



# **City of Whittier**

## **Regular Council Meeting Packet**

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**February 22, 2022**



# THE CITY OF WHITTIER

*Gateway to Western Prince William Sound*

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

February 22, 2022

7:00 p.m.

Council Chambers

Dave Dickason  
Mayor  
Term Expires 2022

Peter Denmark  
Vice Mayor  
Term Expires 2023

Victor Shen  
Council Member  
Term Expires 2024

Tom Wagner  
Council Member  
Term Expires 2022

Daniel Blair  
Council Member  
Term Expires 2022

David Pinqouch  
Council Member  
Term Expires 2023

Cathy McCord  
Council Member  
Term Expires 2024

James Hunt  
City Manager

Jackie C. Wilde  
Assistant City  
Manager

Holly Wells  
City Attorney

1. **CALL TO ORDER**
2. **OPENING CEREMONY**
3. **ROLL CALL**
4. **CITIZEN COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING** *[Those who have signed in will be given the first opportunity to speak. Time is limited to 2 minutes per speaker and 36 minutes total time for this agenda item.]*
5. **APPROVAL OF AGENDA AND CONSENT AGENDA** *[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]*
6. **PRESENTATIONS AND REPORTS**
  - A. Proclamations and Awards
    - 1) Certificate of Appreciation for Jeff Lee
    - 2) Certificate of Appreciation for Rueben Garcia
  - B. Mayor Report
  - C. Vice Mayor Report
  - D. City Manager Report-- *City Manager's includes, among other things, Finance Director report and the Water/Wastewater Manager Report..... Pg 8*
  - E. City Attorney Report

7. **PUBLIC HEARINGS (NON-ORDINANCE)-** *[Those who have signed in will be given the first opportunity to speak. Time is limited to 5 minutes per speaker. Anyone wishing to speak a second time may do so only after all other persons have spoken, and then for 1 minute.]*
8. **NEW BUSINESS**
  - A. **ORDINANCES- NONE**
  - B. **RESOLUTIONS**
    1. **RESOLUTION 2022-004-** Approving the Essential Terms And Conditions Of A Lease Between The City Of Whittier And A Wholly Owned Subsidiary Of Huna Totem Corporation To Be Formed, A Wholly Owned Subsidiary Of Huna Totem Corporation, And Authorizing The City Manager To Enter Into All Necessary Agreements With The Parties Incorporating The Essential Terms Approved ..... **Pg 17**
    2. **RESOLUTION 2022-005-** Retroactively Amending The 2021 Budget to Record Expenditures Of \$120,373.96 Paid by The State of Alaska on Behalf Of The City Toward The City’s Public Employees Retirement System Liability For The Period January Through December, 2021, and Appropriating Funds..... **Pg 95**
    3. **RESOLUTION 2022-006-** Stating The 8.0 Mill Rate Of Levy, Date Of Equalization, And Date When Taxes Become Delinquent For The 2022 Tax Role..... **Pg 98**
  - C. **Other New Business Items**
    1. Appoint Jamie Loan to the Planning and Zoning Commission seat E with a term to expire October 2023.....**Pg 102**
    2. Vote and appoint one person to the Port and Harbor Commission Seat B with a term to expire October 2023. Applicants are: Kyle Loan and Jimmy Morrison.....**Pg. 103**
    3. Appoint a liaison to the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC).....**Pg 105**
    - \* 4. Non-Objection to liquor license renewals for Swiftwater Seafood Café and Anchor Inn..... **Pg 107**
    - \* 5. Approval of the December 14, 2021 Regular Meeting Minutes..... **Pg 134**
    - \* 6. Approval of the January 18, 2022 Regular Meeting Minutes ..... **Pg 138**
9. **INFORMATIONAL ITEMS AND REPORTS** *(No Action Required)*
  1. December 2021 Financial Reports for the City of Whittier *Please see City Council packet which contains monthly Financial Statements*.....**Pg 143**
10. **COUNCIL COMMENTS**
11. **CITIZEN COMMENTS** *[Those who have signed in will be given the first opportunity to speak. Time is limited to 5 minutes per speaker]*

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

**13. ADJOURNMENT**



# CERTIFICATE OF APPRECIATION

THIS CERTIFICATE IS PROUDLY PRESENT TO

*Jeff Lee*

For providing hospitality to the United States Coast Guard  
during search efforts in November 2021

SIGNATURE



## **United States Coast Guard Certificate of Appreciation**



### ***Presented to Jeff Lee Whittier Fire Department***

*To all who shall see these presents, greetings.*

Upon the occasion of the United States Coast Guard Station Valdez Search and Rescue Operations, it is my distinct pleasure to express the Coast Guard's grateful appreciation for your friendship and goodwill. On 02 DEC 21 Coast Guard Station Valdez 45ft RBM responded to a vessel taking on water in the Passage Canal outside of Whittier. After searching for over 10 hours in 50kts of winds and snow. Both the Whittier police and fire Departments showed tremendous generosity and support by allowing my shipmates to utilize their housing facility and provided meals and snow removal of the fuel docks. The hospitality showed by the police and fire departments allowed the RBM crew to continue an additional 09 hours of crucial on scene search time. We share a bond of pride and rich maritime heritage with the town of Whittier. This friendship continues today as we expand to meet the maritime needs of Alaska and Prince Williams Sound. I thank the Whittier Police and Fire Departments for making my Coast Guardsmen feel at home; ensuring we are truly "Always Ready."

Given this 16<sup>th</sup> day of February 2022

JEREMY C. JARVIS  
OFFICER IN CHARGE  
CG STATION VALDEZ



# CERTIFICATE OF APPRECIATION

THIS CERTIFICATE IS PROUDLY PRESENT TO

*Ruthen Garcia*

For providing hospitality to the United States Coast Guard  
during search efforts in November 2021.

\_\_\_\_\_  
SIGNATURE



## ***United States Coast Guard Certificate of Appreciation***



### ***Presented to Rueben Garcia Whittier Police Department***

***To all who shall see these presents, greetings.***

**Upon the occasion of the United States Coast Guard Station Valdez Search and Rescue Operations, it is my distinct pleasure to express the Coast Guard's grateful appreciation for your friendship and goodwill. On 02 DEC 21 Coast Guard Station Valdez 45ft RBM responded to a vessel taking on water in the Passage Canal outside of Whittier. After searching for over 10 hours in 50kts of winds and snow. Both the Whittier police and fire Departments showed tremendous generosity and support by allowing my shipmates to utilize their housing facility and provided meals and snow removal of the fuel docks. The hospitality showed by the police and fire departments allowed the RBM crew to continue an additional 09 hours of crucial on scene search time. We share a bond of pride and rich maritime heritage with the town of Whittier. This friendship continues today as we expand to meet the maritime needs of Alaska and Prince Williams Sound. I thank the Whittier Police and Fire Departments for making my Coast Guardsmen feel at home; ensuring we are truly "Always Ready."**

***Given this 16<sup>th</sup> day of February 2022***

*JEREMY C. JARVIS  
OFFICER IN CHARGE  
CG STATION VALDEZ*



To: Whittier City Council  
From: City Manager Jim Hunt  
Re: City Manager Report for February 2022 Council Meeting

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### **Introduction**

The purpose of this report is to provide the Whittier City Council, and the public, a brief summary of the City of Whittier ("City") projects that the City Administration worked on and advanced during January 2022 and February 2022, and to provide City Council and the public a brief introduction to the projects the City anticipates tackling in the near future.

### **Summary of Projects**

The following is a summary of the projects to which I, and City Staff, dedicated significant portions of time this month:

Our collaboration with Cardno Inc and Prince William Sound Economic Development continues for Buckner Building grants. We are currently working on an additional grant through the State of Alaska DEC as well. Detailed information follows in the Finance Director's report.

Eastern Aleutians Tribes is currently short on staff. They have provided more home test kits for the school and Whittier residents.

We have attended many meetings regarding the Head of Bay Economic Development Project.

We met with the Governor to discuss our Head of Bay Project

Attended Coast Guard sponsored Arctic and Western Alaska Area Committee meeting. Area Committees are the venue for public input on all relevant processes and scientific issues related to oil and hazardous substance spill prevention, preparedness, planning and response. Area Committees manage and continuously improve upon the Area Contingency Plan, and provide a platform for consistent coordination between federal, state, tribal, and local emergency planners, and responders.

### ***Council lobbying and legal reform Priorities***

I, along with the staff, worked diligently on several projects identified by City Council as priorities, including:

- Attended zoom meetings regarding projects identified on the City's State and local priority list
- Participated in several calls with our D.C. lobbyists as the rules for the Infrastructure Bill develop

### ***Additional Projects***

The following is a brief itemization of other projects completed this month:

1. Work continues with our collaboration with USFS on regarding conveyance of lands discussion near Portage Pass Trailhead and opportunities.
2. We met with Alaska Railroad in Anchorage

### **Finance Monthly Report**

January Finance Monthly Report – with December PRELIMINARY financials

This report reflects an abbreviated look at finance-related activities through the end of January 2022, plus preliminary 2021 financial results through December 31, 2021. The financial results include all appropriations and budget adjustments made in 2021.

2021 Annual Audit

The annual audit fieldwork is scheduled for the period May 2 through May 5, 2022 for the calendar year 2021. Staff has been working to prepare to close the books for 2021, making year-end adjustments and completing grant reporting requirements.

Projects – Buckner Building

Staff worked with our consultants, Cardno, to submit a grant application to the State of Alaska ADEC for a DEC Brownfield Assessment and Cleanup Application, in early February. The purpose of the grant is to complete a comprehensive hazardous material survey in preparation for cleanup of hazardous materials. The next step of the project will be submission of an EPA Brownfield Infrastructure Law cleanup grant application which we intend to submit in July 2022. Our project involves working with our partners, PWS EDD.

### ***Projects – Head of the Bay Lease***

Staff have spent considerable time negotiating with the Alaska Railroad and Huna-Totem Corporation regarding the new cruise ship dock and terminal to be located on property at the Head of the Bay. A proposed long-term lease will be presented to Council at the February 22 meeting. Upon completion of a long-term lease with Huna-Totem Corporation, the administration will continue work with the Alaska Railroad on negotiations of Head of Bay Upland properties. The City has a valid lease of uplands at the Head of Bay under the Master Lease, and therefore anticipated a routine approval for the sublease with Huna-Totem. However, the Railroad is taking the view that the Master Lease on this property is no longer in effect, necessarily resulting in delays. The parties have agreed that the economic benefits to the City and the Railroad from the Huna-Totem partnership warrant a speedy solution that does not place the project in jeopardy. This does not mean that the City will agree to waive any of its rights under the existing Master Lease; however, the parties are seeking options to set aside that issue for the time being, in order to finalize the location of the Huna-Totem project without causing unnecessary delay.

### ***Projects – Shotgun Cove Road***

The administration plans to bring forth a request to Council in the next few months, to set aside the matching funds necessary to continue the Shotgun Cove Road Project. The required match is \$248,160 and we have identified a potential source of one-time funding to fund approximately 40% of the match.

### **WATER/WASTEWATER FUNDING**

Staff from Finance and Public Works met with representatives of the State to discuss the process they utilize for scoring small communities under the Alaska Clean Water Program's Small Community Scoring System. Although the City provides Council with City Manager's Reports providing the bulk of the required information, and we publish the monthly financial reports within the monthly City Council packet, the State's process requires that our City Council meeting minutes state that the monthly financial report and city manager's report (including finance director and public works director reports), can be found in the monthly Council packets. Without this information being specifically mentioned in the City Council meeting minutes, our community scoring system scores are adversely impacted. In the future, we will request that Council meeting minutes make this notation, as the City expects to seek funds for construction of our new water wells and other related water and wastewater system upgrades in the near future.

### **GRANTS - EARTHQUAKE REPAIRS**

The City continues to negotiate with our insurance company to determine the eligibility for earthquake damage repairs. At this point the primary area of work centers on the Ocean Dock damage. We will coordinate reimbursement for the project between our insurance carrier and the State's disaster recovery funding. GMC Contracting began their work on earthquake damages resulting from the November 2018 earthquake until weather conditions worsened; remaining repair work will be resumed in the Spring. The City requested an extension on certain elements of the repairs to November 30, 2022 to ensure that work does not interfere with the summer season.

### **GRANTS – NEW “LOST REVENUE” GRANT FROM STATE OF ALASKA DCRA**

The City received notice from the State in early February, that we are awarded a 2022 Local Government Lost Revenue Relief Grant in the amount of \$447,923.48. There are significant reporting requirements and limitations on the expenditure of these funds. The allowable uses of funds that apply to the City of Whittier include, but are not limited to: maintenance of infrastructure, building new infrastructure including roads, environmental remediation, provision of police, fire and other public safety services. The administration is



considering the urgency of constructing a new restroom in the harbor, and will bring forward a discussion topic to Council to determine whether that project represents the highest and best use of these funds. This funding must be spent no later than December 31, 2024.

## **EMPLOYEE HANDBOOK**

The City Council met in a work session on September 21 and reviewed the proposed Employee Handbook. Changes were proposed by council members and corresponding changes were made to the Whittier Personnel Code (Title 2.70 WMC) at the December 14, 2021 meeting. Two members of Council expressed interest in making additional changes to the Handbook, so the administration is awaiting their input prior to presentation to the City Council for approval. The administration intends to bring forth the Employee Handbook at the March 2022 meeting for City Council approval. If any member of Council wishes to hold another work session on this subject prior to it coming before Council for action, please inform the City Clerk by the end of February so that a meeting can be schedule.

## **PRELIMINARY 2021 FINANCIAL SUMMARY**

Staff are still recording entries to close the books for 2021, and those year-end adjustments will impact the final financial results for 2021.

### **GENERAL FUND:**

The General Fund preliminary cash balance at 12/31/2021 is \$1,878,891. During 2021, the City transferred \$1,014,900 to a newly created Major Repair and Replacement Fund established for the purpose of covering general government infrastructure repair and replacement costs. The cash balance in the two Funds combined totals \$2,893,791 which, when compared to the year-end cash balance a year earlier (12/31/2020) of \$2,688,529, represents an increase in cash of 7.6%. The cash balance represents reserve levels equal to approximately 5 months of General Fund expenditures. The City's General Fund Reserve Policy establishes a target of maintaining reserves sufficient to cover between 9 and 12 months' of General Fund expenditures. Since the City made such a significant one-time transfer out of the General Fund in 2021 to establish a Major Repair and Replacement Fund, it will take some time to return General Fund reserves to within the Reserve Policy Band.

General Fund revenues exceeded 2021 budgeted levels by a preliminary \$403,318 due largely to: 1) an insurance settlement of \$50,143 which offsets expenditures for repairs to the snowblower; 2) PTBT tax coming in higher than budget by \$255,131; and 3) sales tax coming in higher than projected by \$188,183.

General Fund preliminary expenditures came in lower than budget by \$310,313 with the following departments coming in under budget: 1) Admin under budget by \$46,421; 2) Police under budget by \$99,059; 3) Fire under budget by \$24,686; 4) EMS under budget by \$46,613; 5) Public Works under budget by \$86,270; 6) Property and Facilities under budget by \$12,013; and 7) Parks and recreation under budget by \$9,785. The majority of departments came in under budget, demonstrating a commitment to fiscal austerity during pandemic uncertainty.

### **Water/Wastewater Fund**

The Water and Wastewater Enterprise Fund preliminary cash balance at 12/31/2021 is \$417,551 with an additional \$177,722 in accounts receivable. The combined total cash of the Water/Sewer Enterprise Fund and the related MRRF Fund is \$1,448,961; this compares to the prior year's balance of \$1,709,323, as a reduction in cash of <\$260,362>. The bulk of the reduction (\$150,000) is related to the expenses incurred in 2021 for the water well project, with the remainder related largely to reduced revenues resulting from the pandemic and the two-year loss of cruise ships. Preliminary revenues for the enterprise fund came in slightly higher than budgeted, by \$3,031 (\$425,016 actual versus \$421,984 budget). Expenses came in slightly lower than budgeted, by <\$4,154> (\$1,498,441 actual versus \$1,502,595 budget). Overall, the preliminary estimate is that there will be a slight increase in net position of the Water/Wastewater Fund, of \$7,185.

### **Harbor Enterprise Fund**

The Harbor Enterprise Fund preliminary cash balance is \$1,026,970 at year-end. The combined total cash of the Harbor Enterprise Fund and the related MRRF is \$2,181,156; this compares to the prior year's balance of \$2,470,710, as a reduction in cash of <\$289,554>. The bulk of this reduction is due largely to revenues that failed to keep up with budgetary projections, falling short of budget estimates by <\$178,207> in 2021. Preliminary revenues for the Harbor came in at \$1,528,091, versus budget of \$1,706,299. The primary shortfall came in boat lift revenue lower by <\$22,448> due to taking the lift out of service for safety reasons, and launch fee revenues falling short of budget by <\$64,060>. A reconciliation of lease revenues will be conducted prior to year-end, as the apparent shortfall of lease revenues is likely the result of a year-end adjustment. On the expense side, preliminary Harbor expenses appear to be lower than budget by <\$1,127,428>, but that has primarily to do with a year-end adjustment for depreciation (estimated at \$940,000) which has yet to be recorded.

### **Delong Dock Enterprise Fund**

The Delong Dock Enterprise Fund preliminary cash balance is \$1,476,844 at year-end, representing an increase over 12/31/2020 of \$262,824. Revenues ended the year at \$467,703, or \$80,503 higher than projected. Expenses ended the year at \$206,825, or \$110,095 lower than projected. However, year-end adjustments may still be required to close-out the books.

### **Capital Funds**

The City has \$6,999,156 in funding set aside for future capital purposes as follows: 1) \$270,912 for public works equipment replacement (Fund 14); 2) \$1,927,627 to fund infrastructure and operating costs serving cruise ships and their passengers (Fund 20); 3) \$88,760 to fund a new city park; 4) \$1,476,844 to fund Delong Dock replacement costs; 5) \$34,517 to replace existing police vehicles from the Motor Pool (Fund 60); 6) \$1,014,900 to fund replacement of general government-related infrastructure and assets (Fund 72); 7) \$1,154,186 to fund replacement of Harbor infrastructure and assets (Fund 73); and \$1,031,410 to fund replacement of Water/Wastewater infrastructure and assets.

### **General Fund Focus on Particular Revenues Impacted by Pandemic**

During preparation of the 2021 Budget, there was a level of uncertainty surrounding projected 2021 budgeted revenues resulting from the loss of cruise ships for the second consecutive season. The administration committed to providing periodic updates to the City Council on a comparative level for key General Fund revenues, to determine whether budgeted revenues projections are overly optimistic.

The City's primary source of General Fund revenues impacted by visitors are Sales Tax (budgeted at \$375K), Passenger Transportation Business Tax (budgeted at \$150K) and Fish Tax (budgeted at \$50K). The chart below reflects revenues for these three key revenue sources through November, comparing the 2021 budget-to-actual, in addition to comparing this year's revenues against the same period for the two prior fiscal years.

-. Through December 2021, sales tax revenues are 50% higher (\$188,183) than budgeted but are 21% lower (<\$145,788) than the comparable (pre-pandemic) period in 2019.

-. The Passenger Transportation Business Tax revenues are 170% higher (\$255,131) than budgeted and are 6% higher (\$22,760) than the comparable (pre-pandemic) period in 2019.

- The Fish Tax revenues through December 2021 are 40.6% higher (\$20,308) than budgeted but remain considerably lower than anticipated, at 27% lower (<\$25,682>) than the comparable (pre-pandemic) period in 2019.

## **Monthly Public Works Report**

During the past month the Publics Works & W/WW Department has been focused on the following:  
Equipment:

- Snow Blower – Repair Rotational Chain

- L150 Loader – Repair Front Tire

### **Sanitary Sewer**

- Lift Station #5 – Diagnose Float automation issue

- Lift Station #1 – Continue to pump as feed line has frozen

- Thaw mainline in the harbor due to freeze up

- Meet with Developer to discuss HOB development plans

### **Water**

- Annual Maintenance Meter and Backflow inspections in preparation for summer season

- Meet with CRW – Well Field Upgrades – We are at 95% design. It is expected to be shovel ready middle of march

- Continue to seek funding for Water Projects

- Meet with Developer to discuss HOB development plans

### **Roads**

- Plow snow and insure drainage

### **Construction Projects**

- SCR (Second Salmon Run to Emerald)

  - Construction plans are complete

  - Continue working with the Army Corp to obtain Permit

  - USFW Permit is secure

- Well Field Upgrades –

  - Working with CRW engineering to finalize Bid Documents.

