

*Seward City Council*

*Agenda Packet*

2017

*Welcome to the New Year!*

*January 09, 2017*

*City Council Chambers*

*Beginning at 7:00 p.m.*

# Happy New Year!

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## The City of Seward, Alaska CITY COUNCIL MEETING AGENDA



{Please silence all cellular phones during the meeting}

January 9, 2017	7:00 p.m.	Council Chambers
<p>Jean Bardarson Mayor Term Expires 2017</p>	<p><b>1. CALL TO ORDER</b></p>	
<p>Marianna Keil Vice Mayor Term Expires 2018</p>	<p><b>2. PLEDGE OF ALLEGIANCE</b></p>	
<p>Ristine Casagrande Council Member Term Expires 2018</p>	<p><b>3. ROLL CALL</b></p>	
<p>David Squires Council Member Term Expires 2017</p>	<p><b>4. CITIZEN COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING</b> <i>[Those who have signed in will be given the first opportunity to speak. Time is limited to 3 minutes per speaker and 36 minutes total time for this agenda item.]</i></p>	
<p>Sue McClure Council Member Term Expires 2017</p>	<p><b>5. APPROVAL OF AGENDA AND CONSENT AGENDA</b> <i>[Approval of Consent Agenda passes all routine items indicated by asterisk (*). Consent Agenda items are not considered separately unless a council member so requests. In the event of such a request, the item is returned to the Regular Agenda]</i></p>	
<p>Deborah Altermatt Council Member Term Expires 2017</p>	<p><b>6. SPECIAL ORDERS, PRESENTATIONS AND REPORTS</b></p>	
<p>Erik Slater Council Member Term Expires 2018</p>	<p>A. Proclamations and Awards B. Borough Assembly Report C. City Manager Report.....<b>PG. 3</b> D. City Attorney Report E. Other Reports and Presentations</p>	
<p>James Hunt City Manager</p>	<p>1. Annual Port and Commerce Advisory Board Report</p> <p>2. Introducing WE LOVE US, a methodology for creating the world that works for everyone, by Lynda Paquette (<i>Casagrande</i>)</p>	
<p>Johanna Kinney City Clerk</p> <p>Will Earnhart City Attorney</p>	<p><b>7. PUBLIC HEARINGS</b></p> <p><b>A. Ordinances For Public Hearing and Enactment</b></p> <p>1. <u>Ordinance 2016-009</u>, Amending Seward City Code 15.10.220 Development Requirements – Notes, To Allow The Minimum Lot Size Platting Of 3,000 Square Feet And Clarification Of Lot Size For Duplex Development. ....<b>PG. 5</b></p>	

**8. UNFINISHED BUSINESS – None**

**9. NEW BUSINESS**

**A. Ordinances For Introduction**

- \*1. Ordinance 2017-001, Amending Seward City Code 7.10.320 (J) (2), Reserved Moorage, Duration, Death - Removing “Annual” From The Term “Annual Moorage Fee”. .....**PG. 18**

**B. Resolutions**

- 1. Resolution 2017-001, Authorizing An Additional \$32,080.91 Toward Harbor Float Construction Representing The State Of Alaska’s Additional Administrative Fee Required After Project Start, And Appropriating Funds. ....**PG.29**
- 2. Resolution 2017-002, Authorizing The City Manager To Enter Into A Cooperative Agreement With The State Of Alaska Department Of Fish & Game (ADF&G) Division Of Administrative Services For The Federal Aid In Sport Fish Restoration Recreational Boating Access Program For The Purpose Of Designing And Permitting A Replacement Seward South Harbor Launch Ramp. ....**PG. 51**
- 3. Resolution 2017-003, Authorizing The Issuance Of A General Obligation Bond Of The City In A Principal Amount Not To Exceed \$3,000,000 To Finance Costs Of Capital Improvements To Roads In The City, As Authorized By Resolution 2016-045 And Ratified By The City’s Voters At An Election Held On October 4, 2016; Authorizing Tax Levies To Pay The Principal Thereof And Interest Thereon; And Authorizing The Sale Of The Bond To The Alaska Municipal Bond Bank On The Terms And Conditions Provided In This Resolution.....**PG. 76**

**C. Other New Business Items**

- \*1. Approval of the December 12, 2016 City Council Meeting Minutes. ....**PG. 108**
- \*2. Continue the Port and Commerce Advisory Board for 2017. ....**PG. 115**
- \*3. Non-objection to the renewal of liquor license #2790 for Ray’s Waterfront Bar & Grill. ....**PG. 116**
- \*4. Non-objection to the renewal of liquor license #4696 for Gene’s Place.....**PG. 125**
- \*5 Non-objection to the renewal of liquor license #3230 for Apollo Restaurant**PG135**

**10. INFORMATIONAL ITEMS AND REPORTS (No Action Required)**

- A. Planning and Zoning Commission Quarterly Report .....**PG. 144**

**11. COUNCIL COMMENTS**

**12. CITIZEN COMMENTS**

**13. COUNCIL AND ADMINISTRATION RESPONSE TO CITIZEN COMMENTS**

**14. ADJOURNMENT**

CITY OF SEWARD  
P.O. Box 167  
Seward, AK 99664

Jim Hunt, City Manager  
Telephone (907) 224-4047  
Facsimile (907) 224-4038

**MANAGER'S REPORT**  
**December 12<sup>th</sup> thru December 30<sup>th</sup> 2016**

The following purchase orders for between \$10,000 and \$50,000 have been approved by the City Manager since the last council meeting:

Public Works	GCR Loader Tires	\$12,700
Public Works	CTE Skid Steer	\$49,900
Police Dept.	Motorola	\$49,037
Electric Dept.	Wesco	\$10,041

**ELECTRIC**

- The City is now on the 811 for all digging and locates. Although the dig permits are still available with public works, the departments will be transitioning to 811 dig line as the primary means to verify underground utilities. If anyone from the public has questions about underground utilities we encourage them to still come in and talk to us for electric and public works for water and sewer. This is an attempt to make the process more efficient for our customers, but if customers feel more comfortable talking to us in person please come to the offices and we will be happy to help.

**HARBOR**

- We had construction meetings with Hamilton Construction and R&M for the SMIC breakwater project on 12-8-2016 12-15-2016 and 1-5-2017.
- Hamilton Construction will start working the first week of January 2017; they will be back with a full crew to finish the project.
- The Harbor has hired a new Administration Assistant to replace the one that has moved on to fulfill her career goals; she will start on January 3rd.
- We have installed both of the new floats for the polar bear jump.
- Preparing the Harbor area for the Polar Bear Jump.
- The harbor office is finishing up with the 2017 slip renewals we have 5 tenants that haven't renewed and 12 that relinquished their slips
- Thanks to the harbor crew that came in and sanded the parking lots and cleared and salted the docks on Christmas day.

**PARKS AND RECREATION**

- Seward Parks and Recreation Department (SPRD) public recreation hours to the AVTEC Gym: Tue – Fri 9:30 am – 9am & Saturdays from 10am to 6pm.
- Free hall walking in the gym is from 10 am to 11 am.
- Indoor Park is offered Tue – Fri: 11 am to 12 noon.
- Roller skating is Friday nights 5:30 to 7pm & Saturdays from 2 to 3:30pm
- Sauna hours are every Thursday from 7 to 9pm and Saturdays from 4 to 6pm

**LIBRARY & MUSEUM**

- **November 2016 Statistics** 8,369 Front Door Counter; 227 Museum Admissions; 3,187 Joint Library Catalog Checkouts; 370 Alaska Digital Library Checkouts; 18 Programs; 9 Passport Applications; 7 Notaries; 106 Room Uses ;6 Proctored Exams; 721 Public Computer Sessions

- **December 2016 Statistics;** 8,057 Front Door Counter; 85 Museum Admission ; 479 Alaska Digital Library Checkouts; 12 Programs; 4 Passport Applications; 15 Notaries; 94 Room Uses; 10 Proctored Exams; 657 Public Computer Sessions

## **PUBLIC WORKS**

- Since the last report we have worked through varying winter weather conditions. After snow plowing berms to the middle, we were able to utilize the street snow blower to clean up the berms throughout downtown.
- After the snow stopped we have increased our sanding efforts to keep up with the slippery conditions.
- We are also trying out some new blade edges for the grader to better cut ice and scratch up the slippery roads in order to provide better traction and sand adhesion.
- Water/Waste Water crews have had to pull sewer lift station pumps to clear blockage and clogs.
- We are covering holiday vacations and are also working on filling one operator position at Public Works.
- Yearend invoices are being turned in and processed to complete 2016 with the Finance Dept.
- The elevator at City Hall continues to have issues. As one issue gets corrected, another one comes up. The electronics and controls systems are outdated and our contractor is struggling to get replacement parts. We are considering options of how best to fix, update, and or replace the full operating system. The elevator and rails etc. are still in good condition. Only the control system will need to be replaced in the near future.

**Sponsored by:** Planning and Zoning Commission

**Introduction Date:** December 12, 2016

**Public Hearing Date:** January 9, 2017

**Enactment Date:** January 9, 2017

**CITY OF SEWARD, ALASKA  
ORDINANCE 2016-009**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, AMENDING SEWARD CITY CODE 15.10.220  
DEVELOPMENT REQUIREMENTS – NOTES, TO ALLOW THE  
MINIMUM LOT SIZE PLATTING OF 3,000 SQUARE FEET AND  
CLARIFICATION OF LOT SIZE FOR DUPLEX DEVELOPMENT**

**WHEREAS,** City Council requested the Planning and Zoning Commission review and bring forward City Code amendments to allow the platting and single family home development of 3,000 square foot lots; and

**WHEREAS,** current City Code allows for the single family home development of existing **originally platted** 3,000 square foot lots but does not allow for the development of other 3,000 square foot lots or the platting of additional 3,000 square foot lots; and

**WHEREAS,** amending the City Code to allow additional 3,000 square foot parcels could provide added single family home lots and greater in-fill or density; and

**WHEREAS,** the lots south of Van Buren, within the Original Townsite of Seward and the Federal and Laubner Additions, are served by existing utilities located in both the alley and street rights-of-way, allowing for required utility separation on small lots; and

**WHEREAS,** the Planning and Zoning Commission held three (3) work sessions and two (2) public hearings in review of the code amendments to allow platting and single family home development of 3,000 square foot parcels; and

**WHEREAS,** minimum lot size for single family homes and multi-family developments with three – four units is currently provided in the Development Requirements of the City Code; however, no guidance is provided for duplex development; and

**WHEREAS,** staff has provided a code amendment to provide clarification on the lot size for duplex or two family developments; and

**WHEREAS,** the Planning and Zoning Commission held a public hearing on September 6, 2016 and November 1, 2016 recommended City Council approve the proposed City Code amendments within this Ordinance.

**NOW, THEREFORE, THE CITY OF SEWARD ORDAINS** that:

**CITY OF SEWARD, ALASKA**

**ORDINANCE 2016-009**

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**Section 1.** Seward City Code is hereby amended as follows:

**Chapter 15.10.220 Development Requirements – Notes** is hereby amended as follows:

(Deletions are **Bold Strikethroughs**; Additions are **Bold Underline**)

**15.10.220 Development Requirements - Notes**

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NOTE 2.

\*\*\*

B. In the R1, R2, R3, UR, OR ~~and~~ , AC and CB Districts, from ~~the Seward Highway/Phoenix Road intersection~~ Van Buren Street South, ~~6,000~~ 3,000 SF and north, ~~7,000~~ 6,000 SF with ~~60~~ 30 and ~~70~~ 60 foot minimum frontages respectively, for single-family residences.

\*\*\*

D. In the R1, R2, R3, UR, OR ~~and~~ , AC and CB Districts, individual **originally platted** lots of at least 3,000 SF in the Original Townsite, Federal Addition, Laubner Addition, Cliff Addition and Bayview Addition may be developed for single-family residences provided all other development requirements of this chapter are met.

\*\*\*

**F. Two-family or duplex developments require a minimum of 6,000 SF in the R2, R3, UR, OR, AC and CB Districts and 20,000 SF in the RM District. Duplex developments within the Federal Addition Subdivision require 5,000 SF. All other development requirements of this chapter shall be met.**

**Section 2.** This ordinance shall take effect ten (10) days following enactment.

**ENACTED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA**, this 9<sup>th</sup> day of January, 2017.

**THE CITY OF SEWARD, ALASKA**

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**Jean Bardarson, Mayor**

**CITY OF SEWARD, ALASKA**

**ORDINANCE 2016-009**

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AYES:

NOES:

ABSENT:

ABSTAIN:

**ATTEST:**

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Johanna Kinney, CMC  
City Clerk

(City Seal)

# Agenda Statement



Meeting Date: December 12, 2016  
To: City Council  
Through: Jim Hunt, City Manager  
Ron Long, Assistant City Manager  
From: Donna Glenz, Planner  
Agenda Item: Council amend Seward City Code §15.10.220. Development Requirements - Notes

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## **BACKGROUND & JUSTIFICATION:**

At the Council joint work session with the Planning and Zoning Commission on February 24, 2016 the Council directed the Planning and Zoning Commission and Community Development Department staff to review and develop new Code provisions addressing the ability to plat and develop lots of 3,000 square feet.

The Commission held several public work sessions to discuss the pros and cons of smaller lots. Current City Code allows for the single family home development of existing **originally platted** 3,000 square foot lots but does not allow for the development of other 3,000 square foot lots. There are several 3,000 square foot lots that currently do not meet the **originally platted** requirement of the current code. Also, the current City code does not allow for the platting of new or additional 3,000 square foot lots.

The Commission held a Public Hearing on September 6, 2016. Two members of the public spoke in opposition to the proposed code amendment. The Commission voted to postpone the decision on Resolution 2016-12 until an additional public work session and further discussion was held. A public work session was held on September 20, 2016 with two (2) members of Council and a member of the public present. The proposed Ordinance was thoroughly discussed and no changes or amendments were requested.

The facilitation of small lot development could to some degree encourage infill development. New construction on scattered vacant or underutilized lots near the center of town may be a way to increase housing.

For the most part, the subdivisions south of Van Buren Street are severed by alley access with utilities located in both the alley and street rights-of-way, allowing for the required separation of utilities on small lots.

While the City of Seward is required to provide recommendations to the Kenai Peninsula Borough (KPB) on all platting or subdivision requests within the City Limits, the Borough Platting Commission has the final authority on the subdivision approval. There are several Borough code provisions that address lot size, special or different standards within organized cities:

- KPB subdivision code **§20.30.190. Lots – Dimensions** requires minimum lot width of 60 feet
- KPB **§20.30.200. Lots – Minimum Size** requires minimum lot size of 6,000 square feet.

- **KPB §20.30.270 Different standards in cities;** requires the City to have an Ordinance in place stating the different subdivision design standards.

Therefore, if the City chooses to have different lot sizes or standards than the Borough Code requirements, the City is required to have an Ordinance in place stating the different standards. When a surveyor is platting a smaller lot a special exception request to the Borough standards will be required.

Staff is also requesting a code amendment to provide clarification on the lot size for duplex or two family developments. Minimum lot size for single family homes and multi-family developments with three – four units is currently provided in the Development Requirements but no guidance is provided for duplex development. Therefore, City staff has provided a recommendation by the addition of item F. to the Development Requirements - Notes.

**Specific additions, deletions or changes are as follows:**

(Deletions are **Bold Strikethroughs**; Additions are **Bold Underline**)

**15.10.220 Development Requirements - Notes**

\*\*\*

NOTE 2.

\*\*\*

B. In the R1, R2, R3, UR, OR ~~and~~ , AC ~~and~~ CB Districts, from ~~the Seward Highway/Phoenix Road intersection~~ Van Buren Street South, ~~6,000~~ 3,000 SF and north, ~~7,000~~ 6,000 SF with ~~60~~ 30 and ~~70~~ 60 foot minimum frontages respectively, for single-family residences.

\*\*\*

D. In the R1, R2, R3, UR, OR ~~and~~ , AC ~~and~~ CB Districts, individual ~~originally-platted~~ lots of at least 3,000 SF in the Original Townsite, Federal Addition, Laubner Addition, Cliff Addition and Bayview Addition may be developed for single-family residences provided all other development requirements of this chapter are met.

\*\*\*

F. Two-family or duplex developments require a minimum of 6,000 SF in the R2, R3, UR, OR, AC and CB Districts and 20,000 SF in the RM District. Duplex developments within the Federal Addition Subdivision require 5,000 SF, provided all other development requirements of this chapter are met.

<b>CONSISTENCY CHECKLIST:</b>		Yes	No	N/A
<b>Comprehensive Plan (2020, approved by Council August 8, 2005):</b>				
3.2.1	Promote residential and commercial development within the city of Seward in accordance with community values. (page 19)	X		
3.3.1.1	Support a range of housing choices that meet the needs of people in various income and age groups. (page 22)			

	<b>Strategic Plan (Approved by Council Resolution 99-043):</b> <ul style="list-style-type: none"> <li>• <b>Expand availability of affordable, diverse, year-round housing.</b> <ul style="list-style-type: none"> <li>○ Seward has a wide range of housing alternatives to meet the varied needs of Seward's long term and seasonal residents (Page 18, Bullet 3)</li> </ul> </li> <li>• <b>Promote Residential and Commercial Development inside the City. (Page 9, Bullet 2)</b></li> </ul> Encourage construction of residential and seasonal housing at all market levels (Page 9, Bullet 2-1)	X		
	<b>Municipal Lands Management Plan: (Adopted by Council Resolution 2014-095)</b>			X

Seward City Code §15.01.035(c)(2)&(3) provides that the Planning and Zoning Commission shall hold a public hearing and forward written recommendations to the City Council before the City Council amends or repeals any land use regulations, or changes zoning or land use boundaries.

As per Seward City Code the Planning and Zoning Commission held public hearings on September 6, and November 1, 2016 and approved P&Z Resolution 2016-12, recommending City Council approved the attached Ordinance, amending Seward City Code 15.10.220 Development Requirement – Notes.

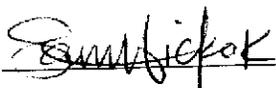
One member of the public provided written concerns in opposition to the requested code amendment. Those concerns have been included within your packet. Concerns were expressed from City staff regarding the ability to provide the required separation of utilities to small lots with no alley access. Those concerns have been addressed by only allowing the 3,000 square foot lot additions and development south of Van Buren Street where most lots are accessed by both street front and alley rights-of-way.

**INTENT:**

Amend Seward City Code §15.10.220. Development Requirements – Notes to allow the minimum lot size platting of 3,000 square feet and clarification of lot size for duplex development.

**FISCAL NOTE:**

Implementation of the code amendment will have no direct cost to the City.

Approved by Finance Department: 

**ATTORNEY REVIEW:** Yes X No       

**RECOMMENDATION:**

Staff and the Planning and Zoning Commission recommend the Council introduce and enact Ordinance 2016-009, amending Seward City Code 15.10.220 Development Requirements - Notes.

Sponsored by: Staff

Postponed from: September 6, 2016

**CITY OF SEWARD, ALASKA  
PLANNING AND ZONING COMMISSION  
RESOLUTION 2016-12**

**A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF  
THE CITY OF SEWARD, ALASKA, RECOMMENDING CITY COUNCIL  
AMEND PORTIONS OF SEWARD CITY CODE 15.10.220  
DEVELOPMENT REQUIREMENTS – NOTES, TO ALLOW THE  
MINIMUM LOT SIZE PLATTING OF 3,000 SQUARE FEET AND  
CLARIFICATION OF LOT SIZE FOR DUPLEX DEVELOPEMNT**

**WHEREAS**, City Council has requested a City Code amendment to allow for the platting and single family home development of 3,000 square foot lots; and

**WHEREAS**, the Planning and Zoning Commission held two public work sessions reviewing the platting and development options of 3,000 square foot lots; and

**WHEREAS**, having complied with the public notification process, on September 6, 2016, the Seward Planning and Zoning Commission held the required public hearing and made the following recommendations.

**NOW, THEREFORE, BE IT RESOLVED** by the Seward Planning and Zoning Commission that:

**Section 1.** The Commission recommends Ordinance 2016-\_\_\_ attached and incorporated herein by reference, be forwarded to City Council.

**Section 2.** The Commission further recommends the Council approve Ordinance 2016-\_\_\_, amending portions of Seward City Code §15.10.220, Development Requirements - Notes.

**Section 3.** This resolution shall take effect immediately upon its adoption.

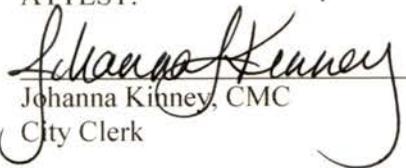
**PASSED AND APPROVED** by the Seward Planning and Zoning Commission this 1<sup>st</sup> day of November 2016.

THE CITY OF SEWARD

  
Martha Fleming, Vice-Chair

AYES: Ambrosiani, Seese, Anderson, Fleming  
NOES: None  
ABSENT: Carlton, Swann, Ecklund  
ABSTAIN: None  
VACANT: None

ATTEST:

  
Johanna Kinney, CMC  
City Clerk

(City Seal)



**Resolution 2016-12 of the Planning and Zoning Commission of the City of Seward, Alaska, recommending City Council amend portions of Seward City Code 15.10.220 Development Requirements – Notes, to allow the minimum lot size platting of 3,000 square feet and clarification of lot size for duplex development**

Glenz described the proposed amendments to the City Code and the direction City Council had provided regarding small lot development. The small lot development and platting changes would be implemented for properties south of Van Buren Street. Glenz stated that the proposed amendments would also provide needed Code guidance for duplex development.

**Notice of public hearing being posted and published as required by law was noted and the public hearing was opened.**

Carol Griswold, inside City, noted she had submitted a letter and that it was included in the meeting packet. Griswold said the effort to facilitate development of small lots would have an impact on quality of life, including landscaping. She said the town was very busy in the summer and very quiet in the winter. Nonresident owners were purchasing properties and were not fully participating in the community, she said. Further subdivision in the Original Townsite would impact vegetation and trees and promote increased density, which she opposed.

Kerry Martin, inside City, said he believed that facilitating the development of 3,000 square foot lots would not result in the construction of more affordable housing. The cost per square foot of land would be driven upward, he said. The cost of the construction was the same, regardless of the size of the lot.

Martin said there was a great number of lodging businesses and the new construction and sales of existing structures seemed to be largely related to seasonal lodging. The City Administration needed to work with the public to extend utilities to subdivisions that were not served, Martin said. He also said that small lots were not sufficient to serve modern families and the vehicles and other items that would be stored. He said he opposed the creation of more 3,000 square foot lots.

**Hearing no one else wishing to speak, the public hearing was closed.**

**Motion (Anderson/Swann)**

**Approve Resolution 2016-12**

Ambrosiani questioned the long term effects of allowing the platting of 3,000 square foot lots.

Glenz pointed out that Code allowed for residential development of an originally platted 30 foot by 100 foot lot. Glenz explained there were some lots that included 3,000 square feet, but were no longer in the original configuration. Code prevented development of those lots.

Ambrosiani asked staff to explain the primary goal of the proposed Code changes.

Glenz stated the goal was to allow the platting of 3,000 square foot lots. She noted that a resident had vacated an interior lot line to allow planned development, but changed the development plan and was now only using a portion of that land. The owner wanted to create a smaller lot from the unused land, noting that current Code did not allow the platting of less than 6,000 square feet.

Glenz suggested that if the Commission was not prepared to approve the resolution, the Commission could postpone action and the proposed amendment could be reviewed in an additional work sessions.

**Motion (Carlton/Ambrosiani)**

**Postpone action until Resolution 2016-12 was brought back before the Commission**

**Motion Passed**

**Yes: Fleming, Ambrosiani, Carlton, Ecklund  
No: Swann, Anderson**

**Unfinished Business – None**

**New Business Items –**

**Planning and Zoning September 20 Work Session Topic**

Glenz noted a memo in the meeting packet and suggested Commissioners attend a Comprehensive Plan Open House scheduled for September 14. Commissioners also needed to determine if they would hold a September 20 work session, and set the topic for that session. Glenz also said the Historic Preservation Commission had requested a joint work session on October 4.

Ecklund asked what the Historic Preservation Commission work session topic would be.

Glenz said there would be no specific topic, but an agenda would be provided prior to the work session.

Commissioners discussed their schedules and set the September 20 work session topic as further review of the development and platting of 3,000 square foot lots. Commissioners also planned to attend the Comprehensive Plan Open House on September 14.

**Informational Items and Reports (No action required)**

**FEMA Region X Newsletter**

**2016 Planning & Zoning Meeting Schedule and Calendar**

**Unfinished Business Items requiring a Public Hearing –**

**Resolution 2016-12 of the Planning and Zoning Commission of the City of Seward, Alaska, recommending City Council amend portions of Seward City Code 15.10.220 Development Requirements – Notes, to allow the minimum lot size platting of 3,000 square feet and clarification of lot size for duplex development (Postponed from September 6)**

Glenz noted the history of the proposed Code amendments to allow for the development and platting of 3,000 square foot lots. A public work session was held on September 20, following the Planning and Zoning Commission postponement of action on Resolution 2016-12. Glenz noted the Commission had recommended no amendments as a result of the work session.

Glenz stated the proposed Code amendments were to be limited to the parcels south of Van Buren Street to meet minimum required utility separation. Following the September 20 work session, staff had not received any additional comments or questions regarding Resolution 2016-12. She noted that following the public hearing the Motion and Second to approve Resolution 2016-12 was back on the table for discussion and vote.

**Notice of public hearing being posted and published as required by law was noted and the public hearing was opened.**

**Hearing no one wishing to speak, the public hearing was closed.**

**Original Motion (Anderson/Swann)**  
*(Motion made on September 6)*

**Approve Resolution 2016-12**

Fleming asked Commissioners if they had any further discussion.

Anderson called for the question.

**Motion Passed**

**Unanimous**

**New Business Items requiring a Public Hearing – None**

**Unfinished Business – None**

**New Business Items –**

**Approve the 2017 Planning and Zoning Commission meeting schedule and public hearing cut-off dates**

August 16, 2016

Re: 30x100' lot development

Dear Planning and Zoning Commissioners,

I am opposed to increasing the potential for more 30' lot development for the following reasons:

1. Development on 30' lots is already occurring without any changes to the code. Note the new houses at 422 and 424 Third Ave, and the new building at 329 Third Ave.
2. Note as well the lack of off-street parking for many small lots. Vehicles park along the street, increasing traffic congestion and issues with road maintenance.
3. People have stuff. The romantic notion that a small house means the simple, uncluttered life is often not true. Last year, a 627 square foot cottage on a 30x100' lot was purchased by an out-of-town owner. He then parked his large motorhome in the alley, extending into the property to the north. A large boat and skiff were parked in the front yard, along with a school bus, and storage trailer. His two vehicles were variously parked on the front yard or in the alley on the neighboring property. While this may be an extreme case, it points out the fact that most people have stuff that does not fit on 30' lot, even with a small home.
4. Many of Seward's small homes and small lots are owned by non-residents who bought them for summer use or nightly lodging. Encouraging more 30' lots will promote more out-of-town or non-resident owners and more seasonal use, not year-round residents.
5. Small lots are not necessarily affordable for first time homeowners, young or old. Subdividing a larger parcel does not create cheaper per square foot lots, but increases the price per square foot. Small homes are still expensive for first time homeowners.
6. The possible additional property tax is miniscule and not a good argument for smaller lots.

7. Subdividing larger lots into 30x100' lots, especially in the historic parts of Seward, will destroy trees and shrubs and other landscaping that contribute to the beauty of Seward. Please refer to Title 15.15.025, Seward's Historic Plant and Tree Register, that provides for public recognition of local plants and trees, many of which are located in the area under discussion.

8. The Council's interest in smaller lots and tiny homes is inconsistent with its decision to donate 1.7 acres of public land for up to two 6-bedroom apartment buildings that will serve a maximum of 24 people if all the units are 2 bedroom with 2 people per 12 units.

What is our vision for Seward? Do we want to encourage maximum density with smaller lots? Do we want to allow three story buildings now that the fire department has a ladder truck?

