

**LAND PURCHASE AGREEMENT  
AND  
ACCESS AND SNOW STORAGE EASEMENT AGREEMENT**

COMES NOW the City of Valdez, a municipal corporation organized under the laws of the State of Alaska (hereinafter referred to as "Buyer") whose address is P. O. Box 307, Valdez, AK 99686 and Port Valdez Company, Inc., a Washington corporation, (hereinafter referred to as "Seller"), whose address is 3501 Denali Street, Suite 303, Anchorage, AK 99503 and hereby agree that Buyer will purchase certain properties from Seller on the following terms.

WHEREAS, Buyer needs adequate locations within the City of Valdez for the storage of snow collected from municipal streets; and

WHEREAS, Seller owns certain properties that the Buyer has found to be suitable for such snow storage; and

WHEREAS, it is in Seller's best interest regarding certain parcels of property to not designate the specific area to be deeded to the Buyer until Seller has further developed each tract; and

WHEREAS, it is in the Buyer's best interest that Seller is willing to provide a floating easement and allow snow storage by Buyer upon Seller's undeveloped portion of each parcel until such time as Seller's property is fully developed and the specific parcel is deeded to Buyer.

NOW, THEREFORE, based on the above consideration, Buyer and Seller enter into the following agreement:

1. Property Description. The Buyer hereby agrees to purchase and the Seller agrees to sell all of parcel one and certain portions of each of the remaining below-described parcels of real property located in the Valdez Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

- (1) Lot 3, Block 2, Pioneer Commercial Subdivision
- (2) A portion of Tract Q, Port Valdez Subdivision
- (3) A portion of Tract P, Port Valdez Subdivision
- (4) A portion of Lot 4, Evergreen Vista Addition Number 1 Subdivision
- (5) A portion of Lot 2, Evergreen Vista Addition Number 1 Subdivision

- (6) A portion of Lots 1 & 2, Mineral Creek Industrial Park
- (7) A portion of Lot 3, Mineral Creek Industrial Park

2. Floating Easement. Until such time as Buyer and Seller agree upon the final portion of each lot to be purchased in the above-described properties and close on sales, Seller hereby grants to Buyer an access and use easement across and on any undeveloped portions of Seller's properties referenced above for the purpose of access and snow storage. No temporary or permanent structures shall be placed on the floating easements without the written consent of the Port Valdez Company. The scope of the easement shall allow Buyer to plow, haul, move or remove snow, and any incidental materials mixed with snow, at any time in accordance with Buyer's municipal operational requirements. Buyer shall be responsible for removing incidental materials, and all hazardous waste or substances it places on any property it uses but does not purchase.

Buyer agrees to release its easement rights on the remainder of a above parcel upon its closing on purchase of a lot in such parcel; provided that Buyer shall retain or be provided an access easement to such purchased lot across as much of the remaining parcels described above as is reasonably needed for Buyer's use for snow storage purposes. Buyer further agrees to release a portion of the above parcels from its easement rights, and from its purchase rights under this Agreement, upon Seller's subdivision of the above parcels and conveyance of a portion of such parcels to a third party; provided, however, that upon any such subdivision and sale to a third party, Buyer shall retain all easement and purchase rights on any unsold portions, and in no event shall Buyer be obligated to release its purchase rights so as to release the remaining portion available to its purchase below the minimum size and configuration criteria described in paragraph 6 below. Further, in no event shall Buyer be obligated to release its easement rights if doing so would unreasonably restrict its ability to maintain access to any portion of the above parcels it may select for purchase or to any portion of the above parcels it has purchased.

3. Purchase Price. Buyer agrees to purchase and Seller agrees to sell the property described in paragraph 1 of this agreement under the following terms and conditions:

- (a) The specific price for each parcel shall be set forth below:
  - (1) Lot 3, Block 2, Pioneer Commercial Subdivision: \$60,033
  - (2) A portion of Tract Q, Port Valdez Subdivision: \$144,928
  - (3) A portion of Tract P, Port Valdez Subdivision: \$58,125
  - (4) A portion of Lot 4, Evergreen Vista Addition No. 1 Subdivision: \$48,339

- (5) A portion of Lot 2, Evergreen Vista Addition Number 1 Subdivision: \$37,689
  - (6) A portion of Lots 1 & 2, Mineral Creek Industrial Park: \$48,860
  - (7) A portion of Lot 3, Mineral Creek Industrial Park: \$35,319
- TOTAL: \$433,293

4. Terms. Buyer will pay the sum of \$283,000 at closing. The balance of the purchase price will be paid in one annual installment due on July 15, 1996. Interest on the unpaid balance shall be assessed at six (6%) percent per annum beginning as of closing.