  - Seeking Funding

- Whittier Core Upgrades

  - Scope – Design and create the following:

  - Storm System replacement and upgrades

Ensure water and sewer is extended for future needs

Pavement replacement

Sidewalks ADA standard

ROW / Easements Validation

Address current operating and maintenance issues

Met with CRW to discuss scope and preplan summer survey and Geotech work

EMC -Emergency Management – Earthquake Repairs -

Prepare for the following

Ocean Dock – Repair Cracks and Settlement

Protsman Pavilion – Repair settlement

Harbor Parking Lot – Seal Cracks, Seal AC, Restripe

Triangle – Repair settlement

Whittier Core- Repair the following

Repair settlement- Manholes, Valve Cans,

Replace Storm Drainage related to earthquake

East end of Kenai

Mid-Block on Billings street

Notes from the PW Director This month I have focused my attention on the following areas:

Mechanic / Operator Advertisement (Feb 2022) – 1 Application Received

Temporary Seasonal Operator Advertisement – No application received since 10-1-2021

Because of short staff I have been spending a lot of time operating equipment

Participated in the following meetings

Council Meeting & Special Council Meetings

HOB Development

ARRC

Huna Totem

Whittier Admin

CRW Engineering

Whittier Well Field Upgrades

Whittier Core Rehab

EMC- Earthquake repairs (monthly progress meeting)

HOB Development – Water, Wastewater & Roads

Army Corp

Permitting SCR (ongoing negotiation)

USFS

Trinity Point – Master Plan – Flap

Representing City in their Project (monthly progress meeting)

**CITY OF WHITTIER, ALASKA  
RESOLUTION 2022-004**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA, APPROVING THE ESSENTIAL TERMS AND CONDITIONS OF A LEASE BETWEEN THE CITY OF WHITTIER AND A WHOLLY OWNED SUBSIDIARY OF HUNA TOTEM CORPORATION TO BE FORMED, A WHOLLY OWNED SUBSIDIARY OF HUNA TOTEM CORPORATION, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO ALL NECESSARY AGREEMENTS WITH THE PARTIES INCORPORATING THE ESSENTIAL TERMS APPROVED IN THIS RESOLUTION**

**WHEREAS**, the City of Whittier is the owner of certain tideland and upland property at the Head of the Bay in Whittier, Alaska which Huna Corporation, through its wholly-owned subsidiary of Huna Totem Corporation, yet to be formed, desires to lease for the purpose of constructing a cruise ship dock, terminal building and upland amenities, and

**WHEREAS**, Huna Totem Corporation is a world-class cruise ship port operator having been recognized as Port of the Year in 2020 in the Seatrade Cruise Awards, for its port development at Icy Strait Point in Hoonah, Alaska and having an established industry track record and financial means to successfully manage a cruise ship port operation in Whittier; and

**WHEREAS**, the City of Whittier and Huna-Totem Corporation intend to partner in developing a cruise ship facility which not only supports sustainable tourism and promotes responsible economic growth, but values environmental stewardship and recognizes the need to protect the pristine beauty of the natural environment of Prince William Sound; and

**WHEREAS**, this lease is expected to positively impact the revenue base of the City through additional cruise passenger vessel tax proceeds, increased property and sales tax revenues, and other related revenues, which can provide much-needed funding to address significant public infrastructure needs in Whittier, a community which lacks a tax base due to the significant amount of non-taxable land within its boundaries; and

**WHEREAS**, the pertinent provisions of the lease include but are not limited to: 1) a guaranteed minimum annual lease payment with CPI-adjusted rate increases every five years not to exceed 12.5%; 2) an initial 35-year lease term; 3) two optional extensions; 4) environmental protections including public beach access, mitigating impacts to air, noise, water pollution, etc.; 5) development of a community-driven tourism best practices program aimed at identifying potential adverse impacts to traffic, trails, residents, wildlife, excursions, parking, etc. with specific measures aimed at avoiding problems in advance of operation; 6) insurance and tax exemption provisions; and 8) requirement to maintain local management to handle business operations on the leasehold premises, with the authority to make business and management decisions;; and



**WHEREAS**, at the expiration or earlier termination of the lease, the improvements on the Leasehold Premises will either become City property or the City can elect to require the demolition of facilities, at the City's discretion; and

**WHEREAS**, the lessor will install at lessor expense, all internal utilities necessary to support the operation of a cruise ship dock and upland facilities, and agrees to work with its cruise line partners to investigate the feasibility of installing future shore power, to meet the cruise industry goal of reducing carbon emissions, and to provide incidental benefits to the City; and

**WHEREAS**, the parties acknowledge that there are substantial financial benefits to the community of Whittier from a partnership with Huna-Totem Corporation, in the form of increased property tax, commercial passenger vessel tax which will help fund critical community infrastructure, and sales tax derived from increased economic activity. and

**WHEREAS**, the parties acknowledge that under the law, one City Council cannot take actions to bind a future City Council, such as actions to prohibit a future City Council from making changes to financial contractual terms, whether that be the imposition of increased taxes or other financial burdens; however, the parties wish to acknowledge that they have conducted good faith negotiations and desire that the long-term financial interests of both parties are preserved and not diminished; and

**WHEREAS**, the Whittier City Council hereby finds that the public interest is best served by allowing for a lease having a term of longer than twenty (20) years based on the purpose of the lease for use in operating and managing a cruise ship terminal and dock facility, and the positive economic contribution of this activity to the community, as well as the specific nature and value of the property improvements placed on the leasehold premises, which will revert to the City at the conclusion of the amended and restated lease.

**NOW, THEREFORE**, the Whittier City Council hereby resolves that:

**Section 1.** Whittier City Council hereby approves the lease of the Property between the City of Whittier and Huna-Totem Corporation, through its wholly owned subsidiary yet to be named, subject to and conditional upon the following essential terms:

Term A: The parties agree to execute lease documents having the same essential terms as presented to the City Council.

Term B: Huna-Totem Corporation through its wholly-owned subsidiary yet to be named will record, at its own cost and expense, a Memorandum of Lease for the Head of Bay Tidelands and Uplands– Cruise Parcel (2022) Lease Agreement upon final determination of legal property descriptions.

**Section 2.** City Council hereby declaring a public interest finding based on the purpose of the lease insofar as it contributes significantly to increased economic activity of the City, and due to the significant value of dock and cruise terminal facility infrastructure on City land, in accordance with Whittier Municipal Code 3.36.320 - Terms of Lease, as the same may be amended or renumbered from time to time.

**Section 3.** The City Manager is hereby authorized, empowered and directed to execute and deliver to the counterparties the lease and any memorandum of lease on behalf of the City after final review and approval as to form by the City Attorney, and to make any non-essential changes, modifications, additions and deletions therein as shall to such officer seem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of the said documents now before this meeting, and from and after the execution and delivery of the said documents, the City Manager is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the said lease as executed.

**Section 4.** This Resolution shall be effective immediately upon adoption.

**PASSED AND APPROVED** by a duly constituted quorum of the Whittier City Council on this 22<sup>nd</sup> day of February, 2022.

**THE CITY OF WHITTIER, ALASKA**

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Dave Dickason, Mayor

AYES:

NAYS:

ABSENT:

ABSTAIN:

ATTEST:

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Jackie C. Wilde  
Assistant City Manager

# Council Agenda Statement



**Meeting Date:** February 22, 2022

**To:** City Council

**Through:** Jim Hunt, City Manager

**From:** Kris Erchinger, Finance Director

**Agenda Item:** Resolution 2022-004 Approving the Essential Terms And Conditions Of A Lease Between The City Of Whittier And A Wholly Owned Subsidiary Of Huna Totem Corporation To Be Formed, A Wholly Owned Subsidiary Of Huna Totem Corporation, And Authorizing The City Manager To Enter Into All Necessary Agreements With The Parties Incorporating The Essential Terms Approved

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## **BACKGROUND JUSTIFICATION & INTENT:**

The Whittier City Council passed Resolution #47-2021 on December 14, 2021, authorizing lease negotiations with Huna-Totem Corporation for the lease of tidelands and uplands at the Head of the Bay, for the purpose of constructing a cruise ship dock, terminal and related amenities and infrastructure. This project meets the City's goals and objectives under the City Code, the Comprehensive Plan and the Harbor Development Plan.

The City held no fewer than six public meetings to discuss the proposed project, including community-wide listening sessions, City Council work sessions, meetings involving the Port and Harbor Commission and Planning and Zoning Commission, and multiple additional executive sessions for the purpose of contract negotiations.

Under Whittier Municipal Code 3.36.320(A), the Council may approve lease terms in excess of 20 years if it deems from the purpose of the lease or the nature of the proposed improvements to be placed on the leased property, that a longer-term lease would benefit the City. Ordinarily, to justify a longer-term lease, tenants are expected to make substantial improvements to the land and provide economic and other benefits to the community, in exchange for a longer-term lease. In this case, the Leased Premises will contain a new cruise ship dock in tidelands located at the Head of Passage Canal, as well as an upland cruise terminal, boardwalk, parking lot and associated utilities and amenities. It is expected that this facility will provide significant economic activity and revenue to Whittier. The cruise operation will be managed according to the Huna-Totem's sustainable tourism model, which balances respect for the values and culture of the communities in which they operate, with sustainable tourism and economic development.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	2020 Comprehensive Plan ( <i>document source here</i> ): Chapter 9: Land Ownership, Land Use and Land Management: Land Use Regulation, Zoning, Cooperative Agreements, Land Lease and Management pg 56	X		

2.	Whittier Code: <i>Chapter 3.36 Acquisition and Disposal of Municipal Property 3.36.190; 3.36.320; 3.36.350 and Lease Terms 3.36.320(A)</i>	X		
3.	Other ( <i>list</i> ):	X		

**FISCAL NOTE:** Annual rent is initially established at \$200,000 to increase every five years based on the CPI, not to exceed 2.5% per year, through the end of the lease term including extensions (85 years). The lease amount consists of \$13,200 for Uplands based on an 8% rental rate established on the basis of estimated Fair Market Value, and \$186,800 for Tidelands. The City will receive Cruise Passenger Vessel Tax proceeds in the amount of \$5 per qualifying passenger, as well as real and personal property tax revenue, and spin-off sales tax revenues from related economic activities.

**ATTORNEY REVIEW:** Yes   X   No     

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**RECOMMENDATION:** The Administration recommends approval of Resolution 2022-004 and approval of the essential terms and conditions contained therein. The parties desire to proceed expeditiously with the lease in order to expedite permitting and construction of the cruise dock and upland improvements.



# **LEASE AGREEMENT**

**BETWEEN**

**THE  
CITY OF WHITTIER  
AND**

**\_\_\_\_\_  
OF BAY TIDELANDS AND UPLANDS – CRUISE  
PARCEL (2022)**

**HEAD**

**LEASE AGREEMENT BETWEEN  
CITY OF WHITTIER, ALASKA AND  
\_\_\_\_\_, A WHOLLY-OWNED SUBSIDIARY OF  
HUNA TOTEM CORPORATION**

THIS HEAD OF BAY TIDELANDS AND UPLANDS LEASE AGREEMENT – CRUISE PARCEL – (2022) (“Lease”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2022 (the “Effective Date”), by and between the City of Whittier, Alaska, 600 Whittier Street, Whittier, Alaska 99693-0608 (“Whittier” or “Lessor”), and \_\_\_\_\_, a wholly owned subsidiary of Huna Totem Corporation, 9301 Glacier Highway, Suite 200, Juneau, AK 99801-9306, (“Lessee”), collectively (“The Parties”). This Lease consists of the Recitals, the Exhibits and the Agreement Provisions.

**RECITALS**

- A. Lessor is the owner of certain real property (tidelands) located in Whittier, Alaska and more particularly described as \_\_\_\_\_, Whittier Recording District, Third Judicial District, State of Alaska and shown on Exhibit A, the Record of Survey which is to be attached to this Lease when recorded with the State of Alaska’s Recorder’s Office (the “Tidelands”).
- B. Lessor is the owner of certain real property (uplands) located in Whittier, Alaska and more particularly described as \_\_\_\_\_ Head of Bay, Whittier Recording District, Third Judicial District, State of Alaska shown on Exhibit B, the Record of Survey which is to be attached to this Lease when recorded with the State of Alaska’s Recorder’s Office (“Whittier Uplands”).
- C. Certain land attached hereto as Exhibit C is owned by the Alaska Railroad (the “ARRC Uplands”) and subject to the City of Whittier Master Lease Contract No. 7531 (hereinafter “Master Lease”) dated November 13, 1998 between the Alaska Railroad and the City of Whittier, which has an initial expiration date of November 12, 2033 with options to extend for two additional 35-year terms, and which authorizes subleases by the City of Whittier for conforming uses. A potential dispute has arisen regarding portions of the Lease relating to Lessee’s sublease of ARRC Uplands, and the lease of the same is contingent upon the execution of an amendment to the Master Lease or other agreement(s) between the City of Whittier and ARRC, as stated herein. The Master Lease is attached hereto as Exhibit H.
- D. Lessee desires to lease Tidelands and certain portions of Uplands from Lessor and to construct thereon the new Cruise Ship Parcel Facilities and Improvements. The Real Property and all improvements constructed thereon are collectively referred to as the “Leasehold Premises.” The inclusion of a sublease of ARRC Uplands in the Leasehold Premises is contingent on Lessor and ARRC entering into an amendment to the Master Lease or other lease agreement for use of the ARRC Uplands. At such time as that agreement is entered, it shall be attached and incorporated herein by agreement of the Parties.
- E. Lessee’s desired use of the Leasehold Premises is consistent with the Whittier Comprehensive Plan and would further Whittier’s economic and tourism objectives.

## EXHIBITS

Exhibit A –	Legal Description for Tideland Lease
Exhibit B –	Legal Description for Whittier Upland Lease
Exhibit C –	Legal Description for ARRC Sublease
Exhibit C(1)	Conceptual Drawing of Project
Exhibit D –	Preliminary Construction Plans
Exhibit E –	Construction Access Drawing Across ARRC Property
Exhibit F –	Construction Schedule
Exhibit G –	Limited Assignment for Security Purposes, if applicable
Exhibit H –	Ground Lease and Management Agreement between City of Whittier and Alaska Railroad Corporation
Exhibit I –	Alaska DEC Covenants

## AGREEMENT

NOW, THEREFORE, it is mutually agreed by and between Lessor and Lessee as follows:

### ARTICLE I GRANT AND TERM

#### Section 1.1 Lease.

For and in consideration of Lessee's promise to pay the rent and other sums provided for in this Lease and Lessee's promise to perform the other covenants contained in this Lease, Lessor leases and subleases to Lessee and Lessee leases and subleases from Lessor, the Real Property, subject to (i) all liens, encumbrances, easements, rights-of-way, covenants, conditions, restrictions, obligations and liabilities as may appear of record as of the Effective Date or as are made of record hereafter in accordance with the terms of this Lease, (ii) all matters which would be revealed or disclosed in an accurate survey or physical inspection of the Leasehold Premises, (iii) the effect of all current building regulations, current and future applicable Laws and Ordinances, (iv) the condition of the Leasehold Premises on the Effective Date, (v) all taxes, duties, assessments and special assessments and any other impositions, accrued or unaccrued, fixed or not fixed, as of the Effective Date, and as described herein. The Leasehold Premises shall be used as a commercial cruise ship operation and to encourage and support creation of related tourism businesses and other related uses. The Leasehold Premises is shown and described more particularly on the final survey and legal description attached hereto and incorporated herein as Exhibits A, B and C which together form the Leasehold Premises, more particularly described as follows:

##### 1.1.1 City of Whittier Tidelands.

Exhibit A shows the boundaries of the Subject Property referred to as a portion of the Head of Bay City-Owned Tidelands for the purpose of constructing and operating a cruise ship dock and boardwalk consistent with the description attached to this Lease as Exhibit A.

1.1.2 City of Whittier Uplands. Exhibit B shows the boundaries of the Subject Property referred to as a portion of the Head of Bay Whittier Uplands for the purpose of constructing and operating a cruise ship terminal/railroad depot and parking lot and other amenities as reflected on the construction plans attached to this Lease as Exhibit D. In the event all upland amenities are moved entirely to the ARRC Uplands, the Whittier Uplands may not be part of this Lease and Exhibit B may remain blank



1.1.3 ARRC Uplands. The parties acknowledge that the ARRC Uplands are subject to a Master Lease between the City of Whittier and ARRC and are currently the subject of negotiations to extend and/or modify the lease to authorize construction of some of the improvements contemplated by this Lease. The Lessor shall use its best efforts to promptly effectuate amendments to the Master Lease or undertake other actions or pursue other agreements with AARC to the extent necessary, if at all, to authorize the improvements contemplated by this Lease to be located approximately on the property identified as Exhibit C to this Lease, in addition to authorization to access a portion of Railroad land for the purposes of construction of Cruise Ship Facilities and Improvements as attached hereto as Exhibit E. Upon Lessor entering into an amended Master Lease or other agreement(s) for the for ARRC Uplands, if required, the provisions herein that provide for the sublease of ARRC Uplands to Lessee shall take full force and effect. Until that time, such rights remain contingent upon the execution of any required lease, agreement or other binding understanding (associated with the Master Lease or otherwise), if any, between Lessor and ARRC. Exhibit C shows the boundaries of the Subject Property referred to as a portion of the Head of Bay ARRC Uplands to be used for certain improvements contemplated by this Lease, including, but not limited to, construction and operation of a cruise ship terminal/railroad depot, parking lot, roads, boardwalk, and any other economic development amenities. Prior to the time that Exhibit C is attached in final form, the Cruise Ship Facilities and Improvements shall be represented by the conceptual drawing set forth as Exhibit C(1).

1.1.4 Severability of ARRC Uplands. Although Lessor's sublease of the ARRC Uplands to Lessee is contingent upon the Lessor and ARRC entering into an amended Master Lease or separate lease for the subject property, the parties agree that this Lease will proceed with or without the eventual development of any portion of the ARRC Uplands.

1.1.5 Access to Tidelands. Lessor assigns and grants, without warranty of any kind whatsoever, to Lessee, a nonexclusive right to use Lessor's rights of access to tidelands as incorporated herein as Exhibit A.

1.1.6 Public Access to Beach. The parties acknowledge that the appeal of Whittier to cruise ships and their passengers is the natural beauty of Prince William Sound, Passage Canal, and the surrounding area. To allow guests to fully experience the ocean, beaches, mountains and forests, and to protect the natural environment for the continued enjoyment of Alaskans and visitors in the future, Lessee agrees to partner with Lessor to promote measures to protect and enhance the natural beauty of Whittier, including ensuring beach access to the public other than during periods of construction, and to take steps necessary to protect and preserve the natural state of the beach. The parties desire, to the extent possible, to locate the boardwalk off the beach further west onto ARRC Uplands, to preserve and protect public access to the beach.

## **Section 1.2 Lease Term.**

1.2.1 Initial Lease Term. The initial term of the lease is 35 years with Lease term commencing on February 22, 2022 and ending on February 22, 2057, unless sooner terminated or extended as provided in this Lease. The Lease term may be extended, based on the Lessee's Right to Renew in Section 1.3.

1.2.2 Lessee Obligation to Construct Cruise Ship Dock and Facilities. Lessee shall, at a minimum, construct new cruise ship facilities to include 1) a cruise ship dock, 2) a boardwalk, 3) a

cruise terminal/rail depot, and 4) roads and parking facilities, as more particularly described in Exhibit D. Lessees' failure to commence or thereafter to diligently pursue construction of the new cruise ship facilities in a timely manner shall result in termination of the Lease, all as further provided in Section 14.1.2. The estimated timetable for Lessee to commence and construct the new cruise ship facilities is set forth in Exhibit F. This Lease is subject to cancellation in the event construction on the cruise dock and terminal is not materially complete by December 31, 2025. If delays to construction outside the control of Lessee occur, Lessor shall extend the deadline for completion by further agreement between the Parties.

1.2.3 Lease Term to Be Inclusive. Whenever the word "Lease Term" is used in this Lease it shall be deemed to include the term described in Section 1.2.1, together with any exercised renewal period(s) as described in Section 1.3.

### **Section 1.3 Lessee's Right to Renew.**

1.3.1 Renewal Periods. Unless there exists a material default hereunder on the part of the Lessee which is not cured or Lessee is undertaking a good faith effort to cure, Lessee shall have the right to renew the term at the end of the initial Lease Term described in Section 1.2.1 above for two additional periods of twenty-five (25) years each, subject to the notice provisions in Section 1.3.2.

1.3.2 Notice. Notice of the exercise of any right to renew shall be given to Lessor in writing prior to the beginning of the twelfth (12<sup>th</sup>) month preceding the date the then current Lease Term is to end. If Lessor has not received a notice of renewal from Lessee prior to the beginning of the twelfth (12<sup>th</sup>) month preceding the date the then current Lease Term is to end, Lessor shall send written notice to Lessee to confirm that Lessee does not intend to exercise a renewal option. Lessee may exercise its renewal right by giving notice within thirty (30) days of Lessor's inquiry notice.

