIES	1 day	\$ 2 450	\$ 2 950*

\* Includes Preventive DOT inspection and renewal.

**2018 MCLAREN CERTIFICATE IS NOW INCLUDED IN THE INSPECTION COST** (Certain conditions apply).

### NOTES:

- Expenses are not included.
- Expenses due to additional time spent on the inspection, when beyond the control of the Stageline technician, will be the client's responsibility.
- Transportation of the unit is not included.

All prices described herein are subject to change without prior notice.



## TO REACH STAGELINE SERVICE DEPARTMENT

Toll free (Can./US only): 1 800 267-8243  
 Telephone: +1 450 589-1063  
 Fax: +1 450 589-1711  
 customer@stageline.com  
 www.stageline.com





# TRAINING PROGRAM

## 2018



### YOUR STAGELINE EQUIPMENT INTEGRATES FOUR PRODUCTS IN ONE

- A road legal trailer
- A heavy-duty hydraulic equipment
- A pre-assembled building structure
- A staging structure

### UNDERLYING THIS PRODUCT ARE NO FEWER THAN FOUR TECHNOLOGIES

- Transportation
- Hydraulics
- Structural & Mechanical Engineering
- Scenic Technology



A series of operations effectively transforms the trailer into a stage that integrates all the scenic elements needed for rigging such as video wall, lighting equipment, sound system, windwall and banner installation. The key to it all lies in an integration so finely tuned that every component interacts perfectly with each other.

Technicians must therefore obtain a certain degree of technical knowledge to operate a Stageline equipment. Driven by the need to ensure technical efficiency, Stageline developed a training and certification program which meets and even exceeds its clients' and users' requirements.

Operation of a Stageline mobile stage by qualified personnel is directly linked with the enforceability of the warranty and the benefit of the 24/7 technical support offered to all Stageline certified technicians.

## OBJECTIVES

With its training program, Stageline helps its users and clients increase profitability on their investment through an efficient utilization of the products.

Our experienced instructors offer practical and realistic guidance needed to optimize the participants' performance. Our main objective is to develop the aptitudes and technical knowledge of the manpower responsible for the operation of the unit in order to preserve the product's integrity and guarantee maximum safety levels.

## CONTENT

### The participants will learn to:

- Understand basic theoretical concepts and stage utilization steps;
- Understand specific interactions of all elements during operation;
- Recognize the risks and consequences of inappropriate use and operation;
- Lead and communicate efficiently with helpers or other technicians on a site;
- Act responsibly for all aspects of work with the unit so as to prevent any undesirable situation.

### The operator's training program will include:

- Definitions, concepts and technologies involved in a Stageline mobile stage;
- Explanation of the Operator's Manual and of the set-up/dismantle sequences;
- Use of the trailer, including loading and efficient leveling methods;
- Set-up and dismantling of the stage;
- Tools and practical techniques for solving mechanical and hydraulic problems;
- Notions and critical factors for scenographic use and application of load limitations.

## EDUCATION METHODOLOGY

- Workshop and practical exercises
- Demonstration and simulation of critical situations (group and individual);
- Attendance and practical examination (practical examination must be successfully passed to obtain certification);
- Attendance throughout the session;
- Understanding of the theoretical aspects of the stage;
- Certification is based on the trainee's understanding of the product's integrity and safety in general.

## PARTICIPATION AND EVALUATION MODE

- In-field practical exercises completed by theoretical training;
- User's Manual;
- The Operator Training Course includes a practical and formal evaluation of each and all participants.

## DURATION

3 to 7 days depending on stage model.

## NUMBER OF PARTICIPANTS

Group limited to four (4) people (per instructor/per stage).

## SKILLS & ASSETS

1. Leadership.
2. Manual dexterity and general technical knowledge.
3. Experience in show-business (scenography), or outdoor events.
4. Knowledge of mechanics and hydraulics.
5. Knowledge or experience in the trucking industry.

## CONDITIONS

1. The certificate issued in the technician's name is not transferable and remains valid as long as the technician is still active with the operation of the stage.
2. Certificates are issued solely by Stageline which reserves the right, at all times, to revoke the certification of any technician if major neglect or mistakes are committed.
3. Certified technicians unable to report a minimum pertinent practical operation of the Stageline product in the current year could have their status reexamined.
4. The technician must hold a written record of the set-ups/dismantles accomplished.
5. Stageline does not guarantee the participants' success. The instructor may refuse any participant if major negligence or mistakes have been detected which may compromise the group's safety or the product's integrity.

## LOCATION

### OPTION 1

Training courses are given at the client's chosen location for a specific group.

Instructor's expenses: all related costs, such as hotel, transportation and other expenses will be charged to the client. The following will be required throughout the training course:

- The Stageline equipment;
- Availability of a truck and driver;
- Stagehands;
- An adequate site: accessibility, sufficient space and 24-hour security;
- Classroom and equipment.

### OPTION 2

Training courses can be given at Stageline's facilities in L'Assomption, Quebec, for a specific group or individuals. Trainee's expenditures: all related costs, such as hotel, transport and other expenses will be the client's responsibility. Stageline will provide the stage throughout the training course.



MODEL	DURATION	\$ GROUP (MAX. 4 PEOPLE)	\$ INDIVIDUAL
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**TRAINING SESSION**

SL50 / SL75 (2 technicians)	1 day	\$ 1 250	\$ 750
SL50 / SL75 (4 technicians)	2 days	\$ 1 850	\$ 750
SL100 / SL200 / SL250 / SL260	3 days	\$ 2 440	\$ 975
SL100 MIX	4 days	\$ 3 040	\$ 1 185
SL320 / Promobile	5 days	\$ 3 940	\$ 1 425
SAM SERIES	7 days	\$ 5 120	\$ 1 995

**Covered Wings**

SL250 / SL260	2 days	\$ 1 620	\$ 625
SL320	3 days	\$ 2 220	\$ 865
SAM SERIES	4 days	\$ 2 920	\$ 1 075

**CERTIFICATION (EXAM)\***

SL50 / SL75	1/2 day	N/A	\$ 250
SL100 / SL200 / SL250 / SL260	1 day	N/A	\$ 425
SL100 MIX	1 day	N/A	\$ 425
SL320 / Promobile	1 days	N/A	\$ 675
SAM SERIES	1 days	N/A	\$ 675

**Covered Wings**

SL250 / SL260	1/2 day	N/A	\$ 250
SL320	1 day	N/A	\$ 425
SAM SERIES	1 day	N/A	\$ 425

\* For technicians that have already gone through a Stageline training session.

Expenses are not included.

Prices and duration can vary based on the options purchased with your Stageline equipment.

All prices described herein are subject to change without prior notice.

**25%  
discount**

for 2<sup>nd</sup> and 3<sup>rd</sup> participant from  
the same company or organization  
at Stageline's facilities.



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**customer@stageline.com**

**www.stageline.com**



## PURCHASE AND SALES AGREEMENT

This Purchase and Sales Agreement (the “**Agreement**”) is entered into effective as of \_\_\_\_\_ 2019, by and between **Stageline Mobile Stage Inc.** (“**Seller**”) and **City of Valdez.** (“**Buyer**”).

**WHEREAS** Seller designs and manufactures mobile stages;

**WHEREAS** Buyer wishes to purchase a mobile stage from Seller, which wishes to sell a mobile stage to Buyer, the whole subject to the terms and conditions hereinafter detailed;

**NOW, THEREFORE, SELLER AND BUYER AGREE AS FOLLOWS:**

1. **Preamble.** The Preamble hereof forms an integral part of this Agreement as if herein recited at length in full.

2. **Purchase of Stage.** Buyer agrees to buy from Seller, which agrees to sell to Buyer, the mobile stage, additions, attachments and accessories described in the Sales Quote and or Purchase Order, attached hereto in Annex A, (collectively the “**Stage**”), the whole subject to the terms and conditions hereinafter detailed.

3. **Purchase Price.** The price (the “**Price**”) to be paid under this Agreement and the payment terms are clearly detailed on the Invoice, attached hereto in Annex B. Buyer's obligation to pay the Price in full and all other amounts payable to Seller hereunder shall be absolute and unconditional. Buyer shall be solely responsible for the payment of all taxes, licenses, tariffs, registration fees, permits and all other fees and assessments in connection with Buyer's purchase, ownership, transportation, training and use of the Stage.

4. **Terms and Condition of Sale.** The sale of the Stage will be subject to all of the provisions of this Agreement. If there are any inconsistencies between this Agreement, on the one hand, and any terms and conditions of Buyer, on the other, including without limitation terms and conditions on Buyer's purchase orders, this Agreement shall govern.

5. **Delivery.** Subject to payment in full of the Price, pick up of the Stage will be on a date mutually agreed between Seller and Buyer, E.X.W. Seller's factory or warehouse located in the city of L'Assomption, Quebec, Canada. At the request of the Buyer, Stageline will make the necessary arrangements for the transportation of the stage to the location agreed upon, as well as cargo insurance on behalf of the Buyer. Buyer shall be responsible for the payment of all freight, transportation, insurance, shipping, storage, handling, demurrage or similar charges. Risk of loss or damage to the Stage shall pass to Buyer upon delivery of the Stage by Seller.

6. **Title.** Title to the Stage shall pass to Buyer upon payment in full of the Price and execution of this Agreement by Buyer.

7. **Limited Warranty.** Seller represents and warrants that the Stage will be free from material defects in workmanship and labor for a period of one (1) year from the date of delivery. Seller shall be solely responsible for the cost of all warranty parts and labor. No warranty is given by Seller with respect to fabrics, tires or rubber roof seals. **If there is a manufactured flaw with the rubber seals, Seller will cover this in the first year of ownership (subject to paragraph 8 below).** The warranty does not cover transportation charges and expenses for the Stage or any person, including the employees of Seller and Buyer, nor does the warranty cover hotel accommodation and related expenses. The express warranties set forth in this Agreement are the only warranties with respect to the stage, and the remedies set forth herein are buyer's exclusive remedies in the event of a breach of such warranties. Seller hereby disclaims all express and implied warranties that are not specifically contained in this Agreement, including without limitation the implied warranties of merchantability and fitness for a particular purpose. Seller shall not be liable for any incidental or consequential damages or any nature resulting, directly or indirectly, from any breach of such warranties, either before or after the delivery of the stage.

8. **Warranty Repair.** Buyer shall give Seller an immediate detailed written report (with photographs, drawings and depictions) by email of any mechanical breakdown or problem with the Stage, whether or not the mechanical breakdown or other problem is covered by Seller's limited warranty. If the problem is covered by Seller's limited warranty, Seller will attempt to assist Buyer's technician by email or telephone to resolve the problem. If Buyer and Seller are unable to resolve the warranty problem in this manner, as soon as reasonably practicable, Seller, in its sole discretion, will either: (a) send its own technician to the site of the Stage to perform warranty repairs, or (b) give Buyer written authorization to have the Stage repaired by a third party.

9. **Seller's Confidential Information.** Buyer represents, warrants and agrees that Buyer and Buyer's owners, shareholders, directors, officers, employees, agents, representatives, attorneys, affiliates, predecessors and successors ("**Related Persons**") will keep confidential the features of any equipment, patterns, designs, drawings, production or engineering data, or other technical, confidential or proprietary information related in any way to the Stage which may be provided by Seller to Buyer or any of its Related Persons from time to time. All such confidential and proprietary information will be used by Buyer and its Related Persons only for the purpose of utilizing the Stage purchased by Buyer hereunder. At no time will Buyer or any of its Related Persons disclose such confidential or proprietary information to third parties, or use such confidential or proprietary information for any purpose other than utilizing the Stage purchased hereunder, without Seller's prior written consent.

Upon written request from Seller from time to time, Buyer and its Related Persons will return to Seller all such confidential and proprietary information, and copies thereof, or dispose thereof as Seller directs.

10. **Modifications and Improvements.** In the event of any modification or improvement by Seller in respect of the Stage, Seller, in its sole discretion, may provide Buyer with technical or instructional bulletins ("**Bulletins**") from time to time. Buyer hereby agrees to comply with all Bulletins. The cost of compliance with the Bulletins shall be Seller's sole responsibility in the event the Bulletins pertain to safety factors or Buyer's sole responsibility in the event the Bulletins pertain to the installation, operation or maintenance of the Stage. If Buyer fails for any reason to comply with any Bulletins pertaining to safety factors, then, all



warranties set forth in this Agreement in respect of the Stage shall be deemed *ipso facto* null and void and of no further force or effect.

11. **Training.** Seller has developed a specific training program for the equipment purchased and warrants the availability of a specialized technician (hereinafter the "Trainer") to convey the training. As a condition precedent to the enforceability of the limited warranties provided in this Agreement, before using the Stage, and continuing at all times during the warranty period on the Stage, Buyer will ensure that at least two (2) of its technicians (hereinafter the "Qualified Persons") have been trained and certified by Seller to operate and use the Stage and that the Qualified Persons have all appropriate permits and licenses to operate and use the Stage, and that the Stage will be used exclusively by or under the direct supervision of Qualified Persons. All training of Buyer's technicians shall be at Buyer's sole cost, either at Seller's facility or at another location acceptable to Seller. Buyer shall be solely responsible for all expenses of the trainer and of the technicians in training. In addition, for training that takes place away from Seller's facility, Buyer shall pay all expenses of Seller's instructors, including without limitation flat daily rate for voyaging salary, travel, per diem, hotel and ground transportation.

12. **Inspection and Maintenance Policy.** Buyer acknowledges that the Stage is comprised of two (2) principal structures; namely: (a) the trailer (the "Trailer"), which includes, without limitation, the steel or aluminum frame upon which the Stage is manufactured, the motor that operates the lifting system, the suspension system, the axles, the braking system and the tires; and (b) all other aspects of the Stage (the "Functional Structure"). Buyer agrees, represents and warrants that it shall fully inspect and maintain the Stage on a timely and on-going basis, same to include, without limitation, the following:

(a) Buyer agrees, represents and warrants that it shall fully inspect and maintain the Trailer at least one (1) time per year, or more often if circumstances warrant, by fully qualified and licensed mechanics and in conformity with all laws that are applicable in the circumstances to such inspection and maintenance; and

(b) Buyer agrees, represents and warrants that it shall fully inspect and maintain the Functional Structure at least one (1) time per year or more often if circumstances warrant, in accordance with the specifications and standards that are established by Seller from time to time.

With regard to the foregoing inspections and maintenance, moreover, Buyer shall, on a timely basis, accurately complete and return to Seller all inspection and maintenance forms issued by Seller to Buyer.

Failure by Buyer to comply with any of the foregoing provisions shall *ipso facto* nullify and void the limited warranty granted to Buyer under this Agreement.

13. **Use of Stage.** Buyer acknowledges that the Stage comprises specialized and complex equipment, and that the transportation, installation, set-up, operation, use, de-installation and storage of the Stage require technicians with specialized knowledge and training. Buyer, therefore, hereby represents and warrants to Seller that at all times commencing from the delivery of the Stage to Buyer the Stage will be transported, installed, set up, operated, used, de-installed and stored in accordance with all requirements of Seller's most current operations manual (the "Operations Manual") exclusively by Qualified Persons.

14. **Alterations/Modifications Prohibited.** Buyer hereby represents and warrants to Seller that Buyer shall not under any circumstances whatsoever, unless it has received the prior express written authorization of Seller, alter and/or modify the Stage in any manner whatsoever, including, without limitation, alter and/or modify any part of the Stage that will affect or will likely affect the structural integrity of the Stage to the slightest degree.

15. **Nullification of Limited Warranty.** In addition to any other provision of this Agreement dealing with the same subject matter, in the event that any of the provisions of this Agreement entitled "Use of Stage" or "Alterations/Modifications Prohibited" or "Warranty Repair" are breached by Buyer, the Limited Warranty granted to Buyer under this Agreement shall *ipso facto* become null and void and without any further effect.

16. **Intellectual Property.** Seller is the exclusive owner of the «STAGELINE», «STAGEVAN», «SL Series», and «SAM Series» trademarks and all other trademarks, service marks, logos and trade names associated with Seller's products (collectively, "Marks"), all good will connected with the Marks, and all designs, patents, technology, know-how, copyrights, and other intellectual property related to the Stage (collectively, «Intellectual Property»). Buyer acknowledges and agrees that Buyer has no right, title or interest in or to the Marks or the Intellectual Property. Neither Buyer nor any of Buyer's Related Persons shall directly or indirectly do any of the following without the prior written consent of an authorized officer of Seller: (a) use the Marks or Intellectual Property; or (b) disclose the Marks or Intellectual Property to any third persons; or (c) copy the Marks or Intellectual Property; or (d) use any marks, technology or intellectual property that are confusingly similar to the Marks or the Intellectual Property; or (e) remove or modify Seller's Mark and logo on the Stage. Buyer shall provide photographs of the Stage to Seller in road and open positions, and shall permit Seller or its representative to photograph the Stage, and Buyer hereby grants to Seller an unconditional, irrevocable non-exclusive right and license to use photographs and depictions of the Stage for promotional purposes without any additional consideration or amounts payable to Buyer.

17. **Termination of Agreement.** Seller shall have the right to suspend its performance and terminate this Agreement immediately upon written notice to Buyer, if prior to payment in full of the Price, Buyer shall become insolvent or bankrupt, make a general assignment for the benefit of, or enter into any arrangement with, any creditor, or if a petition is filled in respect of Buyer under any bankruptcy, insolvency or similar law. Should Seller terminate this Agreement as aforesaid, (a) Seller shall be entitled to retain all amounts received from Buyer, with no obligation to return any portion of such amounts to Buyer; (b) Buyer shall immediately return the Stage to Seller; and (c) Buyer shall have no rights of any nature whatsoever in respect of the Stage.

If Buyer decides to terminate this agreement, Seller shall be entitled to retain all amounts received from Buyer, with no obligation to return any portion of such amounts to Buyer and Buyer shall have no rights of any nature whatsoever in respect of the Stage.

18. **Indemnification by Buyer.** Buyer agrees to indemnify, defend and hold harmless Seller, and Seller's shareholders, directors, officers, employees, agents and representatives, from and against any and all liabilities, losses, damages, injuries, costs, expenses, actions, claims, suits, demands, legal proceedings, assessments and similar matters, including without limitation reasonable attorneys' fees, resulting from or arising out of any failure by Buyer to fulfill any of its obligations under this Agreement, or any act or omission of Buyer or any of Buyer's agents or representatives in respect of the Stage.

19. **Indemnification by Seller.** Seller agrees to indemnify, defend and hold harmless Buyer, Buyer's principals, and their respective shareholders, directors, officers, employees, agents and representative from and against any and all liabilities, losses, damages, injuries, costs, expenses, actions, claims, suits, demands, legal proceeding, assessments and similar matters, including without limitation reasonable attorney's fee, resulting from or arising out of any failure by Seller to fulfill any of its obligations under this Agreement, or any act or omission of Seller or any of Seller agents or representatives in respect of the Stage.

20. **Force Majeure.** If either party cannot perform any obligation hereunder (other than a payment obligation) by reason of circumstances beyond such party's reasonable control, including without limitation, fire, flood, natural disasters, acts of God, war, civil commotion, labor unrest, strikes, laws or regulations, then the party affected will be excused from such performance (other than a payment obligation) on a day-to-day basis to the extent of such interference, and the other party likewise will be excused from performance of its obligations hereunder; provided the party affected shall use reasonable efforts to remove such causes of non-performance.

21. **Miscellaneous.**

(a) **Notices.** All notices hereunder shall be given in writing to the address of the other party appearing at the end of this Agreement, and shall be deemed delivered: (i) upon receipt if by overnight courier or personal delivery, or (ii) seventy-two (72) hours after being mailed, registered or certified, postage prepaid, return receipt requested. Either party may change its address by written notice hereunder.

(b) **Applicable Law; Severability.** This Agreement shall be governed by the laws of the Province of Quebec, Canada. Any provision of this Agreement which may be prohibited by or otherwise held invalid, void, or unenforceable under such law shall be ineffective only to the extent of such prohibition or invalidity and shall not invalidate or render ineffective any of the remaining provisions hereof. This Agreement shall not be construed for or against either party on the basis that one party drafted the Agreement or any provision hereof.

(c) **Non-Waiver.** The failure of either party to exercise any rights in respect of any breach or alleged breach of this Agreement by the other party shall not constitute a waiver of said breach or of any provision of this Agreement, and a failure to promptly exercise any right hereunder shall not be deemed as a waiver to exercise such right in the future.

(d) **Exclusion of U.N. Convention.** The parties specifically exclude the application of each and every provision of the United Nations Convention on Contracts For The International Sale of Goods (Vienna Convention, April 11, 1980) with respect to each and every term and condition of this Agreement.

(e) **Successors.** The covenants, agreements, terms and conditions contained in this Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties.

(f) **Arbitration; Attorneys Fees.** Any controversy, claim or dispute between the parties arising out of or relating to this Agreement, shall be settled finally by binding arbitration in Montreal, Quebec, Canada, before one arbitrator pursuant to the commercial arbitration rules of the International Chamber of Commerce. The prevailing party in the arbitration or any other legal proceeding between the parties shall be entitled to recover all of its expenses from the non-prevailing party, including without limitation the reasonable fees of attorneys and experts.

(g) **Compliance with Laws.** Buyer will have the sole responsibility for complying with all governmental laws, regulations, rules and orders with regard to Buyer's purchase and use of the Stage, including without limitation in respect of exporting the Stage from Canada and importing the Stage into any other country.

(h) **Headings.** All paragraph headings in this Agreement are for convenience only and shall not be a part of the Agreement.

(i) **Entire Agreement of the Parties.** This Agreement (including the exhibits attached hereto) constitutes the entire Agreement of the parties and supersedes any and all prior agreements, oral or written, between the parties hereto with respect to the subject matter hereof. This Agreement is intended by the parties as a final expression of their agreement with respect to the subject matter hereof and therefore this Agreement shall not be contradicted by evidence of any prior agreement or contemporaneous oral agreement.

(j) The parties further intend that this Agreement constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, with regard to this Agreement. Each party hereto acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing signed by both parties to this Agreement.

