



# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686

## Meeting Agenda

### Valdez Tourism Task Force

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Wednesday, April 29, 2026

5:00 PM

Council Chambers

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#### Regular Meeting

#### I. CALL TO ORDER

#### II. ROLL CALL

#### III. DISCUSSION ITEMS

1. [Discussion Item: Article of Incorporation Outline Review](#)
2. [Discussion Item: Additional Business Outreach](#)

#### IV. NEXT STEPS AND TASK FORCE COMMENTS

#### V. ADJOURNMENT



## Legislation Text

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**File #:** 26-0174, **Version:** 1

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**ITEM TITLE:**

Discussion Item: Article of Incorporation Outline Review

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

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

**RECOMMENDATION:**

n/a

**SUMMARY STATEMENT:**

The intent of this discussion will be to review the rough outline for draft Articles of Incorporation. Each article of the draft document will be discussed by the group in an interactive way to brainstorm pros and cons for each component and ensure that the scope appropriately captures the intent and opinions of the group.

Additional notes on organizational considerations including examples of names and purposes from other destination marketing organizations have been provided by Chair Stephens.

Article 2 of the Alaska Non-Profit Corporation Act (AS 10.20.146-166) which outlines required components for Articles of Incorporation and process for formation of a corporation is attached for reference as well.

**ARTICLES OF INCORPORATION OF  
[INSERT NAME]**

We, the undersigned, natural persons of the age of majority, acting as incorporations for the purpose of creating a non-profit corporation under the laws of the State of Alaska, AS 10.20, do hereby set forth the following stated Articles of Incorporation for said corporation.

**ARTICLE I  
Name**

The name of this corporation is and shall be **[INSERT NAME]** (hereinafter referred to as the "corporation")

**ARTICLE II  
Duration**

The duration of this corporation shall be perpetual or until this corporation is legally dissolved.

**ARTICLE III  
Purpose**

The purpose for which this corporation is created is to coordinate local resources to increase the number of visitors to Valdez and provide high quality visitor services. **[CAN BE AS COMPLEX OR SIMPLE AS YOU WANT]**

**ARTICLE IV  
Regulation of Affairs**

The internal affairs of the corporation shall be governed by these articles of incorporation and the bylaws.

**Powers:** The corporation shall have all the powers outlined in AS 10.20.011. The provisions set forth in AS 10.20.153 (applicable to private foundations) shall not apply to this corporation. Notwithstanding anything herein to the contrary, the corporation shall exercise only powers aligned with exempt purposes of organizations set forth in Subsection 501(c)(6) of the Internal Revenue Code under which the corporation chooses to qualify for exemption, or any successor provision or amendment thereto.

**Dissolution:** Upon dissolution of the corporation all debts shall be paid. All remaining assets of the corporation, after payments for the debts of the organization, shall be deposited with the **[City of Valdez]**.

**Commented [E51]:** Gustavus has this wording in their visitor organization's incorporation filing but need to check if this can function in line with 501(c)(6) status

## ARTICLE V

### Membership

The corporation shall have two classes of members.

**Business Members:** The Business Members of the corporation shall be individuals representing business entities or organizations invested in the purpose of the corporation. The Bylaws may outline additional rights and duties or subclassifications and distinctions for this class of members. Business members shall nominate selections for the Board of Directors.

**Public Members:** The Public Members of the corporation shall be the members of the Valdez City Council and will retain their positions as members of the corporation until their successors on the Valdez City Council take office. The Public Members shall confirm the members of the Board of Directors for the corporation and exercise financial oversight of the corporation including approving the annual budget of the corporation.

## ARTICLE VI

### Board of Directors

The business and affairs of the corporation shall be managed by the Board of Directors which shall be composed of Business Members of the corporation. The number of directors shall be seven. The Bylaws may allow for representation from Public Membership or other advisory positions on the Board of Directors.

Directors shall be nominated by the Business Members and confirmed by a majority vote of the Public Members. The Public Members shall serve as the initial Board of Directors solely for the purpose of establishing an initial Business Membership and soliciting Business Members to serve on the standing Board of Directors.

The names of the initial Board of Directors follows:

[LIST COUNCIL NAMES]

## ARTICLE X

### Indemnification

Directors and officers and former directors and officers of the corporation shall be indemnified to the fullest extent of the laws as provided in the Alaska Statutes 10.20.011(14), or any successor provision or amendment thereto, against expenses actually and reasonably incurred by such person in connection with the defense of any action, suit or proceeding, civil or criminal, in which such person is made a party by reason of being or having been a director or officer of the corporation, except in relation to matters

**Commented [ES2]:** This is an attempt to capture the basic framework discussed and include some answers to who has what power. Could be expanded or simplified.

**Commented [ES3]:** This can be more or less prescriptive- it depends on how much control you want the board and bylaws to have over future board composition.

**Commented [ES4]:** The other options here are to have task force serve and initial board or to have Council solicit and create an initial board before adoption of articles of incorporation.