Shall we allow the creation of more small lots in residential zones that encourages more nonresident ownership, more seasonal use, and further exacerbates the lack of year-round housing for residents? Is there a point of saturation?

Or do we want a livable town with adequate space for residents with off street parking and storage space, and space for trees and shrubs that grace our town. I vote for quality of life.

Thank you for your consideration.  
Carol Griswold

**Sponsored by:** Hunt  
**Introduction:** January 9, 2017  
**Public Hearing:** January 23, 2017  
**Enactment:** January 23, 2017

**CITY OF SEWARD, ALASKA  
ORDINANCE 2017-001**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, AMENDING SEWARD CITY CODE 7.10.320 (J) (2), RESERVED  
MOORAGE, DURATION, DEATH - REMOVING “ANNUAL” FROM THE  
TERM “ANNUAL MOORAGE FEE”**

**WHEREAS**, to better conform with Internal Revenue Service (IRS) requirements, the City Council amended the Harbor Tariff in 2014 to allow for semi-annual moorage commitments by Resolution 2014-092; and

**WHEREAS**, currently the City of Seward does not collect annual fees for reserve tenant moorage; and

**WHEREAS**, the City Code 7.10.320 (J) (2) refers to the moorage fee as an annual moorage fee; and

**WHEREAS**, as a technical change and for better clarity, staff is requesting removal of the word “annual” from this section of the code; and

**WHEREAS**, upon review of the City Code, there were no other references to an annual moorage fee found.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, HEREBY ORDAINS** that:

**Section 1.** Seward City Code Section 7.10.320 (J) is amended as follows:

~~Strikeout~~ = delete      ***Bold Italics*** = new

7.10.320 – Reserved Moorage

J. Duration. A holder's rights to reserved moorage space, once assigned, continues until the holder ceases having a qualifying interest in a vessel suitable for the assigned space, until the holder's death, or until the holder's voluntarily or involuntarily relinquishment of the space. A holder's right does not transfer with the sale or other disposition of the vessel.

...

**CITY OF SEWARD, ALASKA  
ORDINANCE 2017-001**

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2. Death. In the case of the death of the holder the space may be transferred only to the holder's family member. To be an effective transfer the family member must have a qualifying interest in the vessel assigned to the reserved moorage space and must make a request for transfer, in writing, to the harbormaster with appropriate documentation no later than the date the next annual moorage fee is due.

**Section 2.** This ordinance shall take effect ten days following its enactment.

**ENACTED** by the City Council of the City of Seward, Alaska, this 23<sup>rd</sup> day of January, 2017.

**THE CITY OF SEWARD, ALASKA**

---

**Jean Bardarson, Mayor**

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

**ATTEST:**

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Johanna Kinney, CMC  
City Clerk

(City Seal)

# Agenda Statement



Meeting Date: January 9, 2017

To: City Council

Through: Jim Hunt, City Manager *KMC for GHA*

From: Norm Regis, Harbormaster *NR*

Agenda Item: Striking "Annual" from "Annual Moorage Fee" in SCC 7.10.320 (J) (2)

**BACKGROUND & JUSTIFICATION:**

In 2014 and by Resolution 2014-092, the Port and Harbor Tariff was amended to conform to 26 CFR Section 1.141-3 of the private activity bond regulations of the Internal Revenue Service, which required the city to modify its billing practices in order to preserve the tax-exempt status of the City's harbor revenue bonds. To remain within the Safe Harbor Limitations contained in private activity bond regulations, contracts can extend no more than 200 days without the potential for giving rise to a private business use. The tariff modification eliminated the annual moorage fee and replaced it with two semi-annual moorage commitments, in order to ensure the tenant's rights to moorage space within the harbor does not exceed 200 days.

A technical change is being proposed to remove the word "annual" in Seward City Code 7.10.320 (J) (2), under Reserved Moorage:

J. Duration. A holder's rights to reserved moorage space, once assigned, continues until the holder ceases having a qualifying interest in a vessel suitable for the assigned space, until the holder's death, or until the holder's voluntarily or involuntarily relinquishment of the space. A holder's right does not transfer with the sale or other disposition of the vessel.

...

2. Death. In the case of the death of the holder the space may be transferred only to the holder's family member. To be an effective transfer the family member must have a qualifying interest in the vessel assigned to the reserved moorage space and must make a request for transfer, in writing, to the harbormaster with appropriate documentation no later than the date the next **annual** moorage fee is due.

**INTENT:** Modify the Harbor tariff to remain within the Safe Harbor Limitations contained in private activity bond regulations. Strike the word "annual" in SCC 7.10.320 (J) (2), to better conform with current moorage billing standards.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ):			x
2.	Strategic Plan ( <i>document source here</i> ):			x
3.	Other ( <i>list</i> ): SCC 1.01.045 (b) Amendments to any of the provisions of this code shall be made by amending such provisions by specific reference to the section number of this code in the following language: "That section	X		

	_____ of the code of the city of Seward, Alaska, is hereby amended to read as follows: _____." The new provisions shall then be set out in full as desired.			
4.	Other. CFR Section 1.141-3:	X		

**FISCAL NOTE:** There is no fiscal impact associated with this technical change proposed.

Approved by Finance Department: *Kristen Erchenko*

**ATTORNEY REVIEW:** Yes   x   No \_\_\_\_\_ Not Applicable \_\_\_\_\_

**RECOMMENDATION:**

Enact Ordinance 2017- , implementing a technical change of striking the word "annual" from "annual moorage fee" in Seward City Code 7.10.320 (J) (2).

**CITY OF SEWARD, ALASKA  
RESOLUTION 2014-092**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, REVISING SECTIONS 200 AND 205 OF THE HARBOR  
TARIFF IN ORDER TO REVISE BILLING PRACTICES TO MEET  
INTERNAL REVENUE SERVICE COMPLIANCE FOR TAX-EXEMPT  
REVENUE BONDS**

**WHEREAS**, in the process of re-financing Harbor Revenue Bonds the city learned from Bond Counsel that Internal Revenue Service rules for Tax-Exempt Revenue Bonds require a change in harbor billing and moorage renewal rules; and

**WHEREAS**, the harbor in the past has offered customers the option to renew moorage for up to one year at a time; and

**WHEREAS**, the harbor can meet the IRS rules by limiting renewal contracts to six months; and

**WHEREAS**, it is necessary for the city to revise the Harbor Tariff to comply with the IRS requirements; and

**WHEREAS**, this amendment also includes a technical change of ownership of the shiplift from Seward Ship's Drydock to Vigor Alaska.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA** that:

**Section 1.** The Preface of the Port & Harbor Tariff Regulations is amended as follows:

Strikeout = delete      ***Bold italics = new***

**PREFACE**

**Forms**

All forms referenced in this document may be obtained from the Seward City Clerk's Office or the Harbormaster's Office. Shiplift/SyncroLift forms are available at ~~Seward Ship's Drydock~~ ***the Vigor Alaska – Seward, LLC office*** at the Marine Industrial Center. These forms include, but are not limited to, Vessel Moorage Application, and supplements thereto; Application and Agreement for Reserved Moorage; Application and Agreement for Transient Moorage; Boat Lift Agreement; Vessel Shiplift Use Application, and Supplements thereto; Shiplift System Use Permit; Terminal Use Permit; Prepayment Agreement; and Uplands Storage Agreement.

**Section 2.** Sub Section 200 MOORAGE and Sub Section 205 MOORAGE RATES of the Port & Harbor Tariff Regulations are amended as follows:

Strikeout = delete      ***Bold italics = new***

## SECTION II - SERVICES AND CHARGES

### 200 MOORAGE

*Outside the Small Boat Harbor:* Vessels berthing or departing city docks, wharves, or any other terminal facility, including the shiplift system, must use sufficient tugs so that vessels can be berthed or removed in a safe manner. Berthing speed shall not exceed sixteen feet per minute, unless approved by the Harbormaster.

*Within the Small Boat Harbor:*

(a) *Assignment of Berths.* The Small Boat Harbor is often congested and it is the policy of the City of Seward to provide for the maximum public use of available facilities. The Harbormaster shall have discretion to implement that policy.

Berth assignments to particular slips on the City of Seward float system are made by the Harbormaster. Berth assignments are made to a particular combination of vessel and owner/operator, are not assignable by the owner/operator and automatically expire upon sale or transfer of the vessel to another owner/operator.

A berth assignment is not a lease or an exclusive right to occupy any particular slip. In order to maximize the public's use of existing facilities, it is common for the Harbormaster to temporarily assign vessels to slips normally used by another vessel when that vessel is out of the harbor.

(b) *Waiting List for Reserved Slip Assignment.* Due to the demand for slips on the City of Seward float system, vessels will be assigned reserved slips based on waiting lists maintained by the Harbormaster's office. Separate waiting lists shall be maintained for the following size floats:

- 17 feet (accommodates vessel 12 to 21 feet)
- 23 feet (accommodates vessel 22 to 26 feet)
- 32 feet (accommodates vessel 27 to 36 feet)
- 40 feet (accommodates vessel 37 to 44 feet)
- 50 feet (accommodates vessel 45 to 54 feet)
- 60 feet (accommodates vessel 55 to 64 feet)
- 75 feet (accommodates vessel 65 to 79 feet)
- 90 feet (accommodates vessel 80 to 94 feet)
- 100 feet (accommodates vessel 95 to 104 feet)

CITY OF SEWARD, ALASKA  
RESOLUTION 2014-092  
Page 3 of 7

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105 feet or longer - side tie only - up to 150 feet

Assignments to a reserved slip from the waiting lists shall be made ~~year-round~~ by the Harbormaster based on the slip size available and the most senior name on the waiting list for that size slip.

There is a fee of THIRTY-ONE DOLLARS AND FIFTY CENTS (\$31.50) per year per listing on the waiting list(s) for a reserved slip assignment. The wait list year runs November 1 through October 31.

(c) *Reserved Slip Assignments*

(1) The Harbormaster may assign a specific slip on the City of Seward float system within the Small Boat Harbor to a particular vessel on an ~~annual~~ *semi-annual* basis.

(2) A reserved slip assignment to a vessel is not a lease or right to occupy a particular slip and may not be assigned.

(3) To maximize the use of the Small Boat Harbor, a reserved assigned slip may be assigned to a transient vessel when the reserved assigned owner/vessel is out of the harbor.

(4) Upon the return of the reserved assigned vessel to the Small Boat Harbor (provided proper notifications are given and based on harbor congestion and the difficulties involved in moving vessels), the Harbormaster will attempt to rearrange vessels so that a vessel with a reserved slip assignment may berth at that assigned slip.

(5) A vessel assigned a reserved slip assignment must notify the Harbormaster when departing the harbor for more than five (5) days. If away from Seward for more than five (5) days, a reserved assigned vessel should notify the Harbormaster of its intended arrival date and time back into the Small Boat Harbor.

(d) *Grace Period for Late Renewals.* A reserved slip holder who fails to renew by *the due date* ~~December 31~~ may renew *any time in the next 15 days* prior to ~~January 15~~ rather than relinquish the slip, provided that (1) *both parties agree*, (2) all other reserved moorage requirements are met, and (3) the applicable transient rate is paid on or before *the 15 days has expired* ~~January 15~~.

(e) *New Reserved Slip Assignment.* For a new reserved slip moorage agreement entered into after January 1, the following rules and charges apply:

(1) If the customer has already paid for transient moorage, the customer charges will be converted from transient charges to reserved tenant charges on the effective date of the slip assignment. The reserved tenant ~~annual~~ moorage fee shall be charged on a pro-rated basis and is due in full on the date of the slip assignment.

(2) If the customer is new to the harbor and has not paid any moorage fees, the reserved ~~annual~~ moorage fee shall be charged on a prorated basis and is due in full on the date of the slip assignment.

(3) As stated in paragraphs (e) (1) and (2) above, pro-rated basis shall be calculated by dividing the *semi*-annual moorage amount by ~~6~~ 12, and charging the new tenant  $1/12^{\text{th}}$  ~~6<sup>th</sup>~~ of the reserved ~~annual~~ tenant moorage rate per calendar month for the remainder of the *moorage agreement* ~~calendar year~~. If a slip assignment occurs during a calendar month, the partial month will be charged the lesser of the daily rate or  $1/6^{\text{th}}$  ~~12<sup>th</sup>~~ the *semi*-annual amount.

(f) *Reserved and Temporary (Transient) Slip Assignments.* There are two types of slip assignments at the City of Seward Small Boat Harbor. The first is a reserved assigned slip and the second is a transient slip. Reserved Slips that are assigned to a boat/owner may be used for transient moorage when the reserved assigned vessel is away from the slip.

(g) *Notice Upon Arrival.* All vessels should notify the Seward Small Boat Harbor office prior to arrival. Those vessels which have received reserved assigned slips should notify the Harbormaster's office twenty-four (24) hours prior to expected arrival to allow the harbor staff time to free the slip. If, despite reasonable efforts, the Harbormaster is unable to clear a reserved assigned slip due to congestion, high winds or safety considerations, a vessel with a reserved assigned slip may be required to temporarily use a transient slip or float as directed by the Harbormaster.

Vessels entering the Small Boat Harbor which have not, for any reason, received a berthing assignment by radio contact or otherwise shall be restricted to the following areas: west side of X float; south side of F float; L float; R float; I dock; and T dock.

If, as is frequently the case during periods of congestion, all of the above berths are full, a vessel is permitted to raft to a vessel already berthed.

(h) *Vessel Registration.* All vessels must have a current registration form (Application and Agreement for Transient Moorage) on file with the Harbormaster. These forms must be filed immediately upon arrival at the Small Boat Harbor. However, vessels that arrive after normal Harbormaster office hours must register before 10:00 a.m. the following day.

## 205 MOORAGE RATES

(a) *Calculation of Moorage Rates.* Moorage charges shall commence when a vessel is made fast to a wharf, pier or other facility, or when a vessel is moored to another vessel so berthed ("rafting"). Charges shall continue until such vessel is completely freed from and has vacated the berth.

**CITY OF SEWARD, ALASKA**  
**RESOLUTION 2014-092**  
**Page 5 of 7**

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A vessel berthed at any time between 12:01 a.m. and midnight shall be charged a full day's charge. The Harbormaster may, in his sole discretion, waive a daily charge for a vessel provided that:

- (1) Notice is made in writing prior to mooring in the Seward Boat Harbor,
- (2) Vessel stay is no more than 4 hours, and
- (3) Harbormaster determines that congestion and use of the public facilities by others will not be adversely affected.

The City of Seward retains the right, in its sole discretion, to determine whether a vessel berthed at any time will be charged a full day's charge.

Moorage charges shall be calculated on the overall length of the vessel or the length of the float (slip) assigned, whichever is greater.

(b) *Automatic Annual Adjustment in Moorage Rates.* All moorage rates shall be adjusted annually so as to be effective as of January 1<sup>st</sup>, to reflect the five previous published years' average increase in the Consumer Price Index, All Items, 1982-84=100 for all Urban Consumers, Anchorage, Alaska ("CPI") as published by the United States Department of Labor, Bureau of Labor Statistics. Bills sent out prior to January 1<sup>st</sup> will reflect the upcoming January 1<sup>st</sup> adjusted rates. (For example, 2015 rates reflect an increase based on the average CPI for 2008-2012).

Overall length shall be construed to mean the linear distance, expressed in feet, from the most forward point at the stem to the aftermost part of the stern of the vessel, measured parallel to the base line of the vessel. The length shall include all hull attachments, such as bowsprits, dinghies, davits, etc.

For billing purposes, overall length of the vessel as published in "Lloyd's Register of Shipping" may be used. The City of Seward reserves the right to:

- (1) Obtain the overall length from the vessel's register; or,
- (2) Measure the vessel.

(c) *Transient (Guest) Daily Rates.* With the exception of vessel owner/operators who have paid an annual, semi-annual, or monthly fee in advance, all temporary or transient moorage charges shall be calculated on the daily rate. The daily rate shall be \$0.72 per lineal foot of overall length of the vessel. (See Appendix A for a listing of Transient Moorage Rates according to vessel length):

- (1) Transient (Guest) Annual Rate. The Annual Rate shall be \$53.59 per lineal foot.

(2) Semi-Annual Rate. At the option of the vessel owner/operator, the annual moorage fee may be paid in two equal semi-annual installments of sixty percent (60%) of the annual rate established above. Each prepaid installment described in this Paragraph represents six (6) calendar months. The first installment is due and payable on the date the vessel owner/operator completes the Application and Agreement for Transient Moorage, and on or before the first day of any calendar month. The second installment is due on or before the first day of the calendar month six (6) months thereafter.

(3) Monthly Rate. At the option of the vessel owner/operator, the annual moorage fee may be paid in twelve equal monthly installments of eighteen percent (18%) of the annual rate established above. Each prepaid installment described in this Paragraph represents one (1) month. The first installment is due and payable on the date the vessel owner/operator completes the Application and Agreement for Moorage. The succeeding payments are due on or before the same day of each succeeding calendar month.

(d) *Reserved Moorage Rates for Slip Assignments.* Moorage charges shall commence on the date a slip assignment is accepted. Charges shall continue until the holder ceases to have a qualifying interest in a vessel suitable for the assigned space, until the holder's death, or until the holder's voluntary or involuntarily relinquishment of the space. Prepayment of moorage is required. (See Appendix B for a listing of moorage rates according to vessel length).

(1) The vessel owner/operator must complete an Application and Agreement for Reserved Moorage in the form provided by the City.

(2) *Renewal Annual Rate.* The vessel owner/operator, *if agreed by both parties, can renew his contract on or before June 30 and December 31 and pay the Renewal Rate* ~~has paid the annual fee~~ based on the length of the vessel, or, the length of the slip, whichever is greater. *This Renewal Rate* ~~The Annual Rate~~ shall be ~~\$48.70~~ **\$24.35** per lineal foot.

~~(3) *Semi-Annual Rate.* At the option of the vessel owner/operator, the annual moorage fee may be paid in two equal semi-annual installments of sixty percent (60%) of the annual rate established above. Each prepaid installment described in this Paragraph represents six (6) calendar months. The first installment is due and payable on the date the vessel owner/operator completes the Application and Agreement for Moorage. The second installment is due on or before the same day of each calendar month six (6) months thereafter.~~

~~(4) *Monthly Rate.* At the option of the vessel owner/operator, the annual moorage fee may be paid in twelve equal monthly installments of eighteen ~~thirty-six~~ percent (18-36%) of the annual rate established above. Each prepaid installment described in this Paragraph represents one (1) month. The first installment is due and payable on the date the vessel owner/operator completes the Application and Agreement for Moorage. The succeeding payments are due on or before the same day of each calendar month.~~

**CITY OF SEWARD, ALASKA  
RESOLUTION 2014-092  
Page 7 of 7**

(54) All reserved assigned berths are assigned on a ~~calendar-year~~ *six months* basis. Prepayment of a full ~~year's~~ *six months* charges is due on or before December 31 ~~or June 30 respectively.~~ ~~of the preceding year.~~ A vessel owner/operator may elect to prepay the annual moorage fee at the annual rate or in two semi-annual installments, each of which represents sixty percent (60%) of the annual fee due on or before December 31 of the preceding year and June 30 of the current year. A vessel owner/operator may also elect to prepay the annual *Renewal* moorage fee in ~~twelve~~ monthly installments, each of which represents ~~eighteen~~ *thirty-six* percent (18-36%) of the annual *Renewal* fee. ~~due on or before December 31 of the preceding year and on or before the last day of each month of the current year.~~

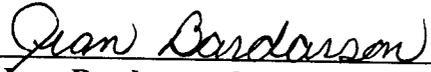
(e) *Float Plane Fees.* A fee in the amount of TWENTY-SIX DOLLARS AND TWENTY-FIVE CENTS (\$26.25) per day shall be charged for float plane berthing in the confines of the Small Boat Harbor.

**Section 3.** The Port & Harbor Tariff **Appendix B Tenant Moorage Rates** table is replaced and attached hereto in substantially the form as presented at this meeting.

**Section 4.** This resolution shall take effect January 1, 2015.

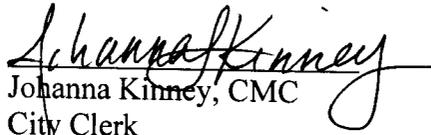
**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 8<sup>th</sup> day of December, 2014.

**THE CITY OF SEWARD, ALASKA**

  
\_\_\_\_\_  
Jean Bardarson, Mayor

AYES: Keil, Casagrande, Squires, Butts, Darling, Bardarson  
NOES: None  
ABSENT: Terry  
ABSTAIN: None

**ATTEST:**

  
Johanna Kinney, CMC  
City Clerk

(City Seal)



**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-001**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, AUTHORIZING AN ADDITIONAL \$32,080.91 TOWARD  
HARBOR FLOAT CONSTRUCTION REPRESENTING THE STATE OF  
ALASKA'S ADDITIONAL ADMINISTRATIVE FEE REQUIRED AFTER  
PROJECT START, AND APPROPRIATING FUNDS**

**WHEREAS**, the City of Seward, by Resolution 2015-072, approved accepting grant funds from the State of Alaska Facility Grant Program in the amount of \$2,684,000; and

**WHEREAS**, the signed grant agreement stipulated that the State's share of administrative fees (Indirect Cost Allocation Plan or ICAP) on the grant would be equivalent to 2% of the grant, but that the "grantor reserves the right to modify the department's ICAP rates as necessary"; and

**WHEREAS**, during the project on October 1, 2015, the State unilaterally raised the ICAP to 3.34% for all reimbursements between October 1, 2015 and July 1, 2016, and again on July 1, 2016, raised the ICAP to 3.97% for all reimbursements subsequent to July 1, 2016; and

**WHEREAS**, the Facility Grant Funding amount went from \$2,684,000 to a reduced amount of \$2,594,520; \$53,680 was appropriated in Resolution 2015-075 to cover a portion of ICAP, leaving a remaining shortfall of \$35,795.08; and

**WHEREAS**, the City came in under budget on the project by \$3,714.17 which, when applied to the required ICAP, leaves a remaining shortfall of \$32,080.91 which will be appropriated from the same source of CPV funds as used to fund the City's share of the project.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA** that:

**Section 1.** Funding in the amount of \$32,080.91 is hereby appropriated from Commercial Passenger Vessel Tax Fund no. 11113-0000-3071-11372 to the A, B, C and S-float Replacement Project infrastructure account no. 11372 0000 8101 to cover the shortfall.

**Section 2.** This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 9<sup>th</sup> day of January, 2017.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-001**

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**THE CITY OF SEWARD, ALASKA**

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**Jean Bardarson, Mayor**

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

**ATTEST:**

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Johanna Kinney, CMC  
City Clerk

(City Seal)

# Agenda Statement



Meeting Date: January 9, 2017

To: City Council

Through: Jim Hunt, City Manager

From: Norman Regis, Harbormaster

Agenda Item: Authorizing an additional amount of \$32,080.91 toward the Harbor Float Construction project to cover the shortfall when the State raised the ICAP (Indirect Cost Allocation Plan) rate after the Grant Agreement was signed, and appropriating funds.

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## **BACKGROUND & JUSTIFICATION:**

In resolution 2014-057 Council approved the City Manager to submit a Municipal Harbor Facility Grant Application for the replacement of A, B, C, and S-float. In October 2014 DOT reported that the City's grant application scored the highest compared to other harbors. The funds approved were \$2,684,000. On June 30<sup>th</sup> 2015, the Governor signed the 2016 Budget in which the City will receive these funds.

In Resolution 2015-072 Council approved accepting grant funds in the amount of \$2,684,000 and executing a grant agreement with the State of Alaska Department of Transportation, Harbor Facility Grant Program.

When the project was established the ICAP (Indirect Cost Allocation Plan) rate was 2%, which was appropriated in Resolution 2015-075. The ICAP rate increased to 3.34% on October 1<sup>st</sup> 2015, and again the ICAP rate increased to 3.97% on 7-1-16. The City did not expect to incur those additional deductions in funding.

The City's portion of the matching grant came from the Harbor Maintenance Repair and Replacement Fund, Capital Repair and Replacement fees and CPV funds.

The Harbor came in under Budget on the project with \$3,714.17 remaining; these funds will be applied to the shortfall of \$35,795.08 leaving \$32,080.91 left to fund.

Additional funding in the amount of \$32,080.91 is needed to pay for this project, the funds will come from CPV Fund No. 11113-0000-3071-11372 and appropriated to the A,B,C and S-float replacement project fund 11372 0000 8101.

## **INTENT:**

Appropriate \$32,080.91 from CPV Fund 11113-0000-3071-11372 to the A, B, C and S-float replacement project fund 11372-0000-8101 to cover the shortfall from the State deducting additional ICAP funds from the Facility Grant Program.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ): Create a thriving port of Seward through harbor improvements, infrastructure expansion, and implementation of management plans. (page 23)	X		
2.	Strategic Plan ( <i>document source here</i> ): 2003 Small Boat Harbor Planning and Development Guide.	X		
3.	Other ( <i>list</i> ): Inspection Report January 2011	X		

**FISCAL NOTE:**

Funding in the amount of \$32,080.91 will be appropriated from CPV Fund 11113-0000-3071-11372 to the A, B, C and S-float replacement project fund 11372-0000-8101.

Approved by Finance Department: *Krista Leclung*

**ATTORNEY REVIEW:** Yes \_\_\_ No \_\_\_ X \_\_\_

**RECOMMENDATION:**

Council support Resolution 2017- 001 authorizing the appropriations of funds from the CPV fund 11113-0000-3071-11372 to the A, B, C, and S-float replacement fund 11372-0000- 8101 to cover the shortfall from the State raising the ICAP rate.



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Transportation and  
Public Facilities

Design & Engineering Services  
Port & Harbors Section

3132 Channel Drive  
Juneau, Alaska 99811-2500  
Main: 907-465-2960  
Fax: 907-465-2460

November 2, 2016

Norm Regis  
Harbormaster  
City of Seward  
P.O. Box 167  
Seward, Alaska 99664

Subject: FY16 Harbor Facility Grant program

Dear Mr. Regis,

For your files, enclosed is a signed copy of Amendment no. 1 to the Harbor Facility Grant Program agreement for the City of Seward' Seward Harbor B, C, S Dock Replacement project. Congratulations on completion of the project.

If you have any questions, please contact me at (907) 465-3979.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Lukshin".

Michael Lukshin, P.E.  
State Ports and Harbors Engineer

Enclosure



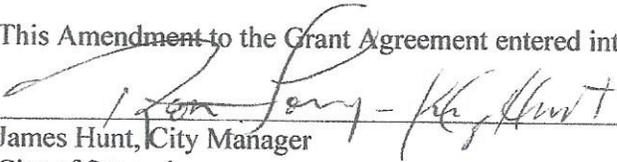
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES  
Harbor Facilities Grant Program

Amendment No. 1

This amendment modifies the Harbor Grant Agreement No. 16-HG-001 between the State of Alaska and the City of Seward signed by Michael Lukshin, P.E., State Ports and Harbors Engineer, and James Hunt, City Manager, City of Seward on August 12, 2015. All other terms and conditions remain unchanged.

1. The objectives this grant have been met by the Grantee.
2. The total allocation of this grant was \$2,594,520.00 after ICAP.
3. In accordance with Article 11 of Appendix A of the grant agreement, the City of Seward agrees to retain its records for the Seward Harbor B, C, S Dock Replacement project for a period of six (6) years, ending on November 30, 2022.
4. Grant Agreement No. 16-HG-001 is officially closed out effective November 30, 2016.