(k) **Counterparts; Email Signatures.** This Agreement may be executed in counterparts and all such executed counterparts shall constitute one (1) Agreement binding on each of the parties notwithstanding that not all the parties are signatories to the original or to the same counterpart. Email signatures shall be binding and the parties agree to provide the other party with original signatures within five (5) days of the email reception.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of

**JERECO STUDIOS INC.**

**STAGELINE MOBILE STAGE INC.**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Pierre Luc Rompre  
Commercial Director

\_\_\_\_\_  
Date MM/DD/YYYY

\_\_\_\_\_  
Date MM/DD/YYYY

Address:

Address:

City of Valdez  
212 Chenega Ave.  
P.O. Box 307  
Valdez AK 99686

700 Marsolais  
L'Assomption, QC J5W 2G9, Canada

Annex A -Stage Quote and or Purchase Order

Stageline SL100 21-Dec-18 City of Valdez, AK Sales Quote 2018 Rev 3

Stageline SL100 Mobile Stage

Floor Size 24' x 22'  
 Wind Resistance 115 mph without windwalls  
 Trailer Weight 9,900 lb



Standard Equipment *	\$ 122,500
Options & accessories	\$ 33,935
Transport & Training	\$ 21,390
Sub-Total	\$ 177,825
Discount	\$ -7,825
<b>Total</b>	<b>\$ 170,000</b>

All prices are in USD  
 Taxes not included (if applicable)  
 Payment terms: 30% to confirm, balance prior to shipment

Approval

Date:
Signature:
Name:
City # (if applicable):

STANDARD EQUIPMENT \*

ROOF STRUCTURE & RIGGING

4 Built-in trusses / aluminum 2" diameter tube trussing  
 24 Built-in rigging points - 4 movable rigging brackets included  
 Rigging bar / 14' - spans 2 rigging points from left to right  
 2 side overhang rigging beams 0'  
 Rigging points in front of corner posts  
 4 Aluminum corner posts  
 Fiberglass roof added and wrapped around structure - black roof  
 Rigging load capacity tested at twice the working load  
 Total roof load capacity with sound wings  
 Galvanized steel columns - one on each side

Compatible with industry clamps  
 Capacity: up to 1,500lb  
 Capacity: 30 lb / ft  
 Capacity: 1500 lb per side  
 Capacity: 1500 lb per side  
 Added roof stability and safety

11,600 lb  
 System safely holds rigged loads

HYDRAULICS

Double raise/lower mechanism (for a fully hydraulic set up of the stage, roof, sound, lighting and other equipment)  
 High power integrated hydraulic system  
 4 Hydraulic stabilizers / stage levels from 2' 6" to 4' 3"  
 Vertical support capacity (each): 15,000 lb  
 Lateral support capacity (each): 2,000 lb  
 Gas engine

Lifting Capacity: 3,800 lb - balanced load

Equipped with safety valves on all cylinders  
 No locks required

No other power source required

STAGE

Plywood, black finish, non slip / quick leveling legs  
 Multifunctional extruded aluminum deck edges  
 Guardrails (stage model) / aluminum  
 Support trusses built-in for Stageline platforms  
 Aluminum stairway - 7 steps - adjustable - 35" wide - with handrails  
 4 LED work lights

24' x 22'  
 To install doors, exits, guardrails & staircases  
 5 x 2' 6" + 2 x 2' 6"  
 Full perimeter

2 in the roof, 2 on the chassis

TRAILER

Trailer with jockey eye  
 2 Leaf spring axles  
 4 Tires  
 Electric brakes on all wheels  
 Emergency break away system  
 Storage compartment  
 Spare wheel / full-size tire / integrated storage  
 2 Storage bumpers  
 10 Equipment tie-downs  
 Storage weight capacity  
 Storage space capacity

Capacity: 14,000 lb  
 6:40 in (14")

DOT requirement  
 14' x 16' x 36"

Protects structure  
 2,208 Kg (5,000 lb)  
 22' 10" x 9' 0" x 2' 6" = 730 ft<sup>3</sup>

STANDARDS & CERTIFICATIONS

Applicable regulations  
 Vertical load  
 Wind resistance  
 Certificate stamped by professional engineers  
 All technical documents supplied  
 24/7 service support +1(800) 267-8243

IBC, SAE, DOT, NFPA, OSHA, ANSI & CWI  
 Floor: 7.18 kPa (150 psf) / Roof: 1 kPa (20 psf)  
 115 mph without windwalls  
 77 mph with windwalls

		UNIT/SCHEM	Price (USD)	Quantity	
<b>A WINDWALLS - SHIRTS</b>					
#1	Upstage fire retardant windwall - 4' long x full height (with doors)-over aluminum track system for easy installation - black	VH/VL	\$ 4,200	1	\$ 4,200
#2	Backdrop - 24' x 12' - black		\$ 1,250		
#3	Downstage windwall extensions - 12' 2" x 12' (with doors) - (Set of 2) - black		\$ 2,350		
#4	Sliding - 42' x 4' - black	VH/VL	\$ 1,250	1	\$ 1,250
#5	Slit extension - 2' 6" - black		\$ 295		
* An option #1 to #5, select material / also available in grey / Alternative only					
<b>B SOUND WINGS &amp; RIGGING</b>					
			Price (USD)	Quantity	
#1	Extension platforms (black non-slip) & accessories - 4' x 8' - (sugg'd qty: 4)		\$ 590	4	\$ 2,360
#2	Guardrail (platform model) / aluminum - 2' 8" - (sugg'd qty: 8)		\$ 180	8	\$ 1,440
#3	Reinforced flybars with line array and screen rigging points (set of 2)		\$ 1,750	1	\$ 1,750
#4	FDH pipes - capacity: 750 lb - (set of 2)		\$ 1,200		
#5	Movable rigging tractors - (set of 2)		\$ 150	1	\$ 150
#6	2 Cylinder locks (corner post substitute)		\$ 500	1	\$ 500
<b>C BANNER SUPPORTS</b>					
			Price (USD)	Quantity	
#1	Rooftop banner support posts - 20' x 4'		\$ 710	1	\$ 710
#2	Banner framing bars		\$ 450	1	\$ 450
#3	Lateral banner supports - 4' x 12' 10" - includes pulley rigging points for retractable banner system		\$ 800	1	\$ 800
#4	Lateral bars at stage level / keeps lateral banners taut		\$ 900	1	\$ 900
<b>D UPSTAGE DECK UPGRADE -</b>					
			Price (USD)	Quantity	
#1	3 Extension platforms & accessories - 4' x 24'		\$ 2,820		
#2	8 Guardrails (platform model) / aluminum - 2' 8"		\$ 1,440		
#3	Staging system for extension platforms		\$ 810		
#4	Windwall to cover increased area		\$ 540		
<b>E HYDRAULICS</b>					
			Price (USD)	Quantity	
#1	Hydraulic quick connectors		\$ 450	1	\$ 450
#2	Electric motor, 1 hp, 110 V, hydraulic connections and pump for dual power (steel storage compartment included)		\$ 2,500	1	\$ 2,500
#3	Safety cut off switch		\$ 675	1	\$ 675
<b>F REVERSIBILITY</b>					
			Price (USD)	Quantity	
#1	Header to receive windwalls on downstage roof panels		\$ 300	1	\$ 300
#2	Hardware to receive flybars, lateral bars and FDH pipes on upstage roof panels		\$ 2,150	1	\$ 2,150
<b>H TRAILER HITCH</b>					
			Price (USD)	Quantity	
#1	Gooseneck / hitch for 5th wheel hookup (instead of drawbar with pintle eye)		\$ 2,100	1	\$ 2,100
#2	Gooseneck / ball hitch hookup (instead of drawbar with pintle eye)		\$ 2,300		
#3	Ball hitch (attachment only)		\$ 1,300		
#4	Drawbar / pintle hitch (in addition to gooseneck)		\$ 2,400		
#5	Hydraulic foldable gooseneck for hitch or ball hitch (instead of drawbar with pintle eye)		\$ 5,500		
<b>I ACCESSORIES</b>					
			Price (USD)	Quantity	
#1	Aluminum stairway - 7 steps - adjustable - 30" wide - with handrails		\$ 1,500	1	\$ 1,500
#2	Loading ramp / aluminum - 2' x 12'		\$ 1,325		
#3	Loading ramp / aluminum - 4' x 12'		\$ 2,300		
#4	ADA lift - up to 2' - 600 lb max load - portable - access from all sides		\$ 6,700		
#5	Extension platform (black non-slip) & accessories - 4' x 8'		\$ 590		
#6	Extension platform (black non-slip) & accessories - 4' x 4'		\$ 800		
#7	Guardrail (platform model) / aluminum - 2' 8"		\$ 180		
#8	Guardrail (stage model) / aluminum - 2' 8"		\$ 190		
#9	Guardrail (stage model) / aluminum - 2' 8"		\$ 320		
#10	Guardrail (stage model) / aluminum - 5 x 2' 8" + 2 x 2' 8"		\$ 1,300		
#11	Quick shelter, polyester roof and walls - 8' x 8'		\$ 1,600		
#12	Quick shelter, polyester roof and walls - 10' x 10'		\$ 1,800		
#13	Storage compartment / steel - 14' x 10' x 36"		\$ 775		
#14	Underfloor storage system for options and accessories		\$ 2,500	1	\$ 2,500

OPTIONS & ACCESSORIES			
		Price (USD)	Quantity
J	<b>LIGHTING &amp; SOUND</b>		
J	Basic lighting package 8 x LED Par64 Par cans - DMX controllable - 1 x DMX lighting controller, all clamps, plugs and cables	\$ 4,500	1 \$ 4,500
J	Basic sound system 2 x active 550 watt 2 way PA speaker system with stands & cables / 1 x 6 channel analog mixer with cables, 2 x unidirectional microphones with stands & cables	\$ 3,500	
J	Power distribution - portable - 50 amp for basic sound and lighting package	\$ 2,300	
J	Generator - portable 4,500 watt - powers sound and lighting (65 db 24") Road Case - optional:	\$ 4,990	
J	Basic lighting package	\$ 975	1 \$ 975
J	Basic sound system package	\$ 1,000	
J	Basic lighting and sound system package	\$ 2,450	
K	<b>TRAILER GRAPHICS</b>		
K1	Logo only	\$ 700	
K2	Full graphic trailer wrap - (2 x (24' 7" x 7' 2") - 2 x (7' 11" x 7'))	\$ 3,675	
	Customized screen banners - digital graphics - 4 color process		
K3	Rooftop header banner - 24' x 3' 10"	\$ 975	
K4	Rooftop header banner - 37' x 3' 10" - spans lateral banners	\$ 1,300	
K5	Lateral banners - 6' 8" x 10' 8" (Set of 2)	\$ 1,045	
K6	Rear banner - 22' 4" x 12' 11" - installs full size, with or without back-drop <i>Available in vinyl or fabric wrap</i>	\$ 2,720	
L	<b>MISCELLANEOUS</b>		
L	Misc_1	\$ 0	
L	Misc_2	\$ 0	
<b>Total for Options &amp; Accessories</b>			<b>\$ 33,935</b>

SERVICES			
		Price (USD)	Quantity
M1	Trailer stress wrap	\$ 700	
M2	Transport - to City of Valdez	\$ 12,750	1 \$ 12,750
M3	Transport to Champlain, NY - includes customs paperwork	\$ 1,200	
M4	Training course - 3 day comprehensive (subject to options chosen) - maximum 4 technicians	\$ 2,440	1 \$ 2,440
M5	Trailer expenses - to, in & from training site (n/a when training given at Stageline)	\$ 6,200	1 \$ 6,200
<b>Total for Services</b>			<b>\$ 21,390</b>

TRANSPORTATION, TRAINING AND TRAINER'S EXPENSES WILL BE INVOICED SEPARATELY.



Costs related to transportation, training and trailer expenses (travel, accommodation and per diem) not included.  
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Stageline Mobile Stage Inc.  
150 Marsadek Street, L'Assomption, Quebec, Canada J6W 2G8

Tel: (514) 889-1843, Fax: (514) 889-1711  
www.stageline.com



Annex B -Invoice

**Stageline SL100 Mobile Stage**

Floor Size: 24' x 20'  
 Wind Resistance: 115 mph without windwalls  
 Trailer Weight: 9,990 lb



Standard Equipment *	\$	122,500
Options & accessories	\$	33,935
Transport & Training	\$	21,390
Sub-Total	\$	177,825
Discount	-\$	7,825
<b>Total</b>	<b>\$</b>	<b>170,000</b>

All prices are in USD  
 Taxes not included (if applicable)  
 Payment terms: 30% to confirm, balance prior to departure

**Approval**

<b>Date:</b>
<b>Signature:</b>
<b>Name:</b>
<b>EIN # (if applicable):</b>

**STANDARD EQUIPMENT \***

**ROOF STRUCTURE & RIGGING**

4 Built-in trusses / aluminum 2" diameter tube trussing  
 24 Built-in rigging points - 4 movable rigging brackets included  
 Rigging bar / 14' - spans 2 rigging points from left to right  
 2 side overhang rigging beams 6'  
 Rigging points in front of corner posts  
 4 Aluminum corner posts  
 Fiberglass roof molded and wrapped around structure - black roof  
 Rigging load capacity tested at twice the working load  
 Total roof load capacity with sound wings:  
 Galvanized steel column - one on each side

Compatible with industry clamps  
 Capacity: up to 1,500lb  
 Capacity: 30 lb / ft  
 Capacity: 1500 lb per side  
 Capacity: 1500 lb per side  
 Added roof stability and safety

11,800 lb  
 System safely hoists rigged loads

**HYDRAULICS**

Double mast lifting mechanism (for a fully hydraulic set up of the stage, roof, sound, lighting and other equipment)  
 High power integrated hydraulic system  
 4 Hydraulic stabilizers / stage levels from 3' 6" to 4' 3"  
 Vertical support capacity (each): 15,000 lb  
 Lateral support capacity (each): 2,000 lb  
 Gas engine

Lifting Capacity: 3,800 lb - balanced load  
 Equipped with safety valves on all cylinders  
 No tools required  
 No other power source required

**STAGE**

Plywood, black finish, non slip / quick levelling legs  
 Multifunctional extruded aluminum deck edges  
 Guardrails (stage model) / aluminum  
 Support brackets built-in for Stageline platforms  
 Aluminum stairway - 7 steps - adjustable - 35" wide - with handrails  
 4 LED work lights

24' x 20'  
 To install decks, skirts, guardrails & staircases  
 5 x 5' 9" + 2 x 2' 8"  
 Full perimeter  
 2 in the roof, 2 on the chassis

**TRAILER**

Drawbar with pintle eye  
 2 Leaf spring axles  
 4 Tires  
 Electric brakes on all wheels  
 Emergency breakaway system  
 Storage compartment  
 Spare wheel / full-size rim / integrated storage  
 2 Storage bumpers  
 10 Equipment tie-downs  
 Storage weight capacity  
 Storage space capacity

Capacity: 14,990 lb  
 0.40 m (16")  
 DOT requirement  
 14" x 16" x 36"  
 Protects structure  
 2.268 Kg (5,000 lb)  
 23' 10" x 5' 6" x 5' 6" = 720 ft³

**STANDARDS & CERTIFICATIONS**

Applicable regulations  
 Vertical load:  
 Wind resistance:  
 Certificate stamped by professional engineers  
 All technical documents supplied  
 24/7 service support +1(800) 267-8243

IBC, SAE, DOT, NFPA, CBC, NBC & CWB  
 Floor: 7.18 KPa (150 psf) / Roof: 1 KPa (20 psf)  
 115 mph without windwalls  
 77 mph with windwalls

**OPTIONS & ACCESSORIES**

		VINYL/ SCRIM	Price (USD)	Quantity	
<b>A</b>	<b>WINDWALLS - SKIRTS</b>				
a1	Upstage fire retardant windwall - 44' long x full height (with doors) (keder aluminum track system for easy installation) - black	VINYL	\$ 4,200	1	\$ 4,200
a2	Backdrop - 24' x 15' - black		\$ 1,650		
a3	Downstage windwall extensions - 10' 3" x 15' (with doors) - (Set of 2) - black		\$ 2,300		
a4	Skirting - 40' x 4' - black	VINYL	\$ 1,350	1	\$ 1,350
a5	Skirt extension - 8' 6" - black		\$ 295		
* for options a1 to a5, select material - also available in grey - fabrication delay					
<b>B</b>	<b>SOUND WINGS &amp; RIGGING</b>		<b>Price (USD)</b>	<b>Quantity</b>	
b1	Extension platforms (black non-slip) & accessories - 4' x 8' - (sugg'd qty: 4)		\$ 990	4	\$ 3,960
b2	Guardrails (platform model) / aluminum - 3' 8" - (sugg'd qty: 8)		\$ 180	8	\$ 1,440
b3	Reinforced flybays with line array and screen rigging points (set of 2)		\$ 1,750	1	\$ 1,750
b4	FOH pipes - capacity: 700 lb - (set of 2)		\$ 1,830		
b5	Movable rigging brackets - (set of 2)		\$ 150	1	\$ 150
b6	2 Cylinder locks (corner post substitute)		\$ 500	1	\$ 500
<b>C</b>	<b>BANNER SUPPORTS</b>		<b>Price (USD)</b>	<b>Quantity</b>	
c1	Rooftop banner support posts - 37' x 4'		\$ 725	1	\$ 725
c2	Banner framing bars		\$ 450	1	\$ 450
c3	Lateral banner supports - 6' x 15' 10" - includes pulley rigging points for retractable banner system		\$ 800	1	\$ 800
c4	Lateral bars at stage level / keeps lateral banners taut		\$ 900	1	\$ 900
<b>D</b>	<b>UPSTAGE DECK UPGRADE - Extend to 24' x 24'</b>		<b>Price (USD)</b>	<b>Quantity</b>	
d1	3 Extension platforms & accessories - 4' x 24'		\$ 2,970		
d2	8 Guardrails (platform model) / aluminum - 3' 8"		\$ 1,440		
d3	Bracing system for extension platforms		\$ 810		
d4	Windwall to cover increased area		\$ 540		
<b>E</b>	<b>HYDRAULICS</b>		<b>Price (USD)</b>	<b>Quantity</b>	
e1	Hydraulic quick connectors		\$ 450	1	\$ 450
e2	Electric motor, 1 hp, 110 V, hydraulic connections and pump for dual power (steel storage compartment included)		\$ 2,500	1	\$ 2,500
e3	Safety cut off switch		\$ 675	1	\$ 675
<b>F</b>	<b>REVERSIBILITY</b>		<b>Price (USD)</b>	<b>Quantity</b>	
f1	Keder to receive windwalls on downstage roof panels		\$ 350	1	\$ 350
f2	Hardware to receive flybays, lateral banners and FOH pipes on upstage roof panels		\$ 2,160	1	\$ 2,160
<b>H</b>	<b>TRAILER HITCH</b>		<b>Price (USD)</b>	<b>Quantity</b>	
h1	Gooseneck / kingpin for 5th wheel hookup (instead of drawbar with pintle eye)		\$ 2,100	1	\$ 2,100
h2	Gooseneck / ball hitch hookup (instead of drawbar with pintle eye)		\$ 2,100		
h3	Ball hitch (attachment only)		\$ 1,100		
h4	Drawbar / pintle hitch (in addition to gooseneck)		\$ 2,400		
h5	Hydraulic foldable gooseneck for kingpin or ball hitch (instead of drawbar with pintle eye)		\$ 5,500		
<b>I</b>	<b>ACCESSORIES</b>		<b>Price (USD)</b>	<b>Quantity</b>	
i1	Aluminum stairway - 7 steps - adjustable - 35" wide - with handrails		\$ 1,500	1	\$ 1,500
i2	Loading ramp / aluminum - 3' x 12'		\$ 1,325		
i3	Loading ramp / aluminum - 4' x 12'		\$ 2,300		
i4	ADA lift - up to 5' - 600 lb max load - portable - access from all sides		\$ 9,790		
i5	Extension platform (black non-slip) & accessories - 4' x 8'		\$ 990		
i6	Extension platform (black non-slip) & accessories - 4' x 4'		\$ 800		
i7	Guardrail (platform model) / aluminum - 3' 8"		\$ 180		
i8	Guardrail (stage model) / aluminum - 2' 8"		\$ 160		
i9	Guardrail (stage model) / aluminum - 5' 9"		\$ 320		
i10	Guardrail (stage model) / aluminum - 5 x 5' 9" + 2 x 2' 8"		\$ 1,900		
i11	Quick shelter, polyester roof and walls - 8' x 8'		\$ 1,600		
i12	Quick shelter, polyester roof and walls - 10' x 10'		\$ 1,800		
i13	Storage compartment / steel - 14" x 16" x 36"		\$ 775		
i14	Underfloor storage system for options and accessories		\$ 2,500	1	\$ 2,500

**OPTIONS & ACCESSORIES**

		Price (USD)	Quantity	
<b>J</b>	<b>LIGHTING &amp; SOUND</b>			
j1	<b>Basic lighting package</b> 8 x LED Par64 Par cans - DMX controllable - 1 x DMX lighting controller, all clamps, plugs and cables	\$ 4,500	1	\$ 4,500
j2	<b>Basic sound system</b> 2 x active 550 watt 2 way PA speaker system with stands & cables / 1 x 6 channel analog mixer with cables, 2 x unidirectional microphones with stands & cables	\$ 3,500		
j3	Power distribution - portable - 50 amp for basic sound and lighting package	\$ 2,350		
j4	Generator - portable 4,500 watt - powers sound and lighting (65 dB 24")	\$ 4,995		
<b>Road Cases - options:</b>				
j5	Basic lighting package	\$ 975	1	\$ 975
j6	Basic sound system package	\$ 1,600		
j7	Basic lighting and sound system package	\$ 2,450		
<b>K</b>	<b>TRAILER GRAPHICS</b>			
k1	Logo only	TBD		
k2	Full graphic trailer wrap - (2 x (24' 7" x 7' 2") - 2 x (4' 11" x 7'))	\$ 3,675		
<b>Customized scrim* banners - printed graphics - 4 color process</b>				
k3	Rooftop header banner - 24' x 3' 10"	\$ 970		
k4	Rooftop header banner - 37' x 3' 10" - spans lateral banners	\$ 1,390		
k5	Lateral banners - 6' 6" x 15' 9" (Set of 2)	\$ 1,045		
k6	Rear banner - 23' 4" x 12' 11" - installs full size, with or without backdrop <i>*available in vinyl - prices vary</i>	\$ 2,725		
<b>L</b>	<b>MISCELLANEOUS</b>			
l1	Misc_1	TBD		
l2	Misc_2	TBD		
<b>Total for Options &amp; Accessories</b>				<b>\$ 33,935</b>

**SERVICES**

		Price (USD)	Quantity	
<b>m</b>	<b>SERVICES</b>			
m1	Trailer shrink wrap	\$ 700		
m2	Transport - to City of Valdez	\$ 12,750	1	\$ 12,750
m2a	Transport to Champlain, NY - includes customs paperwork	\$ 1,200		
m3	Training course - 3 day comprehensive (subject to options chosen) - maximum 4 technicians	\$ 2,440	1	\$ 2,440
m4	Trainer expenses - to, in & from training site (n/a when training given at Stageline)	\$ 6,200	1	\$ 6,200
<b>Total for Services</b>				<b>\$ 21,390</b>

TRANSPORTATION, TRAINING AND TRAINER'S EXPENSES WILL BE INVOICED SEPARATELY.

\*Prices & specifications subject to change without notice

Stageline SL100 - Sales Quote 2018



Costs related to transportation, training and trainer expenses (travel, accommodation and per diem) not included.  
EXW: L'Assomption, Quebec, Canada

Stageline Mobile Stage Inc.  
700 Marsolais Street, L'Assomption, Quebec, Canada J5W 2G9

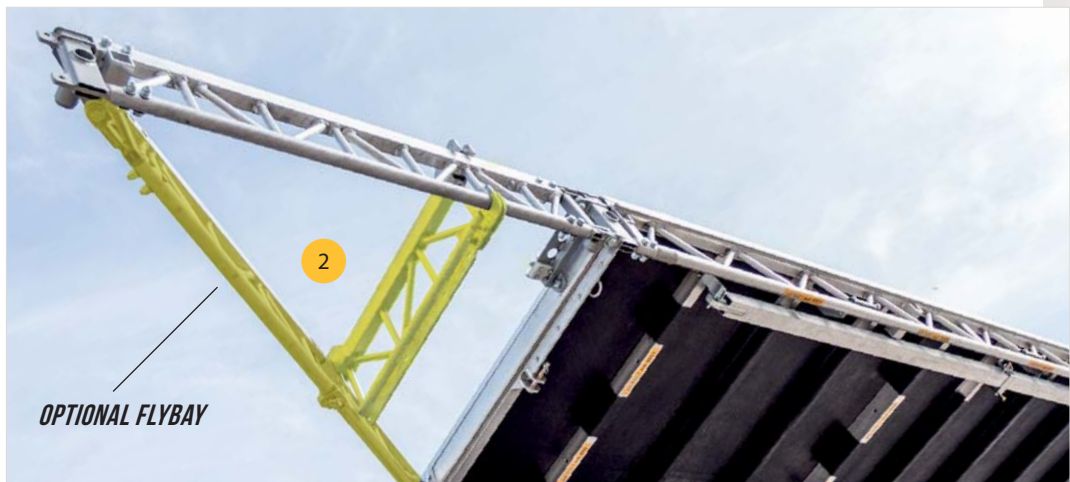
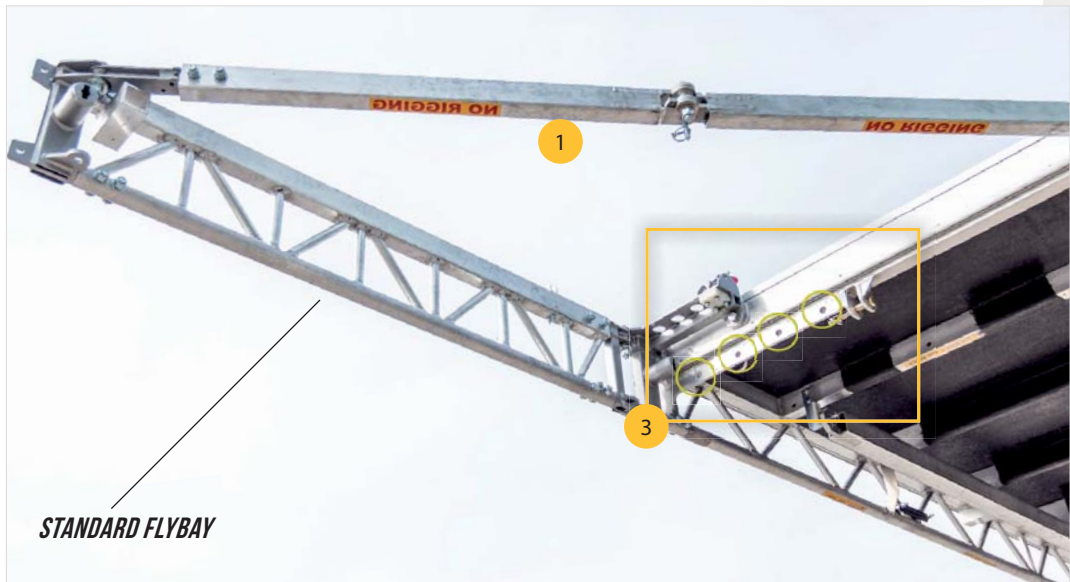
Tel.: (450) 589-1063, Fax: (450) 589-1711  
www.stageline.com



**SL100 NEW FEATURES  
WE'VE KEPT THE BEST AND MADE IT BETTER**

# OVERALL RIGGING EFFICIENCY AND STRENGTH

TOTAL RIGGING CAPACITY: 11,800 lb (5,351 kg)



## FLYBAYS

- 1 Permanently mounted side rigging trusses with a 1,500 lb (680 kg) capacity per side. Truss deploys in seconds.
- 2 Line array and screen rigging capability with multiple configurations (optional).
- 3 Rigging points for PA in front of all 4 corner posts, under the roof.