1.3.3 Terms and Conditions. During the Renewal Period all terms and conditions of this Lease shall continue to apply, including the rental rate terms established in Article 2.

### **Section 1.4 Lessor's Warranties.** Lessor represents and warrants that:

1.4.1 As of the Effective Date the Leasehold Premises is free of all liens and encumbrances except those of record; and

1.4.2 Lessor has the authority to enter into this Lease and its execution and delivery by Lessor has been duly authorized; and

1.4.3 With respect to ARRC Uplands, Lessor will take steps to amend the Master Lease and/or enter into other agreement(s) and/or permit(s) if necessary, to the extent and in the manner permitted by law, to allow for the development of the AARC Uplands. The parties agree that this Lease remains valid and the parties may proceed with or without the eventual development of any portion of the ARRC Uplands.

1.4.4 Lessee shall at all times from and after the Effective Date and for the balance of the Lease Term have the right to peacefully and quietly have, hold and enjoy the Leasehold Premises.

### **Section 1.5 Lessee's Warranties.** Lessee represents and warrants that Lessee has the authority to

enter into this Lease and its execution and delivery by Lessee has been duly authorized.

## **Section 1.6 Use and Protection of the Subject Property.**

1.6.1 Use of Property. The Real Property is Leased to Lessee for the purpose of constructing and thereafter operating and maintaining the Cruise Parcel Facilities and Improvements, including any Subleases which may be entered into by Lessee on the uplands for tourism-related economic development as described in Article 5, and for no other purpose unless such use is approved by Lessor in writing prior to commencement of such use. Lessee acknowledges that it has examined the Leasehold Premises and is aware of the lack of public improvements thereon, and is aware of the environmental restrictions placed on a portion of the City uplands (Exhibit B) by the EPA and State of Alaska DEC as more fully described in Exhibit I, and accepts them in their present condition without representations or warranties of any kind or nature whatsoever by Lessor as to their condition or as to the use or occupancy which may be contemplated by Lessee. The foregoing shall not be deemed to relieve Lessor of its general municipal obligations, or of its other obligations under this Lease.

1.6.2 Compliance with Laws. Lessee, and all sublessees, shall comply with all applicable laws, ordinances, and regulations of Governmental Authority now, or hereafter enacted to the extent applicable to Lessee's use, operation and maintenance of the Improvements and occupancy of the Leasehold Premises whether or not, any such laws, ordinances, or regulations, which may be hereafter enacted, involve a change of policy on the part of the Governmental Authority enacting the same. Lessee agrees to defend and hold Lessor harmless from any third-party claims, suits, demands, damages and judgements to the extent attributable to Lessee's violation of such laws, ordinances, and/or regulations. Lessee further agrees that it will not permit any unlawful occupation, business, or trade to be conducted on the Leasehold Premises or any use to be made thereof contrary to any law, ordinance, or regulation. The operation and maintenance of all sanitation, food service, and water supply and wastewater disposal systems and facilities by Lessee shall comply with the standards of the State of Alaska Department of Environmental Conservation and the United States Public Health Service as well as any and all other government entities regulating the same.

In the event the use or occupancy of the Leasehold Premises by Lessee or any authorized Sublessee shall constitute a violation of any such Governmental Authority, Lessee shall take all steps, promptly upon knowledge of such violation, reasonably necessary to remedy or prevent the same, as the case may be.

1.6.3 Compliance with Insurance Requirements. Lessee covenants that it will observe and comply with the requirements of all policies of liability, fire and other policies of insurance required to be maintained by Lessee at any time in force with respect to the Leasehold Premises, and Lessee shall, in the event of any violation or attempted violation of the provisions of this section by any Sublessee, take steps promptly upon knowledge of such violation or attempted violation to remedy or prevent the same, as the case may be.

1.6.4 Contests. Lessee shall have the right, after prior written notice to Lessor, to contest by appropriate legal proceedings diligently conducted in good faith, in the name of the Lessee or Lessor or both, without cost or expense to Lessor, the validity or application of any law, ordinance, order, rule, regulation or requirement of the nature referred to in Section 1.6, or elsewhere herein, subject to the following:

- (a) If by the terms of any such law, ordinance, order, rule, regulation or requirement,

compliance therewith pending the prosecution of any such proceeding may legally be delayed without the incurrence of any lien, charge or liability of any kind against the Leasehold Premises or any part thereof and without subjecting Lessee or Lessor to any liability, civil or criminal, for failure so to comply therewith, Lessee may delay compliance therewith until the final determination of such proceeding; or

(b) If any lien, charge, or civil liability would be incurred by reason of any such delay, Lessee nevertheless may contest as aforesaid and delay as aforesaid, provided that such delay would not subject Lessor to criminal liability or fine, and Lessee (i) furnishes to Lessor security, reasonably satisfactory to Lessor, against any loss or injury by reason of such contest or delay, and (ii) prosecutes the contest with due diligence. Lessor, without cost to it, shall, subject to the foregoing, execute and deliver any appropriate papers which may be necessary or proper to permit Lessee so to contest the validity or application of any such law, ordinance, order, rule, regulation, or requirement.

1.6.5 Notification to Lessor's City Manager of Discovery of Contamination. Lessee shall promptly notify Lessor's City Manager within 24 hours upon discovery of any contaminated soils or other contaminated materials that require special handling if any are encountered during construction or other activities.

**Section 1.7 Maintenance and Repairs.** Lessee at its expense will keep the Leasehold Premises in good and clean order and condition and will promptly make or cause others to make all necessary or appropriate repairs, replacements, or renewals thereof, whether interior or exterior, structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen. All repairs, replacements and renewals shall be substantially equal in quality and class to the original work. Lessee's repair, replacement and renewal obligations are subject to reasonable wear and tear. Lessee waives any rights created by any law now or hereafter in force to make repairs to the Leasehold Premises at Lessor's expense, in that Lessor and Lessee have by this Lease made specific provision for such repairs and have their respective obligations thereto. Lessee, at its expense, will do or cause others to do every act necessary or appropriate for the preservation and safety of the Leasehold Premises by reason of or in connection with any excavation or other building operation upon the Leasehold Premises or any adjoining property by Lessee, including, without limitation, all shoring up of foundations and walls of the Improvements or of the ground adjacent thereto, whether or not the owner of the adjoining property shall be required by any legal requirement to take such action or be liable for failure to do so.

**Section 1.8 Local Management and Security.**

1.8.1. Lessee agrees that the business of the Lessee within or upon the Leasehold Premises shall have local management and a manager or agent named by the Lessee who shall be responsible for operations of the Improvements and authorized by Lessee to make all appropriate business and management decisions insofar as those decisions relate to or bear upon Lessee's relationship with Lessor. On or before Lessee's execution hereof, Lessee shall furnish to Lessor, in writing, the name, address, and phone number of its local agent and shall notify Lessor within thirty (30) days, of any change in that information.

1.8.2 Lessee agrees to accept responsibility for any alterations or costs related to security requirements imposed by any Government Authority. Lessee shall be responsible for taking any measures that Lessee deems necessary to provide security for their property. Lessor is not responsible for theft or vandalism.

## Section 1.9 Additional Conditions of Lease.

- (a) Lease Payments. Lease payments will be made annually in advance in cash or by check, bank draft or money order made available to the City of Whittier, Alaska. Installments to be delivered or mailed to PO Box 608, 660 Whittier Street, Whittier, Alaska 99693 by the due date.
- (b) Lessor Invoices. Lessor will only invoice if Lease payments are delinquent in excess of thirty (30) days past due date.
- (c) Sales Tax. Lessor sales tax applies to Rent and sales tax cap. Sales tax rates, limits, exemptions, and exclusions are subject to change by Lessor City Council.
- (d) Material Removal. Lessee is prohibited from removing native material, including mining and export of rock, from the Leasehold Premises without written approval from Lessor, which shall not be unreasonably withheld to the extent the activity relates to the removal of overburden and its disposal off site.
- (e) Clean and Orderly Premises. Lessee shall take reasonable measures to ensure that its own operations and that of sublessees maintain clean and orderly operations and do not unnecessarily attract the Leasehold Premises to rodents or wildlife.
- (f) Bear-Resistant Trash Cans. Lessee and its sublessees shall be responsible for providing bear-resistant garbage containers to contain trash resulting from operations on the Leasehold Premises.
- (g) Tourism Best Management Practices. Lessee agrees to support community efforts to establish and implement a Tourism Best Management Program to minimize and mitigate adverse impacts of tourism in a manner that addresses both residents' and industry concerns.
- (h) Parking. Lessee accepts responsibility for all parking (passenger, guest, employee, longshore labor, or otherwise) associated with cruise ship and other commercial activities at Leasehold Premises.
- (i) Replacement of State Commercial Passenger Vessel (CPV) Tax. The parties acknowledge that a primary incentive for Lessor to enter into this Agreement is the ability to utilize State CPV Tax funding to offset visitor and infrastructure impacts to the community. In the event the State of Alaska CPV tax is reduced, Huna Totem agrees to use its best efforts to work with its partners to support the City's efforts to impose its own equivalent per person head tax to approximate the revenues received under the State CPV tax at the Effective Date.
- (j) Commitment to Clean Water. Lessee agrees to follow all local, state and federal environmental laws with regard to discharge into waters of Passage Canal, as protection of water and shorelines is a vital component of environmental stewardship.
- (k) Protection of Viewshed. To the extent practicable, and taking into account the need to ensure efficient traffic flow, snow removal, etc., Lessor agrees to consider ways to enhance the viewshed (from the water) through use of native vegetation, landscaping, buffer zones, or other means to enhance viewshed.

## ARTICLE 2 RENT

**Section 2.1 Annual Rent.** Annually beginning November 1, 2024, Lessee shall pay Lessor Annual Rent in the amount of Two Hundred Thousand Dollars and 00/100 Dollars (\$200,000.00) per Lease Year for the Leasehold Premises ("Rent"), consisting of \$13,200 for Uplands and \$186,800 for Tidelands. The first payment shall be made on or before November 1, 2024 for the full year Rent covering the period November 1, 2024 – October 31, 2025.

**Section 2.2 Rent Adjustments (CPI Adjustment).** Rent will be adjusted every five years (in years 2029, 2034, 2039, 2044, and so on) taking effect November 1<sup>st</sup> based on the change in the previous five years' cumulative annual percent change for Anchorage, Alaska (also referred to as Urban Alaska) for All Urban Consumers (CPI-U) as published by the U.S Department of Labor, Bureau of Labor Statistics, capped at 2.5% per year and not to exceed 12.5% for the five-year period. If the CPI is revised or ceases to be published, the Lessor shall instead use such revised or other index as most nearly approximates the CPI for the relevant period and make whatever adjustment in its application as may be necessary, in the Lessor's sole reasonable discretion, to accomplish as nearly the same result as if the CPI had not been revised or ceased to be published.

**Section 2.3 Rent Payments.** Rent is due and payable on November 1 of each calendar year, and if such date is a weekend or holiday, Rent shall be due on the first business day thereafter. All payments of Rent shall be made by Lessee to Lessor without notice or demand, at the place provided in Section 1.9(a). In the event any payment of Rent shall not be paid on or before five (5) days following the due date as provided in this Section, the delinquent amount shall be due together with interest accruing at the rate established pursuant to Section 17.14 from the due date until the date of payment.

**Section 2.4 Offset of Rent.** Rent shall not be withheld in whole or part because of an offset or counterclaim by Lessee.

**Section 2.5 Acknowledgement.** Lessor acknowledges and agrees that Lessee will charge port fees, special facility fees, boardwalk lease fees and the like, as Lessee deems necessary, for use of the Leasehold Premises and Improvements.

## ARTICLE 3 ASSESSMENTS, UTILITIES, IMPOSITIONS, CONTEST OF IMPOSITIONS

### Section 3.1 Utilities and Rates for Utility Services Provided by Lessor.

3.1.1 Lessee shall pay or cause to be paid when due, and shall indemnify, protect, defend, and hold harmless Lessor and the Leasehold Premises from, all charges for public or private utility services to or for the Leasehold Premises during the Lease Term, including without limiting the generality of the foregoing, all charges for heat, light, electricity, water, gas, telephone service, garbage collection and sewage service. Lessor shall have no liability whatsoever for the failure of any such service for any reason.

3.1.2 With respect to Utilities and Roads on the Leasehold Premises:

(a) Utility Rates. Utility rates charged by Lessor for utility services shall be those set forth in the City of Whittier's Tariff and/or Whittier Municipal Code. The Whittier City Council may change utility rates from time to time by amending Tariffs and/or Whittier Municipal Code

after public hearing.

(c) Potable Water. All potable water services will be metered and protected by approved backflow prevention in accordance with ADEC regulations and/or Whittier Municipal Code or Tariff.

(d) Shore Power. Lessee agrees to work with cruise lines and Chugach Electric Association to explore the feasibility of installing shore power to reduce carbon emissions. The parties acknowledge that Lessee is not obligated to immediately install shore power and the parties agree to engage in good faith negotiations regarding same going forward.

(e) Water and Wastewater Infrastructure. The Parties shall coordinate to seek grant funding and/or to identify financing to construct Head of Bay water system and wastewater collection and disposal system to be owned by the City, excluding all internal utilities necessary to support the Cruise Ship Parcel and Improvements, which shall be at the sole cost and installation by Lessee, and which shall be identified within Construction Plans attached hereto as Exhibit D. The parties acknowledge that the City does not have the unilateral financial capacity to construct or to finance construction of major water and sewer infrastructure without identification of a revenue source for repayment.

(f) Utility Disruption. Lessor may, upon at least ten (10) days prior written notice to Lessee, temporarily suspend the supply of water, wastewater service, or the use of the Improvements to perform routine maintenance and, in all events, subject to unavoidable delays, in the event Lessee connects to City-owned water and sewer service. Such interruptions shall be of as short duration as necessary to perform such maintenance, and Lessor shall not be responsible for any such costs or expenses resulting from suspending such utilities. Lessor shall coordinate with Lessee as to the timing and duration of any such suspensions to the greatest extent practicable.

(g) Roadways. Lessor agrees to coordinate with the Alaska Railroad and the City of Whittier in constructing roadways and/or rail necessary to accommodate the needs of the cruise parcel project and shall ensure that roadways are constructed according to applicable laws, regulations and Alaska roadway construction standards. The City shall be provided copies of As-Built Surveys upon completion of construction. Lessor is responsible to obtain any required easements, rights-of-way, rail crossing permit or other permits related to roadways constructed on the Cruise Parcel. The City shall not be responsible or required to maintain roads on the Cruise Parcel, nor be responsible for maintaining any facility or infrastructure containing a railroad crossing, except by written agreement between the parties.

**Section 3.2 Impositions.** Lessee shall pay when due and before any interest, penalty, fine or cost which may be added for nonpayment, each one of the following (“Impositions”):

(a) Lessee will be responsible to pay Lessor real property taxes for its possessory interest in the Leasehold Premises, subject to the provisions of Section 3.5;

(b) Taxes imposed upon the leasehold estate created by this Lease, the rents payable or paid by Lessee to Lessor, or a tax in any form against Lessor measured by income derived from the leasing or rental of the Leasehold Premises, specifically including without limitation any leasehold excise taxes and any business and occupation tax imposed upon Lessor with respect to



rentals, but excluding any taxes on net income or taxes in lieu thereof imposed on Lessor;

(c) All taxes imposed on or with respect to personal property and intangibles located in or used in connection with the Leasehold Premises other than such property owned by sublessees who shall be liable for payment of personal property tax for their own personal property;

(d) All assessments for public improvements or benefits including but not limited to all road improvement district and utility local improvement district taxes which are assessed during the Lease Term, and any similar assessments and charges;

(e) All other rents, rates and charges, excises, levies, license fees, permit fees, inspection fees and other fees and charges, in each case whether general or special, ordinary or extraordinary, foreseen or unforeseen, of every character (including interest and penalties thereon), which at any time during or in respect of the Lease Term may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon the Leasehold Premises or any part thereof, or any estate, right or interest therein, or any occupancy, use or possession of or activity conducted on the Leasehold Premises or any part thereof.

3.2.1 Installments. If by law any Imposition may at the option of the taxpayer be paid in installments, Lessee may exercise such option, and shall pay all such installments (and interest, if any) becoming due during the Lease Term as the same become due and before any additional interest or any penalty, fine or cost may be added thereto, and shall at the end of the Lease Term deposit with Lessor an amount sufficient to pay Lessee's pro rata share of all Impositions for the lease year in which this Lease terminates.

3.2.2 Proof of Payment. Lessee will furnish to Lessor, upon request, for inspection, within thirty (30) days after the date any Imposition would become delinquent (unless being contested in conformity with Section 3.3), official receipts of the appropriate taxing authority or other proof satisfactory to Lessor evidencing the payment of such Imposition.

**Section 3.3 Permitted Contests.** Lessee at its sole cost and expense may, after prior written notice to Lessor, by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Leasehold Premises arising from work done or materials provided to or for Lessee, if, and only if:

(a) Neither the Leasehold Premises nor any part thereof or interest therein is or will be in any danger of being sold, forfeited, or lost.

(b) Such delay would not subject Lessor to criminal liability or fine; and

(c) Lessee shall have furnished such security, if any, as may be required in legal proceedings or as may be reasonably requested by Lessor.

Lessee shall indemnify, protect, defend, and hold harmless Lessor and the Leasehold Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto.

**Section 3.4. Subdivision and Survey Costs.** In accordance with the timetable in Exhibit F, Lessee shall survey and plat the exterior boundaries of the land and tidelands subject to this Lease in accordance with applicable ordinances of the City of Whittier. Lessor reserves the right to require further subdivision of the land, corrections, modifications and adjustments to the survey and plat.

**Section 3.5. Property Tax Relief.** The Lessor hereby declares the Leasehold Premises to be “economic development property” pursuant to the terms of AS 29.45.050(m). The Leasehold Premises and all Cruise Ship Facilities and Improvements constructed or installed by Lessee, or other entity, if approved in writing by Lessor in advance of the commencement of construction, thereon shall be exempt from property taxes for a period of three (3) years after the Effective Date (Year 2023, 2024, 2025), and shall be entitled to defer property taxes for years four and five (2026, 2027). During each of the sixth and seventh Lease Years (2028, 2029), Lessee (and any other entity which has received written approval from Landlord to defer property taxes), shall pay Lessor one-half (1/2) of the total amount of property tax deferred during the preceding two years, in addition to the total property tax owed for the then-current year.

#### **ARTICLE 4 LESSEE FINANCING OF IMPROVEMENTS AND ASSIGNMENT**

**Section 4.1 Leasehold Mortgages.** Lessee, and its successors and assigns, shall have the unrestricted right to mortgage (which term shall include a deed of trust) and pledge this Lease to an Institutional Lender without Lessor approval and to another lender with prior written approval of Lessor, which approval will not be unreasonably withheld, delayed or conditioned. In no event shall Lessor subordinate its fee simple interest and leasehold in the Real Property which are the subject of this Lease.

**Section 4.2 Assignment by Mortgagee.** If any Leasehold Mortgagee shall acquire title to Lessee’s interest in this Lease, by foreclosure of a mortgage thereon or by assignment in lieu of foreclosure or by an assignment to a designee or wholly owned subsidiary corporation of such mortgagee, such mortgagee may assign such lease without limitation as to the number of assignments so long as the assignee assumes the obligations under this Lease and Lessor approves of the assignment, which consent shall not be unreasonably withheld. The Leasehold Mortgagee shall thereupon be released from all liability for the performance or observance of the covenants and conditions of this Lease contained on Lessee’s part to be performed and observed from and after the date of such assignment, provided that the assignee from such mortgagee shall have assumed this Lease in accordance with Section 4.3 hereof and shall have complied otherwise with Section 4.3. The foregoing release of liability shall not include a release of liability for damages, injury, fines, or penalties arising under any federal, state or local environmental law, rule or regulation for which the mortgagee has, or may have liability, by reason of its possession or occupancy of the Real Property.

**Section 4.3 Assignment for Security Purposes.** Lessor recognizes that Lessee may have a need, in lieu of encumbering the leasehold interest provided for herein, to assign to a lender, for security purposes, Lessee’s interest contained herein. To the extent that such an assignment for security purposes is required, the parties agree that such an assignment is permissible, with Lessor’s consent, which consent shall not be unreasonably withheld, delayed or conditioned, provided the assignment generally adheres to the terms and conditions set forth in the form attached hereto as Exhibit G.

**Section 4.4 Covenant Against Assignments.** Except as permitted by Section 4.3 hereof, Lessee shall not, without the prior written consent of Lessor, which consent shall not be unreasonably withheld

or delayed, sell, assign, transfer, dispose of, mortgage, pledge or grant a security interest in this Lease, the leasehold estate it creates, or any of Lessee's rights hereunder, in whole or in part, nor shall Lessee's rights or interests under or in this Lease pass or be transferred or assigned by operation of law or otherwise. Lessee's request to assign must be in writing and must show the name and address of the proposed assignee, as well as the financial history and operating plan of said assignee.