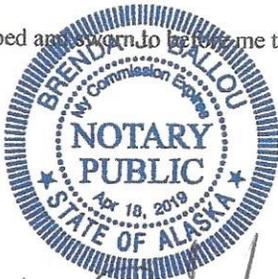
This Amendment to the Grant Agreement entered into as of the day and year written below:

  
 \_\_\_\_\_  
 James Hunt, City Manager  
 City of Seward

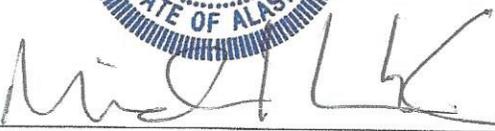
11/2/16  
 \_\_\_\_\_  
 Date

State of Alaska  
Third Judicial District

Subscribed and sworn to before me this 2nd day of November, 2016



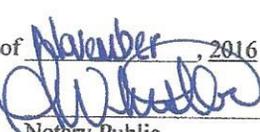
  
 \_\_\_\_\_  
 Notary Public  
 My Commission expires: 4/18/19

  
 \_\_\_\_\_  
 Michael Lukshin, P.E., State Ports & Harbors Engineer  
 Alaska Department of Transportation and Public Facilities

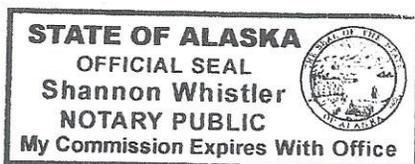
11/2/16  
 \_\_\_\_\_  
 Date

State of Alaska  
First Judicial District

Subscribed and sworn to before me this 2nd day of November, 2016

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

My Commission expires: with office



## Attachment 2 Payment Method

### 1. Payment Schedule

Upon full execution of this Grant Agreement, State treasury warrants will be released according to the payment schedule described below. Additional State treasury warrants will be released on a reimbursement basis upon receiving and approving Grantee's financial/progress reports. The Department will reimburse the Grantee for eligible costs incurred during the reporting period, in accordance with this Grant Agreement. **The Department will not reimburse the Grantee without a complete and signed *Financial/Progress Report and Request for Reimbursement* form, prepared and submitted by Grantee's highest elected or municipal official. See Attachment 3 for a copy of the form.**

Upon full execution of this Grant Agreement, the payment schedule for the grant agreement number 16-HG-001 shall be:

Payment No.	Completion of work item	Payment Percentage of the Total Grant Amount	Payment Amount
1	Award of contract to Grantee's contractor	10%	\$268,400
2	Grantee's contractor mobilizes on-site in Seward	40%	\$1,073,600
3	Grantee's contractor completes 50% of the total project cost	15%	\$402,600
4	Grantee's contractor completes 75% of the total project cost	15%	\$402,600
5	Grantee's contractor completes 100% of the total project cost	10%	\$268,400
6	Department receives all required final documentation from the Grantee	10%	\$268,400
		Total	\$2,684,000.00

Before each payment, the grantee is responsible for providing suitable backup documentation in addition to submission of the *Financial/Progress Report and Request for Reimbursement* form. Before approving the financial/progress report for payment, the Department may require the Grantee to submit documentation of the costs reported, e.g., contractor billings, invoices, and copies of signed Grantee treasury warrants made to the Grantee's contractor. The minimum required documentation will be:

- For Payment No. 1, the grantee shall provide a copy of a contract or a "Letter of Award" (aka a "Notice to Proceed") to its contractor, or its equivalent. The term "*Letter of Award*" refers to a process used by the Department to officially notify the successful low bidder on a project that he has been selected to be the contractor for that respective project and the Department accepts his bid. The Grantee must produce an equivalent document showing that the work described in the grant agreement will be performed by a contractor.
- For Payment No. 2, the grantee shall provide a copy of a payment or invoice, or its equivalent, demonstrating that the grantee's contractor is onsite in Whittier, Alaska. Alternatively, the grantee shall provide a photograph and a statement that grantee's contractor barge is onsite in Whittier, Alaska.
- For Payment No. 3, the grantee shall provide a copy of a payment or invoice, or its equivalent, for the described project showing that at least 50% of the total project cost has been paid to the grantee's contractor.
- For Payment No. 4, the grantee shall provide a copy of a payment or invoice, or its equivalent, for the described project showing that at least 75% of the total project cost has been paid to the grantee's contractor.
- For Payment No. 5, the grantee shall provide a copy of a Substantial Completion Letter to the Grantee's contractor, or its equivalent, that the project is complete. Alternatively, the grantee could provide a copy of a payment or invoice, or its equivalent, for the described project showing that 100% of the total project cost has been paid to the grantee's contractor.
- For final payment, Payment No. 6, the Department will withhold ten percent (10%) of the grantee agreement amount until all final documents and required grant reports have been submitted to the Department.

## **2. Indirect and Direct Costs**

The Grantor shall pay Grantee the grant funds less any State direct and indirect costs. For this project, there are no planned direct costs by the Department. Indirect charges are formally called Indirect Cost Allocation Plan (ICAP) rates. Per Departmental policy and procedures, all capital project expenditures, including grants, are subject to ICAP charges. The Department's current ICAP rate for harbor CIP projects, including harbor facility grants, is 2%.

The Department's ICAP rates vary by type of project. ICAP rates are subject to adjustment due to major changes in the budget for salaries and benefits, or other unforeseen Departmental costs. The Department reviews its ICAP rates annually and, depending on past cost recovery charges, may modify them. Changes to ICAP rates normally take effect at the beginning of the state fiscal year or July 1<sup>st</sup>. The Grantor reserves the right to modify the Department's ICAP rate as necessary.

## **3. Withholding the Final Payment**

The Department will withhold the final payment (see Appendix A, Article 44), Payment No. 6, until the Department determines that the Grantee has satisfactorily completed the terms of this grant agreement, including all required reporting and submission of photographs of the in-progress and completed project. In addition, the Department may withhold all, or a percentage of, the final payment until it performs a final on-site inspection of the completed project.



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

## Department of Transportation and Public Facilities

Design & Engineering Services  
Port & Harbors Section

3132 Channel Drive  
Juneau, Alaska 99811-2500  
Main: 907-465-2960  
Fax: 907-465-2460

July 16, 2015

James Hunt  
City Manager  
City of Seward  
P.O. Box 167  
Seward, Alaska 99664

Subject: Letter of Award of the FY16 Harbor Facility Grant Funds

Dear Mr. Hunt:

Congratulations on successful funding of your application for the Department of Transportation and Public Facilities' Harbor Facility Grant Program. Upon execution of a harbor grant agreement with the department, the City of Seward will receive a Tier I 50/50 matching harbor grant in the amount of \$2,684,000 for construction of the Seward Harbor project. These funds are 100% state general funds.

As a reminder, and as explained in the harbor grant instructions, the municipality will have six (6) months from the date of this Letter of Award to properly ratify and execute a mutually agreeable grant agreement with the department. Note if there is a change in your harbor project that affects the nature of the municipality's original application, then that could prevent us from executing a harbor grant agreement. If a grant agreement cannot be completed within that six month period, the department may deny the award and select the next highest scoring proposal or award the funds in subsequent years. After the grant agreement is signed, the City of Seward will have eighteen (18) months to complete the construction phase of the Seward Harbor project.

Please contact me at your earliest convenience to discuss the grant agreement and the timing for your harbor project. I look forward to working with you on this important municipal harbor project. If you have any questions, please contact me at (907) 465-3979.

If you have any questions, please contact me at (907) 465-3979.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Lukshin".

Michael Lukshin, P.E.  
State Ports and Harbors Engineer

**CITY OF SEWARD, ALASKA  
RESOLUTION 2014-057**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, AUTHORIZING THE CITY MANAGER TO SUBMIT A MUNICIPAL HARBOR FACILITY GRANT APPLICATION TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES IN THE AMOUNT OF \$2.684 MILLION FOR THE REPLACEMENT OF B, C, AND S FLOATS IN THE SEWARD HARBOR**

**WHEREAS**, the State of Alaska, Department of Transportation and Public Facilities administers the Municipal Harbor Facility Grant Program; and

**WHEREAS**, the City of Seward owns and maintains the Seward Harbor and is eligible for a Municipal Harbor Facility grant; and

**WHEREAS**, B, C, and S floats were constructed in the 1960's and they have reached the end of their useful lives; and

**WHEREAS**, the City of Seward has the required 50% in local matching funds for construction of the B, C, and S Float Replacement Project per the Harbor Facility Grant program; and

**WHEREAS**, the City of Seward is capable of completing the B, C, and S Float Replacement Project within eighteen (18) months after award of a Harbor Facility Grant; and

**WHEREAS**, the Seward Small Boat Harbor is critical to the City of Seward.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA:**

**Section 1.** The City Manager is authorized to submit a proposal to the Department of Transportation and Public Facilities for the replacement of B, C, and S Floats in the amount of \$2.684 Million.

**Section 2.** The City of Seward supports the project entitled B, C, and S Float Replacement Project and agrees, subject to available Alaska Legislative funding and selection by DOT&PF, to enter into a grant agreement with the State of Alaska, Department of Transportation and Public Facilities for a Harbor Facility Grant.

**Section 3.** Subject to available Alaska Legislature funding and selection by the Department of Transportation and Public Facilities, the City of Seward will enter into a grant

**CITY OF SEWARD, ALASKA  
RESOLUTION 2014-057**

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agreement with the State of Alaska Department of Transportation and Public Facilities for a SY2016 Municipal Harbor Facility Grant.

**Section 4.** The Seward City Council confirms its intent to utilize internal City funds to match grant funds for this project.

**Section 5.** This resolution shall take effect immediately.

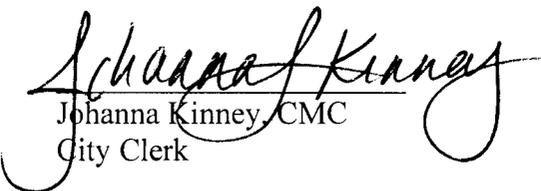
**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 14<sup>th</sup> day of July 2014.

**THE CITY OF SEWARD, ALASKA**

  
\_\_\_\_\_  
**Jean Bardarson, Mayor**

AYES: Keil, Casagrande, Terry, Squires, Darling, Bardarson  
NOES: None  
ABSENT: Butts  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_  
Johanna Kinney, CMC  
City Clerk

(City Seal)



# Agenda Statement



Meeting Date: July 14, 2014  
To: City Council  
Through: City Manager Jim Hunt  
From: Mack Funk, Harbormaster

Agenda Item: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, AUTHORIZING THE CITY MANAGER TO SUBMIT A MUNICIPAL HARBOR FACILITY GRANT APPLICATION TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES IN THE AMOUNT OF \$2.684 MILLION FOR THE REPLACEMENT OF B, C, AND S FLOATS IN THE SEWARD HARBOR**

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## **BACKGROUND & JUSTIFICATION:**

### **Project Summary**

Now is the time to replace the remaining docks in the southwesterly corner of the Small Boat Harbor. The administration's recommendations are based on the 2011 detailed engineering report as modified by experience and funding limitations. On or before August 1, 2014 a grant application will be submitted to the State of Alaska Department of Transportation and Public Facilities' (DOT&PF) Municipal Harbor Facility Grant program. If successful, the state funds for construction would be available in mid-2015. In order to be awarded a grant, the City must identify the local matching funds now.

Per the attached engineer's drawing, the scope of the project is proposed as follows:

- 1) Replace C dock in place.
- 2) Replace B dock in place.
- 3) Remove fingers from the north side of A dock using harbor labor.
- 4) Remove B dock to be rennovated and reinstalled at the S float location, for side tie, linear moorage.
- 5) Renovate the relocated B dock to include additional floatation. Install bullrails across former finger float access and provide water service and fire protection. Electrical service may be included as an additive alternate.
- 6) Replace trestle and gangway at S dock.
- 7) Drive new pilings B, C, and S docks.
- 8) At the top of B dock, reuse the nearly new, 100-foot, fully compliant with Americans with Disability Act (ADA) aluminum gangway set aside during the D dock project.
- 9) In order to accommodate the ADA gangway, reduce the length of the B dock trestle and tie the new trestle in at Saltwater Safari..
- 10) Replace G dock (headwalk) between B & D docks.

### **DOT Grant Program**

The Municipal Harbor Facility Grant Program is managed by DOT&PF. The program provides 50/50 matching funds to eligible applicants. The program was created in 2006, but not funded until 2007. The legislature supplied funding in subsequent years (but not in 2009). The

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money can only be used for construction ready projects, not for planning or engineering. This grant program is funded on an annual basis at the discretion of the Alaska Legislature and consists of two tiers, Tier I and II. This application will be submitted in the Tier I category. The first tier has priority and consists of major maintenance and repair of a harbor facility that was previously owned by the state and now is municipally or regional housing authority owned. A harbor facility may only receive one Tier I grant regardless if it is for all or only a portion of that harbor facility. The boundaries of a Tier I harbor facility will be based on the department's 1995 Alaska Harbor Directory or as determined by the department. Once a Tier I eligible harbor facility receives a Tier I grant, the status of that harbor facility changes from Tier I to Tier II henceforth. After all eligible Tier I projects have been selected, the department will consider Tier II projects. With State revenues projected to decline over the next few years, funding for the municipal Harbor Facility Grant Program will be a bigger challenge for the Legislature, therefore the Administration recommends getting our application in soon before the fund is depleted.

The City of Seward has applied twice for these grants before (both times as Tier II) and was successful once. This program paid for one-half of the D Float Replacement Project.

### **Project Need Statement**

This project will replace docks that are almost fifty years old. This project has been included in the City's Capital Improvement Plan since 2009 (see attached Harbor Five-Year CIP). The 2011 report (see attached photos) recommended a four-phase approach to the dock replacement problem. During 2013-14 the City replaced D Float-- the first phase of the recommended work.

The remaining docks are unsafe. The floating docks are slowly sinking- the freeboard distance from the deck to the water, averages about half of a new dock (approximately 20 inches). The current docks do not float level- they are twisting, bending and listing. The deck height above the water varies widely from 5 inches to 15 inches. The connecting hardware between the main walkway and the finger floats is rusting; the harbor has installed heavy rubber belt material to try to strengthen and cushion the connection between the two dock components. Still, many of the walking surfaces on the docks are not very stable. The wooden timbers are rotting, Customers have installed outdoor carpeting that has become very unattractive. A 2011 windstorm caused a broken piling (see attached damage report). This project will replace the old, creosote treated pilings with fewer and stronger galvanized steel pilings. The new gangway will be less than half the slope angle of the current gangway and it will be fully ADA compliant. Replacing the old docks is the best way to solve these safety and environmental issues and improve the economic viability of the Seward Small Boat Harbor.

The engineer's report recommended that Phase Two should be S Float Replacement, Phase Three should be Boat Ramp Improvements, and Phase Four should be A, B, C, and G Float Replacement. The recommended approach would complete Phase Two and most of Phase Four. It appears that Phase Three, the South Boat Ramp Improvements can be partially funded by another grant opportunity, so postponement of that phase is recommended. Another modification to the 2011 engineer's recommendations is intended to save money by renovating and reusing B float in place of S float.

Currently, the spacing between B and C floats is too narrow. In order to provide a safer facility, the new float layout will have fewer small slips because one half of A float and all of S float will no longer have stalls, but only linear moorage.

### **Plan to Fund, Construct, and Maintain the New Docks**

In the fall of 2014, after the grant application has been evaluated and it appears that state funding is likely to be secured, the City will select and hire an engineer to finalize the design of the new docks by April 15, 2015. (One preparatory step has already been completed. The

asbestos cement board was professionally removed from these docks in January 2013). After design, the next step will be to execute a construction contract with the goal of installing the new docks no later than April 15, 2016. The City will be regularly evaluating progress to ensure that the project is completed on time and within budget.

Keeping the nearly fifty-year old docks functional is getting to be a greater and greater challenge. Replacing the docks will reduce maintenance costs (estimated at \$20,000 per year) and minimize the possibility of an injury claim caused by an unsafe condition (estimated cost factor of \$10,000 per year).

This project's successful completion will mean that within the last ten years every quadrant of the harbor has new infrastructure.

**INTENT:**

To authorize the grant application to the state Municipal Harbor Facility Grant Program in the amount of \$2.684 Million.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	2020 Seward Comprehensive Plan (page 23): Create a thriving port of Seward through harbor improvements, infrastructure expansion, and implementation of management plans.	X		
2.	City of Seward Strategic Plan (page 7): Complete the renovation of the Small Boat Harbor	X		
3.	Other:			

**FISCAL NOTE:**

The Administration's goal is to purchase and install the new docks without raising moorage rates (beyond the annual cost of living adjustments).

The Harbor Enterprise Fund currently has more than \$6 Million in long term debt. Annual harbor debt service is approximately \$732,086. As you may recall, in 2009, the Harbor did not meet its revenue coverage ratios as required by bond covenants. Since the dock cannot generate enough income to support the debt service for another revenue bond, the Administration's recommended plan is to use borrowed funds from other City Funds.

The final details of the loans can be worked out at a future date (by mid-2015). Now, the Council's commitment to finance the local match is what is required.

Approved by Finance Department: *Kristen Archinger*

**ATTORNEY REVIEW:** Yes \_\_\_\_\_ No X

**RECOMMENDATION:**

Council approve Resolution 2014-057, authorizing the City Manager to apply to the state Harbor Matching Grant program for \$2.684 Million.

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**CITY OF SEWARD, ALASKA  
RESOLUTION 2015-072**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, AUTHORIZING THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH THE ALASKA DEPARTMENT OF TRANSPORTATION HARBOR FACILITY GRANT PROGRAM FOR \$2,680,000 FOR THE B, C, S, AND A-FLOAT REPLACEMENT PROJECT AT THE SEWARD SMALL BOAT HARBOR**

**WHEREAS**, the City of Seward hired URS Engineers to inspect the southwest portion of the original small boat harbor in October 2010; and

**WHEREAS**, the report written in January 2011 found that the docks that were constructed in the 1960's are beyond their service life; and

**WHEREAS**, the report recommended that the replacement of B, C, S and A-Float should be the harbor's top priority; and

**WHEREAS**, the city filed an application with the Alaska Department of Transportation Harbor Facility Grant Program for a one-time Tier I 50/50 matching grant; and

**WHEREAS**, the city has received a Tier One matching grant offer from the Alaska Department of Transportation Harbor Facility Grant Program in the amount of \$2,680,000.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA** that:

**Section 1.** The City Manager is hereby authorized to accept grant funding and execute the grant agreement with the State of Alaska Department of Transportation Harbor Facility Grant Program, in substantially the form as presented at this meeting.

**Section 2.** Funding in the amount of \$2,684,000 is hereby accepted into the Harbor Infrastructure Replacement Project State Grant Revenue account no. 11371-0000-5922.

**Section 3.** The City Council authorizes city matching funds in the amount of \$2,772,400 towards the city's portion of this project, to include the primary scope of work in addition to Additive Alternate No. 1 and Additive Alternate No. 2, which will be brought before council at the next meeting.

**Section 4.** This resolution shall take effect immediately upon its adoption.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2015-072**

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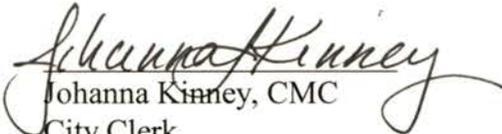
**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 10<sup>th</sup> day of August 2015.

**THE CITY OF SEWARD, ALASKA**

  
\_\_\_\_\_  
**Jean Bardarson, Mayor**

AYES: Keil, Casagranda, Terry, Squires, Butts, Darling, Bardarson  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

  
Johanna Kinney, CMC  
City Clerk

(City Seal)



# Agenda Statement



Meeting Date: August 10, 2015

To: City Council

Through: City Manager Jim Hunt 

From: Harbormaster Norman Regis

Agenda Item: Authorizing the City Manager to enter into a grant agreement with the Municipal Harbor Facility Grant Program.

**BACKGROUND & JUSTIFICATION:**

An October 2010 inspection of the Seward Small Boat Harbor included a visual inspection of the facilities in the southwest harbor including approach trestles, gangways, and floating docks A, B, C, D, G and S Floats as well as the south harbor boat launch ramp. The Final Inspection Report issued in January 2011 states, “The floating docks in this section of the harbor were constructed in the 1960’s and are at or beyond their service life and should be replaced. The report went on to recommend that A, B, C, D and S-Float be replaced. D-Float was replaced in 2013 and 2014”

In resolution 2014-057 Council approved the City Manager to submit a Municipal Harbor Facility Grant Application for the replacement of B, C and S-float. In October 2014 DOT reported that the City’s grant application scored the highest compared to other harbors. The funds approved were \$2,684,000. On June 30<sup>th</sup> 2015, the Governor signed the 2016 Budget in which the City will receive these funds.

**INTENT:**

Accept Grant funding in the amount of \$2,680,000 and execute a grant agreement with the State of Alaska Department of Transportation, Harbor Facility Grant Program.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ): Create a thriving port of Seward through harbor improvements, infrastructure expansion, and implementation of management plans. (page 23)	X		
2.	Strategic Plan ( <i>document source here</i> ): 2003 Small Boat Harbor Planning and Development Guide.	X		
3.	Other ( <i>list</i> ): Inspection Report January 2011	X		

**FISCAL NOTE:**

Half of the cost of the construction work will be paid from a matching grant \$2,680,000 from the Alaska Department of Transportation. The City’s matching funds will be necessary to complete this project and will be brought before council in a separate resolution.

Approved by Finance Department: *Hester Seclung*

**ATTORNEY REVIEW:** Yes  No

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**RECOMMENDATION:**

Council support Resolution 2015-<sup>072</sup> authorizing the City Manager accept grant funding and execute a grant agreement with the State of Alaska Department of Transportation Municipal Harbor Facility grant Program

**CITY OF SEWARD, ALASKA  
RESOLUTION 2015-075**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, AUTHORIZING THE CITY'S \$2,826,080 SHARE OF MATCHING FUNDS FOR THE A, B, C, S-FLOAT REPLACEMENT PROJECT AT THE SEWARD SMALL BOAT HARBOR, AND THE STATE'S MATCHING SHARE OF \$2,684,000, AND APPROPRIATING FUNDS**

**WHEREAS**, the City of Seward hired URS Engineers to inspect the southwest portion of the original small boat harbor in October 2010; and

**WHEREAS**, the report written in January 2011 found that the docks that were constructed in the 1960's are beyond their service life; and

**WHEREAS**, the report recommended that the replacement of A, B, C, and S Float should be the harbor's top priority; and

**WHEREAS**, the City developed a scope of work with the assistance of R & M Consultants, Inc. and advertised a competitive bid package according to SCC 6.10.210 and SCC 6.10.215; and

**WHEREAS**, five bids were received by the required deadline of 3:30 p.m. June 16, 2015; and

**WHEREAS**, the City and R & M Consultants, Inc. reviewed all bids and concluded Turnagain Marine Construction was the lowest, most qualified and responsive bidder with a base bid amount of \$4,317,500, Alternate 1 bid amount of \$383,100 and Alternate 2 bid amount of \$755,800; and

**WHEREAS**, the City has received a matching grant offer from the Alaska Department of Transportation Harbor Facility Grant Program in the amount of \$2,684,000 which was accepted by the City Council in Resolution 2015-072 approved on August 10, 2015; and

**WHEREAS**, the City's match of \$2,826,080 will come from the Harbor Maintenance Repair and Replacement Fund and Commercial Passenger Vessel Tax Funds.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA** that:

**Section 1.** The City Council hereby authorizes funding from the Harbor Maintenance Repair and Replacement Fund, Harbor Enterprise Fund, and Commercial Passenger Vessel Tax Funds in the amount of \$2,826,080, to complete the Harbor Infrastructure Replacement Project to include the primary scope of work in addition to Additive Alternate No. 1 and Additive Alternate No. 2.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2015-075**

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**Section 2.** Funding in the total amount of \$5,510,080 is hereby appropriated as follows: 1) \$2,684,000 from State grant fund account no. 11371-0000-5922 to 11371-0000-8101; 2) \$1,048,401 from the Harbor Major Repair and Replacement Fund Undesignated Reserves account no. 11002-0000-3400 to 11370-0000-8101; 3) \$53,680 from the Harbor Enterprise Fund Undesignated Reserves account no. 11000-0000-3400 to 11370-0000-8101; 4) \$597,360 from Fund 11103 CPV Undesignated Reserves account no. 11103-0000-3400 to 11372-0000-8101; and 5) \$1,126,639 from Fund 11113 CPV Undesignated Reserves account no. 11113-0000-3400 to 11373-0000-8101.

**Section 3.** In the event any funding appropriated for this project is required to be reimbursed, annual appropriations for a period not to exceed ten (10) years will come from the Harbor Major Repair and Replacement Fund (including annual Capital Repair & Replacement Fees estimated at \$65,000 per year) with the balance to come from the Harbor Enterprise Fund Undesignated Reserves.

**Section 4.** This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 24<sup>th</sup> day of August, 2015.

**THE CITY OF SEWARD, ALASKA**

  
\_\_\_\_\_  
Jean Bardarson, Mayor

AYES: Keil, Butts, Casagrande, Darling, Squires, Terry, Bardarson  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_  
Johanna Kinney, CMC  
City Clerk

(City Seal)



# Agenda Statement



Meeting Date: August 24, 2015  
To: City Council  
Through: Jim Hunt, City Manager   
From: Norman Regis, Harbormaster  
Agenda Item: Appropriate City funds and State grant funds for the B, C, S, and A-Float replacement project.

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## **BACKGROUND & JUSTIFICATION:**

An October 2010 inspection of the Seward Small Boat Harbor included a visual inspection of the facilities in the southwest harbor including approach trestles, gangways, and floating docks A, B, C, D, G and S Floats as well as the south harbor boat launch ramp. The Final Inspection Report issued in January 2011 states, "*The floating docks in this section of the harbor were constructed in the 1960's and are at or beyond their service life and should be replaced.*" The report went on to recommend that A, B, C, D and S-Float be replaced. D-Float was replaced in 2013 and 2014.

In resolution 2014-057 Council approved the City Manager to submit a Municipal Harbor Facility Grant Application for the replacement of B, C and S-float. In October 2014 DOT reported that the City's grant application scored the highest compared to other harbors. The funds approved were \$2,684,000. On June 30, 2015, the Governor signed the 2016 Budget in which the City will receive these funds.

In Resolution 2015-072 Council approved accepting grant funds in the amount of \$2,684,000 and executing a grant agreement with the State of Alaska Department of Transportation, Harbor Facility Grant Program

The City's portion of the matching grant will come from the Harbor Maintenance Repair and Replacement Fund, the Harbor Enterprise Fund, and Commercial Passenger Vessel Tax (CPV) funds.

In the event of any of the \$1,723,999 funding of CPV monies is required to be reimbursed, annual repayment is proposed to come from the approximately \$65,000 Capital repair and Replacement fees (Harbor MRRF) and additional funding of approximately \$107,400 will come from Harbor Enterprise Fund Undesignated Reserves, likely necessitating a moorage rate increase of approximately 6.6%, or a combination of rate increase and cost cuts..

## **INTENT:**

Appropriate funds from the State of Alaska Municipal Harbor Facility Grant, Harbor Maintenance Repair and Replacement Fund, Capital Repair and Replacement fund and CPV funds

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ): Create a thriving port of Seward through harbor improvements, infrastructure expansion, and implementation of management plans. (page 23)	X		
2.	Strategic Plan ( <i>document source here</i> ): 2003 Small Boat Harbor Planning and Development Guide.	X		
3.	Other ( <i>list</i> ): Inspection Report January 2011	X		

**FISCAL NOTE:**

Funding will be paid from a matching grant \$2,684,000 from the Alaska Department of Transportation, Harbor Facility Grant Program, \$1,048,401 from Harbor Maintenance Repair and Replacement Fund, \$53,680 from the Harbor Fund, and \$1,723,999 from CPV funds. An additional fee (ICAP Indirect Cost Allocation Plan) for (\$53,680) was added by the State for administration costs, which is to be paid by the Harbor Fund (included in the figures above). This appropriation will exhaust the remaining funds from the Harbor MRRF. These figures do not include contingency funds.