**INCREASED RIGGING OPTIONS WITH THE 6' (2M) SIDE RIGGING TRUSSES FOR LED SCREEN OR SPEAKERS.**

## 1 T2 TRUSSES

Increased capacity to  
1,200 lbs (544 kg)

## 2 REDESIGNED FOH

Capacity of 700 lbs (317 kg)

## CERTIFICATION

IBC 2015 compliant  
(International Building Code)



## DECK AND CHASSIS

A stronger deck now at 150 lb/ft<sup>2</sup> ( 732 kg/m<sup>2</sup>).

Leg installation with steel components instead of cables.

Cross braced steel members added to support legs under the mid-section of trailer frame.

**STRONGER LEGS = GREATER STABILITY = GREATER WIND RESISTANCE**  
Up to 115 mph (185km/h)

## MULTIPLE RIGGING OPTIONS

24 built in rigging points with a capacity of up to 1,500 lb (680 kg).

## MOVABLE RIGGING BRACKETS

4 movable rigging brackets provided as standard.

# NEW FEATURES

THAT MAKE THE SL 100 EVEN EASIER TO USE

## HYDRAULICS

- 1 Levers relocated & end panels redesigned for improved visibility  
Electric starter included

## BANNERS & SKIRT

- 2 Rooftop and side banner system simplified - components interchangeable
- 3 Banner pipes installed with easy key connectors, reducing amount of pins
- 4 Pre-cut skirt holes for banner pipes

## STORAGE

- 5 Corner posts stored in roof panels
- 6 Custom design racks for loose staging components  
eg. : Extension legs, banner kit and line array trusses

## STAGE

- 7 Corner post connectors redesigned and reinforced
- 8 Permanently installed guardrail and cargo bumper  
Additional storage compartment included

## LIGHTS

4 battery powered LED work lights  
2 in the roof - 2 under the floor

## BATTERY

- 9 Battery system - 3 functions: work lights, emergency breakaway system and engine starter  
Battery recharging when 110v outlet is connected or truck is attached and connected (12 volt)

## SAFETY

- 10 Optional engine kill switch
- 11 Steps for easy access to pin telescoping sections  
Built in ground lug



LESS HANDLING FOR AN EASIER SET-UP





10<sup>th</sup> October 2018

Laurine Regan  
Events & Marketing Coordinator.  
City of Valdez  
Economic Development Dept.  
212 Chenega Avenue  
Valdez, Alaska, 99686

**Re: Sole Source Product**

Dear Laurine,

This letter is to confirm that the Stageline SL100 is a sole source product. The mobile stage is manufactured, sold and distributed exclusively by Stageline Mobile Stage inc. We are the one supplier and sole source for reasons of expertise, quality, safety, specifications and durability that meets and exceeds your needs of quality long lasting and safe mobile stage equipment.

**Sole Supplier:**

- We have **the only aluminum frame roof structure that is completely wrapped in fiberglass** - Fiber Lock, wraps around the aluminum roof panel structure adding to the rigidity and strength, to the safety and to the life expectancy of the roof and of the equipment as a whole.
- The product carries the only warranty that offers **5 years coverage for the aforementioned Fiber Lock process** and roof's water repellency.
- The Stageline SL100 is the only mobile stage of its size to offer **rigging points at 6' from the roof corners without needing the addition of cables** to secure the overhanging beam.

There is no division of Stageline that has any right of sub-license to make a similar or competing product. There is only one price for the above-named product fabricated and exclusively distributed by Stageline who holds all marketing rights.

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**Stageline Mobile Stage Inc.**

700 Marsolais, L'Assomption, Quebec, Canada J5W 2G9 • Tel: 450-589-1063 • 1-800-26-stage (North America) • Fax 450-589-1711  
Web: <http://www.stageline.com> • E-mail: [info@stageline.com](mailto:info@stageline.com)



### Stageline SL100 / Added Features

- 1 The SL100 has the highest wind tolerance for outdoor stages – it resists gust winds of 115 mph without windwall. No guy wires and no additional ballasts are required for stability.
- 2 The 24' 11" wide by 23' 7" roof is raised by a hydraulic double-mast lifting mechanism. Contrary to H-type or central roof structures, or roof structures with knuckle and/or hinge joints, the double-mast system completely eliminates the risk that weight rigged into the roof cause shifting which in turn can make the telescoping structures jam.
- 3 The roof is equipped with two (2) sound extension beams extending 6' off its downstage corners.  
  
The overhanging beam is not assisted by an overhead post and cable that needs assembling.
- 4 The sound extension beams on the SL100 enable you to hang video screens to each side aswell as a full sound system.
- 5 The roof is made of fiber glass wrapped around the aluminum structure. No rivets or glue go into the fabrication. Three inch (3") square aluminium corner posts maximize audience sightlines.
- 6 The surround is a fire retardant windwall and/or scrim wall installed using a keder and aluminium track system that provides for rapid installation and maximum protection from rain, dust, sun and wind for artists and equipment.
- 7 The SL100 can accommodate banner support hardware both horizontally (36' long x 4' high) above the roof line and vertically (15' high x 6' wide) in front of the speaker positions for maximum sponsorship possibilities. Such large banners are installed without affecting the wind resistance rating.

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#### Stageline Mobile Stage Inc.

## STAGELINE Stage Evaluation Summary.

### The price/quote includes transport to Valdez and training/certification.

1. **Transport** – Stageline Staff will drive the Stage to Valdez, Alaska.
2. **Training** – on purchase - 4 City of Valdez Staff to be trained and certified to use on site in Valdez.  
The reason for the training and certification is to provide security to the Warranty. After the warranty runs out, then inter departmental (in house) training can be done.
3. **Service** – Minor Services/routine – City staff as per above training.
4. **Major Service** - Service Technician will be scheduled to visit Valdez every 2 years, but Stageline advise they can change that to Yearly if requested. There is a 24/7 Telephone Service Support.
5. **Warranty :-**  
12 Months – Parts & Labor  
Reinforced Fiberglass Roof – 5 years  
Structure & Chassis– 3 years  
Extended Warranties are available.
6. **Lifespan of Stage** – 25+ years and is 80% recyclable.
7. **Storage** – Does not require under cover storage. Roof is designed to accept 20 pounds per square foot when stage is open. Double that for snow load when stage is packed up into the trailer. Unit is 720SqFt. A Scissor lift will be required to allow for someone to work to remove snow load if/when needed but no walking on the roof.
8. **UNDER COVER STORAGE SOLUTION:** Two locations have been selected and pre-approved by the Ports & Harbor Director. 1 at the silo (there is a covered area that will fit the trailer) and the other under the roofline of the new building at Kelsey Dock. (height was confirmed)
9. **Power source** – Gas Powered Engine built into the Structure. There is a redundancy engine on board as well. The redundancy engine will require 110V power source connected.
10. **Under Stage** – Rust Proofed.
11. **Site prep** – No preparation of the site is needed. No soil disturbance, no restoration of the site after the event.
12. **SAFELY USED OUTDOORS**  
Wind resistance up to 115mph without waterproof vinyl wind-walls, and 77mph with waterproof vinyl wind-walls.  
All units have mechanical locking systems and the hydraulic stages are equipped with safety valves. All models are designed to withstand high risk in extreme weather conditions.  
All Stageline mobile stages are designed and tested with load criteria at twice the permitted load.

13. **Cleaning** – Power Wash structure to remove any salt water.

**14. Customer investigation - References:**

We at the City of North Las Vegas could not be happier with our SL 100. Its beauty is in its simplicity and versatility. We have utilized the stage in several set-up options and every time, has performed flawlessly. The 24' x 20' dimension allows for dynamic stage presentations and flexibility not found in many mobile stage units, and can be set-up in many situations in less than an hour. If you are considering the purchase of a mobile stage, you can't go wrong with a Stageline SL 100. **Patrik Genovese, Special Events, City of North Las Vegas, NV**

Mine is now 12 years old, and continues to operate, and look like it is only a year or old! – **Mike Borne, President, Allstar Audio Systems, Inc. Smyrna, TN.**

Since we purchased our Stageline unit, we have used it all year round at New York Giants and New Jersey Devils events and are never worried about the weather. Besides being able to stand wind gusts almost 4 times more than conventional roof systems with the back wall and sides up we can tough out some pretty bad weather. 90% of our work is outside. **John Kennedy, Kennedy Event Services Inc., Lebanon, NJ**

The "Rec & Roll Stage" is a hit in our community! The size and versatility of the SL 100 combined with the ease of set-up make it perfect for our needs. We've used it for performances, graduations, and speeches. Community requests keep coming in and we're the envy of our neighboring communities. **Ron Rodriguez, Recreation Services Manager Recreation and Parks Department, City of Santa Maria, CA**

**More references next page..... Including below Inuvik in the Arctic Circle.**

Hi Laurine,

Sorry for the late response, we have had the SL100 stage since 2009. We have trained most of our guys in using it and we now use it for the event out in the parks as well as ones inside our recreational arena. We haven't had any major issues or challenges with the system, its' worked pretty well thus far.

Regards,

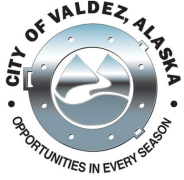
Kecil Joseph

Development Officer

Town of Inuvik

**MORE CUSTOMER REFERENCES LIST. These are being followed up.**

<p>Joey Baker  City of Sulphur Springs  PO Box 594  Sulphur Springs TX 75483  (903) 885-4911  <a href="mailto:jbaker@sulphurpringstx.org">jbaker@sulphurpringstx.org</a></p>	<p>Larry Daniello  City of Rome  198 North Washington Street  Rome NY 13440  (315) 838-1720  <a href="mailto:ldaniello@romecitygov.com">ldaniello@romecitygov.com</a></p> <p><b>Email received.10/10/2018</b></p> <p><b>Laurine,</b>  <b>It was a pleasure speaking with you yesterday.</b>  <b>I would like to go on record saying the City of Rome is extremely satisfied with our Stageline SL100.</b>  <b>We have had a very successful Summer with the stage and we would recommend it to anyone.</b>  <b>Larry</b></p>
<p>Philip Yabes  Assistant Director  Town of Buckeye  201 East Center Avenue  Buckeye AZ 85326  (623) 349-6604  <a href="mailto:pyabes@buckeyeaz.gov">pyabes@buckeyeaz.gov</a></p>	<p>Chris Legakes  City of El Centro  1275 Main Street  El Centro, CA 92243  (760) 337-4553  <a href="mailto:clegakes@cityofelcentro.org">clegakes@cityofelcentro.org</a></p>
<p>Cathy Lee  City of Marshall  344 West Main St  Marshall, MN 56258  (507) 537-6760  <a href="mailto:cathy.lee@marshallmn.com">cathy.lee@marshallmn.com</a></p>	<p>Hilda Povall  City of Cleveland - MS  100 North Street  Cleveland MS 38732  USA  (662) 843-9948  <a href="mailto:hcpovall@bellsouth.net">hcpovall@bellsouth.net</a></p>



## Legislation Text

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**File #:** 19-0006, **Version:** 1

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**ITEM TITLE:**

Approval of Contract Amendment #10 with Arcadis, Inc, Project Management Services for the New Harbor Contract No. 1176 in the Amount of \$170,901.34

**SUBMITTED BY:** Nathan Duval, Capital Facilities Director

**FISCAL NOTES:**

Expenditure Required: \$170,901.34

Unencumbered Balance: \$61,922.43 & \$4,381,146.39

Funding Source: 310-6450-58010 & 310-6450-58000

**RECOMMENDATION:**

Approve Contract Amendment #10 with Arcadis, Inc, Project Management Services for the New Harbor Contract No. 1176 in the Amount of \$170,901.34

**SUMMARY STATEMENT:**

Arcadis' previous New Harbor Phase II contract amendment was based on the Contractor's schedule and slated to be complete 12/31/18. The project timeline has exceeded the Contractor's baseline schedule duration. Arcadis should be retained throughout construction and through close-out processes to provide continuity of service and quality assurance.

Arcadis and Owner's rep Ron Rozak have been efficient with City funds and have underrun a number of tasks and assisted with a number of unintended responsibilities to ensure project completion.

This cost will be offset by savings realized during the Corps of Engineers close-out and the overall advertised budget of \$82.6M remains unchanged. The completion dates within the construction contract remain unchanged.



**City of Valdez  
Contract Amendment #10**

THIS AMENDMENT between the CITY OF VALDEZ, ALASKA, (“City”) and ARCADIS, INC. (“Contractor”), is to the following AGREEMENT dated the 5<sup>th</sup> day of August, 2014:

**Project: Project Management Services for the New Small Boat Harbor**

**Project No: 310-6450**

**Contract No.: 1176**

**Cost Code: Original # 310-6450-49551; Current # 310-6450-58010 & 310-6450-58000**

Contractor’s project manager under this agreement is Ron Rozak, PE.

City’s project manager is Nathan Duval.

**ARTICLE 1. Justification**

The above referenced AGREEMENT requires modification due to the following requirements or conditions: The original Project Management services contract was based on Contractor’s original/baseline construction schedule and was anticipated closing out in late 2018. The schedule has slipped and added field support is needed to accommodate the new completion schedule anticipated second quarter of 2019. Additional time and money is required to assist with project close-out and warranty services.

**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 the attached proposal and cost estimate dated December 7th, 2018, which is hereby incorporated by this reference. Period of performance is extended through June 30, 2019.

**ARTICLE 3. Compensation**

Original amount of the AGREEMENT: \$340,548.00

Amount Changed by previously authorized Amendment: \$2,198,920.06

AGREEMENT Amount prior to this Amendment: \$2,539,468.06

Amount of this Amendment: \$170,901.34

New total AGREEMENT amount including this Amendment: \$2,710,369.40

**Agreement for Professional Services  
Project: Project Management Services for  
the New Small Boat Harbor  
Project No: 310-6450  
Contract No.: 1176**



**Cost Code: Original # 310-6450-49551; Current # 310-6450-58010 & 310-6450-58000**

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 AGREEMENT.

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.



Agreement for Professional Services  
Project: Project Management Services for  
the New Small Boat Harbor  
Project No: 310-6450  
Contract No.: 1176  
Cost Code: Original # 310-6450-49551; Current # 310-6450-58010 & 310-6450-58000



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 dates listed below.

**ARCADIS, INC.**

**CITY OF VALDEZ, ALASKA  
APPROVED:**

\_\_\_\_\_  
Name of Company Rep Authorized to Sign

\_\_\_\_\_  
Jeremy O'Neil, Mayor

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

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

TITLE: \_\_\_\_\_

ATTEST:

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

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

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

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

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

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

\_\_\_\_\_  
Elke Doom, City Manager

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

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

**RECOMMENDED:**

\_\_\_\_\_  
Jon S. Wakeland

\_\_\_\_\_  
Nathan Duval, Capital Facilities Director

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

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

December 7, 2018

Nate Duval, Capital Facilities Director  
City of Valdez  
212 Chenega Ave.  
Valdez, AK 99686

**RE: Valdez New Boat Harbor Phase 2 Construction (November 19, 2018 – June 30, 2019)  
Project Management/Construction Management Services – Contract #1176, Proposed Amendment 10**

Dear Mr. Duval,

This proposal provides continuation of project management and Owner's Representative services for the Valdez New Boat Harbor Development project through June 30, 2019. We plan to use the same approach, personnel, labor effort and expense levels that have been provided thus far for Phase 2.

**Project Staffing:** The proposed project management team has been engaged in the harbor project since Fall 2014, when the Valdez Harbor project management services contract was awarded.

- **Ron Rozak** will provide project management support and on-site construction management presence in Valdez to oversee site activities. When on-site presence is not warranted, Ron will support the project from our Anchorage office and travel to Valdez for key meetings/project activities. Ron will be supported by Arcadis' Anchorage-based project administration personnel and New York-based personnel for baseline schedule review.
- **Roe Sturgulewski (Ascent PgM)** will help administer and coordinate the City contract with USACE; provide risk assessment and management assistance; assist with resolving issues; participate in Executive Committee meetings and briefings as needed; review the master schedule and updates; and review cost proposals or other materials as requested. Ascent's proposal is attached.
- **Joyce Kuhn, Cynthia Oistad and Allison Murrell** will provide budget and schedule management, project administration, meeting minutes, document controls, stakeholder outreach (as requested), and graphics support for presentations and monthly construction progress reports.

**Valdez Project Office:** Ron will continue using a small trailer on the City parcel adjacent Fisherman's Dock for use as a field office. This field office also provides work and storage space, internet service and copier/scanner for use by R&M's engineers and inspectors during their site visits and inspections. The monthly rent includes furniture, heat and electric, secure internet service, copier/scanner, cleaning and maintenance. A lump sum fee is included for takedown/demob of the field office after Arcadis' services are completed.

**City Primary Contact:** We understand that you (Nate Duval) will be our primary contact with the City for administration, communications, and delivery of our services. To maintain management continuity and minimize costs for consultant services, we anticipate that you or another qualified City employee will continue to perform "fill-in" site observations and inspections on short term as-needed basis when Ron is not at the site or not in Valdez on full-time status.

**R&M Consultants:** Ron will coordinate with R&M's construction phase team through the continuation of Phase 2. As the Engineer of Record, we assume R&M will perform the following services during Phase 2 construction: participate in weekly coordination meetings, perform timely review of submittals, provide timely responses to requests for technical information (RFIs) from the Construction Contractor, Pacific Pile & Marine (PPM), provide technical advice to the City when needed, perform periodic technical inspections with reports of fabrication/construction, perform Substantial Completion and Final Inspections, and prepare the Record Documents. R&M will also provide materials testing services for uplands and in-water construction work.

**Phase 2 Scope of Work:** Arcadis will perform the following project management and construction administration tasks as needed or directed toward closeout of the PPM Construction Contract:

- Serve as Owner's Representative and coordinate with stakeholders: City departments, public utilities, USACE, PPM, SERVS, canneries and State agencies
- Facilitate Executive Committee meetings and brief Ports & Harbor Commission and City Council, on monthly basis
- Conduct weekly project coordination meetings and special issue meetings with the City and R&M
- Monitor the Phase 2 work progress, costs and schedule and manage the project budget
- Prepare monthly project status reports for distribution to City and Council at the second monthly meeting; which will include updates to schedule and project budget
- Assist the City in reviewing USACE reports and closing out the contract with USACE
- Provide project management and oversight of contractor work, designer services, inspection and testing
- Perform site observations and prepare reports of the Work as needed when R&M's inspector is not on site
- Review PPM and R&M applications for payment and provide recommendations to the City
- Monitor the submittal/shop drawing process and the request for information (RFI) activities
- Administer requests, review cost proposals, and draft change orders for processing by the City
- Oversee the Substantial Completion Inspections and monitor Punchlist corrective work
- Oversee commissioning, project closeout and final accounting requirements

**Schedule:** Our current contract for project management services ends on December 31, 2018. As requested, this amendment would extend our Period of Performance through June 30, 2019, approximately two weeks after the Project Scheduled Completion date (June 18, 2019) shown on PPM's October 2018 Schedule Update (Run Date November 12, 2018).

**Proposed Cost:** Arcadis proposes to perform the completion of 2018 services and the above 2019 services on Time and Materials (T&M) basis, not to exceed \$170,901.34 without authorization. This T&M contract approach allows the City to shift the effort or request optional services within the general scope and contract amount. Our contract summary is shown below and the cost summary breakdown for labor, expenses and consultant services is provided on the attached Fee Schedule. The subconsultant proposal from Ascent is attached. This fee proposal includes a 3% labor rate increase effective January 1, 2019.

**Assumptions and Limitations:**

- Special inspections for building construction, subgrade compaction testing, concrete sampling/testing, welding inspection, pile driving inspections, and other activities requiring certifications or special qualifications are not included.
- Arcadis and Ascent will provide risk management, schedule and claims review assistance on periodic as-needed basis as requested by the City, but this proposal does not include fee for extensive, detailed evaluations or negotiations.
- This scope covers proposed activities during the above schedule dates. Only actual labor, expenses at rates quoted, and consultant costs per attached fee schedule, utilized on the project will be invoiced to the City.

- Monthly rates are used for the field office and Ron's lodging through June 30, 2019. Some per diem is included for periodic site visits by Arcadis support personnel as needed.
- Uncertainty remains regarding PPM's completion of piling and float installation, the float mechanical and electrical systems, testing and commissioning of the mechanical, electrical and bilge treatment systems. If construction work or closeout activities extend beyond June 30, 2019, Arcadis will be available to assist the City per mutual agreement and authorization.
- Although we have tried to be conservative in our estimate of the time and expenses to accomplish the above work, our services are dependent on the contractor's activities and schedule and the degree of observation or inspection needed to provide quality assurance, which might change and affect the level or duration of our services. PPM continues scheduling piling and float installation 7 days/week, 12 hours/day; but their schedule for critical activities has been steadily extended by equipment breakdowns and delays. Most of the other remaining work activities are scheduled for 6-10s, although concrete placement/finishing, paving, striping and landscaping activities are typically performed any day of the week when the weather is favorable, and it's possible that weather might slow or delay some activities that are scheduled through the winter. Our proposal is based on a reasonable approach to oversee PPM's work (R&M to provide full-time inspection for piling installation) whereby Ron anticipates working an average of 35-40 hours/week through April and 30-35 hours/week during May and June.
- Arcadis will inform the City as soon as we become aware of events out of our control that may cause the level and cost for our services to exceed the contract scope and amount.

If there is additional information we can provide, please contact Ron Rozak at 907.382.2933. We appreciate the opportunity to continue supporting the City on this important harbor infrastructure project.