**Section 4.5 Covenants Binding on Successors and Assigns.** All the terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon any permitted successors and assigns of the respective parties hereto. If there occurs any assignment permitted hereunder, or made with the consent of Lessor, Lessee shall cause to be delivered to Lessor concurrently with or prior to such assignment, an instrument in writing signed and duly acknowledged by the assignee or successor by which such assignee or successor agrees to perform all terms and provisions of this Lease applicable to Lessee.

## **ARTICLE 5 SUBLEASES PERMITTED**

**Section 5.1 Subleases.** The Lessee shall have full and general management authority over the Leasehold Premises with respect to Subleases and shall be required to obtain approval of Lessor for such Subleases or developments only to the extent necessary to ensure compliance with the original intent of this Lease and the terms of the Master Lease attached hereto as Exhibit H and the ADEC Covenants attached hereto as Exhibit I, which approval shall not be unreasonably withheld or delayed. Provided the Lessee complies with the following requirements, it shall have the right to Sublease the Leasehold Premises, or a portion thereof, for development purposes, and Lessor approval shall not be unreasonably withheld or delayed in recognition of the importance of Sublease revenue to the overall financing strategy of Lessee:

(a) The Sublease of the Leasehold Premises is for purposes consistent with operation of a cruise ship dock and terminal, including but not limited to boardwalk, retail space, lodging, transportation, parking, tourism-related services, etc.

(b) The Sublease of the Leasehold Premises is to persons with experience, knowledge, and expertise in developing the kind of project(s) or conducting the type of business for which the Sublease is being executed.

(c) The Lessee includes in all Subleases, lease terms reasonably calculated to ensure that the development project for which the Sublease is entered into is timely completed by the developer or the Sublease shall be terminated.

(d) The Sublease provides the Lessor with information sufficient to establish Lessor's compliance with the Master Lease (Exhibit H) and ADEC Covenants (Exhibit I) prior to executing a Sublease.

(e) Any Sublease shall not exceed the term of this Lease, and any use by an approved sublessee shall be consistent with the purposes of, and uses permitted by, this Lease.

**Section 5.2 Preferential Subleases.** The parties acknowledge Lessor's preference to promote economic development opportunities for local residents and businesses wishing to establish or

relocate to Huna-Totem Head of Bay property. To the extent practical, Lessee agrees to provide an initial Sublease preference to existing local Whittier residents (both residing and registered to vote in Whittier) and local Whittier businesses holding current and valid business licenses with the City of Whittier and in compliance with all terms of their lease with the City at the time of execution of this Lease; provided however that the sublessee shall not expect to receive preferential financial terms relative to competing Sublease proposals. The parties acknowledge their mutual preference to further offer Alaskan businesses the opportunity to lease property in Whittier for the purpose of supporting the Alaska tourism industry and related businesses and Lessor agrees to use its best efforts to execute Subleases with Alaskan companies.

**Section 5.3 Subject to local law.** All Subleases shall contain provisions requiring sublessees conducting business in Whittier to be registered with the City of Whittier and hold a valid, unexpired business license during the term of their operations and to comply with all local laws.

## **ARTICLE 6 CONSTRUCTION OF IMPROVEMENTS**

**Section 6.1 Acceptance of Premises.** Lessee has inspected Leasehold Premises and accepts the same as of the Effective Date in its present "AS IS" condition, without representation or warranty from Lessor, whether express or implied.

**Section 6.2 Commencement of Construction; Tenant's Financial Capability.**

Tenant shall commence and proceed with construction and completion of the Cruise Parcel Facilities and Improvements substantially in accordance with the construction plans and schedule approved by Lessor and attached hereto as Exhibit D and Exhibit F, and otherwise in accordance with and subject to the terms of this Lease and subject to delays caused by Force Majeure as defined in Article 16.

In accordance with the schedule set forth in Exhibit F, Lessee shall provide to Lessor an enforceable letter of commitment from an Institutional Lender or other entity evidencing the Institutional Lender's or other entity's agreement to provide the financing necessary for completion of the Cruise Ship Dock and Facilities or other assurances that the project shall be completed, the acceptability of such financial capability to be determined in Lessor's sole discretion, which approval shall not be unreasonably withheld or delayed. Failure to provide evidence of financial capability to complete said construction shall be deemed an Event of Default under Article 14.

**Section 6.3. Approval of Plans and Schedule.** Lessee shall construct the Improvements described in the Preliminary Construction Plans (Exhibit D) according to the Construction Schedule attached hereto as Exhibit F, which are both hereby approved by Lessor.

- (a) No material changes shall be made in the Preliminary Construction Plans or Construction Schedule without the prior written approval of Lessor. Any material changes shall be reviewed by Lessor within ten (10) working days.
- (b) Approvals by Lessor under this Section 6.3 shall not be unreasonably withheld or delayed. Provided, however, that the Lessor shall have the absolute and unfettered right to deny approval of 1) any changes to the Construction Schedule which when combined with previously approved changes, will result in a delay in the Construction Schedule of more than twelve (12) months; or 2) changes to the project which would result in Lessee's

failure to construct the Improvements identified in the Preliminary Construction Plans.

- (c) Lessee, its successors and assigns, is granted without charge the right to utilize earth materials (including sand, gravel, soil, armor rock and other similar products) located on the Leasehold Premises, or on other lands owned by the Lessor, to the extent such earth materials are necessary or beneficial to Lessee's construction of the Cruise Parcel Facilities or other Improvements within the Leasehold Premises and, to the extent that such earth materials are on other lands owned by Lessor, only if such earth materials are not at the time or in the reasonably foreseeable future required by the Lessor for a specifically identified project to be constructed within four (4) years, and only if agreed to in advance, in writing, by Lessor.
- (d) Lessee shall conduct an active community recruitment program for both construction and operations activities, such that all qualified Whittier residents shall be considered for Lessee's available construction and operations employment. However, such employment shall be subject to Lessee's personnel management rights, including but not limited to hiring, assigning, directing, commending, disciplining, promoting, demoting, suspending, or terminating employment of any resident, so long as such action is consistent with any similar action that might be taken by Lessee with respect to an employee who is a non-resident in similar circumstances.
- (e) Lessee agrees to make a good faith effort to promote and support environmental stewardship by considering, to the extent practicable, energy efficient construction, use of renewal energy, measures to mitigate sound pollution, promotion of air quality, etc.

**Section 6.4 Hold Harmless.** Lessee shall indemnify, protect, and hold harmless Lessor and the Leasehold Premises from and against all claims and liabilities arising by virtue of, or relating to, construction of the Improvements or repairs made at any time to the Leasehold Premises (including repairs, restoration, and rebuilding) or the use and/or operation of the Leasehold Premises, unless caused or arising by virtue of Lessor or its agents, employees, contractors and assigns.

**Section 6.5 Permits; Compliance with Codes.** Lessee shall secure at its sole cost all building permits, tideland and other permits, licenses, permissions, consents, and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements maintaining, modifying and/or operating the Improvements, or repairs, replacements or renewals to the Leasehold Premises as required by applicable laws, ordinances, or regulations, including a Corps 404 Permit for such construction. In that regard, Lessor hereby assigns to Lessee any existing permit authorities, if any, including applicable Corps 404 Permit(s), and agrees to cooperate with Lessee with respect to Lessee's effort to obtain future permits, to the extent permitted by law. Lessee shall cause all work on the Leasehold Premises during the Lease Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

**Section 6.6 Control and Indemnification.** Lessor's approval of the Preliminary Construction Plans including any changes thereto, and Construction Schedule shall not render Lessor liable therefor, and Lessee shall indemnify, defend, and hold harmless Lessor from and against any and all claims arising out of or from the use of such Preliminary Construction Plans, unless caused or arising by virtue of Lessor or its respective agents, employees, contractors and assigns. Nothing within this Section 6.6

shall be construed as a release or waiver of liability of any contractor with respect to any and all claims arising out of or from the use of such Preliminary Construction Plans.

**Section 6.7 Ownership of Improvements.** During the Lease Term, all Improvements on the Leasehold Premises, including without limitation all additions, alterations, and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, other than such property which is owned by sublessees of the Leasehold Premises, shall be the property of Lessee. At the expiration or earlier termination of this Lease, the Improvements and all additions, alterations, and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, other than such property which is owned by sublessees of Lessee, shall become the property of Lessor, subject to the provisions of Section 6.9.

**Section 6.8 Alterations and Additions.**

6.8.1 Alterations and Additions. Lessee shall have the right at any time and from time to time during the Lease Term, so long as no default exists hereunder, to make, at its expense, changes, renovations, alterations and additions to the Improvements or any part thereof; provided, however, that any such change, renovation, alteration, or addition:

(a) shall not change the use of the Leasehold Premises or reduce the fair market value of the Improvements below their value immediately prior to such change, alteration or addition, or impair their usefulness.

(b) shall be undertaken with due diligence and in good and workmanlike manner, and in compliance with all legal requirements and insurance requirements.

(c) shall be promptly and fully paid for by Lessee; and

(d) shall be made, if the estimated cost of such change, renovation, alteration or addition exceeds One Hundred Thousand Dollars (\$100,000) (exclusive of any changes made in connection with any Subleases not involving any structural change), in accordance with plans and specifications and modifications thereto prepared by an architect or engineer selected by Lessee and satisfactory to Lessor, provided that such plans and specifications and modifications thereto and all cost estimates have been approved in writing by Lessor and Lessee shall have furnished to Lessor such security as is satisfactory to Lessor to assure the completion of such change, renovation, alteration or addition. In the event Lessor does not approve any such change, alteration, or addition, it shall, within such fifteen (15) days of the receipt of plans and specifications or modifications thereto, so notify Lessee in writing, giving the reasons for such lack of approval. The parties shall then forthwith negotiate in good faith to resolve these difficulties. If a satisfactory resolution is not reached within an additional fifteen (15) days, the reasonableness of Lessor's disapproval shall be submitted to arbitration pursuant to Article 15 below. Each party shall bear the cost of such submittal incurred by it and the cost of the arbitrators shall be borne equally by the parties.

6.8.2 Demolition and Reconstruction. Lessee shall have the right at any time and from time to time during the Lease Term, so long as no default exists hereunder, at its expense, to demolish part or all of the Improvements then existing if Lessee shall forthwith construct improvements upon the Land (the "Replacement Improvements") to replace such demolished Improvements, provided that (i) such Replacement Improvements shall be similar in type and quality to the facilities described in Exhibit D hereto, and (ii) in Lessor's judgment the Replacement Improvements will provide

sufficient income to pay the Rent, provided that:

(a) prior to the commencement of any such demolition, Lessor shall have (i) received at least three (3) months' prior written notice from Lessee of the proposed demolition and construction, (ii) approved in writing the plans and specifications and modifications thereto for the proposed Replacement Improvements, prepared by an architect or engineer licensed in the State of Alaska selected by Lessee and satisfactory to Lessor, (iii) approved in writing the cost estimates for the proposed demolition and construction, and (iv) received a contractor's completion bond from Lessee as shall be satisfactory to Lessor to assure the lien-free completion of such proposed demolition and construction;

(b) any such demolition and the construction of Replacement Improvements in connection therewith shall comply with the provisions of subsections (b) and (c) of Section 6.8.1; and

(c) Evidence of compliance of such demolition and reconstruction with the provisions of this Lease, including, without limitation, insurance, and legal requirements.

Lessee shall not demolish any portion of the Improvements, other than strictly in accordance with the provisions of this Section 6.8.2, without the prior written consent of Lessor, except for minor demolitions in connection with alterations or additions as are performed in compliance with the provisions of Section 6.8.1.

**Section 6.9 Disposition of Improvements and Lessee's Personal Property Following Term of Lease.**

Upon expiration or earlier termination of this Lease, Lessee shall remove Lessee's personal property and equipment and shall surrender the Leasehold Premises to Lessor; provided however that Lessor may require that Lessee remove all Improvements. Should Lessor not exercise its right to require the removal of all Cruise Parcel Facility and Improvements, Lessee shall then, not remove any appurtenances, fixtures, machinery or equipment contained within the Cruise Parcel Facility and Improvements, or any additions to or replacements thereof made during the Lease Term, it being the intent of the parties that upon expiration or earlier termination of this Lease, Lessor shall have the right to receive, or not, an operating cruise ship facility as set forth in Exhibit D, or any amendments thereto. Lessee's personal property and equipment not removed by Lessee after thirty (30) days have passed after termination of this Lease shall be deemed abandoned and Lessor may take title to and use such property or at Lessor's sole discretion dispose of such property in any reasonable manner and Lessee shall reimburse Lessor for all costs and expenses of such disposal.

**Section 6.10 As-Built Drawings.** Upon completion of construction of Improvements, Lessee shall deliver to Lessor two copies each of as-built drawings for such Improvements and an as-built survey showing the location of the Improvements, including all underground Improvements and fill.

**Section 6.11 Discharge of Liens.** Lessee will not directly or indirectly create or permit to be created or to remain, and will discharge any mortgage, lien, security interest, encumbrance or charge on, pledge of or conditional sale or other title retention agreement with respect to the Leasehold Premises or any part thereof: or with respect to Rent, or any other sums payable under this Lease, other than (a) this Lease; (b) liens for Impositions not yet payable, or payable without the addition of any fine, penalty interest or cost for nonpayment, or being contested as permitted by Section 3.3; (c) liens of mechanics, materialmen, suppliers or vendors, or rights thereto, incurred in the ordinary course of business for sums which under the terms of the related contracts are not at the



time due, provided that adequate provision for the payment thereof shall have been made; (d) a Leasehold Mortgage permitted by Section 4.1; (e) a security interest in furniture, fixtures and equipment given as additional security for a Leasehold Mortgage permitted by Section 4.1; (f) any purchase money security interest in furniture, fixtures and equipment given to any vendor thereof; (g) any interest in furniture, fixtures and equipment given as security for the payment of money borrowed for the purchase price thereof; and (h) arising solely from the conduct of Lessee. Lessee shall have the right to post notices of non-responsibility in conspicuous places on the Leasehold Premises. Lessor shall give Lessee no less than twenty (20) days prior notice in writing before commencing the work or the furnishing of materials for any change, renovation, alteration, addition or restoration so that Lessee may post notices of non-responsibility in conspicuous places on the Leasehold Premises.

## **ARTICLE 7      DAMAGE OR DESTRUCTION**

**Section 7.1      Repairs and Alterations.** In the event of damage to or destruction of the Improvements:

7.1.1 Lessee's Obligation to Repair. If the same can be made under then existing laws, ordinances, statutes or regulations of any governmental authorities applicable thereto (or can be so made with minor and nonmaterial changes to the former condition and form of property damaged or destroyed), Lessee shall effect, and Lessor and Lessee agree that the funds derived from insurance acquired pursuant to Article 8 shall be made available to effect, the repair and reconstruction of the Improvements so damaged or destroyed to substantially its condition prior to said damage or destruction. If insurance funds are not adequate, Lessor may require Lessee to escrow prior to the commencement of any construction work a sufficient sum so that taken together with the insurance funds available for construction purposes, is equal to or exceeds the cost of all labor, materials, and other construction costs, direct and indirect to fully complete the repairing, restoring and/or rebuilding of the Improvement as aforesaid.

All such repair work shall be carried on in accordance with plans and specifications prepared by a licensed architect or engineers approved by Lessor which will not be unreasonably withheld, delayed or conditioned if such an architect or engineer is reasonably required, given the scope and nature of the work. No material extras or changes in plans and specifications shall be made by Lessee without first (A) giving written notice of such changes to Lessor and obtaining Lessor's approval thereof (which approval shall not be unreasonably withheld, delayed or conditioned), and (B) depositing into escrow additional funds sufficient to pay for such extras or changes or providing other assurances of the availability of funds to pay for the changes, and (C) as to any such changes which, together with all other changes theretofore made, involve over Two Hundred Fifty Thousand Dollars (\$250,000), and as to any changes which involve fundamental or material changes in the uses permitted by this Lease, obtaining the written consent of Lessor (which consent shall not be unreasonably withheld, delayed or conditioned).

7.1.2 Lessee's Election to Repair. If funds in excess of Four Million Dollars (\$4,000,000) would be required in addition to available insurance proceeds to effect the repairs or reconstruction described in Section 7.1.1 or if such reconstruction or rebuilding cannot be made under then existing laws, ordinances, statutes or regulations of any Governmental Authority applicable thereto (and cannot be so made with changes to the former condition and form of the Improvements damaged



or destroyed such that the repaired or reconstructed Improvements have substantially the same economic value as the Improvements had immediately prior to the damage or destruction), and, in either such event, the parties hereto are unable during a period of sixty (60) days after the determination of the insurance surveyor with respect to such damage or destruction to agree in writing on a construction program, then the term shall end as of the date of such damage or destruction and the insurance proceeds collected as a result of such damage or destruction shall be distributed as provided in Section 8.6; provided, however, if such reconstruction or rebuilding can be made under such existing laws, ordinances, statutes and regulations (or can be so made with changes to the former condition and form of the Improvements damaged or destroyed such that the repaired or reconstructed Improvements have substantially the same economic value as the Improvements had immediately prior to the damage or destruction), but the cost of so repairing or reconstructing such damage or destruction (after deducting available insurance proceeds) is in excess of Four Million Dollars (\$4,000,000), Lessee shall have the right to effect the repair and restoration as provided in Section 7.1.1, and the Lease Term shall not end as of the date of such damage or destruction, if Lessee (i) gives notice to that effect to Lessor within sixty (60) days after the determination of the insurance surveyor with respect to said damage or destruction; and (ii) promptly demonstrates to the reasonable satisfaction of Lessor that it can deposit into escrow the funds required or that will be required under the provisions of Section 7.1.1, whereupon the provisions of said Section 7.1.1 shall be fully applicable to such damage or destruction.

**Section 7.2 Prompt Repair.** If Lessee, pursuant to the terms hereof, is obligated or elects to repair, replace, reconstruct or rebuild any structures, improvements or other property as hereinabove provided, the same shall be effected at Lessee's cost and expense (which may be paid from insurance proceeds available as above provided and subject to the provisions of Section 7.1.1), and Lessee shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding, to full completion as soon as possible, except to the extent of delays due to strikes, lockouts, shortages of labor or materials after due diligence in obtaining the same, governmental restrictions, fire, casualty, riot, act of God, act of the public enemy, or other causes beyond the reasonable control of Lessee after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts, with contractors and suppliers.

**Section 7.3 No Abatement.** This Lease and the Lease Term shall not terminate or be terminated because of damage to or destruction of any structure or Improvement on or in the Leasehold Premises except under and in accordance with the provisions hereinabove contained.

**Section 7.4 Damage During Last Ten (10) Years of Lease Term.** If there occurs during the last ten (10) years of the Lease Term damage or destruction to any structure or Improvement on or in the Leasehold Premises and the costs of repairing, restoring, replacing or rebuilding the same exceed Five Hundred Thousand Dollars (\$500,000), Lessee may elect to terminate the Lease Term and, in such event, Lessee shall give notice to Lessor of its election within sixty (60) days after the determination by the insurance surveyor of the amount of damage, the Lease Term shall thereupon terminate as of the date of such notice and Lessor shall be entitled to receive the full amount of any insurance proceeds collected as a result of such damage or destruction.

## **ARTICLE 8 INSURANCE**

**Section 8.1 Acquisition of Insurance Policies.** Lessee shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, during the Lease Term, the insurance

described in this Section (or its then available equivalent), which insurance shall be subject to Lessor's review and approval, which approval shall not be unreasonably withheld, and shall name Lessor as an additional insured. Policy limits may be reviewed annually by Lessor and may be adjusted if prudent, considering levels of inflation, risk of loss, premium expenses, and other relevant factors. Any dispute regarding policy limits shall be resolved by Arbitration as provided in Section 15 hereof.

**Section 8.2 Types of Required Insurance.** Lessee shall procure and maintain the following:

8.2.1 Comprehensive General Liability Insurance. Comprehensive general liability insurance covering all claims with respect to injuries or damages to persons or property sustained in, on or about the Leasehold Premises and the appurtenances thereto, including sidewalks and alleyways adjacent thereto, if any, with limits of liability (which limits shall be adjusted as provided in Section 7.1 above) no less than the following:

Bodily and Personal Injury and Property Damage Liability  
Five Million Dollars (\$5,000,000)  
each occurrence and aggregate.