Approved by Finance Department: *Hunter Arledge*

**ATTORNEY REVIEW:** Yes \_\_\_\_\_ No X N/A \_\_\_\_\_

**RECOMMENDATION:**

Council support Resolution 2015- 075 appropriating funds in the total amount of \$5,510,080 to replace B, C, S, and A-Floats in the Seward Small Boat Harbor.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-002**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A COOPERATIVE AGREEMENT WITH THE STATE OF ALASKA DEPARTMENT OF FISH & GAME (ADF&G) DIVISION OF ADMINISTRATIVE SERVICES FOR THE FEDERAL AID IN SPORT FISH RESTORATION RECREATIONAL BOATING ACCESS PROGRAM FOR THE PURPOSE OF DESIGNING AND PERMITTING A REPLACEMENT SEWARD SOUTH HARBOR LAUNCH RAMP**

**WHEREAS**, in 2011 ADF&G evaluated the South Launch ramp and determined it needed to be replaced; and

**WHEREAS**, the City has pursued funding with ADF&G to replace the South Launch Ramp; and

**WHEREAS**, the City of Seward, by Resolution 2016-033, committed to ADF&G to provide funding for a 25% City match to replace the South Harbor Launch Ramp, under the Phase II construction portion of the project; and

**WHEREAS**, ADF&G has sent the City a Cooperative Agreement to start Phase 1 of the project, including design and permitting; and

**WHEREAS**, ADF&G and the Federal Aid in Sport Fishing Restoration Recreational Boating Access Program will fully fund Phase 1 with the estimated cost of \$400,000; and

**WHEREAS**, the City of Seward will continue to comply with the ADF&G agreement for the complete renovation of the South Harbor Launch Ramp.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA** that:

**Section 1.** The City Manager is hereby authorized to enter into a cooperative agreement with ADF&G and the Federal Aid in Sport Fishing Restoration Recreational Boating Access Program for Phase 1 of the City of Seward South Harbor renovation project, in substantial form as presented at this meeting.

**Section 2.** This resolution shall take effect immediately.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 9<sup>th</sup> day of January, 2017.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-002**

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**THE CITY OF SEWARD, ALASKA**

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**Jean Bardarson, Mayor**

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

**ATTEST:**

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Johanna Kinney, CMC  
City Clerk

(City Seal)

# Agenda Statement

Meeting Date: January 9, 2017

To: Jim Hunt, City Manager 

From: Norman Regis, Deputy Harbormaster



Agenda Item: Authorizing the City Manager to enter into an agreement with the State of Alaska Department of Fish and Game to plan, design, and permit replacement of the Seward South Harbor Launch Ramp.

**BACKGROUND & JUSTIFICATION:**

The State of Alaska Department of Fish and Game (“ADF&G”) conducted an evaluation of the South Harbor Launch Ramp in 2011 and recommended that the launch ramp be replaced. The ramp requires increasing levels of maintenance and while we are currently able to utilize the ramp, it has become more of a safety issue due to rotting wood, necessitating replacement. This past summer one of the concrete planks failed, damaging a customer’s trailer. A concrete patch was poured to temporarily repair the slab so the public could continue to use the ramp.

The Seward City Council approved Resolution 2016-033, committing the City to a 25% match on the construction of the replacement ramp, with ADF&G funding the remaining 75%.

This first phase of the project involves the planning, design and permitting of the South Harbor Launch Ramp, and will be 100% direct funded by ADF&G, where the State will hire and pay the consultants for planning, design and permitting. The administration seeks Council approval to sign the Cooperative Agreement between the City and ADF&G for Phase 1 of the project (please see attached letter (17-068)). The estimated cost of this initial Phase 1 will be \$400,000; the funding source will be 75% from the Federal Aid in Sport Fishing Restoration Act and 25% from State matching funds.

**INTENT:**

Authorize the City Manager to enter into a cooperative agreement (17-068) with ADF&G for Phase 1, the design and permitting of the South Harbor Launch Ramp.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ): Page 23 Encourage the growth and development of an efficient, functional small boat harbor that meets Seward’s commercial and recreational needs.	X		
2.	Strategic Plan ( <i>document source here</i> ): Page 7 Complete the renovation of the Small Boat Harbor. Expand development in the Seward Marine Industrial Center.	X		
3.	Other ( <i>list</i> ):			

FISCAL NOTE:

No City funds are required for Phase which is to be entirely funded by ADF&G, but the City previously committed to fund the 25% match for Phase 2, including final design and construction for the renovation of the launch ramp. The City previously appropriated funds for Phase 2 for this project in Resolutions 2014-94 "Section 2" (\$87,500) and 2016-033 (\$299,863.68) for the total amount of \$387,363.68.

Approved by Finance Department: *Mustin Arclinger*

ATTORNEY REVIEW: Yes \_\_\_\_\_ No \_\_\_\_\_ X \_\_\_\_\_ N/A \_\_\_\_\_

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RECOMMENDATION:

Council approves Resolution 2017- 002 authorizing the City Manager to enter into a cooperative agreement with ADF&G for Phase 1, the design and permitting of the South Harbor Launch Ramp.



Alaska Department of Fish and Game  
Division of Administrative Services  
P.O. Box 115526  
Juneau, AK 99811-5526

Cooperative Agreement Number 17-068  
Title: Seward South Harbor Launch Ramp Renovation

Between:

Alaska Department of Fish and Game  
Division of Sport Fish

And the  
City of Seward

#### **I. AUTHORITY:**

This agreement is entered into by and between the Alaska Department of Fish and Game, Division of Sport Fish (hereinafter referred to as the "ADF&G" or the "Department") and the City of Seward (hereinafter referred to as "CITY").

ADF&G enters into this agreement under authority AS16.05.050 (12), AS36.30.850(c) and the Federal Aid in Sport Fish Restoration Recreational Boating Access Program (CFDA # 15.605).

#### **II. PURPOSE OF THE AGREEMENT:**

To improve public recreational boating and sport fishing access to the marine waters near Seward by cooperatively rehabilitating and maintaining a boat launch facility in Seward South Harbor. This will be accomplished in two phases: Phase I-preliminary design and permitting, and Phase II-final design and construction.

#### **III. TERM OF THE AGREEMENT:**

The effective date of this agreement shall be from the date of final signature. The design life of this facility is 20 years; therefore, this agreement shall remain in effect until December 31, 2039.

#### **IV. COVENANTS OF THE ALASKA DEPARTMENT OF FISH AND GAME:**

1. To hire a design consultant to complete planning activities (Phase I) for the future renovation of the Seward South Harbor Launch Ramp, hereinafter referred to as the launch facility. Phase I will consist of design and permitting activities and Phase II will consist of final design and construction-related activities. Once Phase I is complete, this agreement will be amended to address additional funding needed for Phase II of the project. The total estimated cost of Phase I is \$400,000. The source of funding for Phase I shall be 75% from the Federal Aid in Sport Fish Restoration Act (Dingell- Johnson/Wallop-Breaux) and 25% from state matching funds. Availability of these funds shall be subject to approval of the project by the Federal Aid Office of the U.S. Fish and Wildlife Service (USF&WS).
2. To authorize the CITY to continue to manage and maintain the launch facility as a CITY facility. The CITY owns, operates, and maintains the existing facility, which is operated primarily for the use of recreational power boaters and sport anglers.
3. To perform a final inspection of the completed project to verify compliance with this agreement.

## V. COVENANTS OF THE CITY OF SEWARD:

1. To dedicate to this project, CITY owned uplands and/or tidelands under and immediately adjacent to the launch facility. The parcel shall be used exclusively for boat launch ramps, boarding floats, vehicle/trailer parking and other improvements incidental to functionality of this project. The parcel is shown on Attachment A.

The CITY warrants that it has the right, power, and authority to construct the improvements on the access site and that there are no restrictions, covenants, easements, rights-of-way, or uses which would prevent the CITY from constructing the improvements on the access site.

2. To manage and maintain the launch facility for public use until December 31, 2039. The launch facility will be managed primarily for the benefit of the recreational boating and sport fishing public in providing access to public waters; consistent with current management. The City shall maintain ample vehicle/trailer parking spaces for the life of the ramp project (number to be defined upon final design – Phase II) and no change in this use will be made without prior written approval of ADF&G.
3. Management activities and maintenance services shall ensure orderly public use and keep the facility clean and in a good state of repair. Management and maintenance may be adjusted seasonally commensurate with seasonal public use.
4. ADF&G will consider the facility closed to the public if the CITY physically denies access, fails to provide adequate management or maintenance or allows incompatible uses of the facility that effectively limits public use by recreational boaters and sport anglers.
5. To obtain and comply with all federal, state and local permits required for construction and maintenance of the renovation project.
6. To install a sign identifying the participation of ADF&G , the Federal Aid in Sport Fish Restoration program , and sport anglers in facility development. To install additional signage as deemed appropriate, to indicate that the primary use of the facility is for sport fishing and recreational power boating access.
7. To be responsible, for a period of one year from the date of ADF&G's final inspection, for correcting all defects in the design or construction when the defect is brought to the attention of the CITY, without additional cost to ADF&G. The CITY will make good and be fully responsible for all damages to persons and property that arise from equipment or workmanship which is inferior, defective, or not in accordance with the terms of this agreement.
8. To maintain adequate insurance in conjunction with the design, construction and maintenance of the improvements.
9. The CITY shall perform all aspects of the project in compliance with appropriate laws and regulations which include but are not limited to the following:
  - a. Local Building Codes- The CITY shall comply with applicable local buildings codes and shall obtain a building permit if required (AS 35.10.025).
  - b. Historic Preservation- The CITY shall comply with AS 41.35.070 to preserve historic, prehistoric and archeological resources threatened by public construction.
  - c. Public Contracts- The CITY shall comply with AS 36.05 in determining the wages and hours of labor on public contracts.

- d. Political Activity- Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.
  - e. Civil Rights- Pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title I, II & III of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975 and Title IX of the Education Amendments of 1972, no person shall, on the grounds of race, color, national origin, age, or handicap, be excluded from participation in or be subjected to discrimination in any program or activity funded in whole or in part by federal funds.
  - f. Allowable costs/Cost principles-OMB 2 CFR 200 establishes principles and standards for determining costs applicable to grants, contracts, and other agreements with state and local governments. A cost is allowable for federal reimbursement only to the extent of benefits received by federal programs, and costs must meet the basic guidelines for allowability, reasonableness and allocability.
  - g. Drug-free Workplace Act- The CITY, by signing this agreement, certifies that they will provide a drug-free workplace.
  - h. Debarment/Suspension – The CITY, by signing this agreement, certifies that neither it, nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from federal financial assistance programs or activities.
  - i. Audits- The CITY acknowledges that 75% of the funding for this agreement is from the Federal Aid office of the U.S. Fish and Wildlife Service under CFDA 15.605. The CITY acknowledges that receipt of federal funds may create audit requirements under OMB 2 CFR 200.
  - j. Workers Compensation Insurance- The CITY shall provide and maintain, for all employees engaged in work under this agreement, coverage as required by AS 23.30.045, and, where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements.
  - k. Open Competition - The CITY shall comply with Executive Order 13202 dated February 17, 2001 prohibiting any requirements or bidding preferences based on contractor affiliation with labor organizations.
10. 41 United States Code (U.S.C.) 4712, Pilot Program for Enhancement of Recipient and Subrecipient Employee Whistleblower Protection: This requirement applies to all awards issued after July 1, 2013 and shall be in effect until January 1, 2017.
- a. This award and related subawards and contracts over the simplified acquisition threshold and all employees working on this award and related subawards and contracts over the simplified acquisition threshold are subject to the whistleblower rights and remedies in the pilot program on award recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (P.L. 112-239).
  - b. Recipients, and their subrecipients and contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.
  - c. The recipient shall insert this clause, including this paragraph (c), in all subawards and contracts over the simplified acquisition threshold related to this award.
11. If the CITY handles hazardous materials on the site, the CITY agrees to employ adequate procedures for safely storing, dispensing, and otherwise handling hazardous materials in accordance with applicable federal, state, and local laws. Hazardous materials include but are not limited to fuels and lubricants commonly used in vehicles and boats.

In the event of a hazardous materials spill by the CITY or the public using the site, the CITY shall act promptly, at its own expense, to contain the spill, repair any damage, absorb and clean up the spill area, and restore the site to a condition satisfactory to the ADF&G and in accordance with applicable federal, state, and local laws. The CITY shall be the lead agency in requesting additional funds from the legislature to cover the cost of spill clean-up. ADF&G shall support such requests.

If contamination of the site occurs as a result of the CITY's management of the site, the CITY shall indemnify, defend, and hold harmless the ADF&G from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses.

## VI. GENERAL PROVISIONS:

1. ADF&G and the CITY shall cooperate in accomplishing the improvements to be provided under this agreement. ADF&G shall provide design criteria for the improvements and employ a private engineering firm to complete design and assist the CITY in obtaining necessary permits. The CITY shall be the lead agency in accomplishing all work necessary to make the improvements. The CITY may employ construction contractors as may be appropriate. The project shall be designed by a professional engineer registered in the State of Alaska unless exempt under AS 08.48.331.

2. The CITY shall perform the following tasks in accomplishing this project:

### Phase I:

Design and land status: The CITY shall obtain all required permits and dedicate the land as specified in paragraph V.I. above. Any federal funds not used for Phase I tasks shall be available for final design and construction-related (Phase II) activities.

### Phase II:

Final design and bidding: The CITY shall not proceed with final design or starting work with its own personnel or advertising for contractor bids until notified in writing by ADF&G that the USF&WS has approved the project. In the event USF&WS approval is not obtained by ADF&G or the non-federal match requirement cannot be acquired, this agreement shall be terminated. During the bidding process, the CITY shall send to ADF&G a copy of the bid package and all addenda that may be issued.

Construction: The CITY shall provide ADF&G a copy of the proposed construction schedule. The CITY shall also promptly notify ADF&G of all changes made to the schedule or the design. At the completion of the construction work, the CITY shall provide ADF&G a copy of the as-built plans. Reimbursement for construction work shall be contingent on ADF&G approval of work actually performed.

ADF&G review of designs, plans, specifications or other project-related documents will be to ensure conformance to the purpose of this agreement and shall not constitute engineering review nor relieve the CITY from responsibility to prepare an adequate design, meet code compliance, or assure that cost principles are applied to change orders.

3. The CITY will be reimbursed only for the cost of work actually completed which is directly related and allocable to the project and which ADF&G has approved. The CITY will not be reimbursed for administrative work or overhead it incurred while completing the project. Reimbursement will be made within 30 days of receipt and approval, by ADF&G, of a request for reimbursement from the CITY. All requests for reimbursement shall be adequately documented. Documentation may include copies of materials invoices, payroll ledgers, equipment logs, contract payments, etc. In the event of a late payment, ADF&G will not pay late fees.

Requests for reimbursement shall be mailed no more frequently than once a month to Jeff Breakfield at:

State of Alaska  
Department of Fish and Game  
Division of Sport Fish, Region II  
43961 Kalifornsky Beach Road, Suite B  
Soldotna, Alaska 99669

The CITY shall maintain a separate set of accounting records for this project and shall retain these records for a period of three years from the termination of the agreement. These records shall be made available to the state for audit purposes.

With the exception of the final payment, requests for reimbursement shall be in amounts not less than \$10,000. If the CITY chooses to make monthly billings, such billings will be held by ADF&G until the total amount reaches at least \$10,000.

4. The CITY may charge user fees in accordance with Seward Municipal Code per the harbor tariff, Ordinance No. 210-002, § 1(att.), 9-27-2010 "Boat Harbor", in effect on the effective date of this agreement. All future changes to the fee schedule shall be reviewed and approved by ADF&G. Fees shall be subject to the following criteria :
  - a. Fees for recreational boating and sport fishing use shall not exceed fees for other uses at the launch facility.
  - b. Fees shall not be imposed to recover the capital cost of the improvements covered by this agreement.
  - c. Fees shall not exceed the cost of operation, maintenance and improvement of the site.
  - d. Site specific fees that exceed the cost of operation, maintenance and improvement are program income. Fees collected and determined to be program income must be credited back to the Federal Aid in Sport Fish Restoration program through ADF&G. The basic policies for the treatment of program income by the USF&WS contained in OMB 2 CFR 200 apply to this agreement.
  - e. The CITY may establish a capital improvement account from user fees collected, to fund specified major improvements to the site and/or routine maintenance, repair or replacement of the infrastructure. Establishment of such an account shall be reviewed and approved by ADF&G. The CITY shall specify the improvement proposed, the estimated cost, and completion date when requesting approval. Fees accumulated in a capital improvement account will not be considered program income if they are used for the approved improvement.
  - f. If required by future changes to federal regulations or at the request of ADF&G, the CITY shall provide ADF&G an accounting of fees collected and costs of operation, maintenance, and improvements. This accounting shall be on an annual basis and in sufficient detail to satisfy state and federal regulations.
  - g. Trailerable boats owned and operated by the ADF&G and the Department of Public Safety shall be allowed to use the facility at no cost in the course of carrying out their official duties to the extent such use does not interfere with public use of the facility .
5. The effective date of this agreement shall be from the date of final signature by ADF&G.
6. The design life of the facility is 20 years; therefore, this agreement shall remain in effect until December 31, 2039.
7. Either agency may terminate its involvement in this agreement by written notice to the other at least 90 days in advance of the date on which termination is to become effective. In the event that an agency terminates its involvement in this agreement, defaults in its duties under this agreement or this agreement expires, disposition of the sport fishing access improvements shall be accomplished by whichever of the following contingencies is appropriate:
  - a) Agreement expires on December 31, 2039:

ADF&G shall have the option to negotiate an extension of this agreement with the CITY for the continued use of the facility for public sport fishing access. ADF&G shall have 90 days after the expiration of this agreement in which to notify the CITY of its intent to exercise this option. If ADF&G does not exercise this option, all improvements shall become the property of the CITY.

b) ADF&G terminates its involvement:

If prior to December 31, 2039, ADF&G finds that there is no longer a need for the sport fishing access improvements covered by this agreement, then this agreement shall be terminated. Improvements funded by ADF&G shall become the property of the CITY at no additional cost to the CITY.

c) The CITY terminates its involvement:

If prior to December 31, 2039, the CITY closes the facility to the public, does not comply with the requirements of this agreement or terminates its involvement in the purpose of this agreement, this agreement shall be terminated and the CITY shall reimburse ADF&G for:

- i. The total funding it provided at the rate of 5 percent for each full year between the date of termination and December 31, 2039.
- ii. The appraised fair market value, on the date of the CITY's default, of any land acquired for the project with ADF&G funds.

This agreement shall be terminated when the CITY's reimbursement to ADF&G is completed. The CITY shall not be required to reimburse ADF&G in the event the facility must be closed to protect public safety because of casualty damage arising from a catastrophic occurrence.

8. The CITY may make improvements to the facility at its own expense provided the improvements are compatible with the purpose of this agreement and are approved in writing by ADF&G prior to construction.
9. Funding for major maintenance or repair of casualty damage will be negotiated on a case-by-case basis. Each agency's share of such funding shall be contingent on availability of funds.
10. The rights and responsibilities vested in each agency by this agreement shall not be assigned without the written consent of the other agency.
11. Agents and employees of each agency shall act in an independent capacity and not as officers, employees, or agents of the other agency in performance of this agreement.
12. Nothing in this agreement shall obligate either agency to the expenditure of funds or future payments of money in excess of those herein agreed upon or authorized by law.
13. Nothing in this agreement transfers title or land jurisdiction other than set forth herein.
14. The CITY shall indemnify, hold harmless and defend ADF&G from and against any claim of, or liability for error, omission or negligent act of the CITY under this agreement. The CITY shall not be required to indemnify ADF&G for a claim of, or liability for, the independent negligence of ADF&G. If there is a claim of, or liability for, the joint negligent error or omission of the CITY and the independent negligence of ADF&G, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "CITY" and "ADF&G" as used within this paragraph, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in ADF&G's selection, administration, monitoring or controlling of the CITY and in approving or accepting the CITY's work.
15. All parties agree to comply with all applicable federal and state laws regulating ethical conduct of public officers and employees.
16. Each agency will comply with all applicable laws, regulations, and executive orders relative to Equal Employment Opportunity.
17. Nothing herein is intended to conflict with federal, state, or local laws or regulations. If there are conflicts, this agreement will be amended at the first opportunity to bring it into conformance with conflicting laws or regulations.
18. This agreement may be revised as necessary by mutual consent of both parties, by the issuance of a written amendment, signed and dated by both parties.

19. All approvals and notices required by this agreement shall be written and shall be sent by registered or certified mail to:

Director  
Division of Sport Fish  
Alaska Dept of Fish & Game  
P.O. Box 115526  
Juneau, Alaska 99811-5526

City Manager  
City of Seward  
P.O. Box 167  
410 Adams Street  
Seward, Alaska 99664

20. This agreement is complete and has no other encumbrances, addenda, attachments, or amendments with the following exceptions: Attachment A: Parcel Location

## **VII. FINANCIAL CONSIDERATIONS**

ADF&G will fully fund Phase I (permitting/planning) to the awarded engineering firm, for accomplishing the purpose of this agreement in the amount of \$400,000 total; any additional funding amount that may be needed to complete Phase I will be at the sole discretion of ADF&G. This cooperative agreement shall be amended to address additional funding that will be needed for Phase II, construction.

The CITY will be reimbursed during Phase II (construction), only for the cost of work actually completed which is directly related and allocable to the project and which ADF&G has approved. All requests for reimbursement shall be adequately documented. Documentation may include copies of materials invoices, payroll ledgers, equipment logs, contract payments, etc. In the event of a late payment, ADF&G will not pay late fees.

The CITY shall maintain a separate set of accounting records for this project and shall retain these records for a period of three years from the termination of the agreement. These records shall be made available to the state for audit purposes.

**VII. APPROVING SIGNATURES**

IN WITNESS WHEREOF, the parties hereto have caused this Cooperative Agreement to be executed as of the date of last signature below.

**CITY OF SEWARD**

\_\_\_\_\_  
Jim Hunt, City Manager  
City of Seward

\_\_\_\_\_  
Date

**ALASKA DEPARTMENT OF FISH AND GAME**

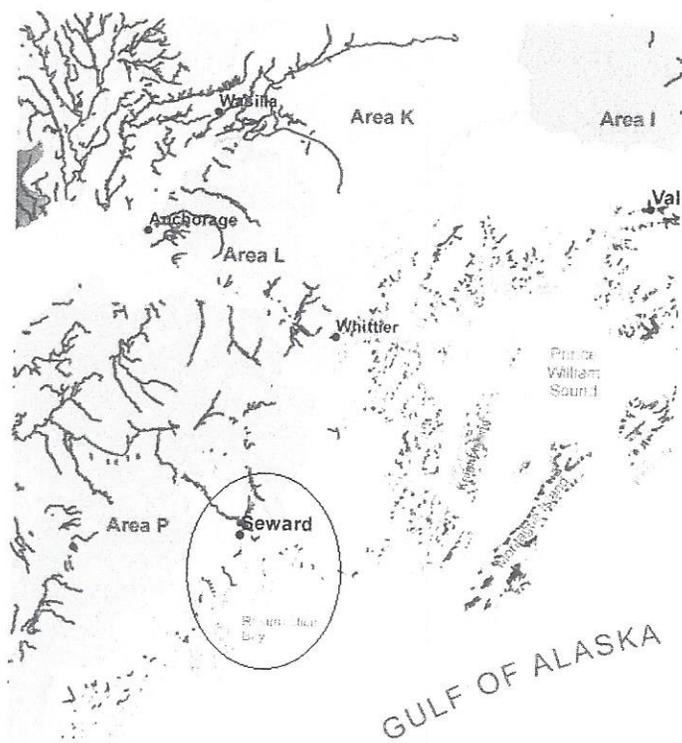
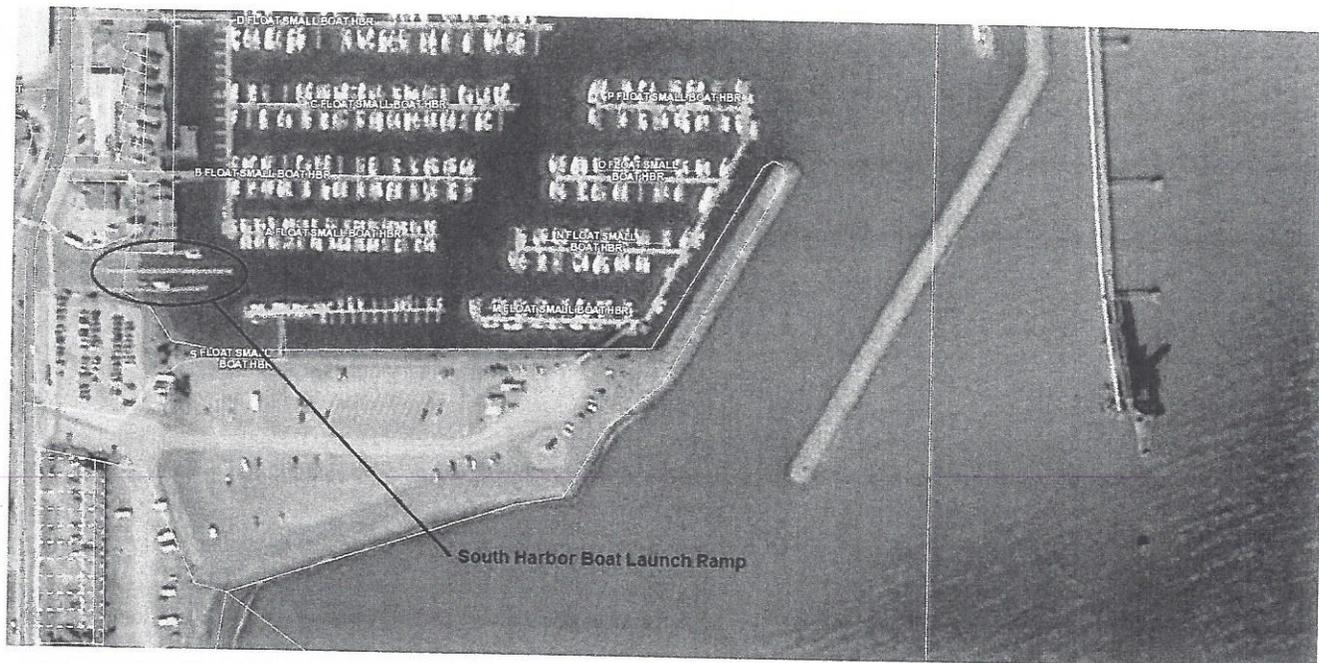
\_\_\_\_\_  
Tom Brookover, Director  
Division of Sport Fish

\_\_\_\_\_  
Date

\_\_\_\_\_  
Carol Petraborg, Director  
Division of Administrative Services

\_\_\_\_\_  
Date

### Attachment A: Parcel Location





**CITY OF SEWARD, ALASKA  
RESOLUTION 2016-033**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, AUTHORIZING PURSUIT OF GRANT FUNDS FROM THE  
ALASKA DEPARTMENT OF FISH AND GAME TO REPLACE THE  
SOUTH HARBOR LAUNCH RAMP, AUTHORIZING \$387,363.68 TOWARD  
THE CITY'S 25% MATCH, AND APPROPRIATING FUNDS**

**WHEREAS**, the Harbor Major Maintenance and Repair Fund (MRRF) contains \$299,863.68 of unspent funds from three recently-completed Harbor improvement projects which came in under budget and therefore did not require spending the full project funding; and

**WHEREAS**, the Seward Boat Harbor had a condition assessment performed in 2011 which indicated that the launch ramp has reached the end of its useful life and should be replaced; and

**WHEREAS**, the State of Alaska Department of Fish & Game (ADF&G) sent representatives to Seward to evaluate the project and consider whether to provide grant funds for the replacement of the South Launch ramp to include concrete, docks, drainage and galvanized steel piling; and

**WHEREAS**, if the city commits to the required 25% cost match for this project, ADF&G will proceed to engineer the project and seek funds for construction; and

**WHEREAS**, the administration recommends utilizing Harbor MRRF Funds in the amount of \$299,863.68, plus \$87,500 previously approved for this project, for a total contribution of \$387,363.68 toward the city's 25% cost-share, and recommends the city seek grant funding through ADF&G, which grant funds would be expected to cover 75% of the costs of replacing the South Harbor Launch Ramp and docks.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA that:**

**Section 1.** Funding in the amount of \$299,863.68 is hereby appropriated from the Harbor Major Repair & Replacement Fund account no. 11001-0000-3721-11420 to the South Harbor Boat Launch replacement project infrastructure account no. 11420-0000-8101, and \$87,500 previously allocated to the South Harbor Boat Launch project is hereby appropriated from unassigned reserves account no. 11420-0000-3400, to infrastructure account no. 11420-0000-8101, for a total appropriation toward the city's 25% cost share of \$387,363.68.