5. Taxes. Following closing, Seller will not be responsible for property taxes associated with the above-described properties pertaining to the dimensions reflected in paragraph 6 of this agreement. This Agreement shall not be taken into consideration for valuation and assessment purposes in determining the real property taxes to be levied against the remaining portion of Seller's properties subject to this Agreement. Taxes for 1995 will be prorated as of the effective date of this agreement.

6. Minimum Lot Dimensions/Criteria. It is hereby agreed between Buyer and Seller that in each parcel described in this agreement, Buyer may use and upon subdivision, Seller shall convey title to a lot of the following size:

- (1) Lot 3, Block 2, Pioneer Commercial Subdivision consisting of Twenty-one Thousand Eight Hundred Thirty (21,830) square feet
- (2) A portion of Tract Q, consisting of One Hundred Fifteen Thousand Nine Hundred Forty-two (115,942) square feet.
- (3) A portion of Tract P, Port Valdez Subdivision, consisting of Forty-six Thousand Five Hundred (46,500) square feet.
- (4) A portion of Lot 4, Evergreen Vista, Addition Number 1, Subdivision, consisting of Thirty-one Thousand Two Hundred Eighty-nine (31,289) square feet.
- (5) A portion of Lot 2, Evergreen Vista, Addition Number 1, Subdivision, consisting of Twenty-six Thousand Five Hundred Fifty (26,550) square feet.
- (6) A portion of Lots 1 & 2, Mineral Creek Industrial Park, consisting of Thirty-eight Thousand Two Hundred Thirteen (38,213) square feet.
- (7) A portion of Lot 3, Mineral Creek Industrial Park, consisting of Twenty-three Thousand Five Hundred Forty-seven (23,547) square feet.

Prior to subdivision and sale of a parcel, Seller shall determine the location of and shall provide account of access to each of the parcels described above while they remain subject to this Agreement.

Upon subdivision of each of the above parcels, Seller may select any one lot from each parcel for conveyance to Buyer, subject to consent of Buyer. Buyer shall consent to Seller's selection provided each such lot reasonably meets Buyer's needs for access and snow storage. Buyer will not unreasonably delay or withhold its consent so long as at least one side of the lot to be conveyed is at least 50 feet in length.

7. Use of Snow Storage Property. The property which Buyer is purchasing shall not be considered nor be used by Seller to comply with Valdez City Code requirements for snow storage in Seller's future development of Seller's other property.

Pending conveyance of each lot, Seller may utilize or develop the above parcels for any valid purpose, consistent with applicable legal requirements, provided such usages shall not interfere with Buyer's easement rights. Seller shall maintain an area in each parcel not less than the minimum lot dimensions and criteria referred to in paragraph 6 above, which shall remain subject to Buyer's easement rights and which Seller shall not develop or materially alter and which shall be suitable for and available for conveyance to Buyer under the terms of this Agreement.

8. Recorded Encumbrance. This Agreement may be recorded and constitutes an encumbrance on all of the above properties in accordance with its terms. This Agreement confers no rights on any persons except the parties hereto and there are no third-party beneficiaries to this Agreement. Buyer agrees that it will not unreasonably delay or withhold its consent to any request for a release of a parcel of property which materially complies with the terms of this agreement.

9. Subdivision Requirements. Seller agrees to comply with all Valdez City Codes pertaining to subdivision requirements in developing any of the above-referenced parcels, and to be responsible for all costs of subdivision.

10. Liens/Encumbrances. Pending sale to Buyer, Seller shall maintain clear and marketable title on at least as much of each of the above parcels as would permit sale of a lot in each parcel to Buyer on the terms set forth in this Agreement. If any lien or encumbrance exceeds this extent and would prevent a conveyance of marketable title to Buyer, Seller shall remove such lien upon closing in the manner provided in paragraph 11 below..