8.2.2 Physical Property Damage Insurance. All risk physical loss and damage insurance covering all real and personal property, excluding property paid for by subtenants or paid for by Lessee for which sublessees have reimbursed Lessee, located on or in, or constituting a part of, the Leasehold Premises, in an amount equal to at least one hundred percent (100%) of replacement value of all such property (or such lesser amount as Lessor may approve in writing). Such insurance shall afford coverage for damages resulting from (a) fire, (b) perils normally covered by extended coverage insurance used in the state of Alaska, (c) earthquake and flood, and (d) explosion of steam and pressure boilers and mechanical and electrical apparatus located in the Leasehold Premises. Lessee shall not be required to maintain insurance for war risks; provided, however, if Lessee shall obtain any such coverages, then, for as long as such insurance is maintained by Lessee, Lessor shall be entitled to the benefits of (i) the first sentence of Section 8.3 hereof, and (ii) subparagraph (c) of such Section 8.3.

8.2.3 Builder's Risk or Course of Construction Insurance. During construction of Improvements and during any restorations, alterations or changes in the Leasehold Premises that may be made by Lessee at a cost more than Two Hundred Thousand Dollars (\$200,000) per job, contingent liability and builder's risk insurance or course of construction insurance in an amount reasonably satisfactory to Lessor. During construction of the Improvements, the builder's risk insurance shall include insurance for earthquake risks.

8.2.4 Workers' Compensation Insurance. Workers' compensation and employer's liability insurance in respect of any work by employees of Lessee on or about the Leasehold Premises.

**Section 8.3 Terms of Insurance.** The policies required under Section 8.2, excluding workers' compensation, shall name Lessor as an additional insured and Lessee shall provide to Lessor certificates of insurance and copies of policies obtained by Lessee hereunder promptly upon the request of Lessor. Further, all policies of insurance described in Section 8.2 shall:

(a) Be written as primary plus umbrella policies not contributing with, and not in excess of, coverage that Lessor may carry;

(b) Contain a replacement cost endorsement without deduction for depreciation.

(c) Contain an endorsement providing that such insurance may not be materially changed, amended, or cancelled with respect to Lessor except after thirty (30) days' prior written notice from insurance company to Lessor; and

(d) Contain an endorsement including an express waiver of any right of subrogation by the insurance company against Lessor and Lessor's officers, agents, and employees to the extent such waiver is reasonably obtainable. This provision does not apply to claims arising solely from Lessor's own negligence or willful acts.

**Section 8.4 Lessor's Acquisition of Insurance.** If Lessee at any time during the Lease Term fails to procure or maintain such insurance or to pay the premiums therefor, Lessor shall have the right to procure the same and to pay any and all premiums thereon, and Lessee shall pay to Lessor upon demand the full amount so paid and expended by Lessor, together with interest thereon at the rate provided in Section 17.14 hereof, from the date of such expenditure by Lessor until repayment thereof by Lessee.

**Section 8.5 Insurance Money and other Funds Held in Trust.** All insurance money or condemnation proceeds as provided in Article 8, shall be held in trust and shall be applied as follows: First, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding any structure or improvement on or in the Leasehold Premises as hereinafter provided; and second, if the damaged or destroyed structure or improvement is not repaired, restored, replaced or rebuilt as hereinafter provided, said funds shall, except as provided in Section 7.4, be disposed of as provided in Section 8.6(b).

**Section 8.6 Application of Proceeds of Physical Damage Insurance.**

(a) In the event of any repair, replacement, restoration or rebuilding pursuant to Section 7.1.1 or 7.1.2, the proceeds of the insurance shall be applied to the cost of such work upon certificate of progress by the licensed architect or engineer in charge of the work. Any amounts payable to Lessee or any Affiliate of Lessee for work or services performed or materials provided as part of any such repair, replacement, restoration, or rebuilding shall not exceed competitive rates for such services or materials and Lessee shall, upon request of Lessor, make available to Lessor all books and records of Lessee relating to such work, services and materials. Upon completion of such repair, replacement, restoration or rebuilding in accordance with the provisions of this Lease, and the full payment therefor (so no liens, encumbrances or claims with respect thereto can be asserted against the Leasehold Premises, this Lease, Lessor or Lessee), any insurance proceeds received with respect to the damage or destruction involved, and not used, shall be paid to Lessee.

(b) In the event any damaged or destroyed structure or improvement is not restored, repaired, or replaced, the proceeds of any insurance collected with respect to such damage or destruction shall, except as provided in Section 6.4, be applied:

(i) First, to the payment of any mortgage constituting a lien on the Leasehold Premises,

(ii) Second, Lessor shall be paid an amount sufficient to restore the Leasehold

Premises to its condition as of the Effective Date, and,

(iii) Third, the balance of such proceeds shall be paid to Lessee.

**Section 8.7 Insurance Surveyor.** The determinations required under Section 7 and this Section 8 shall be made by an independent qualified insurance appraiser selected by the parties, whose decision shall not be subject to arbitration. If the parties cannot agree on the insurance appraiser within thirty (30) days after the date of such damage or destruction, then the same shall be appointed by the Presiding Judge of the Superior Court of Anchorage, Alaska upon the application of either party.

## **ARTICLE 9 CONDEMNATION**

**Section 9.1 Total Taking.** In the event of the taking or condemnation by any Governmental Authority for any public or quasi-public use or purpose of the whole of Leasehold Premises at any time during the Lease Term, the Lease Term shall cease as of the Date of Taking by the condemner and all rental and other payments shall be apportioned as of the Date of Taking and the right of Lessor and Lessee to share in the proceeds of any award for Leasehold Premises, Improvements and damages upon any such taking, shall be as follows:

9.1.1 Lessor's Share. The Lessor shall first receive a sum equal to the fair market value, as of the day prior to commencement of the condemnation proceedings, of Leasehold Premises taken, considered as unimproved, unencumbered land (except for Lessee's interest under this Lease), as then restricted by applicable zoning laws, together with interest thereon from the Date of Taking to the date of payment at the rate paid on the award, and together with amounts owing Lessor from Lessee under this Lease as rental, damages for Lessee's breach or otherwise.

9.1.2 Lessee's Share. Except as otherwise provided for within this Section 9.1.2, Lessee shall be entitled to the entire balance of the award ("Award Balance"). If the Taking as above set forth shall occur at any time during the last ten (10) years of the initial Lease Term or extended Lease Term, Lessee shall be entitled to receive out of the award, with interest thereon, the Award Balance diminished by ten percent (10%) of such Award Balance for each full year (and in proportion for a fraction of a year) that has elapsed from the first day of said ten-year period to the Date of Taking; the remaining Award Balance and interest thereon, as well as the award for Leasehold Premises pursuant to Section 9.1.1 and interest thereon, shall belong to the Lessor.

9.1.3 Determination of Lessee and Lessor Shares. If the values of the respective interests of Lessor and Lessee shall be determined with finality according to the provisions of Sections 9.1.1 and 9.1.2 in the proceeding pursuant to which Leasehold Premises shall have been taken or condemned, the values so determined shall be conclusive upon Lessor and Lessee. If such values shall not have been thus separately determined, such values shall be fixed by agreement between the Lessor and Lessee or if they are unable to agree within thirty (30) days following the date of the award, then the controversy shall be resolved by Arbitration under Article 15.

**Section 9.2 Substantial Taking.** In the event of the taking in condemnation of less than the whole of Leasehold Premises but materially all of Leasehold Premises (which, as used herein is defined in Section 9.2.1. below), and the part of Leasehold Premises that remains includes a part of the

Improvements, then the Lease Term shall cease as of the date of possession by the condemner as provided in Section 9.1.1 and as to the untaken portion of the Improvements, the parties shall endeavor to agree on the fair market value of such portion of the Improvements as of the day prior to commencement of the condemnation proceeding, and if they fail to agree within ninety (90) days after either party requests negotiations to reach agreement, then the controversy shall be resolved by Arbitration as provided in Article 15.. The value so agreed or determined in Arbitration as the fair market value of the untaken Improvements shall be paid by Lessor to Lessee and until paid shall be a charge on the share of the award to which Lessor shall be entitled in the condemnation proceeding but shall be payable only out of the proceeds of such award for land value and Lessor shall have no further liability therefor.

9.2.1 Determination of Substantial Taking. For the purposes of this Section, a taking or condemnation of materially all of Leasehold Premises, as distinguished from a taking or condemnation of the whole of said Leasehold Premises, means a taking of such scope that the remaining part of the Leasehold Premises not taken cannot be adequately restored, repaired or reconstructed so as to constitute a complete functional unit of property of substantially the same usefulness, design and construction, having regard to the taking, as immediately before such taking, capable of producing, after the payment of all operating expenses thereof, the annual Rent and other charges herein reserved, the debt service charges on any then-existing mortgages held by a permitted mortgagee (but not including a purchase money Leasehold Mortgage given on the sale of the Lessee's leasehold interest hereunder), and after the performance of all covenants, terms, agreements and provisions herein and by law provided to be performed and paid by the Lessee, a fair and reasonable net annual income, defined as ninety percent (90%) of the average net annual income produced by the Leasehold Premises during the three (3) year period immediately preceding such taking.

**Section 9.3 Partial Taking.** In the event of a partial taking or condemnation, e.g., a taking or condemnation of less than materially all of Leasehold Premises:

(a) The Lease Term (except as hereinafter provided) shall, nevertheless continue, but the annual Rent to be paid by Lessee under Section 2 shall thereafter be reduced in the ratio that the rental value of the portion of Leasehold Premises taken or condemned bears to the rental value of the entire Leasehold Premises at the time of the taking or condemnation. If the parties cannot agree upon a just proportion of rent to be abated, the amount shall be determined in accordance with the Arbitration provisions of Article 15.

(b) The award shall be divided and shared by Lessor and Lessee as provided in Section 9.1.1 and 9.1.2 hereof.

(c) The Lessee shall have the right, to be exercised by written notice to the Lessor within sixty (60) days after the date of taking, to terminate this Lease as to such remaining part of Leasehold Premises not so taken on a date to be specified in said notice not earlier than the date of such taking. In such case the Lessee shall pay and satisfy all Rent due and accrued hereunder up to such date of such termination and shall perform all the obligations of the Lessee hereunder to such date and thereupon this Lease shall terminate. Should the parties be unable to agree as to whether the part not taken is susceptible of adequate restoration, repair or reconstruction as aforesaid, such controversy shall be determined by Arbitration in the manner provided in Article 15 of this Lease.

(d) If this Lease is not terminated as hereinabove provided, and if such taking occurs prior to the last fifteen (15) years of the Lease Term, then, as to the Leasehold Premises not taken in such condemnation proceeding, the Lessee shall proceed diligently, to the extent the portion of the condemnation award paid to Lessee is sufficient for such purpose, to make an adequate restoration, repair or reconstruction of the part of the Improvements not taken so as to restore, repair or reconstruct the Leasehold Premises, to the extent practicable, to a condition having the per square foot income generating capability of the Leasehold Premises prior to such taking.

**Section 9.4 Successive Takings.** In case of a second or any other additional partial taking or takings from time to time, the provisions hereinabove contained shall apply to each partial taking.

**Section 9.5 Temporary Taking.** If the whole or any part of the Leasehold Premises or of the Lessee's interest under this Lease be taken or condemned by any competent authority for its temporary use or occupancy, Lessee shall continue to pay, in the manner and at the times herein specified, the full amounts of the Rent and charges payable by Lessee hereunder, and this Lease shall continue and, except only to the extent that Lessee may be prevented from so doing pursuant to the terms of the order of the condemning authority, Lessee shall perform and observe all of the other terms, covenants, conditions and obligations hereof upon the part of Lessee to be performed and observed, as though such taking or condemnation had not occurred. In the event of any such temporary taking, or condemnation Lessee shall be entitled to receive the entire amount of any award made for such taking, whether paid by way of damages, rent or otherwise, unless such period of temporary use or occupancy shall extend to or beyond the expiration date of the Lease Term, in which case such award shall be apportioned between the Lessor and the Lessee as of such date of expiration of the Lease Term.

## **ARTICLE 10 INSPECTION BY LESSOR**

**Section 10.1 Inspection of Premises.** Lessor, or its agents and representatives shall be entitled, from time to time, upon reasonable notice to Lessee, to go upon and into the Leasehold Premises during normal business hours for the purpose of:

(a) Inspecting the same; or

(b) Inspecting the performance by Lessee of the agreements and conditions of this Lease. During the last thirty-six (36) months of the Lease Term, Lessee shall permit inspection of the Leasehold Premises at reasonable times and for reasonable periods by or on behalf of prospective Lessees and prospective purchasers.

**Section 10.2 Rights of Sublessees.** Notwithstanding the provisions of Section 10.1, the rights of Lessor to enter any portion of the Leasehold Premises which are subject to an approved Sublease from Lessee to any approved subtenant, shall be subject to reasonable restrictions contained in such Sublease which are applicable to Lessee and any provisions of applicable law.

## **ARTICLE 11 INDEMNIFICATION**

**Section 11.1 Lessee to Indemnify Lessor.** Notwithstanding that joint or concurrent liability may be imposed upon Lessor by statute, ordinance, rule, regulation or order, Lessee shall upon demand indemnify, defend, hold harmless and reimburse Lessor from and against and for any and all liabilities,

obligations, penalties, fines, suits, claims, demands, actions, costs and expenses of any kind or nature including without limitation reasonable architects', engineers', and attorneys' fees which may be imposed upon or asserted against Lessor by reason of any damage to any property or the Improvements on the Leasehold Premises, or injury, including death, to any person or persons occurring on or about the Leasehold Premises, unless caused or arising by virtue of Lessor or its agents, employees, contractors and assigns.

**Section 11.2 Legal Proceedings.** If Lessee is required to defend any action or proceeding pursuant to this Section to which action or proceeding Lessor is made a party, Lessor shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent Lessor is indemnified under this Section 11, Lessee shall bear the reasonable costs of Lessor's defense, including attorneys' fees.

## **ARTICLE 12 ENVIRONMENTAL PROVISIONS**

### **Section 12.1 General Obligations.**

(a) Lessee shall comply with all Hazardous Materials Laws, which shall impose any order or duty upon Lessee pertaining to the construction, use or occupancy of the Leasehold Premises or any Improvements thereon by Lessee or any of its sublessees.

(b) Lessee shall have the right to contest any obligations imposed upon Lessee pursuant to the provisions of this section, and to defer compliance during the pendency of the contesting proceedings, provided that the failure of Lessee to comply will not subject Lessor to civil fine or criminal penalty.

(c) Notwithstanding the foregoing, in the event of Lessee's failure to promptly fulfill the contested obligations would pose an imminent threat to public health, public safety and/or the environment, Lessee shall immediately perform whatever actions may be required to abate the immediate threat. Thereafter, Lessee may contest the obligations and defer further compliance, as set forth above.

(d) Lessee shall provide Lessor with copies of all documents served upon Lessee or its counsel by, and served by Lessee or its counsel upon, the governmental authority.

(e) Failure of Lessee to comply with the provisions of this Section shall be an act of default under the terms of this Lease and shall entitle Lessor to pursue all applicable remedies. In addition, Lessor shall be entitled to collect from Lessee any fines, penalties, expenses of defense (including legal fees), expenses of compliance and other damages incurred by Lessor by reason of Lessee's default under this Section.

**Section 12.2 Procedure to Follow upon Discovery of Potential Contamination.** In the event Lessee discovers any condition during the course of excavation or construction that would indicate the possible existence of Hazardous Materials on the Leasehold Premises (hereafter referred to as "contamination"), Lessee shall immediately suspend the work and notify Lessor. If Lessee knows or has reasonable cause to believe that the contamination occurred during the Lease Term, then Lessee shall investigate the matter at its sole cost and expense and the responsibility for such contamination shall be governed by Section 12.3 below. If, however, the time of occurrence of the contamination is



unknown, the Lessor shall investigate the matter at Lessor's initial cost and expense. If the substances are indeed Hazardous Materials, as defined under any Hazardous Materials Laws (including the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601et seq., or AS 46.04.010, 46.08.010, or 46.09.010), then the following shall apply:

(a) The obligation to pay rent as to those lands shall be suspended from the date of discovery by Lessee of the evidence of Hazardous Materials to the extent specified in subsection (b)(2) below.

(b) If the parties agree or Lessee proves by a preponderance of the evidence either that the contamination occurred prior to the effective date of the Initial Lease, or that the contamination occurred during the Lease Term and is attributable to the negligence or willful act of Lessor, its employees or agents, then:

(i) Lessor shall bear full responsibility for any actions required by law in the same manner as if the existence of the contamination were known prior to execution of this Lease and as provided in subsection 12.3 below.

(ii) Either party shall be entitled to terminate this Lease as to those lands which are contaminated by giving written notice of its election to do so within sixty (60) days after receipt of notice that such substances are Hazardous Materials or the date of determination that the contamination predated Lessee's occupancy or resulted from actions attributable to Lessor, whichever last occurs, but only if the direct costs of remediation and other response to such contamination exceed the total remaining rent to be paid by Lessee under the then current term. The decision to terminate shall be exercised consistent with the covenant of good faith and fair dealing. If neither party elects to terminate, Lessor shall take whatever actions are required by law to remediate, remove, or otherwise clean up the premises when and as required under Section 12.3 below. The obligation to pay rent as to those lands shall be suspended from the date of discovery of the evidence of Hazardous Materials until remediation is complete, but only if and to the extent the Leasehold Premises are not usable, and Lessee is not receiving rents from any sublessees with respect to such contaminated land.

(iii) If none of the conditions stated in subparagraph 12.2(b) above apply, then Section 12.3 shall govern responsibility for remediating the contamination and Lessee shall reimburse Lessor for the cost of the initial investigation.

**Section 12.3 Lessee's Indemnity for Contemporaneous Contamination.** Lessee agrees to indemnify, hold harmless and defend Lessor against all liability, cost and expense (referred to hereafter as "costs" and including, without limitation, any fines, penalties, diminution in value of the Leasehold Premises, assessment and clean-up costs, judgments, litigation costs and attorneys' fees) incurred by or levied against Lessor to the extent such costs arise as a result of Lessee's breach of Section 12.1 of this Lease or as a result of any discharge, leakage, spillage, emission or pollution on or from the Leasehold Premises by Lessee during the Lease Term; provided, however, that Lessee shall not be required to indemnify Lessor under this paragraph if or to the extent (1) the parties agree or a court of competent jurisdiction determines that such liability, cost or expense is caused by Lessor or a party other than Lessee, or (2) if Lessee proves that the contamination occurred before occupancy by the Lessee of the Leasehold Premises. The foregoing indemnity shall survive the expiration or earlier termination of this Lease.



**Section 12.4 Environmental Covenants on City-owned Uplands.** With respect to the real property shown on Exhibit A (formerly known as the Whittier Tank Farm Property or Lots 1 and 2, United States Survey 8726 dated 1 October 1986), Lessee acknowledges the property is subject to an environmental covenant approved by the Alaska Department of Environmental Conservation which subjects the property to certain activity and use limitations including remedies requiring long-term monitoring to measure changes in contaminant concentrations in groundwater, assessment of potential risks associated with vapor intrusion into any future buildings to be constructed on the adjacent ARRC property (Exhibit B), and other limitations and monitoring requirements until cleanup levels are reached, with any necessary remedial action on the property to be conducted by the United States. Lessee agrees to abide by all provisions of said Environmental Covenants.

## **SECTION 13 LESSOR AND LESSEE TO FURNISH STATEMENT**

**Section 13.1 Lessor's Statement.** Lessor within twenty (20) days after written request to Lessor from Lessee or any mortgagee or prospective mortgagee, will furnish a written statement, duly acknowledged, which shall specify to the best of Lessor's knowledge:

- (a) The amount of the Rent due, if any.
- (b) Whether or not this Lease is unmodified and in full force and effect (or, if there have been modifications, whether or not the same are in full force and effect as modified and identifying the modifications);
- (c) Whether or not Lessee is in default and specifying the nature of any such default; and
- (d) Such other matters as Lessee or the mortgagee may reasonably request and which relate to the actual knowledge of Lessor.

**Section 13.2 Lessee's Statement.** Lessee, within twenty (20) days after written request of the Lessor, will furnish a written statement, duly acknowledged, as to:

- (a) Whether this Lease is unmodified and in full force and effect (or, if there have been modifications, whether or not the same are in full force and effect as modified and identifying the modifications);
- (b) Whether there are any defaults thereunder on the part of Lessor to the knowledge of Lessee and specifying the nature of such defaults, if any; and
- (c) Such other matters as Lessor may reasonably request and which relate to the actual knowledge of Lessee.

## **ARTICLE 14 DEFAULT; TERMINATION**

**Section 14.1 Event of Default.** The occurrence of any of the following shall constitute an Event of Default:

14.1.1 Payments to Lessor. Failure of Lessee to duly and punctually make any payment owing to Lessor hereunder, or to pay any Imposition (except when non-payment or delay is expressly permitted by Section 3) or any other payment which if not paid may result in a lien on the Leasehold Premises as and when the same becomes due and payable, or the failure to maintain any of the insurance coverage required hereunder or pay any of the premiums required to be paid with respect thereto, and such occurrence or failure continues for a period of fifteen (15) days after notice thereof given to Lessee by Lessor.