**Section 2.** This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 25<sup>th</sup> day of April, 2016.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2016-033**

---

**THE CITY OF SEWARD, ALASKA**

*Jean Bardarson*  
\_\_\_\_\_  
**Jean Bardarson, Mayor**

AYES: Casagrande, Keil, Butts, Squires, McClure, Altermatt, Bardarson  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

*Johanna Kinney*  
\_\_\_\_\_  
Johanna Kinney, CMC  
City Clerk

(City Seal)



# Agenda Statement



Meeting Date: April 25, 2016

To: Jim Hunt, City Manager 

From: Norman Regis, Harbormaster

Agenda Item: Re-appropriating \$299,863.68 of unspent capital project funds, plus \$87,500 previously allocated, for a total appropriation of \$387,363.68, toward the City's 25% grant match to replace the South Harbor Launch Ramp

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## BACKGROUND & JUSTIFICATION:

The Seward Harbor previously depleted the Harbor Major Repair and Replacement Fund (MRRF) in order to complete the A, B, C and S-float replacement project. Three harbor capital projects were completed in 2015 and in the aggregate, came in \$299,863.68 under budget, with the surplus monies in those projects returned to the Harbor MRRF, where the funds originated. The surplus funds came from the following: \$4,666.65 unspent from the Sewer Pump-Out Project (RES 2014-069); \$67,836.13 unspent from the Vessel wash-down pad project (RES 2013-023 and RES 2013-033) and \$277,360.90 remaining from the D-float replacement project (RES 2011-060).

The State of Alaska Department of Fish & Game (ADF&G) conducted an evaluation of the harbor's South Harbor launch ramp facility in 2011, determining that the ramp was in need of replacement. ADF&G has access to grant funds to replace the launch ramp, with the grant covering 75% of the cost, provided the City matches the grant with a 25% contribution. The ramp is currently in use but requires constant maintenance and due to rotting wood, is becoming more of a safety concern. With the expected future decline of State and Federal grant funding, this is a great opportunity to pursue outside funding while this grant is still available. If the City commits to the availability of its 25% match, ADF&G will proceed with the engineering and design for this project, and ADF&G will apply for the grant funds on Seward's behalf, and will provide construction administration if the project proceeds.

The City Council previously authorized \$87,500 (RES 2014-094 Section 2, #2) toward the Launch Ramp project, and when combined with the requested \$299,863.68 residual funds from the closed-out capital projects, \$387,363.68 will be applied to the City's 25% project cost match. When ADF&G approves the project and sends the City of Seward the grant paperwork, the administration will bring forward a resolution to award a contract to replace the South Harbor Launch Ramp and appropriate the grant funds for the project. Without Council commitment to fund the 25% City match, ADF&G will not proceed with engineering and design, nor apply for grant funds on behalf of the City.

## INTENT:

To commit \$299,863.68 of unspent capital project funds plus \$87,500 previously awarded for the South Harbor Launch Ramp replacement project, to be used toward the City's 25% cost share to replace the South Harbor Launch Ramp.

**CONSISTENCY CHECKLIST:** Where applicable, this agenda statement is consistent with the Seward City Code, Charter, Comprehensive Plans, Land Use Plans, Strategic Plan and City Council Rules of Procedures or Other Plans or Policies:

<b>CONSISTENCY CHECKLIST:</b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ): Page 23 Encourage the growth and development of an efficient, functional small boat harbor that meets Seward's commercial and recreational needs.	X		
2.	Strategic Plan ( <i>document source here</i> ): Page 15 Celebrate the Natural Environment.	X		
3.	Other ( <i>list</i> ): Seward City Code, Land Use Plans and 2016/2017 Budget	X		

**FISCAL NOTE:** The Harbor MRRF has a fund balance of \$62,050.69 before the close-out of capital projects in 2015 totaling \$299,863.68, for a total balance of \$361,914.37. Of this, \$299,863.68 is requested to combine with the \$87,500 previously committed toward the City's 25% grant match to replace the South Harbor Launch Ramp.

Approved by Finance Department: *Austin Erickson*

**ATTORNEY REVIEW:** Yes \_\_\_\_\_ No X

**RECOMMENDATION:**

Council approves Resolution 2016- 033 appropriating \$299,863.68 from the Harbor MRRF Fund and \$87,500 previously transferred to the Launch Ramp Project, to apply to the City's 25% grant match for the South Harbor Boat Launch replacement project.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2014-094**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, AMENDING THE 2015 BUDGET TO REFLECT MID-CYCLE  
BUDGET CHANGES, AND APPROPRIATING FUNDS**

**WHEREAS**, the 2014/2015 Biennial Budget was passed in November 2013, reflecting the budget period from January 1, 2014 through December 31, 2015; and

**WHEREAS**, this amendment is offered as a mid-cycle budget adjustment to reflect changes to the budget based on updated information, projects and priorities impacting the City in 2015; and

**WHEREAS**, this resolution adopts specific changes to the General Fund, the Motor Pool Internal Service Fund, and most enterprise funds, with specific changes being reflected on the schedule attached hereto.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE  
CITY OF SEWARD, ALASKA, that:**

**Section 1.** The General Fund 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modifications included on the attached schedule, as follows: 1) Revenues are decreased by \$74,649; 2) Expenditures are increased by \$241,100 with \$108,000 being one-time expenditures; and 3) Transfers-out increase by \$420,000.

**Section 2.** The Harbor Enterprise Fund 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modifications included on the attached spreadsheet, as follows: 1) Revenues remain unchanged; and 2) Expenses are increased by the net amount of \$138,273.09, including \$87,500 in one-time matching funds for the design of S Launch ramp.

**Section 3.** The Seward Marine Industrial Center 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modifications included on the attached spreadsheet, as follows: 1) Revenues are increased by \$5,000; and 2) Expenses are increased by \$17,300.

**Section 4.** The Electric Enterprise Fund 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modifications included on the attached spreadsheet, as follows: 1) There are no changes to revenues or transfers; and 2) Expenses are increased by \$14,300.

**Section 5.** The Water Enterprise Fund 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modifications included on the attached spreadsheet, as follows: 1) There are no changes to revenues or transfers; and 2) Expenses are increased by \$1,400.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2014-094**

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**Section 6.** The Wastewater Enterprise Fund 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modifications included on the attached spreadsheet, as follows: 1) There are no changes to revenues or transfers; and 2) Expenses are increased by \$99,123, including new debt service associated with loans authorized by the Seward City Council for the sewage lagoons.

**Section 7.** The Motor Pool Internal Service Fund 2015 Budget is hereby amended and funds are hereby appropriated, according to the specific modification included on the attached spreadsheet, as follows: 1) There are no changes to budgeted revenues, expenses, or transfers; and 2) Cash Inflows are hereby increased \$147,012.43 to reflect a loan repayment from SMIC for 330-Ton Travelift loan.

**Section 8.** The Capital Improvement Plan includes a number of additions as included on the attached spreadsheets, with only one appropriation reflecting a transfer-in in the amount of \$420,000.

**Section 9.** This resolution shall take effect immediately upon its adoption, and the budget shall be amended effective January 1, 2015.

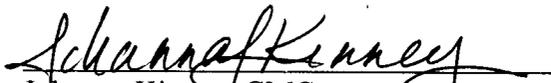
**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 8<sup>th</sup> day of December, 2014.

**THE CITY OF SEWARD ALASKA**

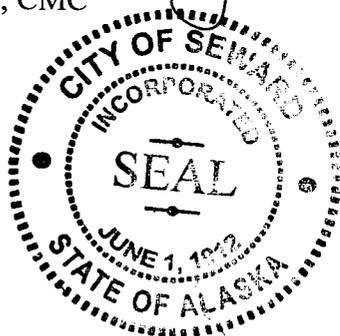
  
\_\_\_\_\_  
Jean Bardarson, Mayor

AYES: Keil, Squires, Butts, Darling, Bardarson  
NOES: Casagranda  
ABSENT: Terry  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_  
Johanna Kinney, CMC  
City Clerk

(City Seal)



# Agenda Statement



Meeting Date: December 8, 2014  
 To: Seward City Council  
 From: Jim Hunt, City Manager  
 Agenda Item: 2015 Mid-Cycle Budget Adjustments

**BACKGROUND & JUSTIFICATION**

The Seward City Council passed the 2014/2015 Biennial Budget in November 2013 for the period January 1, 2014 through December 31, 2015. Although budget amendments can be proposed at any time during the year, staff and Council routinely review the budget prior to the start of the second year of the biennial budget, and propose changes necessary to reflect known changes in conditions, programs, services, revenues, or capital projects, since the budget was originally approved.

The City Council and staff met in a work session to discuss proposed amendments to the 2015 Budget, and the attached narrative reflects the amendments proposed by the administration during that work session.

**INTENT:** To amend the 2015 Budget effective January 1, 2015, to reflect changes to revenues, expenditures and transfers between funds, as well as to update the Capital Improvement Plan.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan			X
2.	Strategic Plan:			X
3.	Other ( <i>list</i> ): Amends the 2014/2015 Biennial Budget	X		

**FISCAL NOTE:** The impact of proposed budget changes on each affected Fund is reflected on the attached spreadsheet. A narrative explanation further explains each of the specific changes being proposed.

Approved by Finance Department: *Kristen Krueger*

**ATTORNEY REVIEW:** Yes \_\_\_\_\_ No X

**RECOMMENDATION:**

Council approve Resolution 2014-<sup>094</sup>\_\_\_\_, amending the 2015 Budget to reflect mid-cycle budget modifications.

City of Seward  
Mid-Cycle Budget Appropriations by Fund

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See attached narrative for more detailed information. This schedule tallies increase in revenues, expenses/expenditures, transfers.

**General Fund:**

Revenues:

\$ (74,649.00) Reduced jail contract fee due to overestimate in prior year

Expenditures:

\$ 45,000.00 Contract with a firm for mid-level maintenance  
2,100.00 Planning & Zoning commissioner training  
4,500.00 Boards & Commissions training  
16,400.00 Affordable Care Act transitional reinsurance fee  
3,000.00 New project manager operating costs  
5,100.00 Animal control training, travel, operating  
2,000.00 Finance travel/training on new software  
25,000.00 Estimated added audit costs  
30,000.00 Estimated added health insurance costs  
133,100.00

One-time project costs:

\$ 48,000.00 One-time contract for "Your Clean Energy" grant opportunity  
25,000.00 Nuisance abatement/Code compliance and enforcement  
35,000.00 Fire department temporary summer hires  
\$ 108,000.00

Transfers-Out:

\$ 420,000.00 To Capital Fund ADA sidewalks \$60K; P&R warehouse \$60K; DOT Roads \$300K

**Motor Pool:**

Cash:

\$ 147,012.43 Reimbursement from SMIC for 330-Ton Travelift Loan

**Harbor Enterprise Fund:**

Expenses:

\$ 68,198.10 USACE debt service for breakwater construction  
(15,896.01) Savings on debt from refunding 2005 and 2006 Harbor bonds  
(5,929.00) Savings on debt from refunding 2005 and 2006 Harbor bonds  
87,500.00 Matching Funds to design S Launch ramp  
4,400.00 Increase health insurance  
138,273.09

CIP: Add projects to CIP; no appropriations at this time; see attached narrative.

**SMIC Enterprise Fund:**

Revenue:

\$ 5,000.00 Added for SMIC washdown pad

Expenses:

\$ 17,000.00 Crane rental for installation of new travelift  
300.00 Increase health insurance  
17,300.00

CIP: Revise dates for CIP; no appropriations at this time; see attached narrative.

**Electric Enterprise Fund:**

Expenses:

\$ 10,000.00 Increase utility/heat costs for City Hall annex  
4,300.00 Increase health insurance  
\$ 14,300.00

**Water Enterprise Fund:**

Expenses:

1,400.00 Increase health insurance  
\$ 1,400.00

**Wastewater Enterprise Fund:**

Expenses:

1,000.00 Increase health insurance  
74,053.00 Increase principal for debt (see attached)  
24,070.00 Increase interest for debt (see attached)  
99,123.00

**CIP:**

\$ 420,000.00 Transfer-In from General Fund

**CITY OF SEWARD  
2015 MID-CYCLE BUDGET ADJUSTMENTS**

**GENERAL FUND:**

**Revenues:**

- Jail Contract – reduce 2015 budget from \$745,470 to \$670,821 to match new five-year contract. The Jail Contract has increased each year from \$491,341 in 2011, \$567,395 in 2012, \$655,464 in 2013 and \$670,821 thereafter

**Expenditures:**

- Public building maintenance contract: Add \$45,000. RFP around Jan. 1 for mid-level maintenance, i.e. bigger than janitorial but smaller than specialized technical work
- Planning Department – Planning and Zoning Commission training: Add \$2,100 for commissioners to attend the Alaska Planning Conference in Anchorage, registration and travel
- Boards and Commissions training: Add \$4,500 in attorney and staff time for training sessions on Open Meetings Act, Roberts Rules of Order, roles and responsibilities of persons acting in quasi-judicial capacities, ex parte contact, etc.
- General Services – Affordable Care Act requires transitional reinsurance fee of \$16,400. One-time contract of \$48,000 for “Your Clean Energy” grant opportunity allows City to hire a firm to assist the City in grant readiness to establish heating district in pursuit of clean energy grant funding.
- Allocation of identifiable operating costs of City Hall Annex splits 50% Electric Utility and 50% General Fund. No change to General Fund overall budget of \$15,600. Increase in Electric budget of \$10,000. Y-T-D Actual costs through September, 2014 approx. \$42K, with \$15K being initial facility remodel costs.
- Engineering -- Project Manager wages beginning 09/22/14 allocated to SMIC rock project within SOA grant. 2014 funds budgeted before 9/22/14 are unexpended. 2015 will see those costs mostly going to the Lowell Point Sewage Lagoon, SMIC breakwater project, and Electrical Warehouse project. Propose at this point a 33/33/33 split. Will result in salary/benefit savings in General Fund, Water Fund and Wastewater Fund, but we will not amend the budget, but will expect a cost savings compared to budget. Increase operating costs for project manager auto fuel, office supplies, software (\$3,000). Will move PM costs out of General Fund Streets and into General Fund Engineering to segregate; no net impact to General Fund budget.
- Animal Control to address training (add \$600), travel (add \$2,500) and operating costs (add \$2,000)
- Community Development: add \$25,000 Nuisance Abatement/ Code compliance and enforcement
- Finance – add \$2,000 added cost for travel/training for new Accufund system
- Mayor & Council – add \$25,000 estimated added audit costs
- Fire – \$35,000 to hire two temporary summer employees to get caught up on department projects (testing fire hose, testing breathing apparatus tanks, etc.)
- Library – utilize salary savings from retirement to increase part-time hours; no net added cost
- Transfer to Capital Acquisition Fund \$420,000 to cover ADA sidewalk repairs (\$60K), P&R warehouse stabilization - engineering (\$60K), DOT roads project matching funds (300K)

**Miscellaneous:**

- 2015 Budget already includes 3% estimated increase for Health Insurance. Increase health insurance \$30,000 to account for estimated 5% increase rather than 3% originally budgeted.
- 2015 Budget already includes \$5,000 estimated revenue for RV Dump Station fees. No change.
- No increase in budget but moving some personnel costs between the public works and engineering departments (project manager) and between the city manager and finance departments (personnel).
- Will create sub-codes to segregate individual boards and commissions (P&Z, PACAB, Historic Preservation); no impact on budget

**MOTOR POOL:**

- \$147,012.43 reimbursement from SMIC for 330-Ton Travelift Loan (applies to receivable, so no impact on revenue or expense; loan at 0% interest)

### **HARBOR ENTERPRISE FUND:**

#### **Expenses:**

- \$68,198.10 new annual debt service (\$25,605.01 principal and \$42,593.09 interest) to repay USACE for breakwater construction \$1,201,196 at 3.875% over 30 years, representing second 10% City contribution. Seeking federal funding to forego the need to repay this loan
- Minus \$5,102.40 debt service interest savings on 2005 Harbor Bond refunding
- Minus \$10,793.61 debt service interest savings on 2006 Harbor Bond refunding
- Minus \$5,929.00 eliminating amortization of bond issue costs
- \$87,500 Matching funds for design of replacement S Launch Ramp (and update CIP).
- Increase health insurance budget estimate from 3% to 5%; impact \$4,400.

#### **CIP:**

- Add to Harbor CIP – New sewage pump-out grant (\$39,576 project cost is \$9,894 Harbor funded -- already appropriated -- and \$29,682 grant)
- Add to Harbor CIP – City Matching funds required of \$2.684 Million for B,C,S Float replacement

### **SMIC ENTERPRISE FUND:**

#### **Revenues:**

- \$5,000 Revenue for SMIC washdown pad (conservative estimate)

#### **Expenses:**

- \$17,000 (bid price) for crane rental for installation of new travelift
- Budget already amended via RES 2014-061 for \$147,012.43 debt service payment for new 330-Ton Travelift loan. No change.
- Increase health insurance budget estimate from 3% to 5%; impact \$300.

#### **CIP:**

- Revise date in SMIC CIP for 330-Ton Travelift for 2015
- May propose future revision to SMIC CIP for breakwater, dredging, new docks cost, as project design proceeds.

### **ELECTRIC ENTERPRISE FUND:**

#### **Expenses:**

- Increase Utility costs in administration, for City Hall annex cost share, \$10,000.
- Increase health insurance budget estimate from 3% to 5%; impact \$4,300.

### **WATER ENTERPRISE FUND:**

#### **Expenses:**

- Increase health insurance budget estimate from 3% to 5%; impact \$1,400.

### **WASTEWATER ENTERPRISE FUND:**

#### **Expenses:**

- \$1.2M DEC loan for LP sludge removal - \$52,715 principal
- \$1.2M DEC loan for LP sludge removal - \$16,958 interest
- \$490K DEC loan for SMIC/Sludge removal - \$21,338 principal
- \$490K DEC loan for SMIC/Sludge removal - \$7,112 interest
- Increase health insurance budget estimate from 3% to 5%; impact \$1,000

### **CAPITAL ACQUISITION FUND:**

- Public Works –Add \$60,000 for sidewalk/ADA access repairs and upgrades
- P&R Warehouse – Add stabilization and engineering - \$60,000
- DOT roads project matching funds – Add \$300,000
- Carry forward \$95,000 for City Hall carpet previously included in CIP slated for 2014, to 2015 (see p. 179 CIP)

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

**A RESOLUTION OF THE CITY COUNCIL OF SEWARD, ALASKA, AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION BOND OF THE CITY IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,000,000 TO FINANCE COSTS OF CAPITAL IMPROVEMENTS TO ROADS IN THE CITY, AS AUTHORIZED BY RESOLUTION 2016-045 AND RATIFIED BY THE CITY'S VOTERS AT AN ELECTION HELD ON OCTOBER 4, 2016; AUTHORIZING TAX LEVIES TO PAY THE PRINCIPAL THEREOF AND INTEREST THEREON; AND AUTHORIZING THE SALE OF THE BOND TO THE ALASKA MUNICIPAL BOND BANK ON THE TERMS AND CONDITIONS PROVIDED IN THIS RESOLUTION**

**WHEREAS**, at an election held in Seward, Alaska (the "City"), on October 4, 2016, the number and proportion of qualified electors of the City as required by law for the adoption thereof voted in favor of the proposition authorizing the issuance of general obligation bonds of the City in a principal amount not to exceed \$3,000,000 to finance capital improvements to roads in the City (the "Project"), as authorized by Resolution 2016-045 of the City passed on July 25, 2016 (the "Election Legislation"); and

**WHEREAS**, the Council wishes to authorize the issuance of not to exceed \$3,000,000 principal amount of the general obligation bonds authorized by the Election Legislation and approved by the City's voters; and

**WHEREAS**, it is in the best interest of the City to sell the bonds to the Alaska Municipal Bond Bank (the "Bond Bank") on the terms and conditions set forth herein and in a loan agreement authorized by this resolution to be entered into by the City Manager or Finance Director.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA** that:

**Section 1. Definitions.** As used in this resolution, the following words have the following meanings, unless a different meaning clearly appears from the context:

"**Bond**" means the City of Seward, Alaska, General Obligation Road Bond, 2017, in a principal amount not to exceed \$3,000,000, authorized to be issued and sold to the Bond Bank pursuant to this resolution.

"**Bond Bank**" means the Alaska Municipal Bond Bank, a public corporation and instrumentality of the State of Alaska, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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“Bond Bank Bonds” means bonds to be issued by the Bond Bank to provide funds to be loaned to the City pursuant to the terms of the Loan Agreement.

“Bond Fund” means the “City of Seward Obligation Bond Redemption Fund, 2017,” authorized to be created by Section 5 of this resolution.

“Bond Premium” means proceeds of the Bond representing an allocation of original issue premium, if any, on the Bond Bank’s Bonds.

“Bond Register” means the registration books for the Bond maintained by the Registrar, for the purpose of complying with the requirements of Section 149 of the Code and listing, inter alia, the names and addresses of the Registered Owner of the Bond.

“City” means City of Seward, a first class home rule municipal corporation duly organized and existing under the Constitution and laws of the State of Alaska and its Charter.

“Code” means the federal Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the United States Treasury Department or the Internal Revenue Service, to the extent applicable to the Bond.

“Council” means the Council of the City of Seward, the general legislative authority of the City, as the same shall be duly constituted from time to time, or any successor body.

“Election Legislation” means Resolution 2016-045 of the City, adopted by the Council on July 25, 2016, and ratified by the City’s voters in an election held in the City on October 4, 2016.

“Finance Director” means the City’s Finance Director or the successor to the duties of that office.

“Government Obligations” means any bonds or other obligations that, as to principal and interest, constitute direct obligations of, or are unconditionally guaranteed by, the United States of America.

“Loan Agreement” means the Loan Agreement by and between the City and the Bond Bank authorized to be entered into pursuant to Section 12 of this resolution.

“Project Fund” means the “Road Project Fund, 2017,” created pursuant to Section 11 of this resolution.

“Registrar” means the Finance Director, for the purposes of registering and authenticating the Bond, maintaining the Bond Register, and paying principal of and interest on the Bond.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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“Registered Owner” means the person in whose name the Bond is registered on the Bond Register.

“Rule” means the SEC’s Rule 15c2-12 under the Securities Exchange Act of 1934.

“SEC” means the Securities and Exchange Commission.

“Tax Certificate” means the certificate with respect to federal tax matters relating to the Bond authorized to be executed by the Finance Director pursuant to the provisions of Section 7 of this resolution.

Words of the masculine gender will be deemed and construed to include correlative words of the feminine and neuter genders. Words imparting the singular number include the plural numbers and vice versa unless the context otherwise indicates. Reference to sections and other subdivisions of this resolution are to the sections and other subdivisions of this resolution as originally adopted unless expressly stated to the contrary. The headings or titles of the sections hereof, and the table of contents appended hereto, are for convenience of reference only and do not define or limit the provisions hereof.

**Section 2.** Authorization of the Bond. The City shall now issue and sell not to exceed \$3,000,000 principal amount of the general obligation bonds authorized by the Election Legislation and approved by the City’s voters at an election held on October 4, 2016, to finance a portion of the cost of capital improvements to roads located in the City and as described in the Election Legislation and to pay costs of issuance of the bonds, all as authorized by the Election Legislation. The bonds shall be issued and sold to the Bond Bank as a single bond in a principal amount not to exceed \$3,000,000, designated as the “City of Seward, Alaska, General Obligation Road Bond, 2017” (the “Bond”). The Bond shall be fully registered as to both principal and interest, shall be numbered separately in such manner as the Registrar determines, shall be dated as of the date to be established in accordance with Section 12 hereof, and shall mature on the date or dates, bear interest at the rate or rates, and be payable on the dates and in the principal amounts to be established in accordance with Section 12 hereof. Interest on the Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

**Section 3.** Registration, Payment and Transfer. The Finance Director will act as authenticating agent, transfer agent, paying agent and registrar for the Bond (collectively, the “Registrar”). Both principal of and interest on the Bond are payable in lawful money of the United States of America. Interest on the Bond will be paid by check or draft of the Registrar mailed (on the date such interest is due) to the Registered Owner or nominee at the addresses appearing on the Bond Register on the fifteenth day of the month preceding each interest payment date. Principal of the Bond is payable upon presentation and surrender of the Bond to the Registrar by the Registered Owner or nominee at the office of the Registrar in Seward, Alaska. Notwithstanding the foregoing, if the Bond is sold to the Bond Bank pursuant to the provisions of Section 12 of this resolution, and for so long as the Bond Bank is the owner of the Bond, payments of principal of and interest on the Bond will be made to the Bond Bank in accordance with the Loan Agreement.

**CITY OF SEWARD, ALASKA**  
**RESOLUTION 2017-003**

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The Bond may be transferred only on the Bond Register maintained by the Registrar for that purpose upon the surrender thereof by the Registered Owner or nominee or his or her duly authorized agent and only if endorsed in the manner provided thereon, and thereupon a new fully registered Bond of like principal amount, maturity and interest rate will be issued to the transferee in exchange therefor. Upon surrender thereof to the Registrar, the Bond is interchangeable for a bond or bonds (in denominations of \$5,000 or any integral multiple thereof) of an equal aggregate principal amount and of the same interest rates and principal payment amounts as the Bond. Such transfer or exchange will be without cost to the Registered Owner or transferee.

The City may deem the person in whose name the Bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on the Bond and for any and all other purposes whatsoever.

**Section 4. Prepayment.** Provisions for the optional prepayment of some or all principal installments of the Bond may be established pursuant to Section 12 and will be set forth in the Loan Agreement. Portions of the principal amount of the Bond, in increments of \$5,000 or any integral multiple of \$5,000, may be prepaid.

So long as the Bond Bank is the owner of the Bond, notice of prepayment will be given according to the terms of the Loan Agreement. If the Bond Bank is not the owner of the Bond, notice of prepayment thereof will be given not less than 20 nor more than 60 days prior to the date fixed for prepayment by first class mail, postage prepaid, to the Registered Owner of the Bond at the address appearing on the Bond Register. The requirements of this section will be deemed complied with when notice is mailed as herein provided, regardless of whether it is actually received by the owner of the Bond. Each official notice of prepayment will be dated and state: (i) the prepayment date, (ii) the prepayment price or prepayment premium, if any, payable upon prepayment; (iii) if less than all of an installment of principal is to be prepaid, the principal amount to be prepaid (which must be an integral multiple of \$5,000); (iv) that the interest on the Bond, or on the principal amount thereof to be prepaid, designated for prepayment in the notice, will cease to accrue from and after the prepayment date; and (v) that on that date there will become due and payable on the Bond the principal amount thereof to be prepaid and the interest accrued on that principal amount to the prepayment date.

**Section 5. Bond Fund; Pledge of Taxes.** A special fund of the City known as the “City of Seward General Obligation Bond Redemption Fund, 2017” (the “Bond Fund”), is hereby authorized to be created in the office of the Finance Director. The Bond Fund may only be drawn upon for the purpose of paying principal of and interest on the Bond.

The Bond is a general obligation of the City. As authorized by the Election Legislation, the City hereby irrevocably covenants that, unless the principal of and interest on the Bond are paid from other sources, it will make annual levies of property taxes without limitation as to rate or amount, and in amounts sufficient, together with other legally available funds, to pay such principal and interest as the same become due. The full faith and credit of the City are hereby

**CITY OF SEWARD, ALASKA**  
**RESOLUTION 2017-003**

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irrevocably pledged for the annual levy and collection of such property taxes and for the prompt payment of such principal and interest.

**Section 6.** Defeasance. If money and/or Government Obligations, maturing at such time or times and bearing interest to be earned thereon in amounts sufficient to redeem and retire the Bond or a portion thereof in accordance with its terms, are set aside in a special account to effect such prepayment and retirement, and such money and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on the Bond or portion thereof so provided for, and the Bond or portion thereof will cease to be entitled to any lien, benefit or security of this resolution except the right to receive the money so set aside and pledged, and the Bond or portion thereof will be deemed not to be outstanding hereunder.