11. Title. Seller shall furnish statutory warranty deeds conveying to Buyer a marketable title to each selected lot, free and clear of all liens and encumbrances. Seller shall furnish to Buyer an Owner's Policy of Title Insurance for each such lot, insuring Buyer for the full amount of the purchase price against loss or damage by reason of defect in Seller's title in the property, subject to normal printed exceptions. A preliminary

commitment will be furnished to Buyer within 40 days of the date title is to be transferred. Buyer shall then have 15 days within which to notify Seller of any defect in the title required. Seller shall immediately commence and diligently pursue cure any such defect that cannot be removed by the payment of money not less than 15 days before the date of title transfer and shall cure any other defects. Seller shall pay the cost of any title search and title insurance.

12. Representations and Warranties. Seller represents that it is not aware of any environmental contamination on any of the parcels listed above arising out of Seller's activities on the parcels. Furthermore, Seller agrees to indemnify, defend and hold Buyer harmless from any claim, loss, damage or expense arising out of a violation of any hazardous waste or substance law resulting from Seller's activities at any time on the parcels subject to this agreement which arise out of Seller's activities on the parcels prior to closing. Buyer agrees to indemnify, defend and hold Seller harmless from any claim, loss or expense arising out of violation of any hazardous waste or substance case resulting from Buyer's activities at any time on the parcels, including, without limitation, all prior snow storage activities.

13. Time Extensions. Subject to the obligation of each party not to unreasonably withhold or delay their consent to a request, the time periods herein provided may be extended only upon the expressed approval of all parties hereto. Time is of the essence of this contract.

14. Closing. Closing of the initial purchase shall take place in Valdez, Alaska. Closing shall be at a mutually convenient time to be agreed upon but in all events by no later than April 28, 1995. The parties shall select a title company or other party to act as closing agent. The parties anticipate separate closings on each lot. Seller shall provide at closing any access easements to each purchased lot as provided in paragraph 2 above. This Agreement will remain in effect until the closing of the last such lot.

In the event of a material breach of this Agreement by Seller, Buyer may select lots to purchase, consistent with this Agreement, and Seller shall promptly subdivide and convey such lots to Buyer. This Agreement may be specifically enforced. Each party shall provide the other with not less than thirty days written notice and an opportunity to cure any default before commencing an action to enforce this agreement.

15. Entire Agreement. This agreement constitutes the entire agreement between the Seller and Buyer and may not be changed orally, but only by written instrument executed by Seller and Buyer. In the event of a dispute under this agreement, the prevailing party shall be entitled to recover its reasonable actual attorneys fees and costs.

16. Successors and Assigns. This agreement shall inure to the benefit and be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns.

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Valdez Recording District

17. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Alaska.

DATED: 4-24-95

BUYER:

Helen J. Wade  
Helen Wade, Mayor Pro Tem  
City of Valdez

ATTEST:

Sheri L. Caples Deputy for:  
Jeanne Donald, CMC/AAE

Approved as to Form:  
Hughes Thorsness Gantz Powell & Brundin  
Attorneys for City of Valdez

William M. Walker  
William M. Walker

DATED: 4/21/95

SELLER:

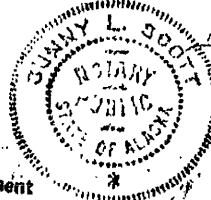
Peter J. Krochmal  
Its: General Manager  
Port Valdez Company, Inc.  
Per authority of 11-5-81

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

} ss.

THIS IS TO CERTIFY that on this 21 day of April, 1995, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Peter J. Krochmal, known to me and to me known to be the General Manager of Port Valdez Company and the individual named in and who executed the foregoing document, and he/she acknowledged to me that he/she signed and sealed the same as his/her free and voluntary act on behalf of Port Valdez Company for the uses and purposes therein set forth.



Sunny L. Scott  
Sunny L. Scott, Notary Public  
State of Alaska  
My Commission Expires 11/10/98

Land Purchase / Snow Storage Agreement  
6073/025-166:3-30-95

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



Sunny L. Scott  
Notary Public in and for Alaska

My Commission Expires: 11/10/98

For Recording in the Valdez Recording District, Third Judicial District, State of Alaska.