14.1.2 Construction of Improvements and Construction Schedule. Lessee's failure to commence construction of the Cruise Parcel Improvements in the manner described in the Preliminary Construction Plans on or before the "Start Date" as defined in the Construction Schedule, Exhibit F, or, after commencing construction, Lessee's failure to continue and maintain substantial compliance with its construction obligations for the Cruise Parcel Improvements in accordance with Lessee's Construction Schedule and such failure continues for a period of more than 120 days after Lessor has given Lessee notice that it is not in substantial compliance with the Construction Schedule and/or the Preliminary Construction Plans for the Cruise Parcel Improvements. Such requirements shall be deferred for reason of the occurrence of a Force Majeure as described in Section 16.

14.1.3 Other Covenants. Lessee being in breach of, or Lessee failing to perform, comply with, or observe any other material term, covenant, warranty, condition, agreement or undertaking contained in or arising under this Lease and such failure continues for a period of thirty (30) days after notice thereof is given to Lessee.

**Section 14.2 Termination of Lease.** In addition to all other rights and remedies available to Lessor by law or equity, Lessor may, at any time after the occurrence of any Event of Default, and while the same remains unremedied, give notice to Lessee of its intention to terminate this Lease, in which case, subject to the provisions of Section 4.2, unless within fifteen (15) days after the giving of such notice, the condition creating or upon which it is based such an Event of Default is cured, this Lease shall terminate as of the expiration of such fifteen (15) days and Lessor may reenter upon the Leasehold Premises and have possession thereof; provided, however, if the Event of Default is one described in Section 14.1.3 and is one which can be cured, but cannot with due diligence (without regard to the availability of funds or the financial condition of Lessee) be cured prior to the expiration of the period provided herein, and Lessee proceeds promptly and thereafter prosecutes with all due diligence the curing of such default, then the time for curing of such Event of Default shall be extended for such period as may be necessary to complete the same with all due diligence. Notwithstanding the foregoing provisions of this Section 14.2 or the provisions of Section 14.1.3 hereof, if the asserted default is subject to arbitration pursuant hereto, and the existence of such default is being contested by the party assertedly in default through arbitration, if and so long as such party is cooperating and acting in good faith to complete the arbitration proceeding with respect thereto as expeditiously as possible, the time for curing such default shall commence upon the rendering of the arbitration decision with respect thereto, or other resolution thereof, whichever occurs first; provided, however, if the matter being arbitrated is capable of performance to the extent not reasonably in dispute (e.g., the undisputed portion of monies owing), performance to the extent not in dispute shall be a condition precedent to the effectiveness of this sentence.

**Section 14.3 Effect of Termination.** Upon Termination of this Lease by expiration of the Lease Term or pursuant to this Section 14, all rights and privileges of Lessee and all duties and obligations

of Lessor hereunder shall terminate. Immediately upon such termination, and without further notice to anyother party, Lessor shall have the right to assert, perfect, establish and confirm all rights reverting to Lessor by reason of such termination by any means permitted by law, including the right to take possession of the Leasehold Premises together with all Improvements thereto, fixtures therein {including trade fixtures) and any and all alterations and Improvements which may be constructed upon or to the Leasehold Premises, with or without process of law, and to remove all personal property from the Leasehold Premises and all persons occupying the same and to use all necessary lawful force therefor and in all respects to take the actual, full and exclusive possession of the Leasehold Premises and every part thereof as Lessor's original estate, thereby wholly terminating any right, title, interest or claim of or through Lessee as to the Leasehold Premises and the improvements, fixtures and alterations thereto, and all personal property located on the Leasehold Premises, all without incurring any liability to Lessee or to any person occupying or using the Leasehold Premises for any damage caused or sustained by reason of such entry or such removal, except for damage resulting from Lessor's negligence in effecting such removal, and Lessee agrees to indemnify, protect and save harmless Lessor, and all employees, agents and representatives of Lessor, from all costs, loss or damage arising or occasioned thereby to Lessee, or its agents, employees, officers, guests, invitees or Lessees, except as limited hereinabove.

**Section 14.4 Damages and Remedies.** The exercise by Lessor of any remedy arising by virtue of an Event of Default shall not be considered exclusive, and Lessor may exercise any and all other rights or remedies provided by this Lease or by law or equity. The termination of this Lease by expiration of the Lease Term or pursuant to this Section 14 shall not extinguish the right of either party to collect damages arising from the breach of this Lease by the other party. Lessee shall be liable for rentals accruing up to the end of the term specified in this Lease notwithstanding the earlier termination of this Lease due to an Event of Default and the reentry of Lessor before the normal expiration of the Lease Term as established herein or pursuant hereto, except that Lessor shall make reasonable and diligent efforts to re-rent the Leasehold Premises upon such terms as it sees fit in its reasonable discretion and for a term which may expire either before or after the specified termination date of the term herein, and Lessee shall pay to Lessor all rent and other sums which would be payable hereunder by Lessee if no such termination and reentry had occurred, less the net proceeds, if any, of any such reletting after deducting Lessor's expenses in connection with such reletting, including but not limited to repossession costs, brokerage commissions, legal expenses, employee costs and expenses, alteration costs and other such reletting preparation expenses, and Lessee shall pay such current damages to Lessor on the days on which such rental would have been payable hereunder if no such termination and repossession and reentry had occurred.

**Section 14.5 Assignment of Sub-rents.** Lessee assigns to Lessor all sub-rents and other sums falling due from sublessees, licensees, and concessionaires (referred to as "Sublessees" in this paragraph 14.5) during any period in which Lessor has the right under this Lease, whether exercised or not, to reenter the Leasehold Premises for Lessee's default, and Lessee shall not have any right to such sums during that period. Lessor may at Lessor's election reenter the Leasehold Premises and Improvements with or without process of law, without terminating this Lease, and either, or both, collect these sums or bring action for the recovery of the sums directly from Sublessees. Lessor shall apply all such collected sub-rents as provided in Section 14.6. Lessee shall nevertheless pay to Lessor on the due dates specified in this Lease the equivalent of all sums required of Lessee under this Lease, plus Lessor's expenses, less the avails of the sums assigned and collected under this Section 14.5. Lessor may proceed to collect either the assigned sums or Lessee's balances, or both, or any

installment or installments of them, either before or after expiration of the Lease Term, but the period of limitations shall not begin to run on Lessee's payment until the due date of the final installment to which Lessor is entitled under this Lease, nor shall it begin to run on the payments of the sums assigned under this Section 14.5 until the due date of the final installment due from the respective Sublessees.

**Section 14.6 Application of Sums Collected by Lessor.** Lessor shall apply all sub-rents and proceeds of reletting as follows: first, to the payment of reasonable expenses (including attorneys' fees and brokers' commissions or both) paid or incurred by or on behalf of Lessor in recovering possession, placing the Leasehold Premises and Improvements in good condition, and preparing or altering the Leasehold Premises or Improvements for reletting; second, to the reasonable expense of securing new lessees; third, to the fulfillment of Lessee's covenants to the end of the Lease Term; and fourth, to Lessee's uses and purposes.

**Section 14.7 Reasonable Rental Value Determination.** Lessor may at any time after a termination of this Lease pursuant to this Section 14, recover from Lessee the worth at such time (discounted to value at the time of termination) of the excess, if any, of the amount of the rent reserved in this Lease for the balance of the Lease Term (had such termination not occurred) over the then-reasonable rental value of the Leasehold Premises for the same period, such "reasonable rental value" being the amount of rental which Lessor can reasonably be expected to obtain as rent for the remaining balance of the Lease Term (to its normal expiration date had such termination not occurred). Upon re-renting of the Leasehold Premises by Lessor, Lessee shall be liable to Lessor for the costs and expenses of re-renting and of such alterations and repairs as may be reasonably incurred by Lessor in readying the Leasehold Premises for such re-renting.

**Section 14.8 No Waivers.** No failure by any party hereto to insist upon the strict performance of any provision of this Lease or to exercise any right, power or remedy consequent to any breach thereof, and no waiver of any such breach, or the acceptance of full or partial rent during the continuance thereof, shall constitute a waiver of any such breach or of any such provision. No waiver of any breach shall affect or alter this Lease, which shall continue in full force and effect, or the rights of any party hereto with respect to any other then existing or subsequent breach.

**Section 14.9 No Offsets.** Lessee shall not assert any breach of an obligation, warranty, or duty of Lessor as, and no such breach shall constitute, a defense, offset, excuse or counterclaim to any obligation of Lessee hereunder, but Lessee may, subject to the other provisions of this Lease, pursue independent remedies for any such breach by Lessor.

**Section 14.10 Payment by Lessor of Lessee's Defaulted Payments.** In case of default on the part of Lessee to pay any money, or do any act to satisfy any of the obligations or covenants which it is required to pay, do, or satisfy under the provisions of this Lease, Lessor may, at its option, after notice to Lessee, pay any or all such sums, or do any or all such acts which require the payment of money, or incur any expense whatsoever to remedy the failure of Lessee to perform any one or more of the covenants herein contained. Lessee shall repay the same to Lessor on demand together with interest at the rate provided in Section 17.14 hereof, such interest to be calculated from the date payment is made by Lessor.

## **ARTICLE 15 ARBITRATION AND MEDIATION**

**Section 15.1 Arbitration.** The disputes described in Sections 6.8.1, 8.1, 9.1.3, 9.2, 9.3, and 14.2 and no other, shall be subject to arbitration. Such arbitration ("Arbitration") shall be in accordance with the Arbitration Rules for the Real Estate Industry promulgated by the American Arbitration Association as then in effect, each party to appoint one arbitrator and those two arbitrators to appoint a third arbitrator. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof, subject, however, to the provisions of AS 09.43.010 et seq. (the "Alaska Uniform Arbitration Act") which are not in conflict with said Rules; provided, however, if such Association is not then functioning or such Rules are not then in effect, Arbitration shall be conducted in accordance with the requirements of the Alaska Uniform Arbitration Act, or such other provisions of the statutory laws of the State of Alaska as may be enacted in lieu of the Alaska Uniform Arbitration Act, one arbitrator to be appointed by each of the parties hereto, and those two arbitrators to promptly appoint a third arbitrator. All such arbitration proceedings shall take place in Anchorage, Alaska. In any such arbitration proceeding, each party shall have full access to the books and records of the other party and the power to call for testimony any employee, agent or officer of any other party and all other rights to discovery afforded under the then applicable Alaska Rules of Civil Procedure or rules or laws applicable to Alaska Superior Court proceedings adopted in lieu thereof, shall be applicable, all of which shall be fully enforceable by the arbitrators or, if they fail to effect such enforcement, by the Superior Court of the State of Alaska at Anchorage, Alaska.

**Section 15.2 Mediation.** In addition to the foregoing provisions for arbitration, Lessor and Lessee agree that, with the exception of any claim for payment of Rent, when due, arbitration must be preceded by a mandatory mediation session provided that such mediation occurs within fifteen (15) days of either party serving notice upon the other a demand for mediation and provided further that the parties are able to agree upon a mediator acceptable to each of them. Lessor and Lessee agree that the mediation shall occur in Anchorage, Alaska, and that they will, in good faith, use the mediation process in the event they are unable to agree with respect to any event of default or other claim involving non-performance by either party under the Lease. If a demand for arbitration is filed before mediation occurs, either party may seek and obtain an order from a court of appropriate jurisdiction or the arbitrator staying all such legal proceedings until the conclusion of the mediation process.

## **ARTICLE 16 FORCE MAJEURE**

**Section 16.1 Force Majeure.** If the performance by either of the parties of their respective obligations under this Lease (excluding monetary obligations) is delayed or prevented in whole or in part by any acts of God, fire or other casualty, floods, storms, explosions, accidents, epidemics), war, civil disorders, strikes or other labor difficulties, shortage or failure of supply of materials, labor, fuel, power, equipment, supplies or transportation, or by any other cause not reasonably within the party's control, whether or not specifically mentioned, the party shall be excused, discharged, and released of performance to the extent such performance or obligation is so limited or prevented by such occurrence without liability of any kind. In the event Lessee fails to commence construction in accordance with Exhibit F, or after commencing construction has not completed more than twenty percent (20%) of the Cruise Ship Facilities in accordance with Exhibit D and is more than 365 days behind schedule then Lessor may terminate this Lease immediately upon the giving of written notice of its decision to do so, even if such delays are due to Force Majeure.

**Section 16.2 No Current Force Majeure.** Lessor and Lessee acknowledge there are no conditions or

events of Force Majeure in existence on the date of execution of this instrument.

## **ARTICLE 17 MISCELLANEOUS**

**Section 17.1 No Partnership.** Nothing contained herein or in any instrument relating hereto shall be construed as creating a partnership or joint venture between Lessor and Lessee or between Lessor and any other party, or cause Lessor to be responsible in any way for debts or obligations of Lessee or any other party.

**Section 17.2 Time of the Essence.** Time is hereby expressly declared to be of the essence of this Lease and of each term, covenant, agreement, condition and provision hereof.

**Section 17.3 Captions.** The captions of this Lease and the table of contents preceding this Lease are for convenience and reference only, and are not a part of this Lease, and in no way amplify, define, limit, or describe the scope or intent of this Lease, nor in any way affect this Lease.

**Section 17.4 Meaning of Terms.** Words of any gender in this Lease shall be held to include any other gender and words in the singular number shall be held to include the plural when the sense requires.

**Section 17.5 Lease Construed as a Whole.** The language in all parts of this Lease shall in all cases be construed in whole according to its fair meaning and neither strictly for nor against Lessor or Lessee.

**Section 17.6 Severability.** If any provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, and shall not thereby materially interfere with the reasonably expected benefits to be received under this Lease, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law; provided, however, that if any provision of this Lease relating to the payment of rents is to any extent found invalid or unenforceable, Lessor and Lessee agree to modify this Lease to provide for payment of rents comparable to the rents provided for herein. Should Lessor and Lessee be unable to agree as to any such modification, such controversy shall be determined by Arbitration in the manner provided in Section 15. As to the sublease of ARRC Uplands, contingent upon the amendment of the Master Lease or a new lease between the Lessor and the ARRC, the parties have agreed that the Lease may remain in effect even without the development of ARRC Uplands. To the extent the ARRC Uplands fail to become part of the Leasehold Premises for any reason, the Parties agree to engage in negotiations for any necessary modifications to this Lease, pursuant to Section 17.10.

**Section 17.7 Effect of Assignment.** The term "Lessor" means the person who from time to time holds all of the original Lessor's right, title and interest in and to the Leasehold Premises. Lessor shall have the right to freely assign or, otherwise transfer such right, title and interest and upon notice of such transfer given by the Lessor to the Lessee, the Lessor shall be entirely freed and relieved of all future covenants and obligations of Lessor hereunder except to the extent that the transfer is for purposes of security only; provided that the release shall be effective only upon the assignee or transferee having expressly assumed, by duly recorded documents, all obligations of Lessor hereunder.

**Section 17.8 Survival.** Each provision of this Lease which may require the payment of money by, to or on behalf of Lessor or Lessee or third parties after the expiration of the term hereof or its earlier termination shall survive such expiration or earlier termination.

**Section 17.9 Memorandum of Lease.** The parties agree to execute and acknowledge an appropriate memorandum of this Lease for public recordation purposes, so that public notice is given of the names and address of the parties involved, the Leased Premises, the start and end dates of the Lease Term, easements granted to the Lessee, if any, and any option or option(s) to renew or extend the Lease.

**Section 17.10 Amendment of Lease.** This Lease shall not be amended, changed, or extended except by written instrument signed by both parties hereto. Subject to mutual agreement, the parties reserve the right to amend this Lease as necessary to address issues not reasonably foreseeable at the time of lease.

**Section 17.11 Commissions.** Lessor and Lessee mutually agree to save and hold each other harmless from any and all claims or demands, requests by real estate brokers, agents or finders with whom Lessor or Lessee may have dealt in connection with this Lease.

**Section 17.12 Notices.** All notices, demands, requests, or other writings in this Lease provided to be given or made or sent, or which may be given or made or sent, by either party hereto to the other, or by any mortgagee to either party may be given personally or may be delivered by depositing the same in the United States mails, certified, registered or equivalent, return receipt requested, postage prepaid, properly addressed, and sent to the following addresses:

Lessor:           City of Whittier  
                      P.O. Box 608  
                      Whittier, Alaska 99693  
                      ATTN: City Manager  
                      PHONE: ( 9 0 7 ) 472-2327

Lessee:           Huna Totem Corporation  
                      9301 Glacier Highway, Suite 200  
                      Juneau, Alaska 99801  
                      ATTN: President  
                      PHONE: (907)789-8500

or to such other address as either party may from time to time designate by written notice to the other or to any mortgagee. Notices given by mail as aforesaid shall be deemed received and effective when received or on the third business day following such dispatch, whichever occurs first.

**Section 17.13 Attorneys' Fees.** If any action at law or in equity or under the arbitration provisions of Section 15 is brought to recover any rent or other money due under this Lease, or for or on account of any breach of or to enforce or interpret any of the terms, covenants, agreements or conditions of this Lease, or for the recovery of the possession of the Leasehold Premises, the prevailing party shall be entitled to recover from the other party full and complete reasonable attorney's fees, cost and expenses, the amount of which shall be determined by the arbitrator and shall be made a part of any



judgment rendered.

**Section 17.14 Interest.** Any amounts due one party to the other pursuant to the terms of this Lease, including amounts to be reimbursed one to the other, shall bear interest from the due date or the date the right to reimbursement accrues at ten and one-half percent (10.5%) per annum; provided, however, that such rate shall not exceed, in any event, the highest rate of interest which may be charged under applicable law without the creation of liability for penalties or rights of offset or creation of defenses. For purposes of interest calculations, the due date of amounts or the date the right to reimbursement accrues shall be deemed the date that it originally was owing but may have been disputed, as distinguished from the date of final settlement or the making of a judicial or arbitration award.

**Section 17.15 Governing Law.** This Lease shall be construed according to and governed by the laws of the State of Alaska.

**Section 17.16 Counterparts.** This Lease may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

## **ARTICLE 18 ANTI-DISCRIMINATION CLAUSE**

**Section 18.1 During the performance of this Lease, the Lessee agrees:**

18.1.1 In connection with the performance of work under this Lease including construction, maintenance, and operation of the facility, the Lessee will not discriminate against any employee or applicant from employment because of age, race, color, religion, sex, marital status, or any other subsequently adopted protected class.

18.1.2 The Lessee and its employees shall not discriminate, by segregation or otherwise, against any person based on race, color, religion, sex, nationality, or any other subsequently adopted protected class by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally.

18.1.3 The Lessee shall include and require compliance with the above non-discrimination provisions in any subcontract made with respect to the operations under this Lease.

## **ARTICLE 19 DEFINED TERMS**

For the purposes of this Lease, the following words shall have the meanings attributed to them in this Section:

- (a) ARRC. "ARRC" means the Alaska Railroad Corporation.
- (b) Affiliate. "Affiliate" means any subsidiary, officer, director, member, or shareholder of Lessee and any entity of which Lessee is a subsidiary, officer, director, member, or shareholder.
- (c) Agreement. "Agreement" means this Lease Agreement together with all Exhibits attached hereto.



- (d) Commencement Date. “Commencement Date” means the date on which construction commences, as identified in the Construction Schedule, Exhibit F.
- (e) Corps 404 Permit. “Corps 404 Permit” means permit(s) issued by the U.S. Army Corps of Engineers in compliance with Section 404 of the federal Clean Water Act of 1976, as amended.
- (f) Cruise Parcel. “Cruise Parcel” means the land situated in Whittier, Alaska that is subject to this Lease, more particularly described in Exhibits A, B and C attached hereto.
- (g) Cruise Parcel Facilities. “Cruise Parcel Facilities” means the facilities to be constructed by Lessee, more particularly shown on Exhibit D attached hereto.
- (h) Effective Date. “Effective Date” means the date on which the Lease Agreement is approved by the Whittier City Council.
- (i) Exhibit. “Exhibit” means each and every document attached to this Lease as described herein and, by this reference, each such Exhibit is incorporated into this Lease as if fully set forth herein.
- Exhibit A – Legal Description for Tideland Lease
  - Exhibit B – Legal Description for Whittier Upland Lease
  - Exhibit C – Legal Description for ARRC Sublease Property-Map
  - Exhibit C1- Conceptual Drawing of Project
  - Exhibit D – Preliminary Construction Plans
  - Exhibit E – Construction Access Drawing Across ARRC Property
  - Exhibit F – Construction Timeline
  - Exhibit G – Assignment for Security Purposes, if applicable
  - Exhibit H – Ground Lease and Management Agreement between City of Whittier and Alaska Railroad Corporation
  - Exhibit I – Alaska DEC Covenants
- (j) Governmental Authority. “Governmental Authority” means and is limited to any applicable laws, ordinances, regulations, and requirements of all federal, state and municipal governments having jurisdiction over the matter(s) in question.
- (k) Hazardous Material. “Hazardous Material” means and includes petroleum, asbestos, polychlorinated biphenyls, urea formaldehyde, and any flammable explosives, radioactive materials or hazardous, toxic, or dangerous wastes, substances or related materials or any other chemicals, materials, or substances, exposure to which is regulated by any Governmental Authority. This includes substances defined as such in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.); the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.); the Toxic Substances Control Act, 15 USC § 2601 et seq. or AS 46.04.010, 46.08.010, or 46.09.010), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.); any so-called “Superfund” or “Super-lien” law; or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material.