Sincerely,



Kent Crandall, AIA  
Alaska Operations Leader

**Valdez New Boat Harbor Amendment 10 Fee Schedule for Phase 2 Project/Construction Management Services  
(November 19, 2018 - June 30, 2019)**

Project Team Member	2018			2019						2019 Total Hours	TOTAL
	2018 Rates	Nov 19 - Dec 31	2019 Rates	Jan	Feb	Mar	Apr	May	June		
Ron Rozak, Construction Manager	\$165	192	\$170	192	184	192	172	176	160	1076	\$214,600
Cynthia Oistad, Contract Admin/Communications	\$135	0	\$139	4	4	4	4	4	4	24	\$3,336
Joyce Kuhn, Sr. Project Assistant/Document Control	\$91	14	\$93	12	8	8	8	12	16	64	\$7,226
Allison Murrell, Administrative Support	\$80	88	\$83	88	80	88	80	69	60	465	\$45,635
Arcadis NY CPM Schedule Team (average rate)	\$100	16	\$100	16	12	12	12	0	0	52	\$6,800
<b>Total Labor Hours</b>		<b>310</b>		<b>312</b>	<b>288</b>	<b>304</b>	<b>276</b>	<b>261</b>	<b>240</b>	<b>1681</b>	<b>\$277,597</b>

Subcontractor			
Ascent PgM (Roe Sturgulewski + Project Support) Proposal dated 12/06/18	\$7,000	\$43,680	\$50,680
5% markup on Subcontractor			\$2,534
<b>Total Subcontractor Expenses</b>			<b>\$53,214</b>

Expenses	
Round Trip Airfare (ANC-VDZ) (\$320 * 8 trips)	\$2,560
Car rental (Valdez) (\$100/day * 9 days)	\$900
ANC Parking or taxi (\$40/trip * 9 trips)	\$360
Vehicle mileage (ANC-VDZ +local) (\$440 * 12 trips)	\$5,280
Lodging, full-time residence in Valdez (\$2150/month * 7 months)	\$15,050
Lodging and meals for periodic project support (\$180+\$60) x 10 days)	\$2,400
Harbor area field office rent, furniture, utilities, internet, copier (Lump Sum \$1200/month for 7 month) plus \$1000 takedown/demob fee	\$9,400
5% markup on expenses	\$1,798
<b>Total Expenses</b>	<b>\$37,748</b>

Cost Proposal for Services November 19, 2018 - June 30, 2019	\$368,558.50
Less Contract Amount Remaining as of November 18, 2018	<u>-\$197,657.16</u>

<b>Contract Amendment 10</b>	<b>\$170,901.34</b>
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**Assumptions:**

City will only be billed for actual Labor and Expenses per above rates  
 Based on latest PPM Milestone Schedule (Run Date 12-Nov-18) with Project Scheduled Completion date of 18-Jun-19  
 Average 36 hours per week for Ron Rozak.  
 Average 20 hours a week for Arcadis admin support  
 Average 9 hours a week for Roe Sturgulewski (Ascent PgM)  
 Fee includes approx. 3% labor rate increase effective January 2019

December 6, 2018  
Ron Rozak  
Arcadis  
880 H Street, Suite 101  
Anchorage, Alaska 99501

**Re: Valdez New Boat Harbor  
Program Management Support Services**

Dear Ron,

This provides a fee proposal to assist Arcadis in the program management of the remaining work associated with the Valdez New Boat Harbor Project.

Ascent will provide subcontractor support to Arcadis and the City of Valdez in management of the Valdez New Boat Harbor Program as follows.

- Assist Arcadis and the City of Valdez in closeout of the USACE/ City of Valdez Partnership Agreement contract.
- Provide risk management assistance including assessment, tracking and mitigation. The focus of effort is the Phase 2 Construction Contract contractually required to complete by October 1, 2019 and currently scheduled to complete in mid-June 2019. The focus and level of effort will be as requested by Arcadis and tailored to meet the Program needs. Comments will be provided to Arcadis and the Executive Committee as requested.
- Assist with Issue Resolution as requested.
- Participate in Executive Committee meetings and other City briefings and/ or meetings as requested. Provide responses to action items assigned during these meetings as requested.
- Provide review and oversight assistance to Arcadis in their management and tracking of the Project Budget as requested.
- Provide assistance to Arcadis in analyzing PPM weekly and Master schedules as requested.
- Review cost proposals, work products, deliverables or communication pieces as requested.
- Provide other services for the Phase 2 Project and entire Program as requested.

We propose to complete the scope of work listed above on a time and expenses (T&E) basis not to exceed \$43,680. 2019 billing rates for Roe Sturgulewski and Cricket Gartrell would be \$208/hour and \$142/hour respectively. It's anticipated the work will be generally complete by the end of June 2019 which is consistent with and slightly conservative to the General Contractors Phase 2 New Harbor Development Schedule, dated November 8, 2018.

This level of effort equates to 40 hours per month for Roe for the first three months of the year and 30 hours per month for the following three months.

Please contact me at 907.244.8669 if you have any questions or comments to this proposal.

Sincerely,



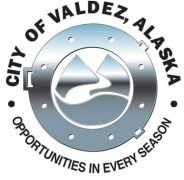
Roe Sturgulewski  
Program Support  
Ascent  
+1 907 244 8669  
Roe.Sturgulewski@ascentpgm.com

**Arcadis Inc.**

Project Management Services for New Small Boat Harbor Phases 1&amp;2

Contract No. 1176 / Contract Date: August 5, 2014

<b>DOCUMENT</b>	<b>Effective Date</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
Original Contract	09/26/14		\$340,548.00
Contract Amendment #1	01/04/15	Contract Date Extension	\$0.00
Contract Amendment #2	03/16/15	Contract extension and project management services through 12/31/15	\$499,638.00
Contract Amendment #3	01/08/16	Develop RFP for Fuel Facility	\$22,000.00
Contract Amendment #4	02/02/16	Contract extension and project management services through 12/31/16	\$616,691.00
Change Order #5	02/17/17	Coordinate & manage scope & masterplan changes, assist with City personnel onboarding	\$115,319.15
Contract Amendment #6	05/15/17	Contract extension and project management services through 6/9/17	\$35,000.00
Contract Amendment #7	06/08/17	Contract extension and project management services through 6/20/18	\$15,000.00
Contract Amendment #8	06/27/17	Provide Phase I contract close-out services	\$17,958.91
Contract Amendment #9	06/27/17	Contract extension and project management services through 12/31/18 (Phase II)	\$877,313.00
Contract Amendment #10		Contract extension and project management services through 6/30/19	\$170,901.34
		<b>TOTAL</b>	<b>\$ 2,710,369.40</b>



## Legislation Text

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**File #:** 19-0007, **Version:** 1

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**ITEM TITLE:**

Authorization for Staff to Proceed with a Proposed Change to the Prescription Drug Benefit Provider

**SUBMITTED BY:** Brian Carlson, Finance Director

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: Health insurance reserve fund; funded via payroll deductions

**RECOMMENDATION:**

Authorize staff to proceed

**SUMMARY STATEMENT:**

- Staff is forwarding to Council a broker/consultant recommendation to change the Health Plan's prescription medication provider.
- Council has directed staff to obtain Council approval of any health-plan changes that impact the end-user costs and/or benefits. Though this is not a plan change, it does ultimately have limited end-user impact.
- The prescription medication benefit is approximately \$700K of the total health plan expense (10%-15%)
- The purpose of the proposed change is to improve the cost structure by:
  - Capturing and retaining rebates which have been retained by the current benefit provider, totaling over \$120K annually (combined City/School)
  - Switching to a provider who offers better pricing for our Health Plan profile (estimated \$80K combined annual savings) via better ingredient cost pricing and lower dispensing fees
  - Incentivizing and implementing limited formulary changes where prescription equivalents or alternatives are available
- The proposed change would take effect with the plan renewal on April 1.
- The lead-time to implement such a change necessitates a commitment in advance of the plan renewal date.



- As this proposed change does not change the Health Plan language, it does not violate the School's collective bargaining terms.
- A retrospective analysis of the contract change (called a "disruption analysis") indicates a low level of disruption: 0.4% of total prescriptions would have been excluded from coverage in favor of cost-effective alternatives.
  - Staff, broker, and proposed new contractor will proactively communicate changes to impacted plan participants in advance of the change
  - The city has latitude to mitigate the impact of these changes to the participants

PDF Attachment: Prescription Benefits Manager

# Our PBM Partner, CVS/caremark

- National Network of 68,000 Pharmacies
- Dedicated CVS Account Team
- Maintenance Choice Program
  - I. Participants receive a plan-sponsored copay incentive to fill 90-day supplies at mail or CVS/pharmacy
  - II. Plan-Sponsor receives mail-order discounts



# National CooperativeRx Savings Illustration

Prepared especially for

## City of Valdez

Total Drug Savings and Rebates			
Annual Drug Savings			\$43,508
Guaranteed Annual Rebates			\$72,726
Estimated Annual Rebate True-up			TBD
Estimated Patronage Payment**			\$362
<b>Sub-Total</b>			\$116,596
<b>Coalition Fees - First Year</b>			
	Annual Membership - \$0.20 PMPM	329	(\$790)
	One Time Enrollment Fee - \$2 PM		(\$658)
PBM Credit (# of Members x \$5.00)			\$1,645
<b>Sub-Total</b>			\$197
<b>Total Savings*</b>			<b>\$116,793</b>

Savings Percentage **29.81%**

\* Includes National CooperativeRx rebates

\*\* Patronage payments are estimates based on past years payments and are not guaranteed.

# National CooperativeRx Savings Illustration

Prepared especially for

## Valdez City School

Total Drug Savings and Rebates			
Annual Drug Savings			\$41,230
Guaranteed Annual Rebates			\$52,970
Estimated Annual Rebate True-up			TBD
Estimated Patronage Payment**			\$325
	<b>Sub-Total</b>		\$94,525
<b>Coalition Fees - First Year</b>			
	Annual Membership - \$0.20 PMPM	295	(\$708)
	One Time Enrollment Fee - \$2 PM		(\$590)
PBM Credit (# of Members x \$5.00)			\$1,475
	<b>Sub-Total</b>		\$177
<b>Total Savings*</b>			<b>\$94,702</b>

Savings Percentage

**29.12%**

\* Includes National CooperativeRx rebates

\*\* Patronage payments are estimates based on past years payments and are not guaranteed.

# National CooperativeRx

- Master Contract protects *your* interests
- Aggressive pricing and service guarantees based on the purchasing power of National CooperativeRx
- 100% of rebates returned to members
- Cooperative provides an on-staff pharmacist and account executive team to deliver independent clinical advice and expertise
- Our only reason for existence is to serve our members





# Formulary Impact Analysis for City of Valdez

Formulary Type: Standard Control with ACSF

Claims Period: February 2018 - May 2018

Key Statistics		
Drug Type	Rx Count	Rx %
Brands	89	15.6%
Generics	480	84.4%
Total	569	100.0%

Tiering Summary			
Current Tier	Proposed Tier	Rx Count	Rx %
1	1	480	84.4%
2	2	57	10.0%
3	3	4	0.7%
2	3	4	0.7%
3	2	10	1.8%
1	X	0	0.0%
2	X	10	1.8%
3	X	4	0.7%

Formulary Impact Summary				
Impact Description	Current Tier	Proposed Tier	Rx Count	Rx %
No Tier Change	varies	varies	541	95.1%
Positive Tier Change	3	2	10	1.8%
ACA Tier Change	2	3	0	0.0%
Non-ACA Tier Change	2	3	4	0.7%
Excluded Drugs w/o Mbr Impact	1	X	0	0.0%
Excluded Drugs w/o Mbr Impact	2	X	8	1.4%
Excluded Drugs w/o Mbr Impact	3	X	4	0.7%
New to Market Blocks	1	X	0	0.0%
New to Market Blocks	2	X	0	0.0%
New to Market Blocks	3	X	0	0.0%
Excluded Drugs w/ Mbr Impact	1	X	0	0.0%
Excluded Drugs w/ Mbr Impact	2	X	2	0.4%
Excluded Drugs w/ Mbr Impact	3	X	0	0.0%

All Drugs with Incumbent Tier = 1 or with CVS Health Tier = 1 are treated as Generic.

Disruption presented is based on our current formulary and is not guaranteed for future implementation of the program. The drug list may change in the future.

Grandfathered exclusions are considered tier 3 for the purposes of this analysis. These drugs will not be covered for any members who are new to therapy after the implementation date

The New to Market (NTM) Block list changes frequently and is likely to change prior to implementation

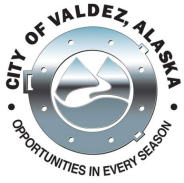
Excluded Drugs w/o Mbr Impact category includes Diabetic supplies, drugs with direct covered substitutes, and drugs used for only acute therapy

Every effort is made by CVS Health and its advisors to maintain the highest level of accuracy in its projections; however, because of the variability of numerous factors, which are not under the control of CVS Health, we cannot guarantee the estimated results.



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## Legislation Text

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**File #:** ORD 18-0006, **Version:** 1

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**ITEM TITLE:**

#18-06 - Amending Chapter 15.30, Section 15.30.030 Relating to Adoption of Flood Insurance Study (FIS) and Flood Maps. Second Reading. Adoption.

**SUBMITTED BY:** Kate Huber, Senior Planner & Floodplain Administrator

**FISCAL NOTES:**

Expenditure Required: N/A  
Unencumbered Balance: N/A  
Funding Source: N/A

**RECOMMENDATION:**

Adopt Ordinance #18-06, amending VMC Chapter 15.30 to adopt the 2019 FEMA flood insurance rate maps.

**SUMMARY STATEMENT:**

Adoption of the 2019 Flood Insurance Rate Maps is the final step in a multi-year mapping process. In 2011, the City of Valdez began working with the Federal Emergency Management Agency (FEMA) to update the Flood Insurance Rate Maps (FIRM) and Flood Insurance Study (FIS) for the City of Valdez.

The FIRMs and FIS are important tools utilized by the community for our participation in the National Flood Insurance Program (NFIP). The NFIP is a voluntary Federal program that enables property owners in participating communities to purchase insurance protection against losses from flooding. It was established to reduce future flood damage through community floodplain management and to provide protection for property owners against potential losses.

In order for the City of Valdez to participate in the NFIP, we must adopt and enforce floodplain management regulations to reduce future flood risks to new construction and substantially improved structures in Special Flood Hazard Areas (SFHAs). When we meet this requirement, the Federal Government makes flood insurance available within the community as a financial protection against flood losses. Our floodplain ordinance must meet or exceed the federal standards.

In 1983, the City of Valdez adopted the first FIRMs and FIS for the area. At that time, we also adopted Title 15.30. (See attachment.) In the years since initial adoption a handful of map changes and revisions have also been incorporated. The ordinance tonight will replace existing FIRMs for all areas that are included in the 2019 update.

**To maintain good standing with the NFIP, The City of Valdez must adopt the updated 2019 Flood Insurance Rate Maps in advance of their effective date of January 3, 2019.**

Through our reviews with FEMA and the State of Alaska, it was determined that significant changes are required to bring the remaining sections of our floodplain ordinance into compliance with the federal standards. At your next meeting on January 2, 2018, staff will bring forward a new draft of Title 15.30 for adoption. This draft is currently in review with legal and the Clerk's Office.

**Not Included in the 2019 Map Update**

The Alpine Woods and Nordic Subdivision areas are not included in the 2019 Map Update. These areas will continue to utilize the 1984 Letter of Map Revision that has been in place since October 1984. This area was excluded from the 2019 update while the city seeks certifications of the levees constructed on the Lowe River. The decision to exclude this area allowed FEMA to complete the map updates for the remainder of the City. The documentation necessary to pursue levee certification has been submitted to FEMA and we are awaiting a response. Once levee certification is secured, the City will pursue a map revision for the area.

**Public Involvement & Communication in 2019 Map Update**

Adoption of the 2019 Flood Insurance Rate Maps is an important final step that follows an extensive eight year mapping and public comment/appeal process. Below is a summary of the outreach done within the community by FEMA, the State of Alaska and the City. This list is not comprehensive, but includes all events and mailings that were documented and easily identified in the files currently available to staff.

**2016:**

- Meeting with property owners impacted by exclusion of Alpine Woods and Nordic Subdivisions area. (01/28)
- City floodplain management webpage updated with information (September)
- Floodplain newsletter with preliminary map information mailed to homeowners in the special flood hazard area (September)
- Public service announcement informing community members of preliminary map draft (10/07)
- Ad published in Valdez Star (10/12)
- Council report - Preliminary Flood Insurance Rate Maps (FIRM) from FEMA (10/19)
- Letter mailed to property owners impacted by exclusion of Alpine Woods and Nordic Subdivisions area. (03/21)
- Letter mailed to all property owners with property subject to change under the 2019 map update. (03/26)



**2017-2018:**

- FEMA and State of Alaska Department of Commerce, Community, and Economic Development held a Flood Risk Open House at which copies of the preliminary map draft were distributed and the appeals process was explained. (04/06)
- Public notification in the Valdez Star from FEMA concerning the appeals process for the preliminary map draft. (11/22 & 11/29)
- Public appeals period (November 29, 2017 - February 27, 2018)
- Council report - FEMA Flood Insurance Rate Map Update Report (12/05)

After the lengthy public comment and appeals process, FEMA finalized the drafts of the 2019 FIRMs and submitted back to the City of Valdez for adoption. The maps are currently available for view in the Community Development Department at City Hall. In the past 2 weeks, we have regained access to GIS software and can now utilize GIS to make maps for the community with the updated special flood hazard area information.

Adopting the updated 2019 FEMA Flood Insurance Rate Maps will allow the City of Valdez to continue to participate in the National Flood Insurance Program and provide important tools needed to reduce future flood risks to new and improved structures within the City.

CITY OF VALDEZ, ALASKA

ORDINANCE NO. 18-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, AMENDING CHAPTER 15.30, SECTION 15.30.030, OF THE VALDEZ MUNICIPAL CODE RELATING TO ADOPTION OF FLOOD INSURANCE STUDY (FIS) AND FLOOD MAPS

WHEREAS, participation in the National Flood Insurance Program (NFIP) enables property owners to purchase insurance protection against losses from flooding; and

WHEREAS, participation in the National Flood Insurance Program is an agreement between local communities and the Federal Government, under which the City agrees to adopt and enforce floodplain management regulations to reduce future flood risks to new construction and substantially improved structures in the Special Flood Hazard Areas; and

WHEREAS, the Special Flood Hazard Areas are delineated on the community's Flood Insurance Rate Maps; and

WHEREAS, a Flood Risk Public Open House was held at which copies of the preliminary map drafts were distributed on April 6, 2017; and

WHEREAS, a public appeals period was conducted November 29, 2017 – February 27, 2018; public notifications were mailed to affected property owners on March 26, 2016 and public notices were published in the local newspaper on 10/12/16, 11/22/17, and 11/29/17; and

Whereas the City's floodplain management regulations must meet or exceed criteria established in accordance with Title 44 Code of Federal Regulations Part 60.3, Criteria for Land Management and Use.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that:

Section 15.30.030 (B) is hereby amended to read as follows:

B. Basis for Establishing the Areas of Special Flood Hazard. The areas of special flood hazard identified by the Federal Insurance Administration in a scientific and engineering report entitled "The Flood Insurance Study for the City of Valdez" (FIS) dated January 3, 2019, and any revisions thereto, with accompanying Flood Insurance Maps, and any revisions thereto, are hereby ~~March 1980 with the Flood Boundary and Floodway Maps dated December 1, 1983~~ is adopted by reference and declared to be a part of this chapter. The Flood Insurance Study is on file at City Hall, 212 ~~204~~ Chenega Avenue, Valdez, Alaska.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this \_\_\_\_\_ day of January, 2019.

CITY OF VALDEZ, ALASKA

\_\_\_\_\_  
Jeremy O'Neil, Mayor

ATTEST:

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Brena, Bell & Clarkson, P.C.

First Reading:  
Second Reading:  
Yeas:  
Nays:  
Absent:  
Abstain:

## Chapter 15.30 FLOOD HAZARD PROTECTION REGULATIONS

Sections:

- 15.30.010 Purpose.**
- 15.30.020 Definitions.**
- 15.30.030 General provisions.**
- 15.30.040 Administration.**
- 15.30.050 Standards.**

### **15.30.010 Purpose.**

It is the purpose of this chapter to promote the public health, safety and general welfare, and to minimize public and private losses due to flood conditions in specific areas by provisions designed:

- A. To protect human life and health;
- B. To minimize expenditure of public money and costly flood-control projects;
- C. To minimize need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general projects;
- D. To minimize prolonged business interruptions;
- E. To minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in areas of special flood hazard;
- F. To help maintain a stable tax base providing for the sound use and development of areas of special flood hazard so as to minimize future flood blight areas;
- G. To ensure that potential buyers are notified that property is in an area of special flood hazard; and
- H. To ensure that those who occupy the areas of special flood hazard assume responsibility of their actions.  
(Ord. 00-025 § 6 (part))

### **15.30.020 Definitions.**

Unless specifically defined below in this section, words or phrases used in this chapter shall be interpreted so as to give them meaning they have in common usage and to give this chapter its most reasonable application.

“Area of shallow flooding” means a designated OA or AH zone on the Flood Insurance Rate Map (FIRM). The base flood depths range from one to three feet; a clearly defined channel does not exist; the path of flooding is unpredictable and indeterminate; and, velocity flow may be evident.

“Base flood” means the flood having a one percent chance of being equalled or exceeded in any given year.

“Development” means any man-made change to improved or unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving excavation or drilling operations.

“Existing mobile home park or mobile home subdivision” means a parcel (or contiguous parcels) of land divided into two or more mobile home lots for rent or sale for which the construction of facilities for servicing the lot on which the mobile home is to be affixed (including, at a minimum, the installation of utilities, either final site

grading or the pouring of concrete pads, and the construction of streets) is completed before the effective date of the ordinance codified in this chapter.

“Expansion to an existing mobile home park or mobile home subdivision” means the preparation of additional sites by the construction of facilities for servicing the lots on which the mobile homes are to be affixed (including the installation of utilities, either final site grading or pouring of concrete pads, or the construction of streets).

“Flood Insurance Rate Map (FIRM)” means the official map on which the Federal Insurance Administration has delineated both the areas of special flood hazards and the risk premium zones applicable to the community.

“Flood insurance study” means the official report provided by the Federal Insurance Administration that includes flood profiles, the Flood Boundary-Floodway Map, and the water surface elevation of the base flood.

“Habitable floor” means any floor usable for living purposes, which includes working, sleeping, eating, cooking or recreation, or a combination thereof. A floor used only for storage purposes is not a habitable floor.

“Mobile home” means a structure, transportable in one or more sections, which is built on a permanent chassis and designed to be used with or without a permanent foundation when connected to the required utilities. It does not include recreational vehicles or travel trailers. The term includes, but is not limited to, the definition of mobile home as set forth in regulations governing the mobile home safety and construction standards program.

“New construction” means structures for which the “start of construction” commenced on or after the effective date of the ordinance codified in this chapter.

“New mobile home park or mobile home subdivision” means a parcel (or contiguous parcels) of land divided into two or more mobile home lots for rent or for sale for which the construction of facilities for servicing the lot (including, at a minimum, the installation of utilities, either final site grading or the pouring of concrete pads, and the construction of streets) is completed on or after the effective date of the ordinance codified in this chapter.

“Regulatory floodway” means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

“Start of construction” means the first placement of permanent construction of a structure (other than a mobile home) on a site, such as the pouring of slabs or footings or any work beyond the stage of excavation. Permanent construction does not include land preparation, such as clearing, grading, and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footing, piers or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garage or sheds not occupied as dwelling units or not as part of the main structure. For a structure (other than a mobile home) without a basement or poured footings, the start of construction includes the first permanent framing or assembly of the structure or any part thereof, its piling or foundation. For mobile homes not within a mobile home park or mobile home subdivision, start of construction means the affixing of the mobile home to its permanent site. For mobile homes within mobile home parks or mobile home subdivisions, start of construction is the date on which the construction of facilities for servicing the site on which the mobile home is to be affixed (including, at a minimum, the construction of streets, either final site grading or the pouring of concrete pads, and installation of utilities) is completed.

Substantial Improvement.

1. “Substantial improvement” means any repair, reconstruction or improvement of a structure, the cost of which equals or exceeds fifty percent of the market value of the structure either:

- a. Before the improvement or repair is started; or
  - b. If the structure has been damaged and is being restored, before the damage occurred. For the purpose of this definition “substantial improvement” is considered to occur when the first alteration of any wall, ceiling, floor, or other structural part of the building commences, whether or not that alteration affects the external dimensions of the structure.
2. The term does not, however, include either:
- a. Any project for improvement of a structure to comply with existing state or local health, sanitary, or safety code specifications which are solely necessary to assure safe living conditions; or
  - b. Any alteration of a structure listed on the National Register of Historic Places or a State Inventory of Historic Places.