**Commented [ES4R2]:** AS 10.20.151 (a)(6) requires names of initial directors to be included

in which that person was adjudged, in the action, suit or proceeding, to be liable for negligence or misconduct in the performance of his/her corporate duties.

**ARTICLE XI**  
**Bylaws**

The Board of Directors shall adopt initial Bylaws of the corporation, but the power to alter, amend, or repeal the Bylaws shall be reserved to the members. The bylaws may contain any provision for the regulation and management of the affairs of the corporation consistent with Alaska law and these Articles of Incorporation.

**Adopted this X<sup>th</sup> day of MONTH 2026**

President:

Secretary:

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DRAFT

**ORGANIZATION NAME**

The following are a few Destination Marketing Organization names around Alaska and the US:

Alaska Travel Industry Association  
Destination Cleveland  
Discover Kodiak  
Experience Columbus  
Explore Fairbanks  
Go Lake Havasu  
Louisiana Office of Tourism  
Tourism Calgary  
Travel Juneau  
Travel Oregon  
US Travel Association  
Visit Anchorage  
Visit California  
Visit Sitka  
Visit USA

## **ORGANIZATION MISSION**

The following is a draft mission for the next DMO in Valdez. This was drafted based on the mission of a few other Alaska based DMO's. Following this draft is the missions used to create it.

### **Valdez DMO Mission:**

The Valdez DMO will promote sustainable travel to Valdez and encourage tourism as an economic driver for the local economy that benefits residents, businesses and visitors.

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*Fairbanks:* The mission of Explore Fairbanks is to be an economic driver in the Fairbanks region by marketing to potential visitors, optimizing the visitors experience, and advocating for a thriving year-round visitor industry.

*Anchorage:* Visit Anchorage's mission: driving economic and social value for Anchorage residents, businesses, and visitors through tourism.

*Mat-Su:* The Mat-Su Convention & Visitors Bureau's (Mat-Su CVB) mission is to promote the development of tourism in the Mat-Su Valley and to market this area to potential visitors from around the state, country and world.

*Kodiak:* We are tasked with promoting the sustainable development of the tourism industry throughout the Kodiak Island Borough. We staff and run the local visitor center which is filled with useful information for both locals and visitors.

*Sitka:* Visit Sitka is the official Destination Marketing Organization (DMO) for the City and Borough of Sitka, focused on promoting Sitka to independent travelers and supporting a strong visitor experience for the community.

*Juneau:* Travel Juneau's primary goal is to increase the overnight stays of business and leisure travelers, who in turn support local businesses through their spending. The City and Borough of Juneau and a partnership of more than 225 local businesses financially support Travel Juneau. A Board of Directors oversees the organization, which has a staff of six full-time and two part-time employees. Travel Juneau serves both CBJ and our partners by marketing Juneau as a destination and helping locally owned businesses market their services to visitors and potential visitors. Overall, Travel Juneau seeks to ensure that Juneau enjoys a more stable, sustainable economy year-round.

## **ORGANIZATION MEMBERSHIP**

The following is a suggestion for membership of Valdez's new DMO. Please note that this is a more robust description than would be needed for the Articles of Incorporation, however this allows the task force to look at big picture. Many of the notes below would fall into Bylaws or Policy.

The Valdez DMO would have three levels of membership:

### Level One: Valdez Business

- Qualifications: Current Valdez Business Registration. Completed annual DMO membership form.
- Fees: No Fees
- Benefits:
  - Voting
  - Base level marketing as defined in association policies. (such as a brochure listing, online listing)
  - Access to purchase other marketing.

### Level Two: Alaska Neighbors

- Qualifications: Alaskan based businesses that completed an annual DMO membership form.
- Fees: Yes, to be defined in annual association policies.
- Benefits
  - Base level marketing as defined in association policies. (such as a brochure listing, online listing)
  - Access to purchase other marketing.

### Level Three: Destinations

- Qualifications: DMO's across Alaska and the Yukon
- Fees: No Fees, based on reciprocal trade.
- Benefits
  - Defined a reciprocal agreement with each DMO.

## **Article 2. Formation of Corporations.**

### **Sec. 10.20.146. Incorporators.**

Three or more natural persons at least 19 years of age may act as incorporators of a corporation by signing and delivering in duplicate to the commissioner articles of incorporation for the corporation.

### **Sec. 10.20.151. Articles of incorporation; relationship to bylaws; director liability.**

(a) The articles of incorporation must set out

(1) the name of the corporation;

(2) the period of its duration, which may be perpetual;

(3) the purpose or purposes for which the corporation is organized;

(4) provisions, not inconsistent with law, which the incorporators elect to set out in the articles of incorporation for the regulation of the internal affairs of the corporation, including provision for distribution of assets on dissolution or final liquidation;

(5) the address of its initial registered office, and the name of its initial registered agent at the address;

(6) the number of directors constituting the initial board of directors, and the names and addresses of the persons who are to serve as the initial directors;

(7) the name and address of each incorporator.

(b) It is not necessary to set out in the articles of incorporation any of the corporate powers enumerated in this chapter.

(c) Unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws is controlling. In all other cases, if a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation shall be controlling.