**Section 7.** Tax Covenants.

(a) General. The City covenants not to take any action, or knowingly to omit to take any action within its control, that if taken or omitted would cause the interest on the Bond to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes.

(b) Tax Certificate. Upon the issuance of the Bond, the Finance Director is authorized to execute a federal tax certificate (the "Tax Certificate"), which will certify to various facts and representations concerning the Bond, based on the facts and estimates known or reasonably expected on the date of their issuance, and make certain covenants with respect to the Bond as may be necessary or desirable to obtain or maintain the benefits conferred under the Code relating to tax-exempt bonds.

The City covenants that it will comply with the Tax Certificate unless it receives advice from nationally recognized bond counsel or the Internal Revenue Service that certain provisions have been amended or no longer apply to the Bond.

**Section 8.** Lost or Destroyed Bond. If a Bond is lost, stolen or destroyed, the Registrar may authenticate and deliver a new Bond of like amount, date, and tenor to the Registered Owner upon such owner's paying the expenses and charges of the City in connection with preparation and authentication of the replacement Bond and upon his or her filing with the Registrar evidence satisfactory to the Registrar that the Bond was actually lost, stolen or destroyed and of his or her ownership, and upon furnishing the City with indemnity satisfactory to the Registrar.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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**Section 9.** Form of the Bond. The Bond will be in substantially the following form:

NO. R-1 \$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ALASKA

CITY OF SEWARD, ALASKA  
GENERAL OBLIGATION ROAD BOND, 2017

INTEREST RATE: FINAL MATURITY DATE:  
SEE BELOW

REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The City of Seward, Alaska (the “City”), a first class home rule municipal corporation organized and existing under and by virtue of the laws and Constitution of the State of Alaska and its Charter, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, the principal amount specified above, in installments payable as set forth below, together with interest on such installments from the date hereof or the most recent date to which interest has been paid or duly provided for, at the interest rates set forth below, on \_\_\_\_\_, 20\_\_, and on each \_\_\_\_\_ 1 and \_\_\_\_\_ 1 thereafter until payment of the principal sum has been made or duly provided for.

Principal Payment (_____ 1)	Installment Year	Principal Amount	Installment	Interest Rate

Both principal of and interest on this bond are payable in lawful money of the United States of America. Installments of principal of and interest on this bond are payable by check or draft of the Finance Director of the City (the “Registrar”) mailed on the date such interest is due to the Registered Owner at the address appearing on the Bond Register as of the fifteenth day of the month preceding the interest payment date. The final installment of principal of and interest on this bond will be paid to the Registered Owner upon presentation and surrender of this bond at the office of the Registrar. Notwithstanding the foregoing, so long as the Bond Bank is the

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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Registered Owner of this bond, payments of principal of and interest on this bond will be made to the Bond Bank in accordance with the Loan Agreement.

This bond is a general obligation bond of the City, as authorized by Resolution 2016-045 of the City, which was approved by the voters of the City, and issued pursuant to Resolution 2017-\_\_\_, adopted by the City Council on \_\_\_\_\_, 20\_\_ (the "Bond Resolution"), to finance capital improvements to roads located in the City. Capitalized terms used in this bond and not otherwise defined herein have the meanings given those terms in the Bond Resolution.

Principal installments of this bond are subject to prepayment as provided in the Loan Agreement.

The City hereby irrevocably covenants that, unless the principal of and interest on this bond are paid from other sources, it will make annual levies of property taxes without limitation as to rate or amount, and in amounts sufficient, together with other legally available funds, to pay such principal and interest as the same becomes due. The full faith and credit of the City are hereby irrevocably pledged for the annual levy and collection of such property taxes and for the prompt payment of such principal and interest.

The pledge of tax levies for payment of principal of and interest on this bond may be discharged prior to maturity of the bond by making provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

This bond will not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon has been manually signed by the Registrar.

It is hereby certified and declared that this bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of Alaska and the charter, ordinances, and resolutions of the City, that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have happened, been done and performed, and that this bond does not exceed any Constitutional or statutory limitations.

IN WITNESS WHEREOF, City of Seward, Alaska, has caused this bond to be signed on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or



**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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the within bond and all rights thereunder and does hereby irrevocably constitute and appoint \_\_\_\_\_ of \_\_\_\_\_, or its successor, as agent to transfer said bond on the books kept by the Registrar for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_\_.

SIGNATURE GUARANTEED:

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NOTE: The signature of this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

**Section 10.** Execution of the Bond. The Bond will be signed on behalf of the City by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk, and the seal of the City will be impressed or imprinted thereon.

Only a Bond that bears thereon a Certificate of Authentication in the form set forth in Section 9 hereof, manually executed by the Registrar, will be valid or obligatory for any purpose or entitled to the benefits of this resolution. The executed Certificate of Authentication will be conclusive evidence that the Bond so authenticated has been duly executed, authenticated, registered, and delivered hereunder and is entitled to the benefits of this resolution.

If any officer who has signed or attested the Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her signature is authenticated or delivered by the Registrar or issued by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, will be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. The Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bond.

**Section 11.** Application of Bond Proceeds. A special fund of the City known as the "Road Project Fund, 2017" (the "Project Fund") is hereby authorized to be created in the office of the Finance Director. At the time of delivery of the Bond, the proceeds of the sale of the Bond will be deposited as follows:

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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(a) The accrued interest, if any, to the date of delivery will be deposited in the Bond Fund and used to pay a portion of interest on the Bond on the first interest payment date; and

(b) The remaining Bond proceeds will be deposited in the Project Fund and used to pay costs of the Project and costs of issuance of the Bond, as authorized by the Election Legislation; provided, however, that any Bond Premium exceeding the costs of issuing the Bond must be deposited in the Bond Fund or other purpose set forth in the Tax Certificate.

Money remaining in the Project Fund after all such costs have been paid or reimbursed will be deposited in the Bond Fund. Money in the Project Fund may be invested as permitted by law. All interest earned and profits derived from such investments will be retained in and become a part of the Project Fund.

**Section 12.** Sale of the Bond. The City Manager and Finance Director are authorized to complete the sale of the Bond to the Bond Bank on terms and conditions consistent with this resolution and a loan agreement in the form set forth on Exhibit A attached to this resolution (the “Loan Agreement”). Following the sale of the Bond Bank Bonds, such terms and conditions, including the final principal amount, date, principal installment payment schedule, interest rates and prepayment provisions for the Bond, all as provided for in this resolution, will be set forth in the Loan Agreement, subject to the City Manager’s or Finance Director’s approval, which approval will be conclusively evidenced by his or her signing and delivering the Loan Agreement to the Bond Bank. Provided, however, in no event shall the term of the Bond exceed twenty-five (25) years.

**Section 13.** Ongoing Disclosure. The City acknowledges that, under Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the City may now or in the future be an “obligated person” with respect to the Bond Bank Bonds. In accordance with the Rule and as the Bond Bank may require, the City will undertake to provide certain annual financial information and operating data as set forth in the Loan Agreement.

**Section 14.** General Authorization; Prior Acts. The Mayor, City Manager, Finance Director and City Clerk and any other appropriate officers of the City are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified and confirmed.

**Section 15.** Severability. If any covenant or agreement provided in this resolution to be performed on the part of the City is declared by any court of competent jurisdiction to be contrary to law, then that covenant or agreements will be null and void and deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bond.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2017-003**

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**Section 16.** Effective Date. This resolution will be in full force and effect immediately following approval by the Council.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 9<sup>th</sup> day of January, 2017.

**CITY OF SEWARD, ALASKA**

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**Jean Bardarson, Mayor**

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

**ATTEST:**

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Johanna Kinney, CMC  
City Clerk, City of Seward

(City Seal)

EXHIBIT A

[Attach here the form of Bond Bank Loan Agreement]

# Council Agenda Statement



Meeting Date: January 9, 2017  
 To: Seward City Council  
 Through: Jim Hunt, City Manager   
 From: Kristin Erchinger, Finance Director

Agenda Item: Authorization to Issue Up to \$3 Million in General Obligation Road Bonds

**BACKGROUND & JUSTIFICATION:**

On July 25, 2006, the Seward City Council approved Resolution 2016-045 authorizing submission to the voters, the question of whether to issue up to \$3 million in general obligation bonds of the City, for road improvements. The results of the election were certified on October 6, 2016, with a majority of voters (297) voting in favor of the bonds, and 108 voters voting against. As required by State Statute, the City published notice of outstanding indebtedness in newspapers of local circulation, in addition to publishing a series of maps showing the scope of the potential project and some proposed road improvements.

The City proposes to issue these bonds through the Alaska Municipal Bond Bank at a bond pricing expected to take place approximately the end of March, with closing in early April. In the event that market conditions are unfavorable, the City will reserve the right not to proceed with the issue. The City will be authorized to issue up to \$3 million in general obligation bonds, pledging the full faith and credit of the City for repayment. The total amount of the bond issue will be dependent on competitive bids received by the State of Alaska Department of Transportation, when it bids the project in the coming months. While the City is not required to determine the exact source of funding for repayment of the bonds prior to issuance of the bonds, the City's pledge of the full faith and credit of the City means that taxes can and will be raised to make general obligation bonded debt service payments, if necessary.

The City is utilizing the services of Jermain Dunnagan & Owens, PC ("JDO"), serving as bond counsel. JDO has drafted the attached resolution for Council approval. The Bond Bank board is expected to meet on January 10, 2017, to discuss possible participants in the upcoming bond sale.

**INTENT:**

To issue general obligation bonds of the City of Seward in an amount not to exceed \$3 million for road improvements.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan (2020 Comp Plan):			X
2.	Strategic Plan:			X
3.	Other: Resolution 2016-045; Resolution 2016-057	X		

**FISCAL NOTE:** The estimated annual payments on this bond are approximately \$230,000, depending on interest rate. The equivalent increase in taxes necessary to generate this annual debt service is a 0.72 mill increase in the mill rate (from 3.12 mills to 3.84 mills), or the approximate equivalent of a 0.2% increase in sales tax rate from 4.0% to 4.2%.

Approved by Finance Department: *Shirley Arelund*

**ATTORNEY REVIEW:** Yes   X   No       

This resolution was drafted by Cynthia Cartledge of Jermain, Dunnagan and Owens, PC.

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**RECOMMENDATION:**

003

Approve City Council Resolution 2017-, authorizing the City of Seward to issue general obligation bonds secured by the full faith and credit of the City of Seward, in a principal amount not to exceed 3,000,000, authorizing the execution of a loan agreement between the City of Seward and the Alaska Municipal Bond Bank, authorizing the sale of such bonds, and providing for related matters.

**FORM OF**  
**LOAN AGREEMENT**

THIS LOAN AGREEMENT, dated as of the \_\_\_ day of \_\_\_\_\_ 20\_\_, between the Alaska Municipal Bond Bank (the “Bank”), a body corporate and politic constituted as an instrumentality of the State of Alaska (the “State”) exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the “Act”), having its principal place of business at Juneau, Alaska, and the City of Seward, Alaska, a duly constituted City of the State (the “City”):

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to make loans of money (the “Loan” or “Loans”) to governmental units; and

WHEREAS, the City is a Governmental Unit as defined in the General Bond Resolution of the Bank hereinafter mentioned and pursuant to the Act is authorized to accept a Loan from the Bank to be evidenced by its municipal bonds; and

WHEREAS, the City desires to borrow money from the Bank in the amount not to exceed \$\_\_\_\_\_ and has submitted an application to the Bank for a Loan in the amount not to exceed \$\_\_\_\_\_, and the City has duly authorized the issuance of its fully registered bond in the aggregate principal amount of \$\_\_\_\_\_ (the “Municipal Bond”), which bond is to be purchased by the Bank as evidence of the Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the City contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank in order to obtain from time to time money with which to make Loans, the Bank has adopted the General Obligation Bond Resolution on July 13, 2005, as amended (the “General Bond Resolution”) and Series Resolution No. 20\_\_-\_\_, approved on \_\_\_\_ \_\_, 20\_\_ (together with the General Bond Resolution, the “Bond Resolution”), authorizing the making of such Loan to the City and the purchase of the Municipal Bond; and

WHEREAS, the Board of the Bank approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding.

NOW, THEREFORE, the parties agree:

1. The Bank hereby makes the Loan and the City accepts the Loan in the aggregate principal amount of \$\_\_\_\_\_. As evidence of the Loan made to the City and such money borrowed from the Bank by the City, the City hereby sells to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A appended hereto.

2. The City represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including Resolution 2017-\_\_\_, adopted on January 9, 2017 (the “City Resolution”), and has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and issue its Municipal Bond to the Bank and that the Municipal Bond will constitute a general obligation bond, secured by the full faith and credit of the City, all duly authorized by the City Resolution.

3. Subject to any applicable legal limitations, the amounts to be paid by the City pursuant to this Loan Agreement representing interest due on its Municipal Bond (the “Municipal Bond Interest Payments”) shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the Loan and to purchase the Municipal Bond (the “Loan Obligations”) and shall be paid by the City at least seven (7) business days before the interest payment date so as to provide funds sufficient to pay interest as the same becomes due on the Loan Obligations.

4. The amounts to be paid by the City pursuant to this Loan Agreement representing principal due on its Municipal Bond (the “Municipal Bond Principal Payments”), shall be paid at least seven (7) business days before the payment date stated in the Municipal Bond so as to provide funds sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit A appended hereto.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the City pursuant to this Loan Agreement are not made available at any time specified herein, the City agrees that any money payable to it by any department or agency of the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the City, as provided in the Act.

6. In the event Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the City on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the [City] [Borough] on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of the Bank’s refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of Loan Obligations, the Bank shall present to the City for the City’s approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the City the revised schedule shall be attached hereto as Exhibit A and incorporated herein in replacement of the previous Exhibit A detailing said principal installment amounts and interest rates.

7. The City is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the City shall be in an amount sufficient, together with the City's Allocable Proportion (as defined below) of other money available therefor under the provisions of the Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to Section 606 of the General Bond Resolution:

(a) to pay, as the same become due, the City's Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the City's Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

The City's Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

8. The City is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due at least seven (7) business days prior to the date indicated on Exhibit A appended hereto, and thereafter on the anniversary thereof each year. The City is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing seven (7) business days prior to the date indicated on Exhibit A appended hereto, and to pay any Fees and Charges imposed by the Bank within 30 days of receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the City shall not redeem prior to maturity any portion of the Municipal Bond in an amount greater than the Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the applicable premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The City give the Bank at least 50 days' notice of intention to redeem its Municipal Bond.

In the event the Loan Obligations with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligations were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the City shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event the Loan Obligations have been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligations, the amount which the City shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event the Loan Obligations have been refunded, the amount which the City shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligations are to be redeemed, shall be the applicable premium, if any, on the Loan Obligations to be redeemed.

Nothing in this Section shall be construed as preventing the City from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of the Loan Obligations.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the City shall furnish to the Bank evidence satisfactory to the Bank which shall set forth, among other things, that the Municipal Bond will constitute a valid and binding general obligation of the City, secured by the full faith and credit of the City.

11. Invoices for payments under this Loan Agreement shall be addressed to the City, Attention: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, Alaska 99\_\_\_\_. The City shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' written notice of any change in such address.

12. [The City hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to \$ \_\_\_\_\_) which secures payment of principal and interest on its Municipal Bond, that such fund shall be held in the name of the City with the Trustee, and that the yield on amounts held in such fund shall be restricted to a yield not in excess of \_\_\_\_\_ percent. **(Applies to revenue bonds only.)**]

13. **[Rate covenant language – if applicable.]**

14. The City hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the City's record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The City agrees that all records required by the preceding sentence shall be made available to the Bond Bank upon request.

15. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the City to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The City has violated commitments made by it in the terms of this Loan Agreement.

(c) The financial position of the City has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

16. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its General Obligation Bonds, 20\_\_ Series \_\_\_\_\_ and receipt of the proceeds thereof.

17. The City agrees that it will provide the Bank with written notice of any default in covenants under the City Resolution within thirty (30) days from the date thereof.

18. The City agrees that it shall file its annual financial statement with the Municipal Securities Rulemaking Board not later than two hundred ten (210) days after the end of each fiscal year of the City for the term of the Municipal Bond. The City further agrees that filings under this Section 18 shall be made in connection with CUSIP Nos. 01179P, 011798 and 01179R. Additional or alternate CUSIP number(s) may be added from time to time by written notice from the Bank to the City. The City agrees that if it shall receive from the Bank CUSIP number(s) in addition to those set forth in this Section then it shall make its filings using both CUSIP numbers herein stated and any additional CUSIP number(s).

19. The City agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

The City shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a “private activity bond” within the meaning of Section 141 of the Code.

The City shall make no use or investment of the proceeds of the Municipal Bond which will cause the Municipal Bond to be an “arbitrage bond” under Section 148 of the Code. So long as the Municipal Bond is outstanding, the City shall comply with all requirements of said Section 148 and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect. The City shall indemnify and hold harmless the Bank from any obligation of the City to make rebate payments to the United States under said Section 148 arising from the City’s use or investment of the proceeds of the Municipal Bond.

20. Upon request of the Bank, the City agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the

Bank for purposes of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

21. The City agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide the Bank for inclusion in future official statements, upon request, financial information generally of the type included in Appendix D, under the heading “Summaries of Borrowers Representing 10% or More of Outstanding Principal of Bonds Issued Under the 2005 General Bond Resolution,” to the Official Statement and attached hereto as Exhibit B.

22. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

23. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

24. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

25. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same meanings, respectively, as such terms are given in Article I of the General Bond Resolution.

26. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement the day and year first above written.

ALASKA MUNICIPAL BOND BANK

By: \_\_\_\_\_  
DEVEN J. MITCHELL  
Executive Director

[CITY] [BOROUGH] OF \_\_\_\_\_,  
ALASKA

By: \_\_\_\_\_  
\_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**

\$ \_\_\_\_\_  
[City] [Borough], Alaska  
[General Obligation] [Revenue] Bond, 20\_\_[\_\_]  
("Municipal Bond")

Due _____1	Principal <u>Amount</u>	Interest <u>Rate</u>
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Principal installments shall be payable on \_\_\_\_\_ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on \_\_\_\_\_1, 20\_\_, and thereafter on \_\_\_\_\_1 and \_\_\_\_\_ 1 of each year.

Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.

Optional Prepayment: The Municipal Bond principal installments due on or after \_\_\_\_\_1, 20\_\_ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after \_\_\_\_\_1, 20\_\_, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2016-045**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF THE CITY OF SEWARD THE QUESTION OF AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$3,000,000 IN GENERAL OBLIGATION BONDS OF THE CITY TO FINANCE ALL OR A PORTION OF THE PLANNING, DESIGN AND CONSTRUCTION OF ROAD IMPROVEMENT PROJECTS, AT AN ELECTION IN AND FOR THE CITY OF SEWARD ON OCTOBER 4, 2016**

**WHEREAS**, there is identified in the City a substantial and immediate need for repair and repaving of many City streets and roads; and

**WHEREAS**, the City has successfully secured an initial \$2.3 million and more recently \$530,000 in Federal and State pass through funding that will address nearly 80% of the identified priorities; and

**WHEREAS**, the State is administering the road repaving contract as a condition of the Federal grant, with work scheduled to begin in 2017; and

**WHEREAS**, the City has an opportunity to realize substantial savings through economies of scale, time and location by adding to the contractor's scope of work to include additional roads and road sections not otherwise scheduled for improvement, provided sufficient funding is identified beforehand; and

**WHEREAS**, the additional funding is designed to complete sections of roads in Forest Acres, pave Oak Street to Seward Mountain Haven, and pave Dieckgraeff Road from the Seward Highway to Dimond Boulevard; and

**WHEREAS**, under provisions of Alaska Statutes a municipality may incur general obligation debt only after a bond authorization is approved by a majority of those voting on the question at a regular or special election.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA that:**

**Section 1.** It is hereby determined to be for a public purpose and in the public interest of the City to borrow through the issuance of general obligation bonded indebtedness in an amount not to exceed \$3,000,000 for the purpose of financing the capital costs of planning, design and construction of road improvements in the City. The sum of \$3,000,000 shall be borrowed by, for and on behalf of the City of Seward for the road improvements and shall be evidenced by the

**CITY OF SEWARD, ALASKA  
RESOLUTION 2016-045**

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issuance of general obligation bonds of the City. The bond proceeds shall be used for the road improvements only. The full faith and credit of the City are pledged for the payment of the principal of and interest on the Bonds and ad valorem taxes upon all taxable property in the City shall be levied without limitation as to rate or amount to pay the principal of and interest on the bonds when due.

**Section 2.** The City shall submit the following proposition, in substantially the following form, to the qualified voters of the City of Seward at the October 4, 2016 Regular Municipal Election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question in order to be approved.

**Proposition No. 1  
General Obligation Bonds for Seward Road Improvements**

Shall the City of Seward incur debt and issue general obligation bonds in an amount not to exceed three million dollars (\$3,000,000) to finance the planning, design and construction of road improvements in the City?

The bonds shall be secured by a pledge of the full faith and credit of the City. It is expected that annual payments of principal and interest on the Bonds will be Two Hundred Thirty Thousand dollars (\$230,000), or a 0.72 increase in the mill rate (from 3.12 mills to 3.84 mills, equal to an increase of \$72 per \$100,000 in property value) or the approximate equivalent of a one-fifth of one percent (0.005) sales tax (from 4.0% to 4.2%).

PROPOSITION NO. 1

YES \_\_\_\_\_  
NO \_\_\_\_\_

A "Yes" vote authorizes the issuance of not to exceed \$3 million dollars of general obligation bonds for road improvement projects.

A "No" vote does not authorize the issuance of not to exceed \$3 million dollars of general obligation bonds for road improvement projects.

**Section 3.** Section 1 of this Resolution shall become effective only if the proposition described in therein is approved by a majority of the qualified voters of the City of Seward voting on the proposition at the election on October 4, 2016. The remaining sections shall become effective upon adoption.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 25<sup>th</sup> day of July, 2016.

**CITY OF SEWARD, ALASKA  
RESOLUTION 2016-045**

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**THE CITY OF SEWARD, ALASKA**

*Jean Bardarson*  

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**Jean Bardarson, Mayor**

AYES: Casagranda, Keil, Squires, McClure, Altermatt, Bardarson  
NOES: None  
ABSENT: Butts  
ABSTAIN: None

**ATTEST:**

*Brenda Ballou*  

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Brenda Ballou, CMC  
Acting City Clerk

(City Seal)



# Agenda Statement



Meeting Date: July 25, 2016  
To: City Council  
Through: Jim Hunt, City Manager  
From: Ron Long, ACM/ComDev  
Agenda Item: Placing on the October 4, 2016 ballot the question of authorizing issuance of General Obligation bonds not to exceed \$3,000,000 (three million dollars) for road repair and improvements

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## **BACKGROUND & JUSTIFICATION:**

The City has successfully pursued grant funding to repair a portion of the City's roads and streets. The majority of the funding is from a federal award, and is on condition that the State Department of Transportation and Public Facilities (AK DOT/PF) administer the contract on a percentage of award basis. Administer in this context is meant to include all engineering, permitting, design, bid preparation, support, and contract administration.

The roads and road sections needing work have been prioritized through Council, administrative, and State processes. The funding received to date will repair the worst areas, but is not sufficient to do all of the identified work.

While there are more roads in need of repair than money available, the cost to complete the listed repairs will only increase with time. The City has an opportunity to realize significant cost savings for the work not covered by the grant awards by piggybacking onto the State-administered project through a separate contract with the successful bidder. This is feasible only if funding is assured in advance of the contract award.

It is not realistic to expect further state or federal grants towards this project, and funding the remaining work from the City's fund balance would deplete the fund. The public has been clear in their desire to see the roads repaired, as evidenced by the number of calls, visits and emails on this subject. The public can authorize the City to incur debt in order to complete projects that are in the public interest by voting at a regular or special election to authorize the issuance of General Obligation (GO) bonds. Projected debt service for this proposed twenty year issue is estimated at \$230,000 per year.

This resolution asks the voters to authorize or not authorize the issuance of GO bonds not to exceed \$3,000,000, with the following question and ballot language:

### **Proposition No. X General Obligation Bonds for Seward Road Improvements**

Shall the City of Seward incur debt and issue general obligation bonds in an amount not to exceed three million dollars (\$3,000,000) to finance the planning, design and construction of road improvements in the City?

The bonds shall be secured by a pledge of the full faith and credit of the City. It is expected that annual payments of principal and interest on the Bonds will be Two Hundred Thirty Thousand dollars (\$230,000), or a 0.72 increase in the mill rate (from 3.12 mills to 3.84 mills, equal to an increase of \$72 per \$100,000 in property value) or the approximate equivalent of a one-fifth of one percent (0.005) sales tax (from 4.0% to 4.2%).

YES \_\_\_\_\_ NO \_\_\_\_\_

A "Yes" vote authorizes the issuance of not to exceed \$3 million dollars of general obligation bonds for road improvement projects.

A "No" vote does not authorize the issuance of not to exceed \$3 million dollars of general obligation bonds for road improvement projects.

**INTENT:**

To present voters of the City the option to finance the unfunded remainder of identified road improvements needed in Seward.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan (3.4, 3.4.1): Support adequate funding to maintain safe roads year round. Support forward funding for major road repairs and upgrades.	X		
2.	Strategic Plan : P. 4 "Transportation facilities...that meet the needs of residents, business and visitors".	X		
3.	Other (list):			X

**FISCAL NOTE:**

The General Fund does not have sufficient reserves to withstand annual payments of \$230,000 in additional debt service costs without additional revenues. If voters approve the issuance of bonds, Council could elect to increase property taxes from 3.12 mills (.00312) to 3.84 mills (.00384). For an average homeowner, this would equate to a \$143.52 annual increase in property tax on a home valued at \$200,000. Alternatively, the same revenues could be generated through an increase in the sales tax rate from 4.0% to 4.2%.

Approved by Finance Department: \_\_\_\_\_

**ATTORNEY REVIEW:** Yes \_\_\_\_\_ No X \_\_\_\_\_ Not Applicable \_\_\_\_\_

**RECOMMENDATION:**

City Council approve Resolution 2016-\_\_ Placing on the October 4, 2016 ballot the question of authorizing issuance of General Obligation bonds not to exceed \$3,000,000 (three million dollars) for road repair and improvements.

# Police Beat

*These charges are merely an accusation, and the defendant is presumed innocent until or unless proven guilty.*

9/9/16

13:31 Ambulance requested to transfer. BCVFD/SVAC dispatched. 16:29 Police were requested to the apts. above Christo's for an unruly female who had sustained injuries from breaking a window while fighting with her boyfriend. Officers contacted both subjects and female refused medics. Female was advised she was trespassed from Christo's indefinitely. 17:18 Received reports of a blown transformer at Mile 20 of the Seward Hwy. On-call electrical personnel dispatched. 18:32 Earthquake with a magnitude of 4.2 and a depth of 11 miles located 105 miles SW of Kodiak city. No tsunami expected. 18:45 Reporting party (RP) advised of a black dog running loose in the Safeway parking lot. The dog was last seen crossing the street toward AVTEC industrial. Officer unable to capture dog. 18:54 Earthquake with a magnitude of 4.3 and a depth of 14 miles located 110 miles SW of Kodiak city. No tsunami expected. 21:24 Verbal warning given at 3rd and Van Buren for speed.

9/10/16

00:41 Verbal warning given at 4th Ave. for speed. 01:11 Verbal warning given at Seward and Phoenix for inoperable taillight. 10:04 RP requested a welfare

check on five children who are possibly living in a tent in the woods with their parents. RP advised the children are not attending school and relocate to an abandoned van when it rains. RP advised the family dresses in Amish clothing. Officer will attempt to locate the family. 12:26 RP requested an Officer to the Safeway parking lot in reference to a toddler who was left inside a vehicle and is crying to get out. Vehicle had left Safeway as Officer arrived. 12:37 RP called advising of a young dead swan underneath a power line just south of Mile 1, Nash Road. Messages left with the on-call electrical dept. and Fish and Wildlife. 16:04 The managers at Ray's came to the lobby with photos and movies on his phone of a male subject looking into car windows in Ray's and Chinooks parking lot last night. 18:28 RP requested an Officer to standby while he picked up his dog at Bayside Apts. 20:08 RP reported the power was out at one of the two houses at Briarwood. 20:41 Verbal warning issued at Seward and South Harbor for speed. 21:05 Verbal warning issued at 3rd and Van Buren for driving with headlights off after dark.