“Variance” means a grant of relief from the requirements of this chapter which permits construction in a manner that would otherwise be prohibited by this chapter. (Ord. 00-025 § 6 (part))

### **15.30.030 General provisions.**

- A. Lands to which this chapter applies. This chapter shall apply to all areas of special flood hazards within the jurisdiction of the city.
- B. Basis for Establishing the Areas of Special Flood Hazard. The areas of special flood hazard identified by the Federal Insurance Administration in a scientific and engineering report entitled “The Flood Insurance Study for the City of Valdez” dated March 1980 with the Flood Boundary and Floodway Maps dated December 1, 1983 is adopted by reference and declared to be a part of this chapter. The Flood Insurance Study is on file at City Hall, 201 Chenega Avenue, Valdez, Alaska.
- C. Warning and Disclaimer of Liability. The degree of flood protection required by this section is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasion. Flood heights may be increased by man-made or natural causes. This chapter does not imply that land outside the areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages. This chapter shall not create liability on the part of the city, any officer or employee thereof, or the Federal Insurance Administration, for any flood damages that result from reliance on this chapter or any administrative decision lawfully made thereunder. (Ord. 00-025 § 6 (part))

### **15.30.040 Administration.**

- A. Establishment of Development Permit. A development permit shall be obtained before construction or development begins within any area of special flood hazard established in Section 15.30.030(B). The permit shall be for all structures including mobile homes, as set forth in Section 15.30.020, and for all other development including fill and other activities, also set forth in Section 15.30.020. Application for a development permit shall be made on forms furnished by the city building official and may include, but not be limited to, plans in duplicate drawn to scale showing the nature, location, dimensions, and elevations of the area in question; existing or proposed structures, fill, storage of materials, drainage facilities; and the location of the foregoing. Specifically, the following information is required:
  1. Elevation in relation to mean sea level, of the lowest floor (including the basement) of all structures;
  2. Elevation in relation to mean sea level to which any structure has been floodproofed;
  3. That where floodproofing is utilized for a particular structure either:

- a. A registered professional engineer or architect shall certify that the floodproofing methods are adequate to withstand the flood depths, pressures, velocities, impact and uplift forces and other factors associated with the base flood, and a record of such certificates indicating the specific elevation (in relation to mean sea level) to which such structures are floodproofed shall be maintained by the community,
  - b. A certified copy of local regulation containing detailed floodproofing specifications which incorporate standard, accepted watertight performance standards shall be submitted to the FIA for approval;
4. Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.
    - a. Assurance that the flood-carrying capacity within the altered or relocated portion of any watercourse is maintained.
- B. Designation of the City Building Official. The city building official is appointed to administer and implement this chapter by granting or denying development permit applications in accordance with its provisions.
- C. Duties and Responsibilities of the Building Official. Duties of the building official shall include, but not be limited to:
1. Permit Review.
    - a. Review all development permits to determine that the permit requirements of this chapter have been satisfied;
    - b. Review all development permits to determine that all necessary permits have been obtained from those federal, state or local governmental agencies from which prior approval is required.
  2. Information to be Obtained and Maintained.
    - a. Obtain and record the actual elevation (in relation to mean sea level) of the lowest habitable floor (including basement) of all new or substantially improved structures, and whether or not the structure contains a basement. The development shall be responsible for obtaining all elevations;
    - b. For all new or substantially improved flood-proofed structures:
      - i. Verify and record the actual elevation (in relation to mean sea level),
      - ii. Maintain the floodproofing certifications required in Section 15.30.050, and
    - c. Maintain for public inspection all records pertaining to the provisions of this chapter.
  3. Interpretation of FIRM Boundaries. Make interpretations where needed, as to exact location of the boundaries of the areas of special flood hazards (for example, where there appears to be a conflict between a mapped boundary and actual field conditions). The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in subsection D of this section.
- D. Appeal Board.
1. The planning and zoning commission as established by the city Charter shall hear and decide appeals and requests for variances from the requirements of this chapter.
  2. The planning and zoning commission shall hear and decide appeals when it is alleged there is an error in any requirement, decision or administration of this chapter.

3. Those aggrieved by the decision of the planning and zoning commission, or any taxpayer, may appeal such decision to the city council.
4. In passing upon such applications, the planning and zoning commission shall consider all technical evaluations, all relevant factors, standards specified in other sections of this chapter, and:
  - a. The danger that materials may be swept onto other lands to the injury of others;
  - b. The danger to life and property due to flooding or erosion damage;
  - c. The susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the individual owner;
  - d. The importance of the services provided by the proposed facility to the community;
  - e. The availability of alternative locations for the proposed use which are not subject to flooding or erosion damage;
  - f. The compatibility of the proposed use with existing and anticipated development;
  - g. The relationship of the proposed use to the comprehensive plan and floodplain management program for that area;
  - h. The safety of access to the property in times of flood for ordinary and emergency vehicles;
  - i. The expected heights, velocity, duration, rate of rise, and sediment transport of the flood waters and the effects of wave action, if applicable, expected at the site; and
  - j. The costs of providing governmental services during and after flood conditions, including maintenance and repair of public utilities and facilities such as sewer, gas, electrical, and water systems, and streets and bridges.
5. Generally, variances may be issued for new construction and substantial improvements to be erected on a lot of one-half acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing the items set out in subsection (D) (4) of this section have been fully considered. As the lot size increases beyond the one-half acre, the technical justification required for issuing the variance increases.
6. Upon the consideration of factors of subsection D, of this section and purposes of this chapter, the planning and zoning commission may attach such conditions to the granting of variances as it deems necessary to further the purpose of this chapter.
7. The building official shall maintain the records of all appeal actions and report any variances to the Federal Insurance Administration upon request.

#### E. Conditions for Variances.

1. Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.
2. Variances shall only be issued upon:
  - a. A showing of good and sufficient cause;
  - b. A determination that failure to grant the variance would result in exceptional hardship to the applicant; and



- c. A determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, create nuisances, cause fraud on or victimization of the public as identified in subsection D of this section, or conflict with existing local laws or ordinances.
3. Any applicant to whom variance is granted shall be given written notice that the structure will be permitted to be built with a lowest floor elevation below the base flood elevation and that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation. (Ord. 00-025 § 6 (part))

#### **15.30.050 Standards.**

##### **A. General Standards.**

##### **1. Anchoring.**

- a. All new construction and substantial improvements shall be anchored to prevent flotation, collapse or lateral movement of the structure.
- b. All mobile homes shall be anchored to resist flotation, collapse, or lateral movement by providing over-the-top and frame ties to ground anchors. Specific requirements shall be that:
  - i. Over-the-top ties be provided at each of the four corners of the mobile home, with two additional ties per side at intermediate locations, with mobile homes less than fifty feet long requiring one additional per side;
  - ii. Frame ties be provided at each corner of the home with five additional ties per side at intermediate points, with mobile homes less than fifty feet long requiring four additional ties per side;
  - iii. All components of the anchoring system be capable of carrying a force of four thousand eight hundred pounds; and
  - iv. Any additions to the mobile home be similarly anchored.
- c. An alternative method of anchoring may involve a system designed to withstand a wind force of ninety miles per hour or greater. Certification must be provided to the city building official that this standard has been met.

##### **2. Construction Materials and Methods.**

- a. All new construction and substantial improvements shall be constructed with materials and utility equipment resistant to flood damage.
- b. All new construction and substantial improvements shall be constructed using methods and practices that minimize flood damage.
- c. All new construction and substantial improvements within B zones in/or adjacent to Alpine Woods and Nordic Subdivisions shall have the lowest floor, including basement, elevated to at least twelve inches above the highest adjacent grade of the building site.
  - i. Where there are hazardous velocities, consideration shall be given to mitigating the effects of the velocities through proper techniques and measures.

##### **3. Utilities.**

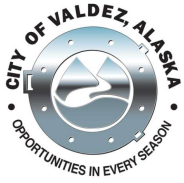
- a. All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of floodwaters into the system;

- b. New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of floodwaters into the systems and discharge from the systems into floodwaters; and
  - c. On-site waste disposal systems shall be located to avoid impairment to them or contamination from them during flooding.
4. Subdivision Proposals.
    - a. All subdivision proposals shall be consistent with the need to minimize flood damage;
    - b. All subdivision proposals shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize flood damage;
    - c. All subdivision proposals shall have adequate drainage provided to reduce exposure to flood damage; and
    - d. Base flood elevation data shall be provided for subdivision proposals and other proposed development which contain at least fifty lots or five acres (whichever is less).
  5. Review of Building Permits. Where elevation is not available, applications for building permits shall be reviewed to assure that proposed construction will be reasonably safe from flooding. The test of reasonableness is a local judgement and includes use of historical data, high water marks, photographs of the past flooding, etc., where available.
- B. Specific Standards. In areas of special flood hazards where base flood elevation data has been provided as set forth in subsection B of Section 15.30.030, the following provisions are required:
1. Encroachments, including fill, new construction, substantial improvements, and other development within the adopted regulatory floodway that would result in any increase in flood levels within the community during the occurrence of the base flood discharge shall be prohibited.
  2. Residential Construction. New construction and substantial improvement of any residential structure shall have the lowest floor, including basement, elevated to or above base flood elevation.
  3. Nonresidential Construction. New construction and substantial improvement of any commercial, industrial or nonresidential structure either have the lowest floor, including basement, elevated to the level of the base flood elevation; or, together with attendant utility and sanitary facilities, shall:
    - a. Be floodproofed so that below the base flood level the structure is watertight with walls substantially impermeable to the passage of water;
    - b. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy; and
    - c. Be certified by a registered professional engineer or architect that the standards of this subsection are satisfied. Such certifications shall be provided to the official as set forth in Sections 15.30.040 (A)(3)(a) and (b).
  4. Mobile Homes.
    - a. The placement of any mobile homes, except in an existing mobile home park or mobile home subdivision, within the adopted regulatory floodway shall be prohibited.
    - b. Mobile homes shall be anchored in accordance with subsection (A)(1)(a)(iv) of this section.

- c. For new mobile home parks and mobile home subdivisions, for expansions to existing mobile home parks and mobile home subdivisions; for existing mobile home parks and mobile home subdivisions where the repair, reconstruction or improvement has commenced; and for mobile homes not placed in a mobile home park or mobile home subdivision, require that:
- i. Stands or lots are elevated on compacted fill or on pilings so that the lowest floor of the mobile home will be at or above the base flood level;
  - ii. Adequate surface drainage and access for a hauler are provided; and
  - iii. In the instance of elevation on pilings, that:
    - (A) Lots are large enough to permit steps,
    - (B) Piling foundations are placed in stable soil no more than ten feet apart, and
    - (C) Reinforcement is provided for pilings more than six feet above the ground level. (Ord. 00-025 § 6 (part))

### Mobile Version

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## Legislation Text

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**File #:** RES 19-0001, **Version:** 1

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**ITEM TITLE:**

#19-01 - Authorizing a Lease with the Valdez Emergency Assistance and Food Bank for a Portion of Tract D, USS 447 (Postponed from January 2, 2019 Regular City Council Meeting)

**SUBMITTED BY:** Nicole LeRoy, Community Development Planning Technician

**FISCAL NOTES:**

Expenditure Required: N/A  
Unencumbered Balance: N/A  
Funding Source: N/A

**RECOMMENDATION:**

Approve resolution 19-01 authorizing a lease with the Valdez Emergency Assistance and Food Bank for a Portion of Tract D, USS 447.

**SUMMARY STATEMENT:**

The City of Valdez approved a Use Agreement with the Valdez Emergency Assistance & Food Bank (Food Bank) for a Portion of Tract D, USS 447 in June 1997. In 2002, the agreement was amended to add a term of five years and allow the Food Bank to apply for an extension to the term every five years. In 2007, the City approved a second amendment to extend the lease for an additional five years commencing June 1, 2007 and terminating May 31, 2012. In 2012, the Use Agreement was amended a third time to extend the lease from June 1, 2012 through May 31, 2017. The lease expired on May 31, 2017 and was not renewed and does not contain a holdover provision. Community Development staff approached the Valdez Food Bank to correct the expired lease and the Food Bank expressed interest in continuing to lease the property.

Since 1997, the Food Bank has leased this portion of Tract D, USS 447 for the amount of \$1/year and the Food Bank desires to maintain this lease rate.

Per Valdez Municipal Code Section 4.08.030 - Fair rental value to be used for leases - Exceptions, "the city may lease city lands for less than the fair rental value to any state or federal agency or political subdivision, a public utility, a nonprofit organization, or to a new industry on terms advantageous to the public welfare of the city if the council, by motion passed by not less than six

councilmen, determines the lease to be in the best interest of the public.”

Due to the requested continuation of discounted rent, the approval of this lease requires an affirmative vote of not less than six City Council members.

It should be noted that the original agreement between the City and the Food Bank was a “Use Agreement.” Use Agreements were used by former Staff in place of leases for some parcels. However, they are not a legal mechanism within Valdez Municipal Code to authorize use of City land. Council approval of this resolution will remedy this violation and allow Staff to execute a new lease agreement with the Food Bank.

The term of lease shall be for five years, commencing June 1, 2017 and terminating on May 31, 2022 with five, five-year options to renew. The use of site will be for the maintenance and operation of the Valdez Food Bank facility.

On November 28, 2018 the Planning and Zoning Commission voted to approve a recommendation to City Council to authorize this lease.

Pending Council approval of this resolution, Community Development staff will work with the City Attorney and the Valdez Food Bank to execute a new lease agreement.

CITY OF VALDEZ, ALASKA

RESOLUTION #19-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, AUTHORIZING A LEASE WITH THE VALDEZ EMERGENCY ASSISTANCE & FOOD BANK FOR A PORTION OF TRACT D, USS 447

WHEREAS, the City of Valdez entered into a Use Agreement dated June 6, 1997 with the Valdez Emergency Assistance & Food Bank (Food Bank) for a Portion of Tract D, USS 447; and

WHEREAS, the City of Valdez approved Amendment No. 1 on September 19, 2002 to extend the agreement for a term of five years commencing June 23, 2002 and terminating May 31, 2007; and

WHEREAS, the City of Valdez approved Amendment No. 2 on June 18, 2007 to extend the agreement for an additional five year term commencing June 1, 2007 and terminating May 31, 2012; and

WHEREAS, the City of Valdez approved Amendment No. 3 to extend the agreement for an additional five year term commencing June 1, 2012 and terminating May 31, 2017; and

WHEREAS, the Use Agreement expired May 31, 2017 and was not renewed and does not contain a holdover provision; and

WHEREAS, Community Development Staff reached out to the Food Bank to correct this discrepancy and the Food Bank wishes to continue the agreement and provided application to lease the site.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that:

Section 1. The City Council of the City of Valdez, Alaska authorizes a lease with the Valdez Emergency Assistance & Food Bank for a Portion of Tract D, USS 447 and authorizes the City Manager or her designee to negotiate said lease.

Section 2. The term of lease shall be for five years, commencing June 1, 2017 and terminating on May 31, 2022 with five, five-year options to renew.

Section 3. The use of the lease shall be for the maintenance and operation of the Valdez Food Bank facility.

Section 4. The rental fee shall be \$1 per year.

Section 5. In conformance with Valdez Municipal Code Section 4.08.160 this lease shall not become effective until public notice has been given for at least thirty days. This resolution shall be posted twice in a newspaper in the city and shall be posted on the official city bulletin board and two other public places in the city for thirty days prior to the effective date of the lease.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 2<sup>nd</sup> day of January, 2019.

CITY OF VALDEZ, ALASKA

\_\_\_\_\_  
Jeremy O'Neil, Mayor

ATTEST:

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



**CITY OF VALDEZ  
APPLICATION FOR LEASE OF CITY OWNED LAND**

Application Fee: \$50.00 (Non-refundable)

FEE WAIVED FOR 2017 PER RES# 12-72

This form is to be completed by an individual or an organization proposing to lease City-owned land. Complete in full and to the best of your knowledge. Please explain any omissions and use additional pages where appropriate. If requested, proprietary and financial information of applicants that is so marked will be kept confidential.

The completed application shall be returned to the Valdez Community & Economic Development Department located in City Hall along with the Application fee.

A deposit of \$3,000 will be required prior to the City initiating any required appraisal or land survey. The deposit will be used to offset the cost of the appraisal and land survey. If additional funds are necessary, the applicant will be billed as part of the lease. If there is a balance, it will be applied to the first year's lease payment. This deposit will be the cumulative amount of any required appraisal, land survey or Phase I environmental analysis according to the following schedule:

- \* If a survey and/or appraisal are required: \$3,000
- \* If a Phase I Environmental Analysis only is required: \$3,000
- \* If a survey or appraisal and Environmental Analysis are required: \$5,000  
(Required on all industrial land)

1. Name of Individual Completing Application Form:

Name: Matthew Wadsworth Phone: 835-2838  
Daytime/ Message

Mailing Address: PO Box 1050 Valdez, AK 99686

2. If other individual(s) or an organization(s) will be a party to this application, indicate below. Attach additional pages as needed:

a) Name Valdez Food Bank Phone: 835-3663

Mailing Address PO Box 848 Valdez, AK 99686



Relationship to other applicant(s) Board Vice President

b) Organization's name \_\_\_\_\_

Address \_\_\_\_\_

Primary Contact: \_\_\_\_\_

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

Daytime Phone #: \_\_\_\_\_

3. TYPE OF ORGANIZATION: (Check one)

Individuals \_\_\_\_\_

General Partnership \_\_\_\_\_

Limited Partnership \_\_\_\_\_

Other \_\_\_\_\_

Business Corporation \_\_\_\_\_

Non-Profit Corporation  \_\_\_\_\_

Non-Profit Association \_\_\_\_\_

If non-profit, has IRS Tax Exempt Status been obtained? Yes  No \_\_\_\_\_  
If yes, attach letter of determination.

Note: Please submit, as appropriate, the following items with this application:

1. Current Alaska business license;
2. Designation of signatory authority to act for organization of other individuals;
3. Certificate and articles of incorporation;
4. Partnership agreement and amendments;
5. Charter/by-laws for non-profits;
6. Most recent annual financial statement;

4. Legal Description AFFECTED BY APPLICATION:

Located in Township \_\_\_\_\_ Range \_\_\_\_\_ Section, \_\_\_\_\_ Meridian

Lot/ Block/ Tract/ Subd. \_\_\_\_\_ Plat # \_\_\_\_\_

Other Description A portion of tract D U55447

Tax # \_\_\_\_\_ No. of Acres \_\_\_\_\_

5. DESCRIBE PROPOSAL. ATTACH NARRATIVE FOR FURTHER DESCRIPTION AND A SITE PLAN (the description should include the use; value and nature of improvements to be constructed; the type of construction; and, the estimated dates for construction to commence and be completed).

Site is used for distribution of food to low-income

families and storage of food items

6. WHAT IS THE TERM OF THE LEASE DESIRED?

5 years with 5 extensions of 5 yrs each, \$1.00 each

7. IF THE REQUEST FOR A LEASE AT LESS THAN FAIR MARKET VALUE, PROVIDE JUSTIFICATION.

The lease is for a non-profit organization that provides food for the poor and vulnerable who struggle meeting their food needs in our community. We are supported by volunteers and donated funds.

8. PLEASE STATE WHY YOU BELIEVE IT WOULD BE IN THE "BEST INTEREST OF THE CITY" TO APPROVE YOUR PROPOSAL AND PROCESS YOUR APPLICATION.

The Valdez Food Bank provides food and emergency financial assistance to disadvantaged families who are unable to meet their own needs.

9. CURRENT STATUS OF LAND. DESCRIBE ANY EXISTING IMPROVEMENTS, PROVIDE PHOTOGRAPHS IF POSSIBLE.

Building - see attached photos

10. HAS APPLICANT PREVIOUSLY PURCHASED OR LEASED CITY LAND OR RESOURCES?  YES  NO. IF YES, PROVIDE LEGAL DESCRIPTION, TYPE OR PURCHASE OR LEASE, AND STATUS.

Leased property since 1997

11. IF APPLICANT IS A BUSINESS OPERATION, LIST PRESENT BUSINESS ACTIVITIES.

Distribution of food and emergency assistance.

12. IF REQUIRED, ARE YOU PREPARED TO SPEND FUNDS FOR THE FOLLOWING:

- | YES                                 | NO                       |   |
|-------------------------------------|--------------------------|---|
| <input type="checkbox"/>            | <input type="checkbox"/> | a) Performance bond   |
| <input type="checkbox"/>            | <input type="checkbox"/> | b) Damage deposit   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c) General liability insurance  |
| <input type="checkbox"/>            | <input type="checkbox"/> | d) Worker's compensation insurance  |
| <input type="checkbox"/>            | <input type="checkbox"/> | e) Survey and platting  |
| <input type="checkbox"/>            | <input type="checkbox"/> | f) Appraisal fee  |
| <input type="checkbox"/>            | <input type="checkbox"/> | g) Closing fees, which may include title insurance, document preparation, escrow closing, and recording |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | h) Any federal, state and local permits required  |
| <input type="checkbox"/>            | <input type="checkbox"/> | i) Maintenance costs (present or future)  |

13. LIST THREE (3) CREDIT OR BUSINESS REFERENCES:

Name	Address	Phone #
<u>n/a</u>		

14. HAS APPLICANT, OR AFFILIATED ENTITY, EVER FILED A PETITION FOR BANKRUPTCY, BEEN ADJUDGED BANKRUPT OR MADE AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS?

No

15. IS APPLICANT, OR AFFILIATED ENTITY, NOW IN DEFAULT ON ANY OBLIGATION TO, OR SUBJECT TO ANY UNSATISFIED JUDGEMENT OF LIEN?  YES  NO IF YES, EXPLAIN:

\_\_\_\_\_  
\_\_\_\_\_

COMPLETE THE FOLLOWING APPLICANT QUALIFICATION STATEMENT FOR EACH INDIVIDUAL APPLICANT OR ORGANIZATION. ATTACH ADDITIONAL STATEMENTS IF NEEDED.

APPLICANT QUALIFICATION STATEMENT

I, Matthew Wadsworth, Board vice president  
(Individual Name)

I, Michelle Chase, Board secretary  
(Individual Name)

I, Michelle Chase On Behalf of Valdez Food Bank  
(Representative's Name) (Organization's Name)

PO Box 848  
(Address)

Valdez, AK 99686  
(City, State) (Zip)

do hereby swear and affirm for myself as applicant or as representative for the organization noted above that:

- The Applicant is a citizen of the United States, over the age of nineteen;
- and
- If a group, association or corporation, is authorized to conduct business Under the laws of the State of Alaska; and
- Has not failed to pay a deposit or payment due the City in relation to City-owned real property in the previous five (5) years; and
- Is not currently in breach or default on any contract or lease for real Property transactions in which the City has an interest; and
- Has not failed to perform under or is not in default of a contract with the City; and
- Is not delinquent in any tax payment to the City.

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE TO MY KNOWLEDGE.