- (l) Hazardous Materials Laws. "Hazardous Materials Laws" means all federal, state, and local environmental laws, ordinances, codes, rules and regulations, orders or decrees relating to Hazardous Materials and applicable to the Leasehold Premises.
- (m) Impositions. "Impositions" means all taxes, assessments, excises, levies, and fees by any Governmental Authority which become due or payable during the term of this Lease against the Leasehold Premises and Improvements as provided in Section 3.2.
- (n) Improvements. "Improvements" means the Cruise Parcel Facilities, including a cruise ship dock, cruise terminal / rail depot, related commercial and parking facilities, boardwalks, buildings, structures, fixtures, fences, interior roads, fountains, utility installations, fill, excavations, surfacing, water banks or channels, landscaping, plantings, grading and subsurface improvements, from time to time located on the Leasehold Premises. Improvements do not include personal property of Lessee.
- (o) Institutional Lender. "Institutional Lender" means a governmental entity; an Alaska chartered bank; a nationally chartered bank, a bank created and operating under and pursuant to the laws of the United States of America; a federal savings and loan association; a commercial finance lender; a bank holding company or a subsidiary of a bank holding company which is not a bank; a trust company, savings and loan association, insurance company or investment banker; college or university; and a Real Estate Investment Trust as defined in Section 856 of the Internal Revenue Code of 1986, as amended, provided such Trust is listed on the New York Stock Exchange.
- (p) Lessor. "Lessor" means the City of Whittier, Alaska. Lessor shall designate a contract administrator or representative who shall act on behalf of Lessor for purposes of this Agreement.
- (q) Lease. "Lease" means this Lease Agreement together with all Exhibits attached hereto.
- (r) Lease Term. "Lease Term" means the term of this Lease described in Section 1.2, including renewals as provided in Section 1.3.
- (s) Lease Year. "Lease Year" means each twelve (12) month period beginning November 1 of each year and ending October 31 the following year.
- (t) Leasehold Mortgage. "Leasehold Mortgage" means any mortgage, deed of trust, or other security instrument encumbering Lessee's leasehold estate created hereby and which is in favor of an Institutional Lender.
- (u) Leasehold Mortgagee. "Leasehold Mortgagee" means the holder, trustee or beneficiary of a Leasehold Mortgage who is an Institutional Lender.
- (v) Leasehold Premises. "Leasehold Premises" means the Real Property, Tidelands, and all Improvements constructed thereon.
- (w) Lessee. "Lessee" means Huna Totem Corporation, its successors, and assigns.
- (x) Master Lease. "Master Lease" refers to that certain Ground Lease and Management

Agreement between the City of Whittier and the Alaska Railroad (attached hereto as Exhibit H) in which the City leases from the Railroad, land to be developed in a manner that maximizes the use of land for the benefit of the community with initial lease terminating November 12, 2033 with options to extend two additional 35-year terms, and requiring the following Sublease provisions: (i) that the Sublease is subject to the master lease; (ii) an independent general liability and environmental indemnity to both the City and ARRC; (iii) an obligation of the lessee to subordinate to this master lease; and (iv) a waiver of claims against the ARRC which might arise due to ARRC's status as a ground lessor.

- (y) Real Property. "Real Property" means the land situated in Whittier, Alaska which is subject to this Lease, more particularly described in Exhibits A, B and C, attached hereto.
- (z) Rent. "Rent" shall mean the amounts paid by Lessee to Lessor pursuant to the provisions of Section 2.
- (aa) Renewal Period. "Renewal period" shall mean either the first additional right to renew for an additional period of thirty-five (35) years at the end of the initial Lease Term, or the second additional right to renew for a second additional period of thirty-five (35) years at the end of the first renewal period.
- (bb) Replacement Improvements. "Replacement Improvements" shall refer to improvements upon the land which are constructed for the purpose of replacing demolished and reconstructed improvements, provided that such replacement improvements are similar in type and quality to the facilities described in Exhibit D attached hereto and will provide sufficient income to pay Rent.
- (cc) Sublease. "Sublease" shall refer to the Lessee's ability to sublet portions of the Leasehold Premises and/or of the Improvements at any time from time to time, but only for a term or terms that shall expire before the expiration of the Lease Term, and provided that each Sublease shall be in writing and shall be subject and subordinate to the rights of the Lessor under this Lease and to the rights of ARRC under the Master Lease. "Sublessees" shall refer to the parties with whom the Lessee enters a Sublease. "Sublease" also refers to the nature of this Lessee's lease of the ARRC Uplands under this Lease.
- (dd) The Parties. "The Parties" shall collectively refer to the Lessor City of Whittier, and the Lessee \_\_\_\_\_, a wholly owned subsidiary Huna Totem Corporation.

**SIGNATURES ON THE FOLLOWING PAGES**



STATE OF \_\_\_\_\_)  
 ) ss.  
COUNY OF \_\_\_\_\_)

On the \_\_\_\_ day of February, 2022, \_\_\_\_\_, the President of Huna Totem Corporation, who is personally known to me, appeared and acknowledged before me that they signed the Head of Bay Tidelands and Uplands Lease – Cruise Parcel (2022) on behalf of Huna Totem Corporation.

\_\_\_\_\_  
Notary Public in and for the State of  
My Commission expires: \_\_\_\_\_

# EXHIBIT A

## Head of Bay City Tidelands – Survey and Legal Description

### LEGAL DESCRIPTION FOR A TIDELAND LEASE

Being a portion of Tracts A and B as shown on Alaska Tidelands Survey (ATS) 1545, recorded as Plat 2003-49, Whittier Recording District, State of Alaska and situated within Sections 14 and 15, Township 8 North, Range 4 East, Seward Meridian, more particularly described as follows:

**BEGINNING** at the southwest terminus of meander line M49 as shown on said ATS;

THENCE along the easterly boundary of Lot 1 as shown on U.S. Survey 9008 also being the westerly boundary of said Tract B, also being meander lines M49 – M58 and a portion of M59 as shown on said ATS respectively, the following courses:

North 05° 22' 06" East, a distance of 77.83 feet;  
North 25° 00' 06" East, a distance of 52.10 feet;  
North 38° 08' 06" East, a distance of 32.98 feet;  
North 03° 47' 06" East, a distance of 107.50 feet;  
North 07° 24' 54" West, a distance of 299.43 feet;  
North 13° 21' 06" East, a distance of 180.05 feet;  
North 09° 44' 06" East, a distance of 109.48 feet;  
North 09° 27' 54" West, a distance of 150.37 feet;  
North 07° 21' 54" West, a distance of 196.54 feet;  
North 09° 16' 54" West, a distance of 253.26 feet;  
North 14° 43' 54" West, a distance of 196.85 feet;

THENCE leaving said westerly boundary, entering into and passing through said Tract B, and entering into said Tract A, North 47° 07' 03" East, a distance of 1,766.10 feet;

THENCE continuing within said Tract A, South 42° 52' 57" East, a distance of 265.89 feet;

THENCE continuing within said Tract A, entering into and continuing within said Tract B, along the following courses:

South 47° 07' 03" West, a distance of 1,296.77 feet;  
South 05° 19' 16" East, a distance of 1,751.70 feet;  
South 89° 49' 37" West, a distance of 624.67 feet to said **POINT OF BEGINNING**.

Containing 29.499 acres, more or less.

The BASIS OF BEARINGS for this description is identical to Alaska Tidelands Survey 1545.

December 9, 2021

END OF DESCRIPTION



# EXHIBIT A-1

PLAT TO ACCOMPANY  
DESCRIPTION

GOVT. LOT 1  
SECTION 14

GOVT. LOT 1  
SECTION 15

TRACT A  
ATS 1545

GOVT. LOT 2  
SECTION 15

LOT 1  
U.S.S. 9008

POINT OF BEGINNING

TIDELAND LEASE AREA  
29.499± ACRES

S05°19'16"E 1751.70'

SEE SHEET 2

SEE SHEET 3

TRACT B  
ATS 1545

TRACT C  
ATS 1545

PASSAGE CANAL

EXISTING RUNWAY

SEE DESCRIPTION FOR  
COURSE INFORMATION

12501 OLD SEWARD, D ANCHORAGE, AK 99515  
Phone (907) 344-5990 Fax (907) 344-7794  
12/9/2021 PROJ. 21-251 SHT 1 OF 3



SEE SHEET 2

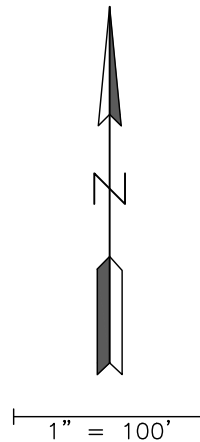
# EXHIBIT A-1

PLAT TO ACCOMPANY  
DESCRIPTION

TRACT B  
ATS 1545

50' PUBLIC ACCESS  
EASEMENT PER.  
AS 38.05.127

LOT 1  
U.S.S. 9008



S05°19'16"E 1751.70'

PASSAGE CANAL

107.50'  
N03°47'06"E  
N38°08'06"E 32.98'  
N25°00'06"E 52.10'  
N05°22'06"E 77.83'

POINT OF BEGINNING  
SOUTHWEST TERMINUS  
OF M49 ATS 1545

S89°49'37"W 624.67'

TRACT B  
ATS 1545



SEE DESCRIPTION FOR  
COURSE INFORMATION

12501 OLD SEWARD, D ANCHORAGE, AK 99515  
Phone (907) 344-5990 Fax (907) 344-7794  
12/9/2021 PROJ. 21-251 SHT 2 OF 3

SEE SHEET 1

TRACT B

ATS 1545

N47°07'03"E 1766.10'

N14°43'54"W 196.85'

50' PUBLIC ACCESS  
EASEMENT PER.  
AS 38.05.127

N09°16'54"W 253.26'

LOT 1

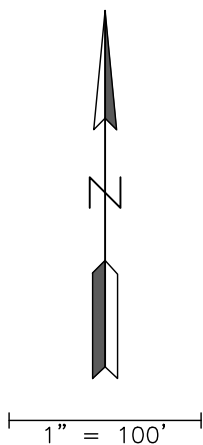
U.S.S. 9008

N07°21'54"W 196.54'

N09°27'54"W  
150.37'

SEE DESCRIPTION FOR  
COURSE INFORMATION

SEE SHEET 2



TRACT B

ATS 1545

S47°07'03"W  
1296.77'

S05°19'16"E 1751.70'

PASSAGE CANAL



12501 OLD SEWARD, D ANCHORAGE, AK 99515  
Phone (907) 344-5990 Fax (907) 344-7794  
12/9/2021 PROJ. 21-251 SHT 3 OF 3



EXHIBIT B  
Head of Bay City-Owned Uplands – Survey and Legal Description





**EXHIBIT B**

**Head of Bay City-Owned Uplands –  
Survey and Legal Description**

**CITY OF WHITTIER, ALASKA  
RESOLUTION #29-2021**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER,  
ALASKA, ACCEPTING CITY OWNERSHIP OF THE FORMER  
WHITTIER TANK FARM PROPERTY FROM THE UNITED STATES  
ARMY CORPS OF ENGINEERS CONSISTING OF APPROXIMATELY 58  
ACRES FOR THE AMOUNT OF \$165,000, AND APPROPRIATING  
FUNDS**

**WHEREAS**, Section 2841 of the National Defense Authorization Act for Fiscal Year 2011 authorized the Secretary of the Army to convey, with consideration, to the City of Whittier, all right, title, and interest of the United States to the approximately 58 acre parcel then known as the Whittier Tank Farm; and

**WHEREAS**, the property is located within Township 8 North, Range 5 East, Seward Meridian, and is identified as Lots 1 and 2, United States Survey 8726, dated 1 October 1986, and filed with the Anchorage Recorders Office on 11 October 1986; and

**WHEREAS**, the City and the US Army Corps of Engineers (Grantor) have completed the transfer documentation which necessitates approval by the City Manager of the Quitclaim Deed, and which is further subject to an Environmental Covenant approved the Alaska Department of Environmental Conservation; and

**WHEREAS**, the Grantor reserves a perpetual right and easement for construction, operation, maintenance and removal of a biovent equipment compound, biovent wells, sub-surface injection piping and remedial/monitoring equipment in order to mitigate any remaining biohazards on the property, as described in the Quitclaim Deed as attached hereto; and

**WHEREAS**, the Grantor hereby covenants, per Section 1(c) of the Quitclaim Deed, that “all remedial action necessary to protect human health and the environment with respect to any hazardous substance identified pursuant to section 120(h)(3)(A)(i)(I) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 remaining on the property has been taken before the date of this deed” and, per Section 1(d), that “any additional remedial action found to be necessary after the date of this deed shall be conducted by the United States.”; and

**WHEREAS**, the City agrees that if an actual or threatened release of a hazardous substance is discovered on the property after the date of conveyance, the City shall be responsible for such release or newly discovered substance unless City can demonstrate that the release or newly discovered substance was due to the Grantor’s activities, use or ownership of the property; and

**WHEREAS**, the City is aware that the subsurface soil and groundwater have been determined to have been affected by petroleum spills for the past use of the property as a fuel storage facility, and that there are limitations on the City’ use of the property as further described in section 5 of the Quitclaim Deed; and

**WHEREAS**, the City is aware that the property is subject to an Environmental Covenant approved by the Alaska Department of Environmental Conservation, as attached to this Resolution, which subjects the property to certain activity and use limitations as set forth in the Environmental Covenant including remedies included, but not limited to the following: bioventing on the ARRC property; long-term monitoring on both the Tank Farm and ARRC property to measure changes in contaminant concentrations in groundwater; periodic reviews once every five years; assessment of the risks associated with vapor intrusion into any future buildings to be constructed on the ARRC property; institutional controls to protect human health, safety and welfare until cleanup levels are reached.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Whittier, Alaska that:

**Section 1.** The City hereby accepts the transfer of ownership of the Whittier Tank Farm property from the United States Army Corps of Engineers.

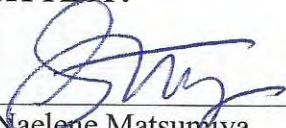
**Section 2.** The City Manager is hereby authorized to sign the Quitclaim Deed and any Environmental Covenant if necessary, and all documents necessary to facilitate transfer of ownership of the land to the City; and

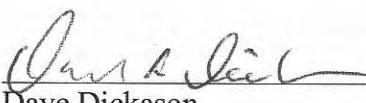
**Section 3.** The City hereby agrees to the recitals contained in the Quitclaim Deed and the Environmental Covenant.

**Section 4.** Funding in the amount of \$165,000 is hereby appropriated from CPV reserves to the project expense account for land purchase, account no. 23-990-9200.

**PASSED AND APPROVED** by a duly constituted quorum of the Whittier City Council this 21<sup>st</sup> day of September, 2021.

**ATTEST:**

  
Naelene Matsumiya  
City Clerk

  
Dave Dickason  
Mayor

Ayes: 6  
Nays: 0  
Absent: 1  
Abstain: 0

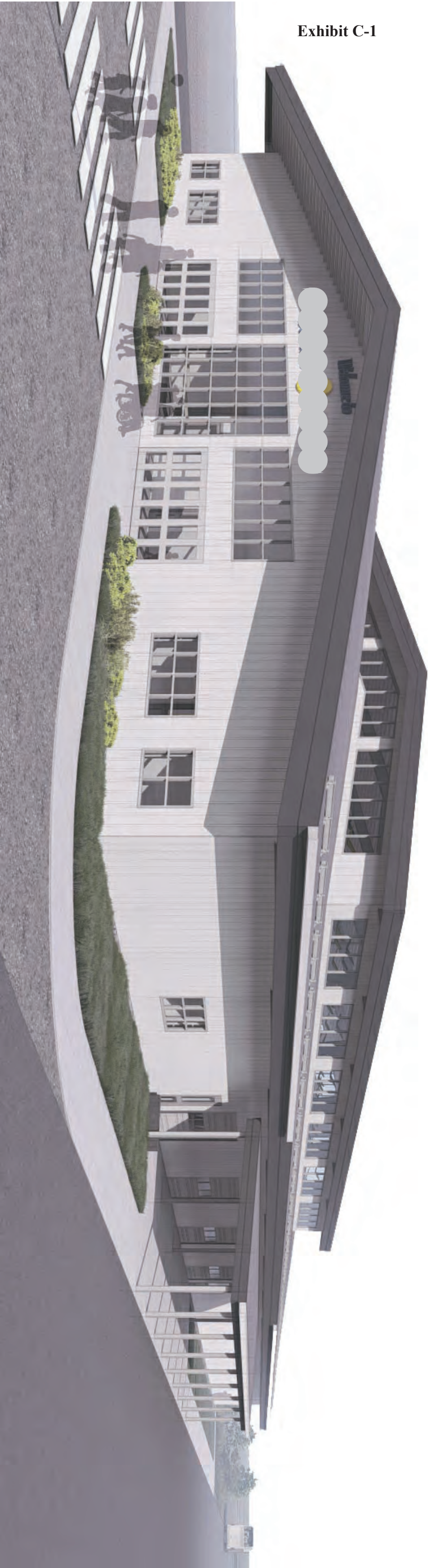


EXHIBIT C (1)  
Conceptual Drawings of Project





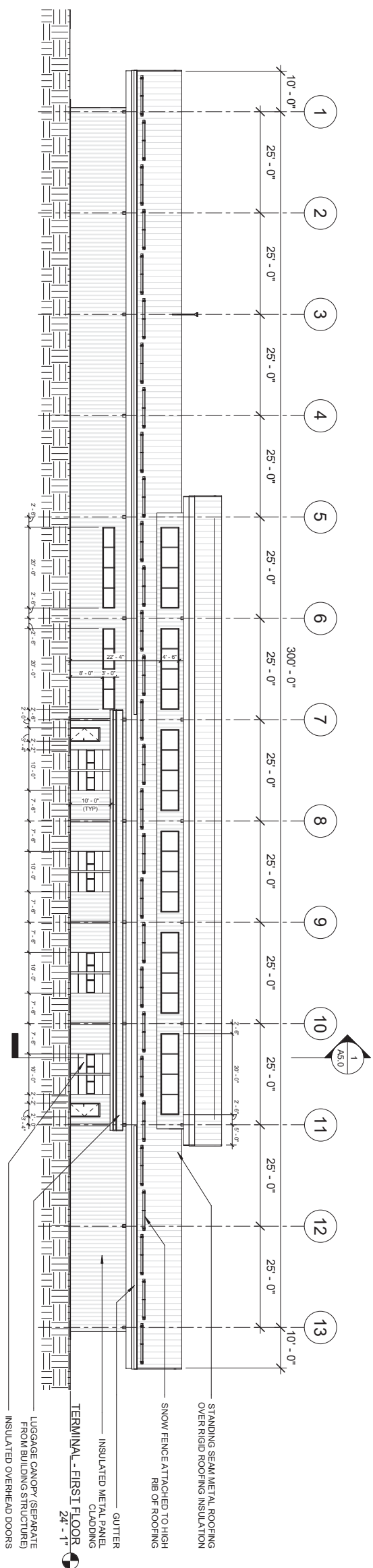
Exhibit C-1



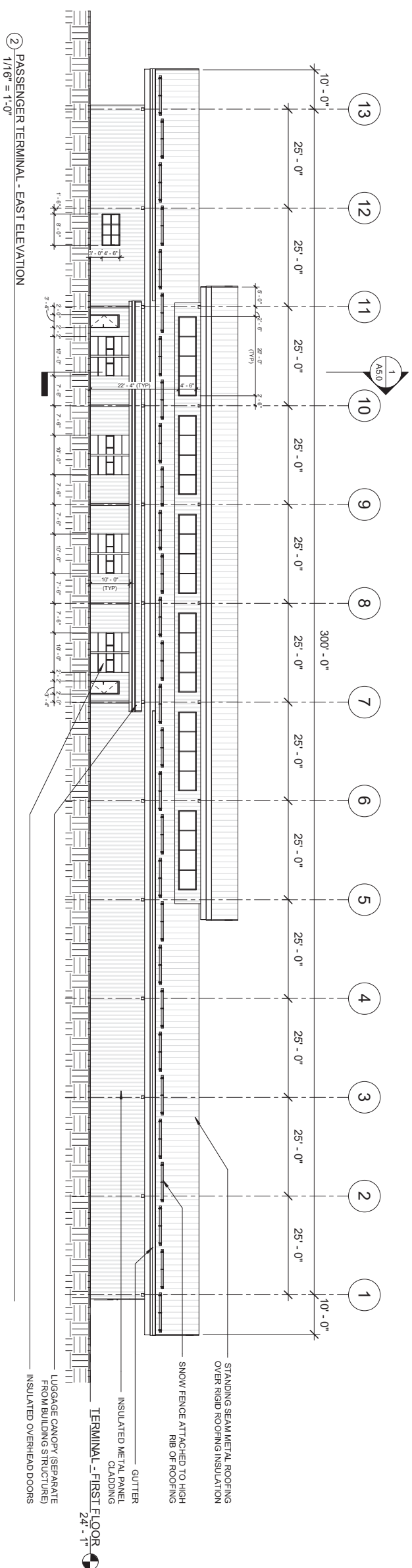
**Concept Level Terminal Building Plan**