Upon recording, return to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sunny L. Scott, Notary Public  
State of Alaska  
My Commission Expires 11/10/98

95-0543

#33-CC

RECEIVED  
VALDEZ RECORDING  
DISTRICT

MAY 16 3 39 PM '95

REC'D BY City of Valdez

ADD'D BY Box 307

VALDEZ, AK 99686

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Valdez Recording District  
Return to: Copper Valley Electric Association

P.O. Box 45

Glennallen, Alaska 99588

## RIGHT-OF-WAY EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned (whether one or more), Mineral Creek Land Company, 3501 Denali St., Suite 303, Anchorage Ak, 99503, for a good and valuable consideration, the receipt whereof is hereby acknowledged, do hereby grant unto COPPER VALLEY ELECTRIC ASSOCIATION, INC., a cooperative corporation (hereinafter called the "Cooperative") whose post office address is P.O. Box 45, Glennallen, Alaska, 99588, and to its successors or assigns, forever a right-of-way easement including, but not limited to, the following: the right to enter upon the lands of the undersigned, situated in the Valdez Recording District, State of Alaska, and more particularly described as follows:

A tract of land located at Between W. Egan St. and W. Pioneer St., Valdez Alaska, as shown in Exhibit "A", attached, and more particularly described as follows: Tract A., Winter Park Subdivision in Section 31, Township 8S, Range 6W, C.R.M., and to construct, reconstruct, rephase, repair, operate and maintain on or under the above described lands and/or in an electric transmission and/or distribution line or system; to cut, trim and control the growth by chemical means, machinery or otherwise of trees and shrubbery located within 7.5 feet of the center line of said line or system, or that may interfere with or threaten to endanger the operation and maintenance of said line or system (including any control of the growth of other vegetation in the right-of-way which may incidentally and necessarily result from the means of control employed); to keep the easement clear of all buildings, structures, or other obstructions; and to license, permit or otherwise agree to the joint use occupancy of the lines or system by any other person, association, or corporation. The Cooperative agrees to not locate overhead distribution facilities in this easement unless otherwise agreed to mutually.

The undersigned parties understand this easement to be granted in perpetuity for any future above described construction which may occur within the above particularly described corridor within their property.

The undersigned agree that all poles, wires and other facilities including any main service entrance equipment, installed in, upon or under the above described lands at the Cooperative's expense shall remain the property of the Cooperative, removable at the option of the Cooperative.

It is further understood that the failure of the grantee, its successors or assigns, to exercise any of the rights herein granted shall not be construed as a waiver or abandonment of the right thereafter at any time and from time-to-time to exercise any or all of such rights.

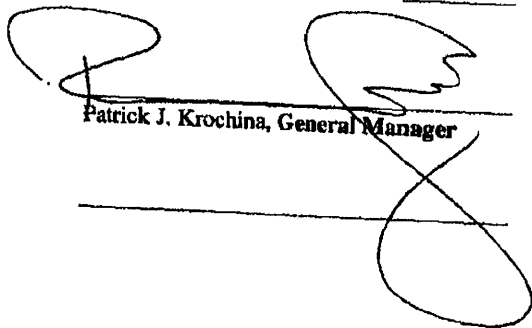
The undersigned covenant that they are the owners of the above described lands and the said lands are free and clear of encumbrances and liens of whatsoever character except those being held by the following persons:



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Valdez Recording District

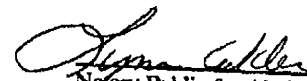
IN WITNESS WHEREOF, the undersigned have set their hands and seals this  
day of July 18, 1994.

  
Patrick J. Krochina, General Manager

STATE OF ALASKA )  
THIRD JUDICIAL DISTRICT )ss.


THIS IS TO CERTIFY that on this 18th day of July, 1994,  
before me, a Notary Public in and for the State of Alaska, residing therein and duly commissioned,  
personally appeared Patrick J. Krochina, each known to me to be the identical individual(s)  
described in and who executed the foregoing instrument, and each acknowledged to me that  
he/she executed the same freely and voluntarily for the uses and purposes therein specified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the  
day and year in this certificate first written above.

  
Notary Public for Alaska  
My commission expires: 10/1/96

For Recorder's Stamp Only

[Empty box for Recorder's Stamp]

  
94-022-2