9/11/16

11:57 RP called advising of a dispute she had with her neighbor over noise coming from her apt. Officer spoke with RP, and the landlord was contacted. 13:54 Ambulance requested to Wind-song Lodge. 16:21 Two-vehicle MVA-D in front of Woody's Thai Restaurant. 18:43 RP called from

Phoenix requesting a welfare check on her daughter because she is unable to reach her. Moved out a couple days ago, per apt. manager. Her car was located at Bayside. 21:55 A citizen advised that the waterfall is flowing black. 23:40 Subject arrested for being drunk on licensed premises, disorderly conduct at the Ale-house and SAST warrant arrest for failure to appear for calendar call on original disorderly conduct charge.

9/12/16

01:02 Subject stopped on Coolidge near ball fields for investigative stop. 02:34 Anchorage weather service has put out a flood advisory for Resurrection River and Salmon Creek through 08:30 today. 04:16 RP reported a man assaulting a woman in Resurrection Campground. Officer responded, spoke with both parties and found it was a verbal disagreement. 06:18 Ambulance needed at the cruise ship dock. 10:35 RP reported a male and female yelling at each other at Ballaine and Adams. Officer responded and advised no one in the area was yelling. 12:09 Ambulance requested to the ARR terminal. SVFD/SVAC dispatched. 13:41 Citation issued at Seward and Hemlock for speed. 15:50 Verbal warning given at Seward and Sea Lion for headlight out. 16:04 Subject left her driver's license at the PD. It was placed into safekeeping. 16:15 RP reported her PENTEX binoculars were taken out of her unlocked car at the SeaLife Center parking lot. 17:19 Officers

contacted two subjects in a van parked by the restrooms near the ball field. Both parties were given disorderly conduct warnings and told not to move the vehicle until a licensed driver was available to do so. Verbal argument only. 18:00 An ambulance is requested at the airport for a crew transport to the hospital. 19:33 Citation issued at Seward and Hemlock for speed. 23:47 Verbal warning given at Mile 1 Seward for speed. 23:56 Subject arrested for DUI while driving at Seward and North Harbor Street.

9/13/16

04:14 Dorm attendant at AVTEC requested Officer patrol in the alley behind the dorms for a suspicious male that seems to be checking doors. Officer responded and found the individual, whom the dorm attendant knew. 04:46 SCCC requested an Officer for a male dressed in black walking south on Nash Road, headed toward Bette Cato Road. Officer responded and was unable to locate individual. 14:48 Ambulance requested to Lois. SVAC/BCVFD dispatched. 17:19 Citation issued at Seward and Resurrection for failure to stop at stop sign. 18:12 RP reported she lost her brown leather wallet with AK OLN and credit cards. 18:48 A citizen reported a male on a skateboard going down 4th into oncoming traffic. Officer contacted subject, advised him to stay out of the road, and subject agreed. 19:18 Verbal warning given at Oak and Dimond for speed. 19:31 Citation issued in Mt. Haven parking lot for failure to provide proof

of insurance, verbal warning for parking in a handicapped space, and not having proper license. 20:07 Troopers requested a Stop and F1 on an '80s model black Ford flatbed X-cab truck with a single occupant. Subject suspected of slashing tires at Bayview Trailer Park. Male driver, skinny, and unshaven on the Nash Road bridge looking at the river. Did not locate. 20:20 RP from Chinooks reported subjects going through vehicles in the parking lot. Vehicle green in color and left the area in an unknown direction. Unable to locate. 23:00 RP reported a small white car in the ditch near Seward and Phoenix. Officers contacted subject and arrested him for DUI.

9/14/16

01:31 Verbal warning issued at Seward and Resurrection for speed. 02:00 Verbal warning issued at 4th and Port Ave. for inoperable taillights. 13:00 SeaView and ASLC requested extra patrols for reports of people checking vehicle doors in the parking lot at the Rae building. Officer advised. 13:35 RP requested an Officer to check on an individual at the Senior Center. Officer responded. 13:33 RP reported a male in a red Dodge was driving recklessly. Officer responded and made contact with (JUV), who advised he was not driving recklessly. 13:47 RP reported a male and a female arguing at the pavilion at the south end of the lagoon. Officer responded, made contact with two individuals, and advised it was verbal only. 14:00 Subject issued at summons for Criminal Trespass II. 16:00 Verbal warning given at 3rd and B for speed. 17:10 RP advised of two males carving into a pole at the fish cleaning station near M Float. Officer responded, contacted two juveniles, and contacted their parents. 17:12 RP advised of a male walking down the Seward Hwy. passing Terry's Tire, who appears to be the suspect in a case. Officer responded. RP called back and advised male walked into AVTEC and may not be who RP thought he was. 19:08 Officer assisted a Trooper at a residence on Bear Lake Rd. in reference to a possible burglary. No clear signs of burglary discovered. 20:13 Citation issued outside of Essential One for speed. 21:11 RP requested law enforcement to the Breeze Inn Lounge in reference to a fight in progress. Officers responded, contacted three suspects, and issued them disorderly conduct warnings.

9/15/16

04:33 RP advised that someone tried to start a fire at the KFT bunkhouse at Phoenix Road. Fire Department investigating. 04:47 On-duty fire dispatched to Phoenix to investigate arson.

## ■ Giving Kids a Good Start, pg. 12

### 'Watermelonaq'

It's well-known that children whose parents read to them from an early age are more likely to thrive when they begin attending school. But what if a parent is Cup'ik, or Athabascan, or Iñupiat? What if they can't find books written in the language the family uses at home?

Ohle's bilingual book project began after she taught a class in Chevak about family-community partnerships. One assignment sent students to a free digital library, where they picked a book, translated it into Cup'ik and created a lesson plan for it. The students recorded their translations, and Unite for

Literacy edited and uploaded the recordings.

Selkregg proceeds paid for translations of online books into Iñupiat and other Alaska Native languages.

"I've got someone now doing upper Tanana Athabascan," she said.

Complicated questions emerge: Who gets to translate? Who gets to decide whether a word is the right word, or even a real word?

"There certainly are people who are making up words," Ohle said. "You'd have to."

The issue, she says, is: How do languages evolve?

"So we use the word 'selfie' here," she said. "Who decided that was a word and who

decided we could use that word? It's just happening socially, organically. It's pretty funny in some of these. In Cup'ik especially, they were just adding 'aq': 'raccoonaq', 'watermelonaq'."

Money from the grant also was used to print bilingual children's books, which Lee helped create.

Lee and Ohle started working together last year after Lee applied to be Ohle's community-engaged student assistant (CESA).

"Nina has a personal connection to the work since she was an [English language learner] herself," Ohle said.

This fall, Lee will create more bilingual labels for

books "and will hopefully accompany me on a visit to deliver the books and see how they are being used by the teacher and students," Ohle said.

Ohle said she recently started distributing the Iñupiat books.

"I was able to bring a whole set over to the Alaska Native Charter School, I gave a set to [UAA Alaska Native Studies Director] Maria Williams, I gave a set to Loussac Library, I gave a set to our library, I went over to the Alaska Native Heritage Center," she said. "I was just passing them out. It's exciting!"

### CITY OF SEWARD

#### Schedule of Outstanding Bonded Indebtedness

	Source of Repayment	Interest Rate	Balance at 1/1/2016	2016			Balance at 12/31/2016	Term
				Principal	Interest	Total		
2007 Ref 2000 E-Float & Fish Cleaning Stations	Harbor Fund	4.85% - 5.5%	\$ 1,265,000	\$ 190,000	\$ 55,794	\$ 245,794	\$ 1,075,000	2000 - 2021
2008 Electric Shop, Generators & Controls	Electric Fund	4.4% - 5.25%	5,245,000	130,000	261,286	391,286	5,115,000	2007 - 2038
2008 Seward Mountain Haven Construction	Mountain Haven	4.00% - 5.10%	23,250,000	865,000	1,083,538	1,948,538	22,385,000	2008 - 2033
2014 Ref 2005 Float Extension	Harbor Fund	1.25% - 5.00%	830,000	65,000	37,613	102,613	765,000	2005 - 2026
2014 Ref 2006 South Harbor Construction	Harbor Fund	3.00% - 5.00%	2,790,000	215,000	122,400	337,400	2,575,000	2006 - 2026
2012 Library/Museum Construction	General Fund (*)	4.0% - 5.0%	3,305,000	95,000	151,550	246,550	3,210,000	2012 - 2036
<b>Total Outstanding Bonded Indebtedness</b>			<b>\$36,685,000</b>	<b>\$1,560,000</b>	<b>\$1,712,180</b>	<b>\$3,272,180</b>	<b>\$35,125,000</b>	

(\*) The City has one bond (Library/Museum) which is a general obligation bond of the City, backed by the full faith and credit of the City (i.e. General Fund tax revenues). All other outstanding bonds are backed by pledged revenues of the enterprise (business) operations for which the bonds were issued.

# Agenda Statement



Meeting Date: October 10, 2016

From: Brenda J. Ballou, Acting City Clerk

Agenda Item: Certification of the October 4, 2016 Regular City Election

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## BACKGROUND & JUSTIFICATION:

The City conducted its annual municipal election on Tuesday, October 4, 2016. The Canvass of the election was conducted on Thursday, October 6, 2016. A report stating the final results of the election, including votes cast by absentee and questioned voters, is attached for your certification.

The newly-elected council members will be sworn and seated as the first item of business at the October 24, 2016 regular meeting.

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## RECOMMENDATION:

Certify the October 4, 2016 regular city election and declare the results final.

**REPORT OF ELECTION CANVASS BOARD**  
**Certification of City Clerk's Recording**

We, the undersigned, duly appointed at the City Council Regular Meeting on September 12, 2016 as the Canvass Board for the City of Seward, do hereby certify that we have examined in detail all absentee, special needs and questioned ballots, original and duplicate tally sheets, and questioned and special needs registers from the City of Seward precinct. Upon completion of the canvass, it is our opinion that the attached summary of election returns, as compiled by the Canvass Board and recorded by the City Clerk, accurately reflects the totals shown on the Certificate of Election Returns (ballot statement) by the election board of the voting precinct for the October 4, 2016 Election.

Dated this 6<sup>th</sup> day of October, 2016.

Doreen Osenge

Krista Karsen

Susan M. Weber

Jennifer H. Can

\_\_\_\_\_

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(Attach Final Certificate of Results)

**FINAL CERTIFICATE OF RESULTS FOR THE  
CITY OF SEWARD REGULAR MUNICIPAL ELECTION  
HELD OCTOBER 4, 2016**

The City Canvass Board has canvassed the absentee and questioned ballots of the Regular Municipal Election held October 4, 2016. The canvass took place on Thursday, October 6, 2016. Their totals are:

**REPORT OF ABSENTEE AND QUESTIONED BALLOTS**

Absentee Ballots Voted	65
Questioned Ballots Voted	9
Special Needs Ballots Voted	3
<b>Total Voted</b>	77

**REJECTED**

Reason: No voter signature (Z)	1
<b>Total Rejected</b>	1

**COUNTED**

Absentee Ballots Counted	64
Questioned Ballots Counted	9
Special Needs Ballots Counted	3
<b>Total Counted</b>	76

**THREE (3) CITY COUNCIL SEATS AVAILABLE (TWO-YEAR TERMS)**

	<u>Election Day Votes</u>	<u>After Canvass Votes</u>	<u>Total Votes</u>
Ristine Casagrande	169	39	208
Suzanne Towsley	159	25	184
John D. Hull, Jr.	44	6	50
Dale R. Butts	168	33	201
Erik R. Slater	165	41	206
Marianna Keil	161	42	203
Write-Ins	6	0	6

**FINAL CERTIFICATE OF RESULTS FOR THE  
CITY OF SEWARD REGULAR MUNICIPAL ELECTION  
HELD OCTOBER 4, 2016**

**SEWARD PROPOSITION NO. 1  
GENERAL OBLIGATION BONDS FOR SEWARD ROAD IMPROVEMENTS**

Shall the City of Seward incur debt and issue general obligation bonds in an amount not to exceed three million dollars (\$3,000,000) to finance the planning, design and construction of road improvements in the City?

The bonds shall be secured by a pledge of the full faith and credit of the City. It is expected that annual payments of principal and interest on the Bonds will be Two Hundred Thirty Thousand dollars (\$230,000), or a 0.72 increase in the mill rate (from 3.12 mills to 3.84 mills, equal to an increase of \$72 per \$100,000 in property value) or the approximate equivalent of a one-fifth of one percent (0.005) sales tax (from 4.0% to 4.2%).

	Election Day Votes	Canvass Votes	Total Votes
YES	240	57	297
NO	90	18	108

**SUMMARY**

A total of 333 people voted at this election.  
 There were 65 absentee in-person and by-mail ballots.  
 There were 3 special needs ballots.  
 There were 9 questioned ballots.  
 Therefore, 410 voters turned out.

*Upon completion of the canvass, it is our opinion that the results compiled above accurately reflect the final totals for the Regular City Election held October 4, 2016 in the City of Seward, Alaska.*

Dated this 6<sup>th</sup> day of October, 2016.

<p><u>Susan M. Urbach</u></p> <p><u>Jennifer M. Can</u></p>	<p><u>Krista Larson</u></p> <p><u>Doreen Cosens</u></p>
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## **CALL TO ORDER**

The December 12, 2016 regular meeting of the Seward City Council was called to order at 7:00 p.m. by Mayor Jean Bardarson.

## **OPENING CEREMONY**

Police Chief Tom Clemons led the Pledge of Allegiance to the flag.

## **ROLL CALL**

There were present:

Jean Bardarson, presiding and  
Marianna Keil  
Dave Squires  
Deborah Altermatt

Ristine Casagrande  
Sue McClure  
Erik Slater

comprising a quorum of the Council; and

Jim Hunt, City Manager  
Johanna Kinney, City Clerk  
Will Earnhart, City Attorney

Absent – None

## **CITIZEN COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING**

**Luther Freeman** said the AVTEC gym contract needed improvement and wished the public had been able to provide input in the negotiations of the facility use agreement between the city and AVTEC. He didn't think AVTEC should have ever been closed to begin with because it was too important to the community. The current schedule was unsettling and he hoped the city would get this matter would get better resolved.

## **APPROVAL OF AGENDA AND CONSENT AGENDA**

### **Motion (Keil/Casagrande)**

### **Approval of Agenda and Consent Agenda**

Bardarson stated Chugach Electric was unable to attend tonight's meeting and removed "Presentation of capital credit check and update on TRANSCO/USO by Chugach Electric" from the agenda.

Bardarson took the Introduction of Ordinance 2016-009 off the consent agenda.

Assistant City Manager Ron Long requested to add a discussion item regarding consolidated dispatch be added under Other New Business Items.

**Motion Passed**

**Unanimous**

The clerk read the following approved consent agenda items:

**Approval of the October 24, 2016 and the November 21, 2016 City Council Meeting Minutes.**

**Cancel the December 27, 2016 City Council Meeting.**

**Non-objection to the renewal of Beverage Dispensary Liquor License #1245 for Yukon Bar.**

**SPECIAL ORDERS, PRESENTATIONS AND REPORTS**

**Proclamations & Awards**

**Proclamation recognizing Katelyn Correa for designing the Seward City Flag.**

**Retrieving the Colors of Seward City logo flag and the raising of the new Official Seward City Flag in Council Chambers.**

**Recognition of citizen Dano Michaud for volunteer work in repairing the city's Christmas Tree on Bear Mountain.**

**Chamber of Commerce Report.** Cindy Clock said the chamber had recently finished a social media course. The chamber's website, Seward.com, was temporarily down Saturday. There were 3,500 Seward destination guides going out for distribution and the 2017 guides would print mid-January. The chamber would be closed between Christmas and New Year's. Clock announced the annual Community Awards Banquet would be February 3, 2017 at the Seward Resort. As a voice of business, Clock asked the city be cognizant of competing with businesses when discussing the services provided at AVTEC.

**City Manager Report.** Jim Hunt stated no purchase orders between \$10,000 and \$50,000 were authorized by him since the last meeting. Public Works had been busy with the cold weather. Long thanked Dano Michaud for his efforts with the Christmas tree on Bear Mountain and noted the tree was not lit immediately because it had been vandalized. December 13, 2016 would be the last of the public sessions on the Comprehensive Plan. The first draft should be delivered mid-January by the contractors. Administration had received multiple visits from the Army Corps of Engineers regarding Lowell Canyon Tunnel. Long stated he attended the North Pacific Fishery Management Council anniversary banquet along with Council Member Casagranda.

Regarding the facility use agreement with AVTEC, Long stated negotiations had gone well and he thought the city was close to doing everything that they agreed upon. He explained the city was operating on a modest schedule and obtaining public feedback on the hours of the public usage.

The schedule would change based on public needs and as funds allowed. Hunt added the council may remember the dozens of people providing testimony earlier this year as to which services and hours they would like to see.

Keil was concerned with some deficiencies at the animal shelter and had heard funds for supplies was not enough for the duration of the year as they were taking donations of materials such as blankets, food, etc. Long added there was a donation drop box at City Hall as well.

Casagranda emphasized the importance of the Seward Comprehensive Plan and that this document forecasted the future of the city. She invited the public to come and give input on what they wanted Seward to look like in twenty years. She was concerned there wasn't enough public input on this plan and wished the public session tomorrow night was not the last. Keil disagreed and thought there was a lot of notice of the meetings.

**City Attorney Report, Will Earnhart** said it had been quiet. The Orion litigation was on appeal and Orion had posted a bond so perhaps the city would be getting their money back. Orion had shown no interest in coming to an agreement on a rational settlement amount. Earnhart advised that as a general thought, any time an outside entity approached them business-wise, to use caution, listen and don't take a position. This month the City Attorney worked on ordinances, contracts, and on public records.

#### **Other Reports, Announcements and Presentations**

**Presentation on the 2015 Comprehensive Annual Financial Report (CAFR) by BDO, LLC.**

**Kenai Peninsula Economic Development District Presentation by Tim Dillon.**

**Presentation on the upcoming Rockwell Kent Centennial by Doug Capra.**

~~**Presentation of capital credit check and update on TRANSCO/USO by Chugach Electric.**~~ *(pulled from agenda)*

#### **PUBLIC HEARINGS**

**Resolution 2016-083, Authorizing A 200-Day Extension To The Lease With The U.S. Department Of Army For Lot 9A, Fort Raymond Subdivision Replat No. 1 (US Army Rec Camp).**

**Motion (Keil/Casagranda)**

**Approve Resolution 2016-083**

Long said they were having difficulty communicating with the United States Army on this lease. The lease which expired needed some additions and negotiations. The proposed extension put this agreement through the middle of 2017.

*Notice of the public hearing being posted and published as required by law was noted and the public hearing was opened.*

**Kelley Lane** was curious about if summer was an ideal time to negotiate a lease. She was curious as to what the challenges were and what the city would like to change.

*No one else appeared to address the Council and the public hearing was closed.*

Hunt stated they would like address Consumer Price Index (CPI) issues, rental issues, property size issues, and the charter business associated with the camp. A key factor was the performance clause, which was now being written into all new leases of the city. It had been difficult to get in touch with someone at the U.S. Army, and when working with government entities, things took time.

Long clarified this lease extension was for the Army Rec Camp, and not the recently vacated Air Force Rec Camp, which the city had not yet decided what to do with.

In response to Altermatt, Long said they would be renegotiating the Army's leases in the harbor as well.

**Motion Passed**

**Unanimous**

**UNFINISHED BUSINESS** – None

**NEW BUSINESS**

**Ordinance 2016-009, Amending Seward City Code 15.10.220 Development Requirements – Notes, To Allow The Minimum Lot Size Platting Of 3,000 Square Feet And Clarification Of Lot Size For Duplex Development.**

**Motion (Keil/Casagranda)**

**Introduce Ordinance 2016-009**

Bardarson was concerned if the city had room for utilities for this lot size. It seemed like the objective was to make space for these utilities. She didn't understand why the line designating 3,000 square foot lots and 6,000 square foot lots was drawn at Van Buren Street. Long said they would find a way to incorporate utilities as needed.

Squires stated the original town site had these size lots authorized already. If this was authorized, would some of the same requirements carry over? Long stated he would look up that provision.

**Motion Passed**

**Unanimous**

*(Clerk's Note: this introduced ordinance would come back to the City Council for public hearing and enactment on January 9, 2017)*

**Resolution 2016-084, Authorizing A One-Time, One Percent Bonus For The City Clerk In 2016, As Previously Issued To Non-Union Regular Employees, And Appropriating Funds.**

**Motion (Keil/Casagranda)**

**Approve Resolution 2016-084**

**Motion Passed**

**Unanimous**

**Other New Business Items**

**Schedule Work Sessions to discuss Road Bond Funding and Police Wage Issues.** *(Suggested date: January 9, 2017)* Council scheduled a work session to discuss these topics for **December 19, 2016 at 5:00 p.m.**

**Discuss and schedule a work session on new evaluation forms for City Manager, City Clerk, and City Attorney.** Council scheduled a work session on this topic for **January 10, 2017 at 5:00 p.m.**

**Discussion on the roles and duties of the Mayor and Council.** *(Casagranda)*

Discussion ensued relating to how council should receive information, either as a body or as individual members of the body. There was no objection to the continuance of the mayor meeting with the City Manager and the City Clerk on an individual basis.

**Discussion of the city's use of the AVTEC Facility.** *(Casagranda)*

Long explained that staff was working on the schedule based on public input. Casagranda requested better notice to the public when the schedule changed.

**Discussion on consolidated dispatch services.**

Long stated earlier this year a public meeting was held regarding consolidating city dispatch services to the Kenai Peninsula Borough, based in Soldotna. He said there were a lot of unknowns and unanswered questions. He wanted to encourage the borough to respond to the city's concerns. Bardarson concurred more information was better to make a decision. Council agreed with administration's request to ask for more information.

**INFORMATIONAL ITEMS AND REPORTS – None**

**COUNCIL COMMENTS**

**Keil** thanked the high school government students for attending tonight. She wished everyone a Merry Christmas and a Happy New Year. Tonight was an interesting meeting and it showed democracy at work.

**Squires** stated he would be out of state for the January 9, 2017 meeting. He thanked the local government class for attending tonight. It was good to have agreements and disagreements with elected officials in the public light. He wished everyone a Merry Christmas and a Happy New Year.

**McClure** thanked the government students for attending and also wished everyone a Merry Christmas.

**Casagrande** clarified that regarding the Seward Comprehensive Plan, she didn't recall seeing an email noticing the November 14, 2016 public session. In the future when the city worked on a comprehensive plan she thought it was important to really notice the planning meetings.

**Altermatt** thanked the high school class for staying around. She reminded the public this Saturday was Breakfast with Santa, hosted by the Teen and Youth Center and Rotary. She gave her condolences to Jackie Wilde's family, whose mother recently passed away. She wished everyone a safe and happy holiday season.

**Slater** thanked the class for coming tonight. He said Happy Holidays and told everyone to be safe. Slater thanked staff for plowing the bike path and hoped they could do the boardwalk too.

**Hunt** thanked Dillon for coming over and trying to keep his presentation to ten minutes.

**Long** said Happy Holidays and safe travels.

**Bardarson** also thanked the students for coming. She encouraged the students to please contact council if they had any questions regarding city government. She wished everyone a happy holiday season.

## **CITIZEN COMMENTS**

**Luther Freeman** spoke on the hours and rates for AVTEC gym usage. He noted in the morning hours, very few public used the facility, which seemed like a lot of expenses for little to no attendance. There was more usage from 11:00 a.m. and on. He didn't feel like the new gym area needed to be included in the contract. Perhaps if that was eliminated the rates could be lowered and the city wouldn't be competing with other local gyms. Freeman also noted because there was no set schedule, no one wanted to purchase an annual pass because there was no certainty of what would be provided. He asked council and administration to listen to the input given by the community. The community should tell the city what it wanted, not the other way around.

**Andy Wilder** appreciated the administration noting the new added hours. AVTEC had been open to the public for many years and the city should have that usage data. He didn't know how the situation got to where it was. It seemed like the facility was well attended in the past, and didn't understand why that had to change. Wilder also didn't understand why the contract lapsing had anything to do with the hours that had been in place for the last decade. A lot of the citizens were wanting the schedule back the way it was.

---

**COUNCIL AND ADMINISTRATION RESPONSE TO CITIZEN COMMENTS**

**Long** said they had a lot of historic data but it was not complete. They weren't ignoring that data, they were using old data combined with the new patterns they were seeing.

**ADJOURNMENT**

The meeting was adjourned at 9:50 p.m.

---

Johanna Kinney, CMC  
City Clerk

---

Jean Bardarson  
Mayor

(City Seal)

DRAFT

# Agenda Statement

Meeting Date: January 9, 2017  
From: Johanna Kinney, City Clerk  
Agenda Item: Continuation of the Port and Commerce Advisory Board



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## BACKGROUND & JUSTIFICATION:

This is an annual formality. Seward City Code 2.30.330 states that at the first meeting of each fiscal year, the City Council may continue by affirmative vote the existence of the Port and Commerce Advisory Board. If it fails to do this, the Board will cease to exist within thirty (30) days.

---

## RECOMMENDATION:

Council approve this continuation and renew the Port and Commerce Advisory Board through January 2018.



## AGENDA STATEMENT

Meeting Date: January 9, 2017

From: Johanna Kinney, City Clerk 

Agenda Item: Non-Objection to the Renewal of Beverage Dispensary – Seasonal Liquor License #2790 for Ray’s Waterfront Bar & Grill

---

### BACKGROUND & JUSTIFICATION:

The City Council has an opportunity to object to the renewal of a Beverage Dispensary – Seasonal Liquor License #2790 for Ray’s Waterfront Bar & Grill.

The City of Seward Police Department, Fire Department, Utilities Department and the Kenai Peninsula Borough Finance Department have no objections to the liquor license renewal for this business.

### FISCAL NOTE:

In the event the City of Seward chooses to file a protest for the above liquor license renewal, then under Alaska Statutes the City of Seward will be required to assist in, or undertake the defense of its protest.

---

### RECOMMENDATION:

Non-objection to the renewal of a Beverage Dispensary – Seasonal Liquor License #2790 for Ray’s Waterfront Bar & Grill.



# MEMORANDUM

Date: December 15, 2016

To: Naneth Ambrosiani Finance/Leases  
 Sarka Calocci Finance/Public Utilities  
 Chief Tom Clemons Police Department  
 Chief Eddie Athey Fire Department

From: Brenda Ballou, Deputy City Clerk *bjb*

RE: Verifying Compliance for the Renewal of Liquor License

The following business has applied for a renewal of their liquor license. Please review for compliance with all utilities, lease payments and assessments. Thank you.

Name of Business: Ray's Waterfront Bar & Grill

Type of License: Beverage Dispensary - Seasonal

License Number: 2790

Department	Status	Initials
Finance/Leases	Compliant	Naneth Ambrosiani 12/15/16
Finance/Utilities	Compliant	SN
Police Chief	OK	JK
Fire Chief	Fire Inspection scheduled for April	EAT



## **KENAI PENINSULA BOROUGH**

144 North Binkley Street • Soldotna, Alaska 99669-7520

PHONE: (907) 714-2160 • FAX: (907) 714-2388

Toll-free within the Borough: 1-800-478-4441 Ext. 2160

Email: [assemblyclerk@kpb.us](mailto:assemblyclerk@kpb.us)

**JOHNI BLANKENSHIP, MMC  
BOROUGH CLERK**

December 21, 2016

Ms. Sarah Daulton Oates  
Records & Licensing Supervisor  
Alcohol & Marijuana Control Office  
550 West 7<sup>th</sup> Ave, Suite 1600  
Anchorage, AK 99501

RE: Non-Objection of License Renewal

Business Name	:	Ray's Waterfront Bar & Grill
License Type	:	Beverage Dispensary - Seasonal
License Location	:	City of Seward
License No.	:	2790

Dear Sarah,

This serves to advise that the Finance Department has reviewed the above referenced application and has no objection to the renewal of this license.