(d) In addition to the matters required to be set out in the articles of incorporation by (a) of this section, the articles of incorporation may also contain a provision eliminating or limiting the personal liability of a director to the corporation for monetary damages for the breach of fiduciary duty as a director. The articles of incorporation may not eliminate or limit the liability of a director for

(1) a breach of a director's duty of loyalty to the corporation;

(2) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; or

(3) a transaction from which the director derives an improper personal benefit.

(e) The provisions of (d) of this section do not eliminate or limit the liability of a director for an act or omission that occurs before the effective date of the articles of incorporation or of an amendment to the articles of incorporation authorized by (d) of this section.

**Sec. 10.20.153. Provisions considered to be in articles of incorporation by operation of law; option to exclude provision.**

(a) The articles of incorporation of every nonprofit corporation which is a private foundation, as defined in 26 U.S.C. 509 (Internal Revenue Code of 1954), are considered to contain provisions prohibiting the corporation from

(1) engaging in an act of self-dealing, as defined in 26 U.S.C. 4941(d) (Internal Revenue Code of 1954), which would give rise to liability for the tax imposed by 26 U.S.C. 4941(a) (Internal Revenue Code of 1954);

(2) retaining excess business holdings, as defined in 26 U.S.C. 4943(c) (Internal Revenue Code of 1954), which would give rise to liability for the tax imposed by 26 U.S.C. 4943(a) (Internal Revenue Code of 1954);

(3) making an investment which would jeopardize the carrying out of any of its exempt purposes, within the meaning of 26 U.S.C. 4944 (Internal Revenue Code of 1954), so as to give rise to liability for the tax imposed by 26 U.S.C. 4944(a) (Internal Revenue Code of 1954); and

(4) making taxable expenditures, as defined in 26 U.S.C. 4945(d) (Internal Revenue Code of 1954), which would give rise to liability for the tax imposed by 26 U.S.C. 4945(a) (Internal Revenue Code of 1954).

(b) The articles of incorporation of every nonprofit corporation that is a private foundation, as defined in 26 U.S.C. 509 (Internal Revenue Code of 1954), are considered to contain a provision requiring the corporation to distribute, for the purposes specified in its articles of incorporation, for each taxable year, amounts at least sufficient to avoid liability for the tax imposed by 26 U.S.C. 4942(a) (Internal Revenue Code of 1954).

(c) A nonprofit corporation may at any time amend its articles of incorporation or other instrument governing the corporation, by any amendment process open to it under the laws of this state, to provide that some or all provisions of (a) and (b) of this section do not apply to the corporation. A nonprofit corporation formed after August 23, 1971 may provide in its articles of incorporation that some or all provisions of (a) and (b) of this section do not apply to the corporation.

(d) In this section, references to provisions of the Internal Revenue Code of 1954 include future amendments to those provisions.

**Sec. 10.20.156. Filing of articles of incorporation.**

(a) Duplicate originals of the articles of incorporation shall be delivered to the commissioner. Upon finding that the articles of incorporation conform to law, the commissioner shall, when all fees prescribed by this chapter have been paid,

- (1) endorse on each duplicate original the word “filed,” and the date of the filing;
- (2) file one duplicate original in the commissioner's office;
- (3) issue a certificate of incorporation and affix the other duplicate original to it.

(b) The certificate of incorporation, together with the duplicate original of the articles of incorporation affixed by the commissioner, shall be returned to the incorporators or their representative.

**Sec. 10.20.161. Effect of issuance of certificate of incorporation.**

Upon the issuance of the certificate of incorporation, the corporate existence begins. The certificate of incorporation is conclusive evidence that all conditions precedent required to be performed by the incorporators have been complied with and that the corporation has been incorporated. The issuance of the certificate does not affect the right of the state to bring a proceeding to cancel or revoke the certificate of incorporation or for involuntary dissolution of the corporation.

**Sec. 10.20.166. Organizational meeting of directors; first meeting of members.**

(a) After the issuance of the certificate of incorporation, an organizational meeting of the board of directors named in the articles of incorporation shall be held at a designated place, by remote communication, or at a designated place and by remote communication at the call of a majority of the incorporators, for the purpose of adopting bylaws, electing officers, and the transaction of other business as may come before the meeting. The designated place may be inside or outside the state. The incorporators calling the meeting shall give at least three days' notice of the meeting by mail to each director named, and the notice must state the time and place of the meeting.

(b) A first meeting of the members may be held at the call of a majority of the directors for purposes stated in the notice of the meeting.



Legislation Text

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**File #:** 26-0175, **Version:** 1

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**ITEM TITLE:**

Discussion Item: Additional Business Outreach

**SUBMITTED BY:** Colleen Stephens, Task Force Chair

**FISCAL NOTES:**

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

**RECOMMENDATION:**

n/a

**SUMMARY STATEMENT:**

The intent of this discussion will be to brainstorm what additional business outreach can or should occur in tandem with the new organization set up. The goal is to find meaningful ways to engage the business community and build consensus around the role of a future organization.