Michelle M Chase 11/21/18  
Applicant Signature Date

\_\_\_\_\_  
Applicant Signature Date

Michelle Chase  
Print Name

\_\_\_\_\_  
Print Name

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

DEPARTMENT OF THE TREASURY

Date: **AUG 03 2004**

EMERGENCY ASSISTANCE AND FOODBANK  
OF VALDEZ INC  
C/O JAMES PERRY  
PO BOX 848  
VALDEZ, AK 99686-0848

Employer Identification Number:  
34-1986012  
DLN:  
17053126031044  
Contact Person:  
JANINE L ESTES ID# 31126  
Contact Telephone Number:  
(877) 829-5500

Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
November 21, 2003  
Contribution Deductibility:  
Yes  
Advance Ruling Ending Date:  
December 31, 2007

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

If you distribute funds to individuals, you should keep case histories showing the recipient's name and address; the purpose of the award; the manner of selection; and the relationship of the recipient to any of your officers,

Letter 1045 (DO/CG)

# Emergency Assistance and Food Bank of Valdez

## STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

		<b>TOTAL</b>
<b>ASSETS</b>		
Current Assets		
Bank Accounts		
1st National Bank of Alaska -Checking		136,666.38
1st National Bank of Alaska-Savings		174,396.89
<b>Total Bank Accounts</b>		<b>311,063.27</b>
Other Current Assets		
Prepaid Expenses		0.00
<b>Total Other Current Assets</b>		<b>\$0.00</b>
<b>Total Current Assets</b>		<b>\$311,063.27</b>
Other Assets		
Buildings		92,684.00
<b>Total Other Assets</b>		<b>\$92,684.00</b>
<b>TOTAL ASSETS</b>		<b>\$403,747.27</b>
<b>LIABILITIES AND EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)		0.00
<b>Total Accounts Payable</b>		<b>\$0.00</b>
<b>Total Current Liabilities</b>		<b>\$0.00</b>
<b>Total Liabilities</b>		<b>\$0.00</b>
Equity		
Opening Balance Equity		186,994.26
Retained Earnings		150,238.59
Net Revenue		66,514.42
<b>Total Equity</b>		<b>\$403,747.27</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$403,747.27</b>

# Emergency Assistance and Food Bank of Valdez

## STATEMENT OF ACTIVITY

January - December 2017

	TOTAL
Revenue	
43400 Direct Public Support	54,520.87
44500 Government Grants	45,292.00
44900 Backpack Buddies	3,500.00
46400 Other Income	4,599.18
Sales of Product Revenue	4,313.50
<b>Total Revenue</b>	<b>\$112,225.55</b>
GROSS PROFIT	<b>\$112,225.55</b>
Expenditures	
60900 General and Administrative	7,293.55
62100 Contract Services	1,124.16
62800 Facilities and Equipment	2,088.08
62900 Utilites	5,900.74
63001 Emergency Assistance	8,958.33
64000 Food Assistance	22,676.61
64200 Backpack Buddies Expense	3,500.00
64201 Advertising Expenses	100.00
68300 Travel and Meetings	507.36
<b>Total Expenditures</b>	<b>\$52,148.83</b>
NET OPERATING REVENUE	<b>\$60,076.72</b>
Other Revenue	
Interest Income	91.70
<b>Total Other Revenue</b>	<b>\$91.70</b>
Other Expenditures	
Other Miscellaneous Expenditure	-6,346.00
<b>Total Other Expenditures</b>	<b>\$ -6,346.00</b>
NET OTHER REVENUE	<b>\$6,437.70</b>
NET REVENUE	<b>\$66,514.42</b>

ARTICLES OF INCORPORATION  
OF THE  
NON-PROFIT CORPORATION OF  
EMERGENCY ASSISTANCE AND FOODBANK OF VALDEZ, INC.

WE, the undersigned incorporators, being natural persons over the age of nineteen (19) do hereby make, subscribe and verify the following Articles of Incorporation for the purpose of forming a non-profit corporation under Chapter 20, Title 10 of the Alaska Statutes.

Article I

NAME

The name of the non-profit corporation is EMERGENCY ASSISTANCE AND FOODBANK OF VALDEZ, INC.

Article II

DURATION

The duration of this corporation shall be perpetual.

Article III

PURPOSE

The purpose for which this corporation is to be formed is to engage in any lawful act or activity enunciated in A.S. 10.20.005, including, but not limited to, charitable; benevolent; educational; or civic purposes.



Article V

REGISTERED AGENT AND OFFICE

The initial registered agent of this non-profit corporation will be James Perry. The registered office shall be:

P.O. Box 848, Valdez, AK 99686

The physical address shall be:

Mile One, Richardson Highway, Valdez, AK 99686

Article VI

BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors is seven (7), and the names and addresses of the initial Board of Directors are:

James Perry  
P.O. Box 8  
Valdez, AK 99686

Mike Murphy  
P.O. Box 625  
Valdez, AK 99686

Lucy Lang  
P.O. Box 2169  
Valdez, AK 99686

Patty Levasseur  
P. O. Box 383  
Valdez, AK 99686

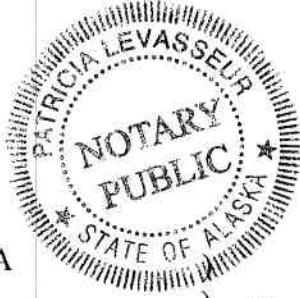
James Shephard  
P.O. Box 794  
Valdez, AK 99686

Debby Call  
P.O. Box 2855  
Valdez, AK 99686

Willa Murphy  
P.O. Box 625  
Valdez, AK 99686

that the same was signed freely and voluntarily with full knowledge of the contents therein.

WITNESS my hand and official seal the date last above written.



Patricia Levasseur  
NOTARY PUBLIC, State of Alaska  
My Commission Expires: 9-21-06

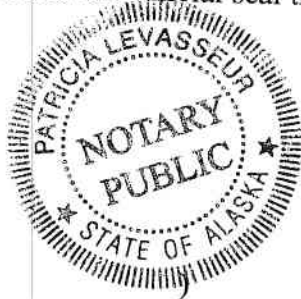
STATE OF ALASKA

) ss.

THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 17<sup>th</sup> of November, 2003, before me, a Notary Public in and for the State of Alaska personally appeared James Shephard, to me known to be the person who signed the foregoing instrument and acknowledged to me that the same was signed freely and voluntarily with full knowledge of the contents therein.

WITNESS my hand and official seal the date last above written.



Patricia Levasseur  
NOTARY PUBLIC, State of Alaska  
My Commission Expires: 9-21-06

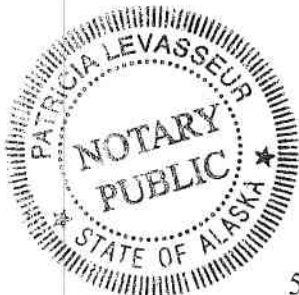
STATE OF ALASKA

) ss.

THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 17<sup>th</sup> of November, 2003, before me, a Notary Public in and for the State of Alaska personally appeared Lucy Lang, to me known to be the person who signed the foregoing instrument and acknowledged to me that the same was signed freely and voluntarily with full knowledge of the contents therein.

WITNESS my hand and official seal the date last above written.



Patricia Levasseur  
NOTARY PUBLIC, State of Alaska  
My Commission Expires: 9-21-06

## USE AGREEMENT

This USE AGREEMENT ("Agreement") is hereby entered into by and between the CITY OF VALDEZ, ALASKA, an Alaska municipal corporation ("City"), and the Valdez Emergency Assistance and Food Bank (Food Bank).

### WITNESSETH:

WHEREAS, the City is owner of that certain parcel of real property that is located in the Valdez Recording District, Third Judicial District, State of Alaska ("Real Property"), more particularly described as follows:

Tract D, USS 447 and Accredited Lands

NOW, THEREFORE, IT IS MUTUALLY AGREED between the City and the Valdez Food Bank as follows:

1. Use of Real Property. The City grants the Food Bank the right and privilege to come and be present upon and to make use of a portion of the Real Property for the following purpose only:

to place, install, maintain and operate a building associated with the Valdez Food Bank.

2. Fees. The Food Bank shall pay to the City, in exchange for the right and privilege to use the Real Property as is permitted under this Agreement, and for the Term thereof, the sum of ONE DOLLAR (\$1.00) per year. This fee shall be paid directly to the City of Valdez, P.O. Box 307, Valdez, Alaska 99686.

3. Term. This Agreement shall be for a Term of FIVE (5) years, commencing on the 23rd day of May, 1997 and terminating five years after that date unless this Agreement is terminated at some earlier date under the terms and conditions set out hereinbelow.

4. Extended Term. The City may extend the Term of this Agreement for a period of FIVE (5) years if and insofar as the Food Bank gives written notice to the City of an intention to exercise this option no later than sixty (60) day prior to the expiration of the Term and that, at such time, the Food Bank is not in default in the performance of any of the terms and conditions of this Agreement or has failed to comply with any of the terms and conditions thereof, and the Valdez City council finds it to be in the public interest.

5. Specific Building Permitted. The type and kind of building that the Food Bank is permitted to place, install, operate and maintain upon the Real Property under this Agreement

is limited to the following:

upon the Real Property, the Food Bank may place one (1) building of a size not to exceed, as measured utilizing external dimensions, 720 square feet in area (24 feet x 30 feet).

6. Consent Required. The Food Bank shall not place or install any building, or make any alteration, addition, or improvement to any existing building previously placed or installed, or place or put any improvement on or to the Real Property, or commence any such undertaking without the prior written consent of the City. As a condition precedent to such consent, the Food Bank shall deliver to the City written plans and specifications for all such work. Such consent will not be unreasonably withheld by the City. It is not the intent of this paragraph to restrict or prevent any maintenance required.

7. Interference with Operation of the Animal Shelter and the Sewer Lift Station. The Food Bank shall not place, install, maintain or operate any building on or come upon, occupy or use the Real Property so as to hamper the operation or use of the Animal Shelter or Sewer Lift Station No. 1.

8. Compliance with Government Regulations. The Food Bank shall comply and assumes sole responsibility for compliance with any and all economic, operational, safety, and other requirements as are or may be imposed by federal, state, municipal, or other law or regulatory body, that apply or relate thereto pursuant to its involvement in the food distribution business; the Food Bank agrees to reimburse the City its entire costs, including but not limited to the amounts of fines or penalties and costs of counsel, arising from any assertion or finding of a lack of compliance with any aforesaid laws and/or regulations arising out of or with respect to the Food Bank's operations of the equipment associated with this Agreement.

9. Indemnification. The Food Bank hereby assumes the entire responsibility and liability for any and all damage or injury of any kind or nature whatsoever to all persons, whether employees or otherwise, and to all property, growing out of or resulting from the existence, placement, installation, maintenance, use or operation of equipment or improvements upon the Real Property under this Agreement. The Food Bank agrees to indemnify and save harmless the City, its agents, servants, and employees, from and against all loss, expenses, including attorney fees, damage or injury growing out of or resulting from or occurring in connection with the existence, placement, installation, maintenance, operation or use of equipment or improvements upon the Real Property under this Agreement.

10. Insurance Requirements. The Food Bank shall maintain at its own expense insurance in such forms and amounts as is necessary to satisfy and meet its indemnification obligations set forth in this Agreement and shall give to the City yearly a certificate from all carriers showing the dates and expiration of any and all policies as well as the limits of liability thereunder.

11. Termination. This Agreement may be terminated by the City should the Food Bank's use interfere with the City's use of the Real Property or upon the Food Bank's failure to perform or comply with any of the conditions or obligations contained in this Agreement, or the filing of a petition in bankruptcy, insolvency, or for reorganization or for the appointment of a receiver or trustee, by or against the Food Bank; in such event, the City shall give ten (10) days prior written notice of the termination and the Food Bank shall have thirty (30) days to remove any of its equipment from the Real Property. This Agreement may be terminated by the Food Bank upon thirty (30) days prior written notice of the termination and the Food Bank shall then have thirty (30) days to remove its building from the Real Property.

12. Assignability. The Food Bank shall not assign (by operation of law or otherwise) or transfer this Agreement or any interest therein without the prior written consent of the City.

13. Non-exclusive Use. The use of the Real Property by the Food Bank will not be an exclusive use and therefore others who request to use it for similar purposes may also be allowed by the City.

14. Snow Removal. The Food Bank will be responsible for all snow removal necessary for its use under this Agreement.

15. Utility Installation/Usage. The Food Bank will be responsible for the cost of installation of and the utilization of sewer, water and electricity needed for its use.

16. Environmental Laws.

(a) The Food Bank represents, warrants and agrees that it will conduct its activities on the Property in compliance with all applicable Environmental Laws, and will keep Property free of Hazardous Substances, except for fuel for heating generators. The City represents, warrants and agrees that it has in the past and will in the future conduct its activities on the Property in compliance with all applicable Environmental Laws and that the Property is free of Hazardous Substance as of the date of this Agreement.

(b) The Food Bank agrees to defend, indemnify and hold the City harmless from and against any and all claims, causes of action, demands and liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgments and attorney's fees that the City may suffer due to the existence or discovery of any Hazardous Substance on the Property or the migration of any Hazardous Substance to other properties or released into the environment arising solely from the Food Bank's activities on the Property.

(c) The indemnifications in this section specifically include costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any government authority.

IN WITNESS WHEREOF, the parties have duly executed this Agreement this 6th  
day of June, 1997.

CITY OF VALDEZ, ALASKA

By: David C Cobb  
David C. Cobb, Mayor

ATTEST:

Sheri L. Caples  
Sheri L. Caples, CMC, City Clerk



Approved as to Form:  
Walker, Walker, Wendlandt, & Osowski LLC

By: William M. Walker  
William M. Walker

VALDEZ EMERGENCY ASSISTANCE  
AND FOOD BANK

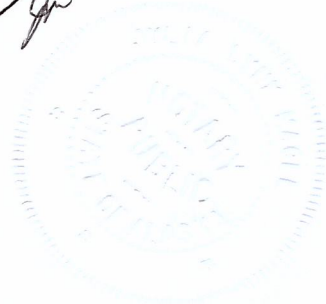
By: Ted Moore As  
Its: President

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on this 4<sup>th</sup> day of JUNE, 1997, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared TED MOORE, known to me and to me known to be the PRESIDENT of Valdez Emergency Assistance and Food Bank, and the individual named in and who executed the foregoing instrument, and he acknowledged to me that he did sign and seal the same as his voluntary act and deed and was authorized to do so by Port Valdez Company, Inc. for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal the day and year first hereinabove written.

*Julia Lynn Yagoe*  
Notary Public in and for Alaska  
My Commission Expires: 4-4-98 *JY*



## LEASE AGREEMENT

THIS LEASE is effective as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, between the **CITY OF VALDEZ**, a municipal corporation organized under the laws of the State of Alaska, whose address is P.O. Box 307, Valdez, Alaska 99686, hereinafter referred to as “LESSOR”, and Valdez Emergency Assistance & Food Bank, whose address is P.O. Box 848, Valdez, Alaska 99686, hereinafter referred to as “LESSEE”.

Based upon the foregoing recitals LESSOR and LESSEE agree as follows:

### I- PROPERTY

1.01. Lease of Property. LESSOR leases to LESSEE and LESSEE leases from LESSOR the property depicted in Exhibit “A” attached hereto, and more specifically described as follows:

Portion of Tract D, USS 447 and Accredited Lands

1.02. Quiet Enjoyment, Restrictions, Easements, Etc. LESSOR covenants and agrees that LESSEE, upon paying rent and other charges herein provided for and observing and keeping the covenants, conditions and terms of this Lease on LESSEE’S part to be kept of performed, shall lawfully and quietly hold, occupy and enjoy the Property during the term of this Lease without hindrance or molestation, subject, however, to the rights and reservations expressed in this Lease, the U.S. Patent to the Property, the State of Alaska Patent to the Property, existing easements for roads, gas, electric, water, sewer and other utility lines, restrictions of record and to encroachments ascertained by physical inspection of the Property.

Excepting and reserving therefrom, to LESSOR and its assigns during the term of this Lease, the following specific interests, which shall be in addition to and not in derogation of any general reservations to LESSOR which are required by law and which may be stated elsewhere in this Lease:

- (a) If at any time during the Lease, LESSEE attempts to assign this Lease or transfer control over the Property to another or the Property is devoted to another use, without the consent of LESSOR, this Lease shall automatically terminate.
- (b) The Alaska Constitution guarantees any citizen of the United States or resident of the state the right of access to navigable waters and the land beneath them for navigation, commerce, fishing and other purposes. This tide and submerged land Lease is subject to the principles of the Public Trust Doctrine. LESSOR reserves the right to grant other interests to the Property consistent with the Public Trust Doctrine as long as said interests will not unreasonably interfere with the use of the Property by LESSEE.
- (c) All survey monuments, witness corners, reference monuments and bearing trees shall be protected by LESSEE against damage, destruction, or obliteration. Any damages, destroyed or obliterated markers shall be reestablished by LESSEE at LESSEE’S expense in accordance with accepted survey practices of the State of Alaska Department of Natural Resources.



- (d) All fuel petroleum and other toxic products maintained, stored or used at the Property shall be stored no less than 100 feet away from the nearest surface waterbody, and contained and confined in a manner which prevents any spillage from entering the Property, including without limitation any surface waters. In the event of a fuel or other toxic product spill, LESSEE shall immediately notify the Valdez office of the Department of Environmental Conservation of the same.
- (e) LESSEE must maintain on hand at all times sorbent materials in sufficient quantity to handle operational spills for use in the event of a fuel or other toxic product spill.
- (f) LESSEE is responsible for all aspects of the maintenance and operation of the Property and the leasehold
- (g) LESSEE is responsible for survey and environmental assessment costs as deemed necessary by LESSOR.

1.03. Property Accepted "As Is". LESSEE acknowledges that it has inspected the Property and accepts the same "as is" and without reliance on any representations or warranties of LESSOR, its agents, representatives, or employees, as to the physical condition of the Property, including, but not limited to, subsurface and soil conditions, or as to its fitness or habitability or for any particular purpose, or otherwise.

1.04. No Subsurface Rights. This Lease confers no mineral rights or rights with regard to the subsurface of the land below the level necessary for the use of the Property as stated in this Lease. LESSOR makes no warranty or representation, as whether the Property is open or closed to mineral claims or leases under state or federal law.

1.05. Appraisal. Not applicable

## II - TERM

2.01. Lease Term. The initial term of this Lease shall be five (5) years commencing on June 1, 2017, and ending on the last day of May 2022. The Lease term may be extended by LESSEE in accordance with the provisions of paragraph 2.06 below for five (5), five (5) year extensions.

2.02. Preference Rights to Re-Lease. LESSEE shall upon expiration of this Lease, and pursuant to Section 4.08.250 of the Valdez Municipal Code, as may be amended from time-to-time, be allowed a preference right to re-lease the Property, provided the LESSEE is not in breach or default of any of the terms or conditions of the Lease at the time of Lease expiration, unless it shall be determined by LESSOR that the renewal of this Lease is not in the best interests of LESSOR.

2.03. Application to Re-lease. If, at the expiration of this Lease, the LESSEE desires to re-lease the Property, LESSEE shall, not sooner than ninety calendar days and not later than sixty calendar days prior to the expiration, make application to re-lease the Property. The re-lease application shall certify the character and value of all improvements placed by LESSEE on the Property, the purpose and lengths for which the re-lease is desired, and any other information that LESSOR may require. Applications to re-lease

shall be submitted to the same application review as new applications for lease, pursuant to Section 4.08.250 of the Valdez Municipal Code as may be amended from time-to-time.

2.04. Hold-Over. If LESSEE shall holdover after the expiration of the term of this Lease such tenancy shall be from month to month, subject to all the terms, covenants and conditions of this Lease.

2.05. Surrender of Possession. Upon expiration of the term of this Lease, whether by lapse of time or otherwise, LESSEE shall promptly and peaceably surrender the Property, and all buildings and improvements thereon, except as provided in Article XVII of this Lease, and LESSEE shall execute, acknowledge and deliver to LESSOR a proper instrument in writing, releasing and quitclaiming to LESSOR all right, title and interest of LESSEE in and to the Property and all such improvements thereon.

2.06. LESSEE'S Option to Extend Lease Term. Provided that this Lease has not been terminated and LESSEE is not in default of LESSEE's obligations under this Lease at the time of exercise, LESSEE shall have the right to extend the term of this Lease for five (5) additional periods (each period being an "Option") of five (5) years each (each being an "Extension Period"). To exercise of the Option not less than ninety (90) days prior to the end of the then expiring Lease term. Rent and the adjustment thereof for any Extension Period for which an Option has been exercised shall be as set forth in Article III below.

### III - RENT, TAXES, ASSESSMENTS AND UTILITIES

3.01. Rent. The LESSEE shall pay to LESSOR an annual rent of \$1.00. An annual payment of rent shall be made in advance not later than the first day of June of each year of the Lease. Rent for any partial year shall be prorated at the rate of 1/12th of the annual rent per month or portion thereof. Rent shall be payable at the office of the City of Valdez, P.O. Box 307, Valdez, Alaska 99686, or at such other place as LESSOR may designate in writing. Delinquent rent shall bear interest at the maximum rate of interest allowed per annum.

3.02. Adjustment of Rent. Not applicable.

3.03. LESSEE to Pay Taxes. As of the effective date of this Lease, LESSEE has been granted a Community Purpose Exemption for the 2018 tax year from the payment of real property taxes on the Property. In the event that during the term of the Lease, LESSEE is not exempted from the payment of real property taxes on the Property, LESSEE shall pay prior to delinquency and directly to the taxing authorities in which the Property is located all personal property taxes levied on personal property situated on the Property and placed thereon by LESSEE, its agents, authorized representatives, or employees. LESSEE shall further pay prior to delinquency any other taxes for which it may be liable. LESSEE shall, within thirty (30) days after such tax, assessment or other charge, whether or not constituting a lien on the Property, shall become due and payable, produce and exhibit to LESSOR satisfactory evidence or payment thereof.

3.04. LESSEE to Pay Assessments. LESSEE during the term of this Lease shall pay directly to the public authorities charged with collection thereof any and all assessments levied on the Property for any part or all of the costs of any public work or improvement assessed according to benefit found by levying authority to accrue therefrom to the Property, provided, however, that if an option is given to pay such assessment(s)

in installments, LESSEE may elect to pay the same in installments, and in such case LESSEE shall be liable only for such installments as shall accrue during the term of this Lease. LESSOR warrants and represents that there are currently no outstanding assessments levied on the Property for any part or all of the cost of any public work or improvement constructed by LESSOR.

3.05. Proration of Taxes and Assessments. If LESSEE'S obligation to pay taxes or assessment commences or ends during a tax year, such obligation shall be prorated between LESSOR and LESSEE.

3.06. Contest. LESSEE shall have the right to contest any taxes or assessments, which LESSEE is obligated to pay under paragraphs 3.03 or 3.04 of this Lease. Such proceedings shall, if instituted, be conducted promptly at LESSEE's own expense and free from all expense to LESSOR. Before instituting any such proceedings, LESSEE shall pay under protest any such taxes or assessments, or shall furnish to LESSOR a surety bond written by a company acceptable to LESSOR or other security acceptable to LESSOR, sufficient to cover the amount of such taxes or assessments, with interest for the period which such proceedings may reasonably be expected to take, and costs, securing the payment of such taxes or assessments, interest and costs in connection therewith when finally determined. Notwithstanding the furnishing of any such bond or security, LESSEE shall pay any such taxes or assessments at least thirty (30) days before the time when the Property or any part thereof, might be forfeited. The proceedings referred to in this paragraph 3.06 shall include appropriate appeals from any order or judgements therein, but all such proceedings shall be begun as soon as reasonably possible after the imposition or assessment of any such taxes or assessments and shall be prosecuted to final adjudication promptly. In the event of any reduction, cancellation or discharge, LESSEE shall pay the amount that shall be finally levied or assessed against the Property or adjudicated to be due and payable, and, if there shall be any refund payable by the governmental authority with respect thereto, LESSEE shall be entitled to receive and retain the same, subject, however, to apportionment as provided in paragraph 3.05 of this Lease. LESSOR, at LESSOR's option and expense, may, but shall not be obligated to, contest any such taxes or assessments. In such event, LESSOR shall be entitled to receive and retain any refund payable by any governmental authority with respect thereof.

3.07. LESSEE to Pay Utility Charges. LESSEE shall pay or cause to be paid all charges for gas, oil, electricity, water, sewer, heat, snow removal refuse removal and any and all other utilities or services used upon the Property throughout the term of this Lease, including any connection fees.

3.08. Additional Rent and LESSOR's Right to Cure LESSEE's Default. All costs and expenses which LESSEE assumes or agrees to pay pursuant to this Lease shall, at LESSOR's election, be treated as additional rent, and, in the event of nonpayment, LESSOR shall have all rights and remedies provided in this Lease in the case of nonpayment of rent or of a breach of condition, at LESSOR's election. If LESSEE shall default in making any payment required to be made by LESSEE or shall default in performance of any term, covenant or condition of this Lease on the part of LESSEE to be kept, performed or observed which shall involve the expenditure of money by LESSEE, LESSOR at LESSOR's option may, but shall not be obligated perform or observe such term, covenant or condition, and any and all sums to expended by LESSOR, with interest thereon at the maximum allowable rate of interest per year from the date of such expenditure until repaid, shall be, and shall be deemed to be, additional rent and shall be repaid by LESSEE

to LESSOR, on demand, provided, however, that no such payment or expenditure by LESSOR shall be deemed a waiver of LESSEE's default, nor shall it affect any remedy of LESSOR by reason of such default.