Should you have any questions, or need additional information, please do not hesitate to contact our office.

Sincerely,

Michele Turner, MMC  
Deputy Borough Clerk

MLT/klr

cc: Applicant  
City of Seward  
KPB Finance Department  
File



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

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

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

December 15, 2016

City of Seward

Attn: Brenda Ballou & Johanna Kinney, City Clerks

VIA Email: [bballou@cityofseward.net](mailto:bballou@cityofseward.net)

[jkinney@cityofseward.net](mailto:jkinney@cityofseward.net)

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)

[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)

[kring@borough.kenai.ak.us](mailto:kring@borough.kenai.ak.us)

**Re: Notice of 2017/2018 Liquor License Renewal Application**

<b>License Type:</b>	Beverage Dispensary-Seasonal	<b>License Number:</b>	2790
<b>Licensee:</b>	Janaska Corporation		
<b>Doing Business As:</b>	Ray's Waterfront Bar & Grill		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

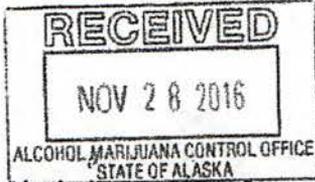
A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Cynthia Franklin, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

### What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that will expire on December 31, 2016. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only needs to be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete.

### Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed.

Licensee:	Janaska Corporation	License #:	2790
License Type:	Beverage Dispensary-Seasonal	Statute:	AS 04.11.090
Doing Business As:	Ray's Waterfront Bar & Grill		
Premises Address:	1316 4th Ave.		
Local Governing Body:	City of Seward (Kenai Peninsula Borough)		
Community Council:	None		

Mailing Address:	P.O. BOX 1750		
City:	SEWARD	State:	AK
ZIP:	99664		

Enter information for the licensee who will be designated as the primary point of contact regarding this application and the license.

Designated Licensee:	JULIUS R SIMUTIS		
Contact Phone:		Business Phone:	907-224-5606
Contact Email:	RAYSIMUTIS@YAHOO.COM		

Seasonal License?  Yes  No  
 If "Yes", write your six-month operating period: April thru september



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

### Section 2 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 3.  
 If more space is needed, please attach a separate sheet with the required information.  
 The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	
Email:					
Contact Phone:					

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	
Email:					
Contact Phone:					

### Section 3 – Entity Ownership Information

This subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC). Partnerships may skip to Page 3. Sole proprietors should skip to Section 4.

Alaska DOC Entity #:	37585D
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Alaska Division of Corporations:

Yes No

Is your entity in good standing with the Alaska Division of Corporations?



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

This subsection must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Entity Official:	JULIUS R SIMTTIS			
Title(s):	PRESIDENT	Phone:		% Owned: 100
Address:	P.O. BOX 1750			
City:	SEWARD	State:	AK	ZIP: 99664

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Alaska Alcoholic Beverage Control Board**  
**Form AB-17: Renewal License Application**

**Section 4 – Authorization**

Communication with AMCO staff: Yes    No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?    

If "Yes", disclose the name of the individual and the reason for this authorization:

PAM HUMPHREY    BOOKKEEPER    907 224-3464    FAX 907 224-2699  
 EMAIL--HUMPHAP@YAHOO.COM

**Section 5 – License Operation**

Check the box that best describes your liquor license operations in calendar years 2015 and 2016:

- The license was regularly operated continuously throughout each year, for 8 or more hours each day.
- The license was regularly operated during a specific season each year, for 8 or more hours each day.
- The license was only operated to meet the minimum requirement of 30 days each year, 8 hours each day.   
*If this box is checked, an AMCO employee will contact you after reviewing your application.*
- The license was not operated at all or was not operated for at least the minimum requirement of 30 days each year, 8 hours each day, during one or both of the calendar years.   
*If this box is checked, an AMCO employee will contact you after reviewing your application.*

**Section 6 – Convictions**

Applicant convictions in calendar years 2015 and 2016: Yes    No

Has any person named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2015 or 2016?    

If "Yes", list all convictions:



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Alaska Alcoholic Beverage Control Board**  
**Form AB-17: Renewal License Application**

**Section 7 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and if the licensee is an organized entity, that all current entity officials and stakeholders are listed with the Alaska Division of Corporations.

*JS*

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

*JS*

I certify that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

*JS*

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers or stakeholders) from what is currently on file with the Alcoholic Beverage Control Board.

*JS*

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Alcoholic Beverage Control Board.

*JS*

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

*Julius Ray Simotas*  
 Signature of licensee

*Sheryl Seese*  
 Signature of Notary Public

Julius Ray Simotas  
 Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: 8-25-17

Subscribed and sworn to before me this 21 day of November, 2016.

License Fee:	\$ 1250.00	Filing Fee:	\$ 200.00	TOTAL:	\$ 1450.00
Late Fee of \$500.00 – if received or postmarked after 01/03/2017:					
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					



## AGENDA STATEMENT

Meeting Date: January 9, 2017  
From: Johanna Kinney, City Clerk *JK*  
Agenda Item: Non-Objection to the Renewal of Beverage Dispensary – Tourism Liquor License #4696 for Gene's Place

---

### BACKGROUND & JUSTIFICATION:

The City Council has an opportunity to object to the renewal of a Beverage Dispensary – Tourism Liquor License #4696 for Gene's Place.

The City of Seward Police Department, Fire Department, Utilities Department and the Kenai Peninsula Borough Finance Department have no objections to the liquor license renewal for this business.

### FISCAL NOTE:

In the event the City of Seward chooses to file a protest for the above liquor license transfer, then under Alaska Statutes the City of Seward will be required to assist in, or undertake the defense of its protest.

---

### RECOMMENDATION:

Non-objection to the renewal of a Beverage Dispensary – Tourism Liquor License #4696 for Gene's Place.



# MEMORANDUM

Date: December 9, 2016

To: Naneth Ambrosiani                      Finance/Leases  
       Sarka Calocci                            Finance/Public Utilities  
       Chief Tom Clemons                  Police Department  
       Chief Eddie Athey                    Fire Department

From: Brenda Ballou, Deputy City Clerk *bjb*

RE:        Verifying Compliance for the Renewal Application of Liquor License

The following business has applied for a renewal of a liquor license. Please review for compliance with all utilities, lease payments and assessments. Thank you.

Name of Business:    Gene's Place

Type of License:     Beverage Dispensary – Tourism

License Number:     4696

Owner:                Northern Lights Expresso, Inc.

Department	Status	Initials
Finance/Leases	<i>Good</i>	<i>Naneth Ambrosiani 12/9/16</i>
Finance/Utilities	<i>Good</i>	<i>S. Calocci 12-9-16</i>
Police Chief	<i>Good</i>	<i>T.C. 12-12-16</i>
Fire Chief	<i>OK</i>	<i>EAT 12/27/16</i>



## **KENAI PENINSULA BOROUGH**

144 North Binkley Street • Soldotna, Alaska 99669-7520

**PHONE:** (907) 714-2160 • **FAX:** (907) 714-2388

Toll-free within the Borough: 1-800-478-4441 Ext. 2160

Email: [assemblyclerk@kpb.us](mailto:assemblyclerk@kpb.us)

**JOHNI BLANKENSHIP, MMC  
BOROUGH CLERK**

December 20, 2016

Ms. Sarah Daulton Oates  
Records & Licensing Supervisor  
Alcohol & Marijuana Control Office  
550 West 7<sup>th</sup> Ave, Suite 1600  
Anchorage, AK 99501

**RE: Non-Objection of License Renewal**

Business Name	:	Gene's Place
License Type	:	Beverage Dispensary - Tourism
License Location	:	City of Seward
License No.	:	4696

Dear Sarah,

This serves to advise that the Finance Department has reviewed the above referenced application and has no objection to the renewal of this license.

Should you have any questions, or need additional information, please do not hesitate to contact our office.

Sincerely,

Michele Turner, CMC  
Deputy Borough Clerk

MLT/klr

**cc:** Applicant  
City of Seward  
KPB Finance Department  
File



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

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

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

December 9, 2016

City of Seward

Attn: Brenda Ballou & Johanna Kinney, City Clerks

VIA Email: [bballou@cityofseward.net](mailto:bballou@cityofseward.net)  
[jkinney@cityofseward.net](mailto:jkinney@cityofseward.net)

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)  
[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)  
[kring@borough.kenai.ak.us](mailto:kring@borough.kenai.ak.us)

**Re: Notice of 2017/2018 Liquor License Renewal Application**

<b>License Type:</b>	Beverage Dispensary-Tourism	<b>License Number:</b>	4696
<b>Licensee:</b>	Northern Lights Espresso, Inc.		
<b>Doing Business As:</b>	Gene's Place		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Cynthia Franklin, Director  
[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alaska Alcoholic Beverage Control Board

Renewal License Application

Form AB-17d: Beverage Dispensary – Tourism

Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
alcohol.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing beverage dispensary – tourism license that will expire on December 31, 2016. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only needs to be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed.

Table with 4 columns: Field, Value, License #, Statute. Includes fields for Licensee (Northern Lights Espresso Inc), License Type (Beverage Dispensary-Tourism AS 04.11.400(d)), Doing Business As (Gene's Place), Premises Address (217 5th Avenue), Local Governing Body (City of Seward), and Community Council (None).

Table with 4 columns: Field, Value, State, ZIP. Includes fields for Mailing Address (Po Box 2288), City (Seward), State (Alaska), and ZIP (99664).

Enter information for the licensee who will be designated as the primary point of contact regarding this application and the license.

Table with 4 columns: Field, Value, Business Phone, Contact Email. Includes fields for Designated Licensee (Mary Kulstad), Contact Phone (907-242-6600), Business Phone (907-224-8001), and Contact Email (MKHOTELSEWARD@gci.NET).

Seasonal License? Yes [ ] No [X] If "Yes", write your six-month operating period: \_\_\_\_\_





Alaska Alcoholic Beverage Control Board  
**Renewal License Application**  
**Form AB-17d: Beverage Dispensary – Tourism**

Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Section 2 – Sole Proprietor Ownership Information**

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 3.  
 If more space is needed, please attach a separate sheet with the required information.  
 The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate

Name:				
Address:				
City:	State:	ZIP:		
Email:				
Contact Phone:				

This individual is an:  applicant  affiliate

Name:				
Address:				
City:	State:	ZIP:		
Email:				
Contact Phone:				

**Section 3 – Entity Ownership Information**

This subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC). Partnerships may skip to Page 3. Sole proprietors should skip to Section 4.

Alaska DOC Entity #:	88632 D
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Alaska Division of Corporations: Yes No

Is your entity in good standing with the Alaska Division of Corporations?





Alaska Alcoholic Beverage Control Board  
**Renewal License Application**  
**Form AB-17d: Beverage Dispensary – Tourism**

This subsection must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each stockholder who owns 10% or more of the stock in the corporation, and for each president, vice-president, secretary, and managing officer.
- If the applicant is a limited liability organization, the following information must be completed for each member with an ownership interest of 10% or more, and for each manager.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each partner with an interest of 10% or more, and for each general partner.

Entity Official:	Mark Kulstad			
Title(s):	President - <del>Director</del>	Phone:	907-223-8135	% Owned: 51
Address:	618 I Street			
City:	Anchorage	State:	AK	ZIP: 99501

Entity Official:	Mary Kulstad			
Title(s):	SECRETARY/Managing Vice President officer	Phone:	907-242-6600	% Owned: 49
Address:	618 I Street			
City:	Anchorage	State:	AK	ZIP: 99501

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:





**Alaska Alcoholic Beverage Control Board  
Renewal License Application  
Form AB-17d: Beverage Dispensary – Tourism**

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

**Section 4 – Authorization**

Communication with AMCO staff: Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

**Section 5 – License Operation**

Check the box that best describes your liquor license operations in calendar years 2015 and 2016:

- The license was regularly operated continuously throughout each year, for 8 or more hours each day.
- The license was regularly operated during a specific season each year, for 8 or more hours each day.
- The license was only operated to meet the minimum requirement of 30 days each year, 8 hours each day.  
*If this box is checked, an AMCO employee will contact you after reviewing your application.*
- The license was not operated at all or was not operated for at least the minimum requirement of 30 days each year, 8 hours each day, during one or both of the calendar years.  
*If this box is checked, an AMCO employee will contact you after reviewing your application.*

**Section 6 – Convictions**

Applicant convictions in calendar years 2015 and 2016: Yes No

Has any person named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2015 or 2016?

If "Yes", list all convictions:





Alaska Alcoholic Beverage Control Board  
**Renewal License Application**  
**Form AB-17d: Beverage Dispensary – Tourism**

Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Section 7 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and if the licensee is an organized entity, that all current entity officials and stakeholders are listed with the Alaska Division of Corporations.

MK

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

MK

I certify that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

MK

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers or stakeholders) from what is currently on file with the Alcoholic Beverage Control Board.

MK

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Alcoholic Beverage Control Board.

MK

I have submitted a written statement as part of this application that meets the attached Tourism Statement Guidelines.

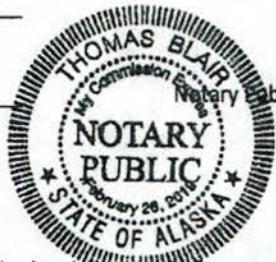
MK

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Signature of licensee

Signature of Notary Public

Mary D. Kulsrud  
 Printed name of licensee



Public in and for the State of Alaska

My commission expires: 2-28-19

Subscribed and sworn to before me this 29 day of November, 2016.

License Fee:	\$ 2500.00	Filing Fee:	\$ 200.00	TOTAL:	\$ 2700.00
Late Fee of \$500.00 – if received or postmarked after 01/03/2017:					
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					



# Hotel Seward

YOUR HOTEL FOR ALL SEASONS

Mark and Mary Kulstad - owner/Inn Keeper  
Po Box 2288 221 Fifth Ave.  
Seward, Alaska 99664  
mkhotelseward@pci.net  
907-224-8001 Fax 907-224-3112  
See us at : [www.hotelsewardalaska.com](http://www.hotelsewardalaska.com)  
Alaskan Family Owned and Operated

November 12, 2016

**RE: Tourism Statement for Gene's Place Liquor Renewal 2017/2018 # 4696**

**To whom it may Concern:**

**This license is necessary for us to compete as a year round destination. Hotel Seward has 58 rooms and a conference room in which we offer catering for retreats, parties and meetings. With the addition of Gene's Place we have the required amenities of food and spirits to accommodate our potential guest's needs. Gene's Place has also made the difference we needed to attract the independent travelers by offering room service, fine dining and catering for weddings and family reunions year round. It is clear that this license has continued to assist us in our growth do to increased tourism.**

**Our restaurant and conference room are open year round. We have maintained the kitchen and patio for the pleasure of our guest needs. We have continued to upgrade our room amenities with thing such as IHomes, additional outlets and room furnishings etc. Are rooms do not have kitchenettes, but do have refrigerator and microwaves. We do not stock alcohol in the rooms.**

**We offer additional activities, such a fundraiser and special events to attract more tourists. Our license has helped us be a destination during season, but especially during off season when other venues are closed.**

**We work with other businesses on packaging trips and promotions year round. We also offer our own fishing tours, remote lodge and water taxi. All of our businesses entities and partners work together to increase tourism and improve the experience our guest have when visiting Alaska.**

**Please contact me if you need any further information. 224-8001 or 242-6600**

*Sincerely, Mary Kulstad*





## AGENDA STATEMENT

Meeting Date: January 9, 2017

From: Johanna Kinney, City Clerk *JK*

Agenda Item: Non-Objection to the Renewal of Restaurant/Eating Place Liquor License #3230 for Apollo Restaurant

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### BACKGROUND & JUSTIFICATION:

The City Council has an opportunity to object to the renewal of a Restaurant/Eating Place Liquor License #3230 for Apollo Restaurant.

The City of Seward Police Department, Fire Department, Utilities Department and the Kenai Peninsula Borough Finance Department have no objections to the liquor license renewal for this business.

### FISCAL NOTE:

In the event the City of Seward chooses to file a protest for the above liquor license renewal, then under Alaska Statutes the City of Seward will be required to assist in, or undertake the defense of its protest.

---

### RECOMMENDATION:

Non-objection to the renewal of a Restaurant/Eating Place Liquor License #3230 for Apollo Restaurant.



# MEMORANDUM

Date: December 15, 2016

To: Naneth Ambrosiani Finance/Leases  
 Sarka Calocci Finance/Public Utilities  
 Chief Tom Clemons Police Department  
 Chief Eddie Athey Fire Department

From: Brenda Ballou, Deputy City Clerk *WB*

RE: Verifying Compliance for the Renewal of Liquor License

The following business has applied for a renewal of their liquor license. Please review for compliance with all utilities, lease payments and assessments. Thank you.

Name of Business: Apollo Restaurant

Type of License: Restaurant/Eating Place

License Number: 3230

Department	Status	Initials
Finance/Leases	OK	Naneth Ambrosiani 12/15/16
Finance/Utilities	Compliant	JA
Police Chief	OK	JA
Fire Chief	OK	EA 12/29/16



## **KENAI PENINSULA BOROUGH**

144 North Binkley Street • Soldotna, Alaska 99669-7520

PHONE: (907) 714-2160 • FAX: (907) 714-2388

Toll-free within the Borough: 1-800-478-4441 Ext. 2160

Email: [assemblyclerk@kpb.us](mailto:assemblyclerk@kpb.us)

**JOHNI BLANKENSHIP, MMC  
BOROUGH CLERK**

December 21, 2016

Ms. Sarah Daulton Oates  
Records & Licensing Supervisor  
Alcohol & Marijuana Control Office  
550 West 7<sup>th</sup> Ave, Suite 1600  
Anchorage, AK 99501

RE: Non-Objection of License Renewal

Business Name	:	Apollo Restaurant
License Type	:	Restaurant/Eating Place
License Location	:	City of Seward
License No.	:	3230

Dear Sarah,

This serves to advise that the Finance Department has reviewed the above referenced application and has no objection to the renewal of this license.

Should you have any questions, or need additional information, please do not hesitate to contact our office.

Sincerely,

Michele Turner, CMC  
Deputy Borough Clerk

MLT/klr

cc: Applicant  
City of Seward  
KPB Finance Department  
File



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

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

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

December 15, 2016

City of Seward

Attn: Brenda Ballou & Johanna Kinney, City Clerks

VIA Email: [bballou@cityofseward.net](mailto:bballou@cityofseward.net)

[jkinney@cityofseward.net](mailto:jkinney@cityofseward.net)

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)

[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)

[kring@borough.kenai.ak.us](mailto:kring@borough.kenai.ak.us)

**Re: Notice of 2017/2018 Liquor License Renewal Application**

<b>License Type:</b>	Restaurant/Eating Place	<b>License Number:</b>	3230
<b>Licensee:</b>	Konstantinos Kanaras		
<b>Doing Business As:</b>	Apollo Restaurant		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

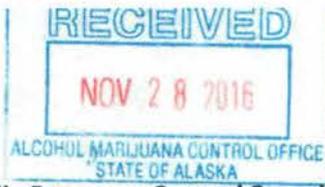
A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Cynthia Franklin, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Alaska Alcoholic Beverage Control Board**  
**Renewal License Application**  
**Form AB-17a: Restaurant / Eating Place**

**What is this form?**

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing restaurant / eating place license that will expire on December 31, 2016. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only needs to be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete.

**Section 1 – Establishment and Contact Information**

Enter information for the business seeking to have its license renewed.

Licensee:	Konstantinos Kanaras	License #:	3230
License Type:	Restaurant/Eating Place	Statute:	AS 04.11.100
Doing Business As:	Apollo Restaruant		
Premises Address:	229 4th Ave		
Local Governing Body:	City of Seward (Kenai Peninsula Borough)		
Community Council:	None		
Mailing Address:	P.O. BOX 3172		
City:	SEWARD	State:	AK
		ZIP:	99664

Enter information for the licensee who will be designated as the primary point of contact regarding this application and the license.

Designated Licensee:	KONSTANTINOS KANARAS		
Contact Phone:		Business Phone:	907-224-3092
Contact Email:	HUMPHAP@YAHOO.COM		

Seasonal License?    Yes     No     If "Yes", write your six-month operating period: \_\_\_\_\_



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Alaska Alcoholic Beverage Control Board**  
**Renewal License Application**  
**Form AB-17a: Restaurant / Eating Place**

**Section 2 – Sole Proprietor Ownership Information**

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 3.  
 If more space is needed, please attach a separate sheet with the required information.  
 The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate

Name:				
Address:				
City:		State:		ZIP:
Email:				
Contact Phone:				

This individual is an:  applicant  affiliate

Name:				
Address:				
City:		State:		ZIP:
Email:				
Contact Phone:				

**Section 3 – Entity Ownership Information**

This subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC). Partnerships may skip to Page 3. Sole proprietors should skip to Section 4.

Alaska DOC Entity #:	102415
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Alaska Division of Corporations: Yes No

Is your entity in good standing with the Alaska Division of Corporations?



Alaska Alcoholic Beverage Control Board  
**Renewal License Application**  
**Form AB-17a: Restaurant / Eating Place**

Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

This subsection must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

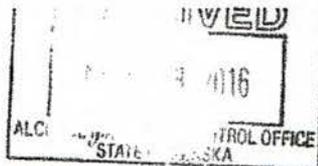
Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Alaska Alcoholic Beverage Control Board  
 Renewal License Application  
 Form AB-17a: Restaurant / Eating Place**

**Section 4 – Authorization**

Communication with AMCO staff: Yes    No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?    

If "Yes", disclose the name of the individual and the reason for this authorization:

PAM HUMPHREY      BOOKKEEPER

**Section 5 – License Operation**

Check the box that best describes your liquor license operations in calendar years 2015 and 2016:

The license was regularly operated continuously throughout each year, for 8 or more hours each day.

The license was regularly operated during a specific season each year, for 8 or more hours each day.

The license was only operated to meet the minimum requirement of 30 days each year, 8 hours each day.  
 If this box is checked, an AMCO employee will contact you after reviewing your application.

The license was not operated at all or was not operated for at least the minimum requirement of 30 days each year, 8 hours each day, during one or both of the calendar years.  
 If this box is checked, an AMCO employee will contact you after reviewing your application.

**Section 6 – Convictions**

Applicant convictions in calendar years 2015 and 2016: Yes    No

Has any person named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2015 or 2016?    

If "Yes", list all convictions:



**Alaska Alcoholic Beverage Control Board**  
**Renewal License Application**  
**Form AB-17a: Restaurant / Eating Place**

**Section 7 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and if the licensee is an organized entity, that all current entity officials and stakeholders are listed with the Alaska Division of Corporations.

*[Handwritten initials]*

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

*[Handwritten initials]*

I certify that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

*[Handwritten initials]*

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers or stakeholders) from what is currently on file with the Alcoholic Beverage Control Board.

*[Handwritten initials]*

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Alcoholic Beverage Control Board.

*[Handwritten initials]*

I certify that the gross receipts for the sale of food at the restaurant equal at least 50% of the total gross receipts for calendar years 2015 and 2016.

*[Handwritten initials]*

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

*[Handwritten signature of licensee]*

Signature of licensee

*[Handwritten signature of Notary Public]*

Signature of Notary Public

**KONSTANTINOS KANARAS**

Printed name of licensee

Notary Public in and for the State of Alaska



My commission expires: 8-25-17

Subscribed and sworn to before me this 23 day of November, 20 16

License Fee:	\$ 600.00	Filing Fee:	\$ 200.00	TOTAL:	\$ 800.00
Late Fee of \$500.00 – if received or postmarked after 01/03/2017:					
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					

# MEMORANDUM



## City of Seward

Date: January 9, 2017

To: Seward City Council

From: Planning and Zoning Commission  
Donna Glenz, Planner

Subject: Planning and Zoning Quarterly Report (October 1, 2016 – December 31, 2016)

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At the October 2016 Council Organizational Meeting the Council directed the Planning and Zoning Commission to provide written quarterly reports for the Council. The previous report was presented on October 10<sup>th</sup> covering the months of July through September 2016.

### October

- October 4<sup>th</sup> the Commission held a joint work session with the Historic Preservation Commission followed by a regular meeting.
  - Public hearing and approve Resolution 2016-13, recommending KPB approval of the Leirer Industrial Subdivision, Waliezer Replat.
  - Rescheduled the October 18<sup>th</sup> Comp Plan Work Session.
- October 18<sup>th</sup> work session was re-scheduled to October 26<sup>th</sup> due to Alaska Day holiday.
- October 26<sup>th</sup> work session continued the review for the Seward Comprehensive Plan update.

### November

- November 1<sup>st</sup> regular meeting.
  - Held second public hearing, and approved Resolution 2016-12 (postponed from September 6, 2016) recommending Council approve City code amendments regarding minimum lot size platting of 3,000 sq. ft. lots.
  - Approved the 2017 Planning and Zoning Commission meeting schedule and public hearing cut-off dates
- November 15<sup>th</sup> work session continued the review for the Seward Comprehensive Plan update.

- November 16<sup>th</sup> - Second Public Open House with PDC, Inc. on the Seward Comprehensive Plan update.

## **December**

- December 6<sup>th</sup> - Quarterly joint work session with the Seward / Bear Creek Flood Service Area board.
  - Topics of Discussion were:
    - FEMA Coastal Study Map Adoption
    - USACE Section 205 Design & Implementation Phase
    - COS Coastal Erosion Project
    - SBCFSA Restoration Projects
      - Box Canyon Creek water diversion structure restoration
      - Sawmill Creek embankment & channel maintenance
      - Salmon Creek (North of Clear Creek) embankment restoration
    - FY18 Cooperative Mitigation Projects
    - COS Comprehensive Plan Update
- December 6<sup>th</sup> – Work session on the continued review for the Seward Comprehensive Plan update.
- December 13<sup>th</sup> work session with PDC, Inc. on the continued review for the Seward Comprehensive Plan update with 15 members of the public in attendance.
- January 3<sup>rd</sup>, 2017 Regular Meeting was canceled and scheduled to a work session on the review of the Land Use Plan Map for the Seward Comprehensive Plan update.

# January 2017

January 2017

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2017

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

	Monday	Tuesday	Wednesday	Thursday	Friday
Jan 2 - 6	<b>Jan 2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
		6:00pm 9:30pm P&Z WS (Library Community Room)			
Jan 9 - 13	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
	7:00pm 10:30pm CC Mtg (Chambers)	5:00pm 8:00pm CC WS (Chambers)			
Jan 16 - 20	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
		6:00pm 9:30pm P&Z WS (City Annex Building)	6:30pm 10:00pm HP Mtg & WS (Chambers)		
Jan 23 - 27	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>
	7:00pm 10:30pm CC Mtg (Chambers)				
Jan 30 - Feb 3	<b>30</b>	<b>31</b>	<b>Feb 1</b>	<b>2</b>	<b>3</b>

# February 2017

February 2017

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March 2017

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

	Monday	Tuesday	Wednesday	Thursday	Friday
Jan 30 - Feb 3	<b>Jan 30</b>	<b>31</b>	<b>Feb 1</b>	<b>2</b>	<b>3</b>
			12:00pm 2:00pm PACAB Mtg		
Feb 6 - 10	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
		7:00pm 10:30pm P&Z Mtg (City Annex Building)			
Feb 13 - 17	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>
	7:00pm 10:30pm CC Mtg (Chambers)		12:00pm 2:00pm PACAB Work Session (Chambers) 6:30pm 10:00pm HP Mtg & WS		
Feb 20 - 24	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>
		6:00pm 9:30pm P&Z WS (City Annex Building)			
Feb 27 - Mar 3	<b>27</b>	<b>28</b>	<b>Mar 1</b>	<b>2</b>	<b>3</b>
	7:00pm 10:30pm CC Mtg (Chambers)				