#### IV - USE

4.01. Use. LESSEE shall use the Property for the maintenance and operation of the Valdez Emergency Assistance & Food Bank facility and for no other purposes. LESSEE shall not conduct any illegal activities on the Property or maintain any nuisances on the Property. LESSEE shall be responsible for all snow removal as necessary for its use under this Lease. The use of the Property by LESSEE will not be an exclusive use and therefore others who request to use it for similar purposes may also be allowed by the LESSOR. LESSEE shall not place, install, maintain, or operate the any building on, or come upon, occupy or use the Property so as to hamper the operation or use of the Animal Shelter or Sewer Lift Station 1.

4.02 Radio Interference. At the LESSOR'S request, the LESSEE shall discontinue the use of any machine or device which interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated provided that such a request is based upon a reasonable belief that LESSEE's machine or device is the source of the interference.

#### V - IMPROVEMENTS

5.01. Notice of Construction. No improvements may be made to the Property without first obtaining LESSOR'S written consent and required permit(s) from the Alaska Corps of Engineers and any other permits required by other city, state and/or federal agencies. After obtaining the appropriate permits, LESSEE shall give LESSOR no less than five (5) days written notice prior to the commencement of any construction, alteration or repair of any improvements constructed or made by LESSEE on the Property so that LESSOR may, if it so elects, give notice of nonresponsibility pursuant to Alaska Statute 34.35, as may be amended from time-to-time.

5.02. Development Requirements. Not applicable.

5.03. LESSEE's Ownership of Buildings and Improvements. It is expressly understood and agreed that any and all buildings and improvements of any nature whatsoever constructed or maintained on the Property by LESSEE shall be and retain the property of LESSEE and may be removed or replaced by LESSEE at any time during the term of this Lease, subject, however, to paragraph 17.01 of this Lease.

5.04. Construction Prerequisites. No construction shall be commenced unless the following events have occurred:

- (a) LESSEE shall furnish to LESSOR certificates of insurance in the amounts and for the purposes specified in Article X.
- (b) LESSEE shall from time to time deliver to LESSOR satisfactory proof that worker's compensation insurance has been procured to cover all persons employed in connection with the construction. Notice of any deficiency in this area to LESSEE will be cured

immediately and no work will be performed on the project until the LESSOR has satisfactory proof that proper worker's compensation insurance is in place.

(c) LESSEE shall obtain all necessary city, state, federal or other required building permits.

5.05. LESSEE to Use the Port of Valdez. LESSEE agrees that LESSEE will use all reasonable efforts to have all materials and equipment which LESSEE or LESSEE's contractors ship by water from points of origin outside of the State of Alaska, and which are incorporated into or used in the construction or operations on the Property, shipped by water directly to Valdez and unloaded in the Port of Valdez.

5.06 Landscaping. LESSEE shall landscape the areas surrounding any buildings or improvements constructed or maintained on the Property in a pleasing and aesthetic manner consistent with the scenic nature and natural vegetation of the Property and the surrounding land, and shall maintain such landscaping in good condition.

## VI - TRADE FIXTURES

6.01. LESSEE's Ownership of Trade Fixtures, Machinery and Equipment. It is expressly understood and agreed that any and all trade fixtures (including electrical fixtures), machinery, equipment or any nature whatsoever and other personal property of LESSEE at any time placed or maintained upon the Property by LESSEE shall be and remain property of the LESSEE and may be removed or replaced at any time during the term of this Lease.

## VII - ASSIGNMENT AND SUBLETTING

7.01. Assignment/Encumbrances/Subletting. LESSEE shall not voluntarily assign or encumber its interest in this Lease or in the Property, or sublet all or any part of the Property, or allow any other person or entity (except LESSEE's authorized representatives) to occupy or use all or any part of the Property without first obtaining LESSOR's consent. Any assignment, encumbrance or sublease without LESSOR's consent shall be voidable and, at LESSOR's election, shall constitute default. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this paragraph. If LESSEE is a partnership, a withdrawal or change, voluntary, involuntary or by operation of law, of any partner or partners owning fifty percent (50%) or more of the partnership, or the dissolution of the partnership, shall be deemed a voluntary assignment. If LESSEE is a corporation, any dissolution, merger, consolidation or other reorganization of LESSEE, or the sale or other transfer of a controlling percentage of the capital stock of LESSEE, or the sale of fifty-one percent (51%) of the value of the assets of LESSEE, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least fifty-one percent (51%) of the total combined voting power of all classes of LESSEE's capital stock issued, outstanding and entitled to vote for the election of directors. As to a corporation the stock of which is traded through an exchange or over the counter, a sale or other transfer of a controlling percentage of the capital stock of such LESSEE's corporation will not be deemed to be a voluntary assignment. Any assignment affected pursuant to this paragraph 7.01 shall require the assignee to assume the LESSEE's obligations hereunder. LESSEE shall promptly deliver to LESSOR a copy of any assignment instrument. Any assignment shall not release the LESSEE from liability hereunder.

7.02. Assignment of Rents to LESSOR. LESSEE immediately and irrevocably assigns to LESSOR, as security for LESSEE's obligations under this Lease, all rent from any subletting of all or part of the Property as permitted by this Lease, and LESSOR, as assignee and attorney-in-fact for LESSEE or a receiver for LESSEE appointed on LESSOR's application, may collect such rent and apply it toward LESSEE's obligations under this Lease, except that, until the occurrence of an act of default by LESSEE, LESSEE shall have the right to collect such rent.

7.03. Costs of LESSOR'S Consent to Be Borne by LESSEE. LESSEE shall pay to LESSOR, on demand, reasonable costs, including attorney's fees, incurred by LESSOR in connection with any request by LESSEE for LESSOR to consent to any assignment subletting by LESSEE.

### VIII - LIENS

8.01. Prohibition of Liens. LESSEE shall not suffer or permit any liens, including without limitation, mechanic's or materialman's liens, to be recorded against the Property. If any such liens shall be recorded against the Property, LESSEE shall cause the same to be removed, or, in the alternative, if LESSEE in good faith desires to contest the same, LESSEE shall be privileged to do so, but in such case LESSEE shall indemnify and hold LESSOR harmless from all liability for damages occasioned thereby and shall, in the event of a judgement of foreclosure of such liens, cause the same to be discharged and removed prior to any attempt at execution of such judgement. Nothing contained in this Lease shall be construed to be a waiver of the provisions of AS 09.38.015(c), as may be amended from time to time.

### IX - INDEMNITY

9.01. Indemnity. Except for claims arising solely out of acts or omissions of LESSOR, its agents, authorized representatives, employees or contractors, LESSEE agrees to protect, defend, indemnify and hold LESSOR, its agents, authorized representatives and employees (collectively "LESSOR's Indemnities") harmless from and against any and all liability arising from acts or omissions of any person and of any nature whatsoever occurring on or relating to the Property, causing injury to, or death of persons, or loss of, or damage to, property, and from any expense, including attorney's fees, incident to the defense of and by LESSOR's Indemnities therefrom. If any action or proceeding is brought against LESSOR's Indemnities by reason of any such occurrences, LESSOR's Indemnities shall promptly notify LESSEE in writing of such action or proceeding.

### X - INSURANCE

10.01. Liability Insurance. LESSEE, during the term of this Lease, shall carry at its expense comprehensive general liability insurance covering the Property in an amount of not less than ONE MILLION DOLLARS (\$1,000,000.00) combined single limit to protect against liability for personal injury, death or property damage, which might arise from the construction occupancy or use of the Property and the operations conducted on it. Said insurance shall insure the performance by LESSEE of the indemnity provisions of paragraph 9.01. LESSOR may increase the amount of insurance required at five (5) year intervals. LESSOR agrees that any such increase shall be reasonable.

10.02. Named Insured, Notice to LESSOR, and Waiver of Subrogation. All insurance policies required to be maintained by LESSEE under paragraph 10.01 shall name LESSOR, and its officers, employees and agents, as additional insured. All policies issued under paragraph 10.01 shall contain an agreement by the insurers that such policies shall not be cancelled without at least twenty (20) days prior written notice to LESSOR, and certificates or copies of all such insurance policies shall be furnished to LESSOR promptly upon LESSOR's request therefor. All policies issued under paragraph 10.01 shall contain a waiver of any subrogation rights any insurer might have against LESSOR.

10.03. Fire and Extended Coverage Insurance. LESSEE may at its own expense and in its own name obtain insurance against loss or damage by fire and such other risks as it determines to cover improvements, equipment, inventory, fixtures, personal property and improvements made to the Property by LESSEE subsequent to LESSEE's taking possession of the Property under this Lease.

## XI - CARE OF PROPERTY

11.01. Care of the Property. LESSEE at its own cost and expense shall keep the Property and all buildings and improvements, which at any time may be situated thereon, in good condition and repair during the term of this Lease, ordinary wear and tear expected. The Property shall always be kept by LESSEE neat, clean, and free of litter. Vehicles, equipment, supplies, materials or other items or personal property shall be stored on the Property in a neat, orderly, and safe manner. LESSOR reserves the right to cause LESSEE to change the manner of storage if potential for hazard or public nuisance is found. Nothing in this paragraph shall prevent the temporary placement of building materials and equipment necessary for the construction of the structures permitted under this Lease in the areas where the structures are to be constructed, nor shall this section be applicable to general parking for guests and employees.

11.02. Restoration or Removal of Damaged Buildings and Improvements. In the event any buildings or improvements situated on the Property by LESSEE are damaged or destroyed by fire or other casualty, LESSEE shall at LESSEE's expense restore the same to good and tenantable conditions or shall, at LESSOR's option remove the same as soon as is reasonably possible, but in no event shall the period of restoration exceed eighteen (18) months nor shall the period of removal exceed forty-five (45) days.

11.03. Access Rights of LESSOR. LESSOR, its agents, authorized representatives or employees, shall have the right to enter into and upon the Property and all buildings or improvements situated thereon upon 24 hour notice to LESSEE and during normal business hours (defined as 9:00 a.m. to 5:00 p.m. Monday through Friday except for holidays as defined in paragraph 15.05 of this Lease) for the purpose of inspecting the Property and all buildings or improvements situated thereon for compliance with the terms of this Lease.

11.04. Nuisances Prohibited. LESSEE shall immediately remove from the Property any abandoned or junk vehicles, improvements, equipment, machinery or fixtures. LESSEE shall not permit any nuisance or public nuisance to exist or to be created or maintained on the Property. LESSEE agrees that any nuisance or public nuisance as defined by the Valdez Municipal Code or any other code or regulations incorporated therein or otherwise adopted by ordinance or resolution of the City of Valdez, may, after five (5) days written notice to LESSEE, be removed by LESSOR without LESSEE's further permission, with use of force if necessary,

and without incurring any civil or criminal liability therefor, all the costs of such removal to be paid by LESSEE to LESSOR as additional rent under the terms of this Lease. This paragraph shall not be construed as any limitation on any other legal rights or remedies available to the City of Valdez to abate any nuisance or to prosecute any violation of the Valdez Municipal Code.

## XII - LAWS

12.01. Compliance with Laws. LESSEE shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now or thereafter in any manner affecting LESSEE's activities on the Property or any buildings or other improvements which may be situated thereon, whether or not any such laws, ordinances or regulations which may be thereafter enacted involve a change of policy on the part of the governmental body enacting the same. In the event of a conflict between the provisions of this Lease and the City of Valdez Municipal Code, the latter shall control.

## XIII - CONDEMNATION

13.01. Condemnation. In the event the Property, or any part thereof or interest therein, shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, the interests of LESSOR and LESSEE in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease shall be as provided in this Article XIII.

13.02. Total Taking. If all of the Property is taken or so transferred, this Lease and all the right, title and interest thereunder of LESSEE shall cease on the date title to the Property vests in the condemning authority, subject to the removal provisions in Article XVII if applicable.

13.03. Partial Taking - Termination of Lease. In the event the taking or transfer of part of the Property leaves the remainder of the Property in such location, or in such form, shape or reduced size, or so inaccessible as to be not effectively and proactively usable in the reasonable opinion of LESSEE for the purpose of operation thereon of LESSEE's business, then this Lease and all of the right, title and interest thereunder of LESSEE shall cease on the date title to the Property vests in the condemning authority, and the condemning authority enters into possession, subject to the removal provisions of Article XVII if applicable.

13.04. Partial Taking - Continuation of Lease. In the event the taking or transfer of part of the Property leaves a portion of the remainder of the Property in such location and in such form, shape or size, or so accessible as to be effectively and proactively usable in the reasonable opinion of LESSEE for the purpose of operation thereon of LESSEE's business, this Lease shall terminate and end as to the portion of the Property so taken or transferred as of the date title to such portion vests in the condemning authority and the condemning authority enters into possession, but shall continue in full force and effect as to the portion of the Property not so taken or transferred. If there is a partial taking and this Lease is not terminal, then the annual rent payable under this Lease shall abate for the portion of the Property taken in the proportion that such portion bears to all of the Property.



13.05. Compensation. Compensation received or payable as a result of eminent domain proceedings or a transfer in lieu thereof shall belong to LESSOR, if such compensation be awarded or paid as compensation for diminution in value for the leasehold or of the fee, and LESSEE shall make no claim against LESSOR for damages for termination of the leasehold or interference with LESSEE's business unless LESSOR is the condemning authority or responsible for condemnation. Compensation received or payable as a result of eminent domain proceedings or a transfer in lieu thereof shall belong to the LESSEE, if such compensation be awarded or paid as compensation for LESSEE's moving expense, for interference with LESSEE's business, and for damages relating to any trade fixtures, machinery or equipment owned by the LESSEE. Upon award each party shall be responsible for pro-rata share of the attorney's fees incurred in direct proportion to the total amount recovered for their respective losses.

#### XIV - DEFAULT

14.01. Default. Each of the following events shall be deemed an event of default by the LESSEE under this Lease and a breach of the terms, covenants and conditions of this Lease.

- (a) Failure to perform as required and when required any of the development requirements contained in paragraph 5.02 of this Lease.
- (b) A default in the payment of the rent and additional sums due under this Lease, or any part thereof, for a period of sixty (60) days from the due date for the payment of such rent or additional sums.
- (c) A default in the performance of any other term, covenant or condition on the part of the LESSEE to be kept, performed or observed for a period of sixty (60) days after LESSOR gives to LESSEE a written notice specifying the particular default or defaults; provided, however, that any default on the part of the LESSEE in the performance of work or acts required by LESSEE to be done, or conditions to be modified, shall be deemed to be cured if steps have been taken promptly by LESSEE to rectify the same and prosecuted to completion with diligence and continuity.
- (d) The making by LESSEE of an assignment for the benefit of creditors, unless given written consent by LESSOR.
- (e) The appointment of a receiver by a court of competent jurisdiction for LESSEE's business.
- (f) The levy under execution or attachment by process of law of the leasehold interest of LESSEE in the Property if not cured within sixty (60) days.
- (g) The use of the Property or buildings and improvements thereon for purposes other than those enumerated herein, to which LESSOR has not given its written consent.
- (h) The abandonment of the Property by LESSEE.

- (i) The occurrence of any event giving rise to cancellation or forfeiture of this Lease as stated in section 4.08.190 of the Valdez Municipal Code, as may be amended from time-to-time.

14.02. LESSOR's Remedies. In the event of any default by LESSEE's recited in paragraph 14.01 of this Lease, LESSOR shall have all of the below enumerated rights and remedies, all in addition to any rights and remedies that LESSOR may be given by statute, common law or otherwise. All rights of LESSOR shall be cumulative, and none shall exclude any other right or remedy. LESSOR's rights and remedies include the following:

- (a) LESSOR may declare the term of this Lease ended by written notice to LESSEE. Upon termination of this Lease, LESSEE shall surrender possession and vacate the Property immediately, and deliver possession thereof to LESSOR, and LESSEE hereby grants to LESSOR full and free license to enter into and upon the Property in such event with or without process of law and to reprocess the Property and to expel or remove any and all property therefrom, using such force as may be necessary, and without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing LESSOR's right to rent or any other right given to LESSOR hereunder or by operation of law.
- (b) LESSOR may by written notice declare LESSEE's right to possession of the Property terminated without terminating this Lease. Upon such termination of LESSEE's right to possession, LESSOR shall have all the rights to repossess the Property and remove LESSEE and LESSEE's property that are enumerated in paragraph 14.02(a), subject to LESSEE's rights under Article XVII. Should LESSOR elect to terminate LESSEE's right to possession without terminating this Lease, LESSEE shall have the right to re-possession upon cure of the default or upon written waive by the LESSOR of the default claimed.
- (c) LESSOR may relet the Property in whole or in part for any period equal to or greater or less than the remainder of the term of this Lease, for any period equal to or greater or less than the remainder of the term of this Lease, for any sum which LESSOR may deem reasonable, except as provided in subparagraph (e) of this paragraph, subject to the applicable sections of Chapter 4.08 of Valdez Municipal Code and LESSEE's rights under Article XVII. Any sums collected shall be credited to any indebtedness of LESSEE pursuant to the conditions described in paragraph 14.02(e) (ii).
- (d) LESSOR may collect any and all rents due or to become due from subtenants or other occupants of the Property. Any sums collected shall be credited to any indebtedness of LESSEE pursuant to the conditions described in paragraph 14.02(e) (ii) with any excess amounts being paid to LESSEE.
- (e) LESSOR may recover, whether this Lease be terminated or not, from LESSEE, damages provided for below consisting of items (i), and (ii), or, in lieu of (ii), item (iii);

- (i) Actual attorney's fees and other expenses incurred by LESSOR by reason of the breach or default by LESSEE; and
  - (ii) An amount equal to the amount of all rent and additional sums reserved under this Lease, less the net rent, if any, collected by LESSOR on reletting the Property and less any amounts recovered from the sale of attached personal property or improvements on the Property, which shall be due and payable by LESSEE to LESSOR on the days on which the rent and additional sums reserved in this Lease would have become due and payable; that is to say, upon each of such days LESSEE shall pay to LESSOR the amount of deficiency then existing. Such net rent collected all expenses incurred by LESSOR in connection with the reletting of the Property, or any part thereof, including broker's commission and the cost of removing any improvements made by LESSEE in order to return the property to its pre-rent condition, however, LESSOR must take diligent effort in reletting the Property to obtain a rental rate as close to or above that required of LESSEE under this Lease or else LESSOR will not have access to the remedy set out in this paragraph 14.01(e)(ii); or
  - (iii) An amount to be due immediately on the breach, equal to the difference between the rent and the fair and reasonable rental value of the Property for the same period. In the computation of such damages the difference between any installment of rent thereafter becoming due and the fair and reasonable value of the Property for the period for which such installment was payable shall be discounted to the date of such breach at the rate of eight percent (8%) per year.
- (f) Reentry or reletting of the Property or any part thereof, shall not be deemed a termination of this Lease, unless expressly declared to be so by LESSOR.
  - (g) If this Lease shall be deemed terminated, LESSEE's liabilities shall survive and LESSEE shall be liable for damages as provided in this paragraph 14.02.

#### XV - GENERAL PROVISIONS

15.01. Estoppel Certificates. Either party shall at any time and from time to time upon not less than thirty (30) days prior written request by the other party, execute, acknowledged and deliver to such party, or to its designee, a statement in writing certifying that this Lease is unamended and in full force and effect (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments), that there are no defaults existing, (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the rent and other charges have been paid in advance.

15.02. Conditions and Covenants. All the provisions of this Lease shall be deemed as running with the land, and shall be construed to be “conditions” as well as “covenants” as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

15.03. No Waiver of Breach. No failure by either LESSOR or LESSEE to insist upon the strict performance by the other of any term, covenant or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such terms, covenants or conditions. No waiver of any breach shall affect or alter this Lease, but each and every term, covenant and condition of this Lease shall continue in full force and effect with respect to any other than existing or subsequent breach.

15.04. Time of Essence. Time is of the essence of this Lease and of each provision.

15.05. Computation of Time. The time in which any act provided by this Lease is to be done is computed by excluding the first (1st) day and including the last, unless the last day is a Saturday, Sunday, or a holiday and then it is also excluded. The term “holiday” shall mean all holidays as defined by the statutes of Alaska.

15.06. Successors in Interest. Each and all of the terms, covenants and conditions in this Lease shall insure to the benefit of and shall be binding upon the successors in interest of LESSOR and LESSEE.

15.07. Entire Agreement. This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement or promise made by any party which is not confined in this Lease shall be binding or valid.

15.08. Governing Law/Jurisdiction/Venue. This Lease shall be governed by, construed and enforced in accordance with the laws of the State of Alaska. Any litigation arising out of the enforcement of rights or performance of the parties under this Lease, or its interpretation, shall be brought in the courts of the State of Alaska, Third Judicial District at Valdez.

15.09. Partial Validity. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated, unless such provisions are considered by LESSEE to be integral to LESSEE’s use of the Property for the purposes stated therein in which case LESSEE will have the authority to terminate this Lease upon thirty (30) days written notice to LESSOR.

15.10. Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between LESSOR and LESSEE; and neither the method of computation of rent, nor any other provision contained in this Lease nor any acts of the parties, shall be deemed to create any relationship between LESSOR and LESSEE other than the relationship of LESSOR and LESSEE.

15.11. Interpretation. The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not for or against LESSOR or LESSEE as both LESSOR and LESSEE have had opportunity for the assistance of attorneys in drafting and reviewing this Lease.

15.12. Number and Gender. In this Lease, the neuter gender includes the masculine and the feminine, and the singular number includes the plural; the word “person” includes corporation, partnership, firm or association wherever the context so requires.

15.13. Mandatory and Permissive. “Shall”, “will” and “agrees” are mandatory; “may” is permissive.

15.14. Captions. Captions of the paragraphs of this Lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Lease.

15.15. Amendment. This Lease is not subject to amendment except in writing executed by all parties hereto.

15.16. Delivery of Notices - Method and Time. All notices, demands or request from one party to another shall be delivered in person or be sent by mail, certified or registered, postage prepaid, to the addresses states in paragraph 15.17 and shall be deemed to have been given at the time of delivery or, if mailed, three (3) days after the date of mailing.

15.17. Notices. All notices, demands and requests from LESSEE to LESSOR shall be given to LESSOR at the following address:

City Manager  
City of Valdez  
P.O. Box 307  
Valdez, Alaska  
99686

All notices, demands or requests from LESSOR to LESSEE shall be given to LESSEE at the following address:

Valdez Emergency Assistance & Food Bank  
P.O. Box 848  
Valdez, Alaska  
99686

15.18. Change of Address or Agent. Each party shall have the right, from time to time, to designate a different address or different agent for service of process by notice given in conformity with paragraph 15.16.

15.19. Furnishing of Information. LESSEE shall provide LESSOR with copies of articles of incorporation and bylaws, partnership agreements, joint venture agreements or other documents which shall define the manner of organization and the ownership of any business or activities to be conducted upon the Property,

together with all future amendments thereto. LESSEE and LESSEE's assignee or sublessee shall also provide the same information regarding any assignee or sublessee of LESSEE.

15.20. Recordation. This Lease or a memorandum thereof may be recorded by LESSEE at LESSEE's expense with the Valdez Recorder's Office.

#### XVI - LESSOR'S LIEN

16.01. LESSOR'S Lien and Security Interest. LESSOR shall have a lien on, and LESSEE hereby grants LESSOR a security interest on, improvements, equipment and fixtures, which are or may be put on the premises by LESSEE, to secure the payment of the rent and additional sums reserved under this Lease. If LESSEE shall default in the payment of such rent, LESSOR may, at its option, without notice or demand, take possession of and sell such property in accordance with the Uniform Commercial Code of Alaska or other applicable law. LESSOR shall apply the proceeds of sale as follows:

- (a) To the expense of sale, including all costs, fees and expenses of LESSOR and LESSOR's reasonable attorney's fees in connection with such sale;
- (b) To the payment of such rent; and
- (c) The surplus, if any, to LESSEE.

#### XVII - OWNERSHIP OF IMPROVEMENTS AND FIXTURES ON TERMINATION

17.01. LESSEE May Remove Improvements, Fixtures, Machinery and Equipment. Improvements, fixtures, machinery and equipment owned by LESSEE may be removed by LESSEE from the Property within sixty (60) days after the expiration or termination of this Lease; provided that such removal will not cause injury or damage to the Property, or if it does, LESSEE shall indemnify LESSOR for the full amount of such damage; and further provided that any improvements, fixtures, machinery or equipment left on the property by LESSEE shall be in good, safe and tenantable or operable condition; and further provided that LESSEE shall not commit, create, leave or allow to exist on the Property any nuisance or public nuisance. The LESSOR may extend the time for such removal in case hardship is shown to LESSOR's satisfaction, provided application for extension has been made in writing and received by LESSOR within said sixty (60) day period.

17.02. Property Not Removed. Any buildings, improvements, fixtures, machinery, equipment or other items of real or personal property, which are not removed from the Property within the time allowed in paragraph 17.01 of this Lease, shall immediately become the property of LESSOR and title hereto shall vest in LESSOR without further action on the part of LESSEE or LESSOR. LESSOR may use, sell, destroy, or otherwise dispose of any such property in any matter that it sees fit, without further obligation to LESSEE.

## XVIII - NONDISCRIMINATION

18.01. LESSEE Will Not Discriminate. LESSEE agrees that in its use and occupancy of the Property it will not, on the ground of race, color, religion, national origin, ancestry, marital status, age, disability or sex, discriminate or permit discrimination against any prospective occupant, patron, customer, employee, application for employment or other person or group of persons in any manner prohibited by federal, state or local law or regulations promulgated thereunder.

## XIX - HAZARDOUS MATERIALS

19.01. Condition of Property. LESSEE has had full opportunity to visually examine the Property for the presence of any Hazardous Material. LESSOR states that it is unaware of any current or past problems with the Property. LESSEE acknowledges that LESSOR, its agents, authorized representatives or employees have made no representations as to the physical conditions of the Property, including but not limited to the subsurface and soil conditions. LESSEE accepts the Property in an "as is" condition. LESSEE does not accept or assume responsibility or liability for pre-existing subsurface and/or soil conditions, including, but not limited to Hazardous Materials and/or Environmental contamination that is unknown and/or undisclosed to LESSEE at the time of execution of this Lease.

19.02. Release of LESSOR. Any other provision of this Lease to the contrary notwithstanding, LESSEE releases LESSOR from any and all claims, demands, penalties, fines, judgements, liabilities, settlements, damages, costs or expenses (including, without limitation, a decrease in the value of the Property, damages due to loss or restriction of usable space, and attorney's fees, court costs, litigation expenses, and consultant and expert fees) arising, during or after the term of this Lease, and resulting from LESSEE's use, keeping, storage or disposal of HAZARDOUS MATERIAL on the Property. This release includes, without limitation, any and all costs incurred due to any investigation of the site or any cleanup, removal or restoration mandated by a federal, state or local agency or policy subdivision or by law, relating to LESSEE's use, keeping, storage or disposal of Hazardous Materials on the Property.

19.03. Use of Hazardous Materials on the Property.

- (a) LESSEE shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Property by LESSEE or its authorized representatives or invitees, except for such Hazardous Material as is necessary or useful to LESSEE's use of the Property.
- (b) Any Hazardous Material permitted on the Property as provided in this paragraph, and all containers therefor, shall be used, kept, stored and disposed of in a manner that complies with all laws or regulations applicable to any such Hazardous Material.
- (c) LESSEE shall not discharge, leak or emit, or permit to be discharged, leaked or emitted, any material into the atmosphere, ground, sewer system or any body of water, if such material (as reasonably determined by the LESSOR, or any governmental authority) does or may, pollute or

contaminate the same, or may adversely affect (a) the health, welfare or safety of persons, whether located on the Property or elsewhere, or (b) the condition, use or enjoyment of the Property or any other real or personal property.

- (d) LESSEE shall be fully liable for all costs and expenses related to the use, storage and disposal of Hazardous Material kept on the Property by the LESSEE, its authorized representatives and invitees, and the LESSEE shall give immediate notice to the LESSOR of any violation or potential violation of the provisions of subparagraphs 19.03 (a), (b) and (c).

19.04. Indemnification of LESSOR. LESSEE shall forever protect, defend, indemnify and hold harmless LESSOR from and against any and all losses, claims, investigations, assertions, liens, demands and causes of action of every kind and character (including without limitation any assertions or claims made against LESSOR, LESSEE or third parties, by government agencies or third parties, alleging the release or threatened release of hazardous substances or environmental contamination of any kind on or in connection with the Property) and all costs thereof (including without limitation costs of removal action, remedial action other “response costs” as that term is defined under applicable federal and state law, attorney’s fees, penalties, damages, interest and administrative/court costs incurred by LESSOR in response to and defense of the same) arising in favor any party, including LESSOR, and arising from or connected with LESSEE’s activities under this Lease or LESSEE’s use of or presence on the Property, whether such activities, use or presence are those of LESSEE or LESSEE’s agents, subcontractors or other representatives. LESSEE acknowledges that this indemnification clause shall survive termination of this Lease, and that it applies regardless of the basis of liability alleged by or against any party, including strict liability under Alaska Statute 46.03.822 or federal law. LESSEE’s obligations under this paragraph may be discharged however, by performance of whatever degree of site investigation for environmental contamination (in LESSOR’s sole discretion) is necessary to render the Property suitable for LESSOR to release LESSEE from these obligations, which release must be granted in writing by LESSOR.

19.05. Hazardous Material Defined. Hazardous Material/Substance is any substance which is toxic, ignitable, reactive, or corrosive and which is regulated by any local government, the State of Alaska, or the United States government. Hazardous Material includes any and all material or substances which are defined as “hazardous waste”, “extremely hazardous waste”, “hazardous material” or a “hazardous substance” pursuant to local, state or federal law, including without limitation, the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder, and the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder. “Hazardous Material” includes but is not restricted to asbestos, polychlorobiphenyls (“PCB’s”) and petroleum and petroleum products.

19.06. Liability for Release/Threatened Releases of Hazardous Materials. LESSEE shall at all times while this Lease is in effect, for purposes of potential liability under Alaska Statute 46.03.822.:

1. LESSEE, not LESSOR, shall be deemed the owner of and person having control over any hazardous substances used by LESSEE or on the Property for business reasons of LESSEE; and
2. LESSEE, not LESSOR, shall be deemed the owner of the possessory interest under this Lease, and the operator of the Property as a facility under Alaska Statute 46.03.822(a)(2); and



3. LESSEE, not LESSOR, shall be deemed the generator, transporter, or both, of any hazardous substances generated or transported by LESSEE in connection with the enjoyment of its right under this Lease.

For purposes of this paragraph 19.06., "LESSEE" shall include LESSEE's agents, employees, sub-contractors, subsidiaries, affiliates and representatives or any kind.

19.07. Compliance with Environmental Laws. Lessee covenants full compliance with any applicable federal, state or local environmental statute, regulations or ordinance presently in effect or that may be amended or effective in the future.

19.08. Due Diligence. At LESSOR's recommendation, LESSEE has investigated the Property for potential environmental contamination, which may have occurred before the date of this Lease; LESSEE accept the Property in its current environmental condition. After such investigation, LESSEE agrees that the Property:

- (a) Has not been subject to the use, generation, manufacture, storage, treatment, disposal release or threatened release or hazardous substances.
- (b) Has not been subject to any actual or threatened assertions, claims or litigation of any kind by government agencies or any other persons relating to such matters.

19.09. Access to Property. LESSEE authorizes LESSOR to enter upon the Property to make such inspections and tests as LESSOR may deem appropriate to determine compliance with this Lease; any such investigations or tests shall be for LESSOR's purposes only, and shall not be construed to create any responsibility or liability on LESSOR's part to LESSEE or any person.

19.10. Release from Future Claims. LESSEE hereby releases and freely waives any future claims against LESSOR for contribution or indemnity (whether under AS 46.03.822, other state law, or federal law) in the event LESSEE incurs or becomes liable for response costs, damages or costs of any kind because of the release, threatened release or presence of hazardous substances on or about the Property.

19.11. Report of Events. LESSEE specifically agrees to report all releases, threatened releases, discharges, spills or disposal of hazardous substances in whatever quantity, immediately to the appropriate regulatory authorities and simultaneously to LESSOR, and to keep LESSOR fully informed of any communication between LESSEE and any person or agency concerning potential or actual environmental contamination and hazardous substances.

IN WITNESS WHEREOF, the parties hereto have set their hands and seal the dates herein below set forth.

**LESSOR:**  
CITY OF VALDEZ

By: \_\_\_\_\_  
Jeremy, O'Neil, Mayor

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

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

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

**LESSEE:**

Valdez Emergency Assistance & Food Bank

By: \_\_\_\_\_  
Michelle Chase, Secretary

**APPROVED AS TO FORM:**

BRENA, BELL & CLARKSON, P.C.  
Attorneys for City of Valdez

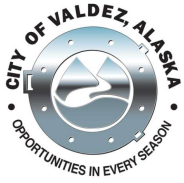
By: \_\_\_\_\_  
Jon S. Wakeland

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 **Michelle Chase** known to me and to me known to be the individual named in and who executed the foregoing document 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:\_\_\_\_\_



## Legislation Text

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**File #:** RES 19-0002, **Version:** 1

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**ITEM TITLE:**

#19-02 - Amending the 2018 City Budget by Transferring \$25,000 from Budget Variance Reserve to Technology Reserve to Cover Actual 2018 Expenses in Excess of Initial Estimates and Unencumbered Budgeted Funds

**SUBMITTED BY:** Brian Carlson, Finance Director

**FISCAL NOTES:**

Expenditure Required: \$25,000

Unencumbered Balance: \$500,000

Funding Source: 350-0350-55000 Budget Variance Reserve

**RECOMMENDATION:**

Approve Resolution amending 2018 Budget

**SUMMARY STATEMENT:**

- This Resolution requests a transfer of \$25,000 from Budget Variance Reserve to cover a shortfall in the Technology Reserve.
- Staff proposes replenishing these funds with the estimated 2018 carry-forward, which will be presented to Council as a 2019 budget resolution in March.
- The shortfall in Technology reserve arose from a Finance Department miscalculation and misallocation of various technology costs, including the ransomware incident, the system rebuild, and implementation of new software.
- Staff is actively working toward improved budget controls and inter-departmental communications and procedures to ensure that all commitments remain within unencumbered budgeted limits.

CITY OF VALDEZ, ALASKA

RESOLUTION #19-02

RESOLUTION AMENDING THE 2018 CITY BUDGET BY TRANSFERRING \$25,000 FROM BUDGET VARIANCE RESERVE TO TECHNOLOGY RESERVE TO COVER ACTUAL 2018 EXPENSES IN EXCESS OF INITIAL ESTIMATES AND UNENCUMBERED BUDGETED FUNDS

WHEREAS, the City has established a Budget Variance Reserve account to facilitate budget adjustments for unforeseen costs in excess of unencumbered budgeted funds; and

WHEREAS, aggregate costs of Technology initiatives attributable to 2018 activities exceed Finance staff's initial best estimates by \$25,000; and

WHEREAS, inter-departmental budget revisions require approval via Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that the 2018 City Budget is revised by reducing account 350-0350-55000, Budget Variance Reserve, by \$25,000, and increasing account 350-5050-55000, Technology Reserve, by \$25,000.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 2<sup>nd</sup> day of January, 2019.

City of Valdez, Alaska

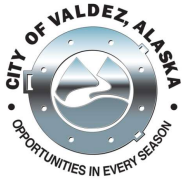
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Jeremy O'Neil, Mayor

ATTEST:

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Sheri L. Pierce, MMC, City Clerk



## Legislation Text

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**File #:** 19-0008, **Version:** 1

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**ITEM TITLE:**

Change Order Report: Change Order #3 with Rain Proof Roofing, Inc. for the Seven Building Roof Replacements Contract

**SUBMITTED BY:** Scott Benda, Capital Facilities Project Manager

**FISCAL NOTES:**

Expenditure Required: \$30,147.00

Unencumbered Balance: \$448,884.29

Funding Source: 310-1130-58000 Roof Replacements

**RECOMMENDATION:**

Receive and File.

**SUMMARY STATEMENT:**

Additional rot was found on the northwest side of the District Building which required replacement of the overhead beam and reframing. This is in addition to the rot that was found on the south side of the building and addressed under change order #1.

This report is filed per City Procurement Code 2.80.050.



**CHANGE ORDER  
CITY OF VALDEZ**

**TO: Rain Proof Roofing, Inc.**  
2201 E. 84<sup>th</sup> Court  
Anchorage, AK 99507

**DATE ISSUED:** 11/26/2018  
**CHANGE ORDER NO.** 3  
**COST CODE NO.** 310-1130-58000  
**PROJECT NO.** 16-310-1130  
**CONTRACT NO.** 1379

**PROJECT: Seven Building Roof Replacement**

**Distribute to:**  
Engineering \_\_\_\_\_  
Owner \_\_\_\_\_ **X**  
Contractor \_\_\_\_\_ **X**  
Other \_\_\_\_\_

**You are directed to make the changes in this CONTRACT as follows:** This work is referencing the Subcontractor (F&W) work on the School District Building repairing rot along the NW side of the building to include the replacement of the overhead beam, reframe rotted walls and repair and refinish siding.

**Justification:** This is un-anticipated work discovered during parapet and flashing installation, and required to maintain the structural integrity of the building.

Not valid until signed by the City Manager. Signature of Contractor indicates his agreement herewith, including any adjustment in **CONTRACT** sum or **CONTRACT** time.

The original <b>CONTRACT</b> sum was .....	\$	<u>1,705,000.00</u>
Change by previously authorized Change Order(s) .....	\$	<u>42,151.00</u>
The <b>CONTRACT</b> sum prior to this Change Order was .....	\$	<u>1,747,151.00</u>
The <b>CONTRACT</b> sum will be <i>(Increased)</i> by this Change Order .....	\$	<u>30,147.00</u>
New <b>CONTRACT</b> sum including this Change Order will be .....	\$	<u>1,777,298.00</u>

**CONTRACT** time will be increased. The date of Substantial Completion as of the date of this Change Order therefore is December 31, 2018.

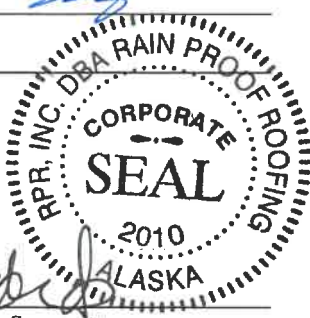
**RAIN PROOF ROOFING, INC.**

By: [Signature]

Date: 12-3-18

**CORPORATE SEAL**

Attest: [Signature]  
Corporate Secretary



**AUTHORIZED BY:  
CITY OF VALDEZ**

By: [Signature]  
Elke Doom, City Manager

Date: 12-17-18

**RECOMMENDED**

By: [Signature]  
Nathan Duval, Capital Facilities Director

Date: 12-14-18

# Rain Proof Roofing

www.rainproofroofing.com  
 Email: info@rainproofroofing.com



2201 East 84th Court  
 Anchorage, Alaska 99507  
 Phone: (907) 344-5545  
 Fax: (907) 349-3386

1255 West Wintler Court  
 Wasilla, AK 99654  
 Phone: (907) 373-5545  
 Fax: (907) 373-5509

**Project:** COV 7 BUILDING ROOF REPLACEMENT  
**Contractor:** CITY OF VALDEZ  
**Title:** CHANGE ORDER 3  
**Description:** School District Building: Replace Rotten Trusses, Remove and Replace Rotten siding and Framing at Garage Door.  
**Completion Date Change:** 11/30/2018

COR No. \_\_\_\_\_ PCO No. \_\_\_\_\_ RFI No. \_\_\_\_\_

No.	Spec/ Dwg Ref.	Description	Unit	QTY	Unit Mat'l	Unit M.H.	Crew	Crew \$/M.H.	Unit Equip	Total Mat'l	Total Labor	Total Subcontractor
1	RFP 1-SCHOOL DIST	<u>F&amp;W-Subcontractor</u>	LS	1						\$ -	\$ -	\$ 2,037.50
2	RFP 1-SCHOOL DIST	<u>F&amp;W-Subcontractor 10% OH/P</u>								\$ -	\$ -	\$ 204.00
3	RFP 1-SCHOOL DIST	<u>F&amp;W Labor</u>								\$ -	\$ -	\$ 20,744.00
4	RFP 1-SCHOOL DIST	<u>F&amp;W Labor 20% OH/P</u>								\$ -	\$ -	\$ 4,148.80
5										\$ -	\$ -	\$ -
6										\$ -	\$ -	\$ -
7										\$ -	\$ -	\$ -
8										\$ -	\$ -	\$ -

**SUBTOTAL**  
 Sales Tax @ \_\_\_\_\_  
 Small Tools @ \_\_\_\_\_

**SUBTOTALS**

SUBTOTAL (Labor+Materials+Equip)	\$ -	\$ -	\$ -	\$ 27,134.30
SUBTOTAL (SUBCONTRACTORS)	\$ 27,134.30			
<b>SUBTOTAL</b>	\$ 27,134.30			
GC OH/Profit	25%	\$ -		
Subcontractor OH/Profit	10%	\$ 2,713.43		
<b>SUBTOTAL</b>		\$ 29,847.73		
Bond @	1%	\$ 298.48		
<b>Grand Total</b>		<b>\$ 30,147.00</b>		



**F & W Construction Company, Inc.**



**PROJECT: VALDEZ 7 ROOF REPLACEMENT**

**CONTRACT: 1352 [SCHOOL DISTRICT BUILDING]**

**F&W JOB#: 20329 COST CODE: 6000**

**DATE: SEPTEMBER 15TH 2018**

**DESCRIPTION**

<b>RFI</b>	<b>2</b>	<b>RFP</b>	<b>2</b>
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Replace Front of Garage and Roof Areas where Water had rotted the wood.

**CONTRACTOR'S COSTS**

SUBCONTRACTOR TOTAL (See Sheet 4 of 4)		2,037.50	
SUBCONTRACTOR MARKUP @ 10 %	X 0.10	<u>204.00</u>	
SUBCONTRACTOR TOTAL		2,241.50	2,241.50
LABOR TOTAL (See Sheet 2 of 4)		20,744.44	
MATERIALS / MISC TOTAL (See Sheet 3 of 4)		9,880.53	
EQUIPMENT TOTAL (See Sheet 4 of 4)		<u>1,706.00</u>	
SUBTOTAL		32,330.97	
F & W FEE @ 20%	X 0.20	<u>6,466.00</u>	
F & W TOTAL		38,796.97	<u>38,796.97</u>
F & W / SUBCONTRACTOR TOTALS			41,038.47
BOND / INSURANCE @ 0%	X 0.00		0.00
		<b>TOTAL PROPOSAL</b>	<u><u>41,038.47</u></u>



**F & W Construction Company, Inc.**

**PROJECT: VALDEZ 7 ROOF REPLACEMENT**

**CONTRACT: 1352 [SCHOOL DISTRICT BUILDING]**

**F&W JOB#: 20329                      COST CODE: 6000**



**F & W Construction Company, Inc.**



**PROJECT: VALDEZ 7 ROOF REPLACEMENT**

**CONTRACT: 1352 [SCHOOL DISTRICT BUILDING]**

**F&W JOB#: 20329 COST CODE: 6000**

**Material Costs**

#	Description	QTY	*UOM	Unit Price	Cost
1	SPENARDS BUILDING SUPPLY	1		2,420.77	2,420.77
2	SPENARDS BUILDING SUPPLY	1		440.00	440.00
3	URESCO CONSTRUCTION MATERIALS	1		1,612.53	1,612.53
4	HARRIS ACE HARDWARE	1		695.73	695.73
5	SOUTH CENTRAL HARDWARE	1		120.41	120.41
6	F&W VERSA STUDS	40		5.50	220.00
7	TESORO	1		186.09	186.09
8					0.00
9					0.00
10					0.00

**Total Material Costs** 5,695.53

**Miscellaneous Costs**

#	Description	QTY	*UOM	Unit Price	Cost
1	C.A.T [FREIGHT]	1		450.00	450.00
2	C.A.T [FREIGHT]	1		295.00	295.00
3	C.A.T [FREIGHT]	1		200.00	200.00
4	CAMP DAYS	27		120.00	3,240.00
5					0.00
6					0.00
7					0.00
8					0.00
9					0.00
10					0.00

**Total Miscellaneous Costs** 4,185.00

**Total Material + Miscellaneouss Costs** 9,880.53

\*UOM is Unit of Measurement

**F & W Construction Company, Inc.**



**PROJECT: VALDEZ 7 ROOF REPLACEMENT**

**CONTRACT: 1352 [SCHOOL DISTRICT BUILDING]**

**F&W JOB#: 20329 COST CODE: 6000**

**Equipment Breakdown**

#	Description	Unit	Rate	Total
1	HALTNESS EQUIPMENT RENTALS	2.0	8.00	16.00
2	HALTNESS EQUIPMENT RENTALS	1.0	50.00	50.00
3	HALTNESS EQUIPMENT RENTALS	1.0	240.00	240.00
4				0.00
5	F&W EQUIPMENT [ SIZZER LIFT] 2 WEEKS	2.0	700.00	1,400.00
6				0.00
7				0.00
8				0.00

Total Equipment Costs 1,706.00

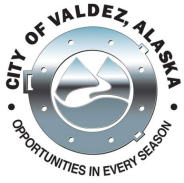
**Subcontractor**

#	Subcontractor	Total
1	KINETIC ELECTRIC,LLC	237.50
2	DAVE'S PAINTING	1,800.00
3		
4		
5		
6		
7		
8		
9		
10		

Total Subcontractor Costs 2,037.50

**SEVEN BUILDING ROOF REPLACEMENTS contract no. 1379**

<b>DOCUMENT</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
Original Contract		\$ 1,705,000.00
Change Order #1	Rot and Framing - District Office Building and City Hall	\$ 31,201.00
Change Order #2	Senior Center Canopy	\$ 10,950.00
Change Order #3	Rot and Framing - District Office Building	\$ 30,147.00
<b>TOTAL</b>		<b>\$ 1,777,298.00</b>



Legislation Text

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**File #:** 19-0009, **Version:** 1

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**ITEM TITLE:**

City Council Calendars - January & February 2019

**SUBMITTED BY:** Allie Ferko, CMC, Deputy City Clerk

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Receive and file

**SUMMARY STATEMENT:**

January & February 2019 Council calendars attached for reference.

# January

2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 <b>HOLIDAY</b>	2 7pm City Council Meeting	3	4	5
6	7 7pm Ports & Harbor Commission	8 5:30pm – Library Board Meeting (@ Library) 6:30pm – PVMC HAC Meeting (@ Hospital) 5pm Parks and Rec Commission Work Session & Regular Meeting	9 7pm Planning & Zoning Commission	10	11	12
13	14 6:30 pm School Board	15 5:30pm Council Work Session (Employee Pay Study) 7pm City Council Meeting	16 7pm Economic Diversification Commission	17 6:30pm – VMHA Board Meeting (@ Museum) 6pm City Council Work Session (New Fire Station Concept)	18	19
20	21 <b>HOLIDAY</b> 7pm Ports & Harbor Commission	22	23 7pm Planning & Zoning Commission	24	25	26
27	28 Noon – Beautification Task Force Meeting 6:30 pm School Board	29	30	31		

Note 1: This calendar is subject to change. Contact the City Clerk's Office for the most up-to-date information.

Note 2: Strike-thru indicates cancellation of standing meeting.

Note 3: Economic Diversification Commission now only meeting once per month (3<sup>rd</sup> Wednesday).

Updated 12.26.18



# February

2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 7pm Ports & Harbor Commission	5 7pm City Council Meeting	6	7	8	9
10	11 6:30 pm School Board	12 5:30pm – Library Board Meeting (@ Library) 6:30pm – PVMC HAC Meeting (@ Hospital) 7pm Parks and Rec Commission	13 7pm Planning & Zoning Commission	14	15	16
17	18 <b>HOLIDAY</b> 7pm Ports & Harbor Commission	19 7pm City Council Meeting	20 7pm Economic Diversification Commission	21 6:30pm – VMHA Board Meeting (@ Museum)	22	23
24	25 Noon – Beautification Task Force Meeting 6:30 pm School Board	26	27 7pm Planning & Zoning Commission	28		

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Updated 12.26.18