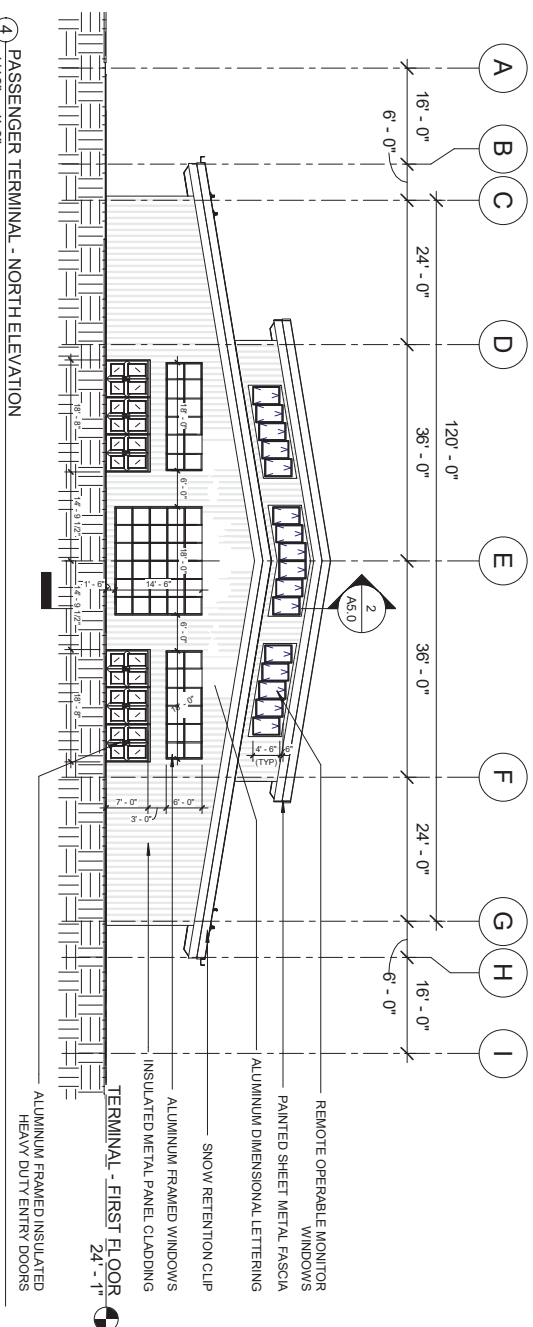
# Concept Level Terminal Building Plan



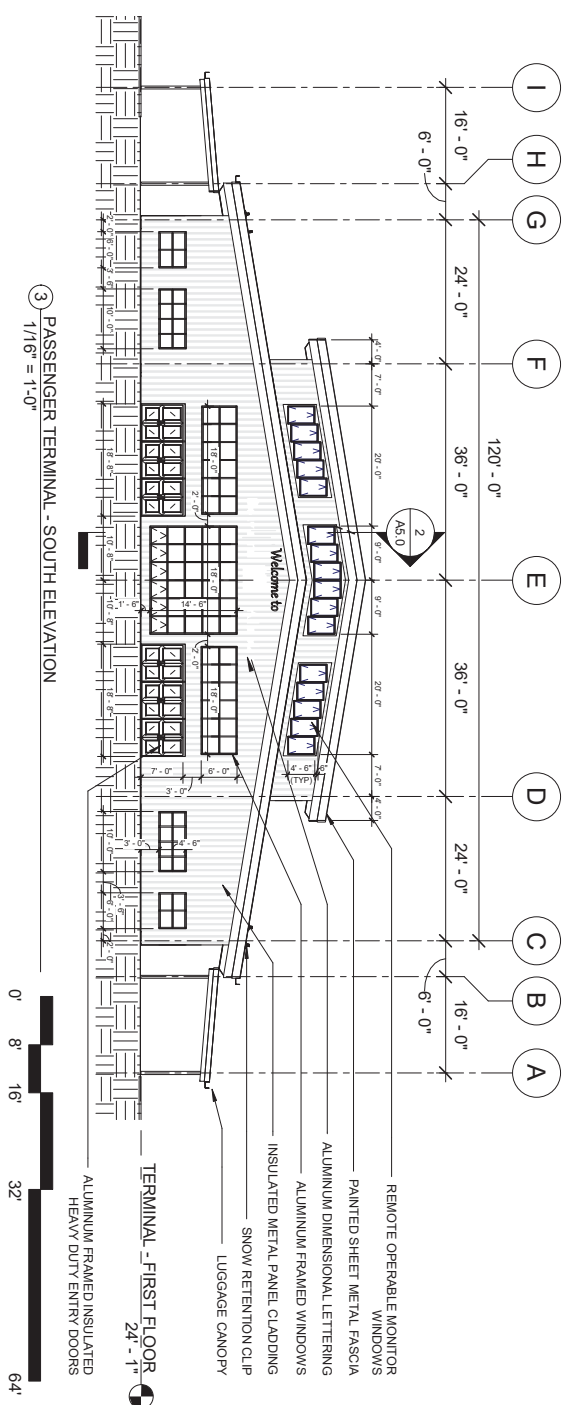
1 PASSENGER TERMINAL - WEST ELEVATION  
1/16" = 1'-0"



2 PASSENGER TERMINAL - EAST ELEVATION  
1/16" = 1'-0"



4 PASSENGER TERMINAL - NORTH ELEVATION  
1/16" = 1'-0"



③ PASSENGER TERMINAL - SOUTH ELEVATION  
1/16" = 1'-0"





EXHIBIT D

Preliminary Construction Plan

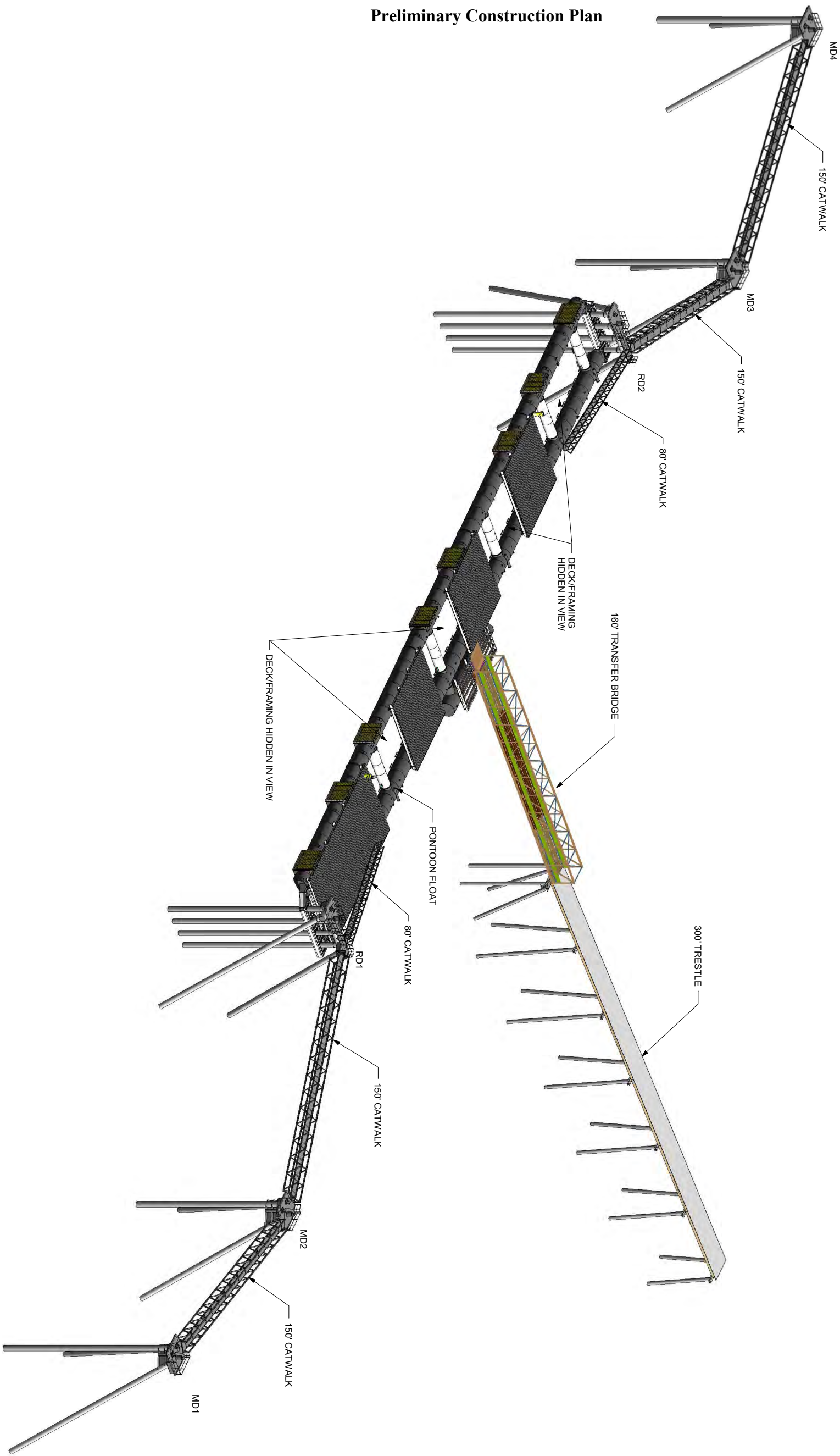


EXHIBIT D  
Preliminary Construction Plan

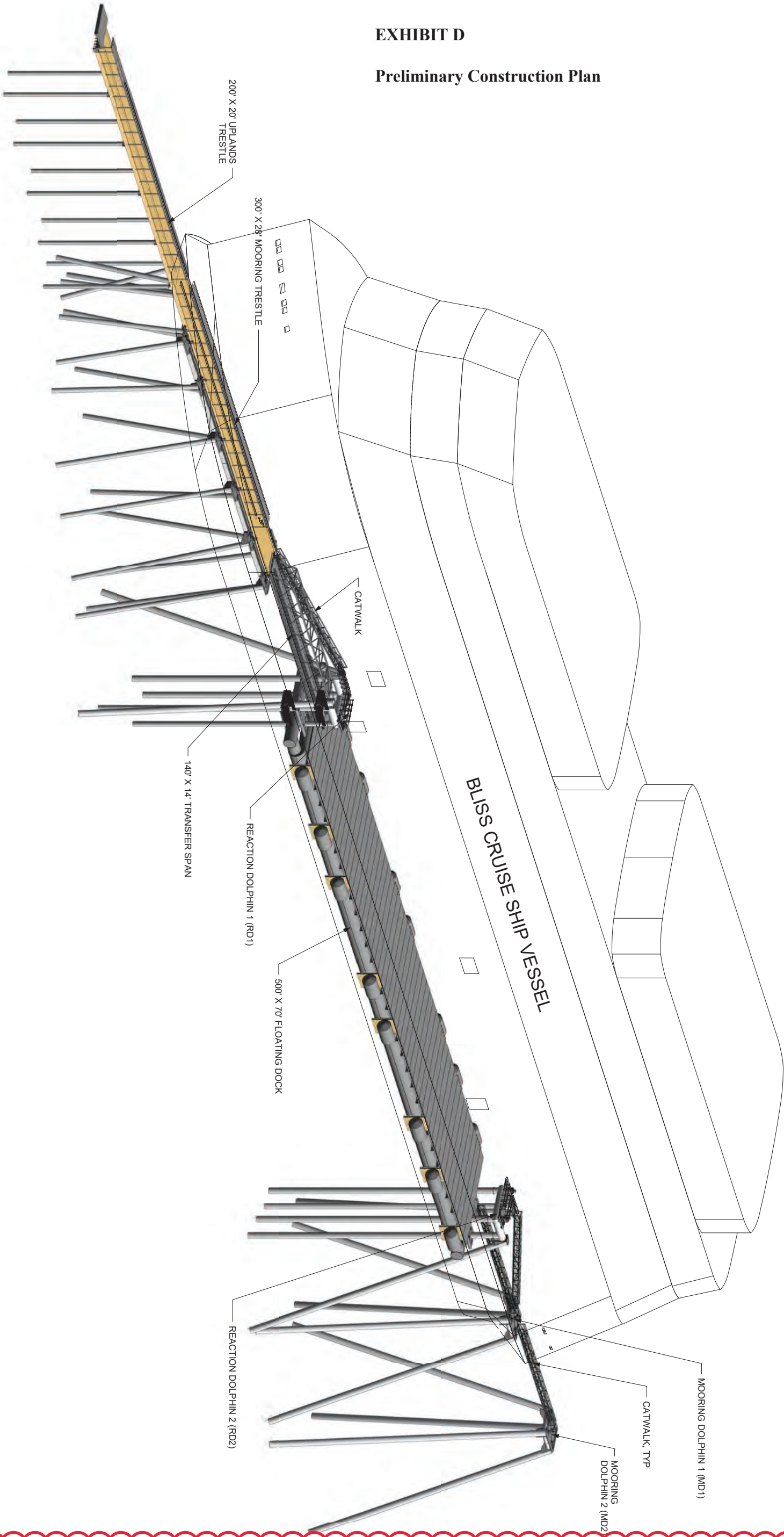
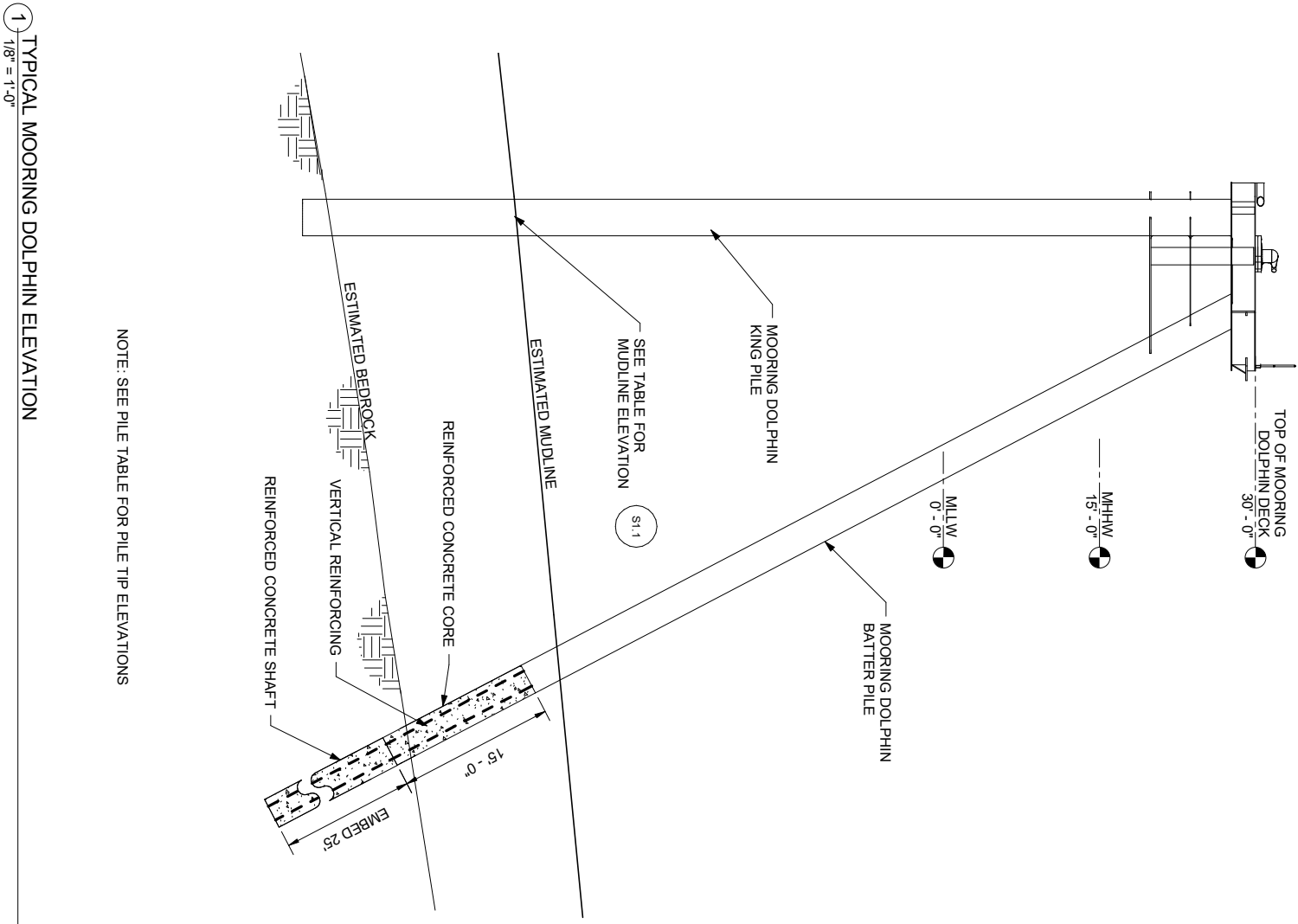




EXHIBIT D  
Preliminary Construction Plan



## Preliminary Construction Plan



2 REACTION DOLPHIN ELEVATION 2  
1/8" = 1'-0"

## Preliminary Construction Plan

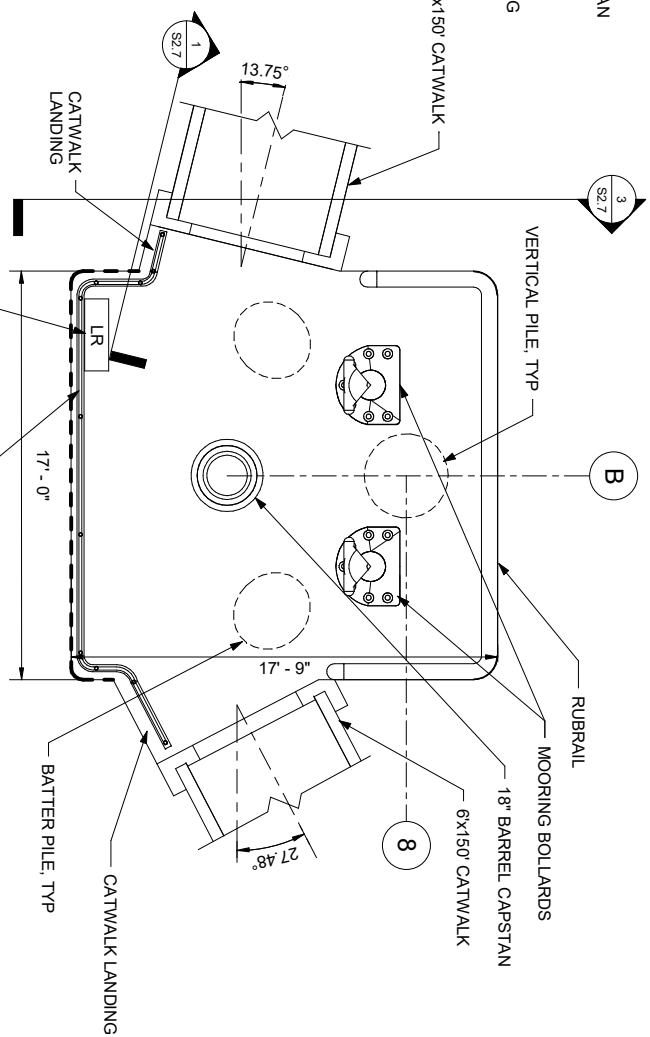
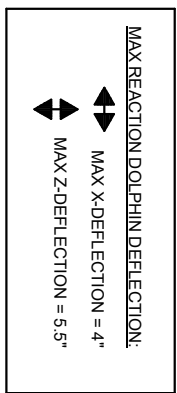
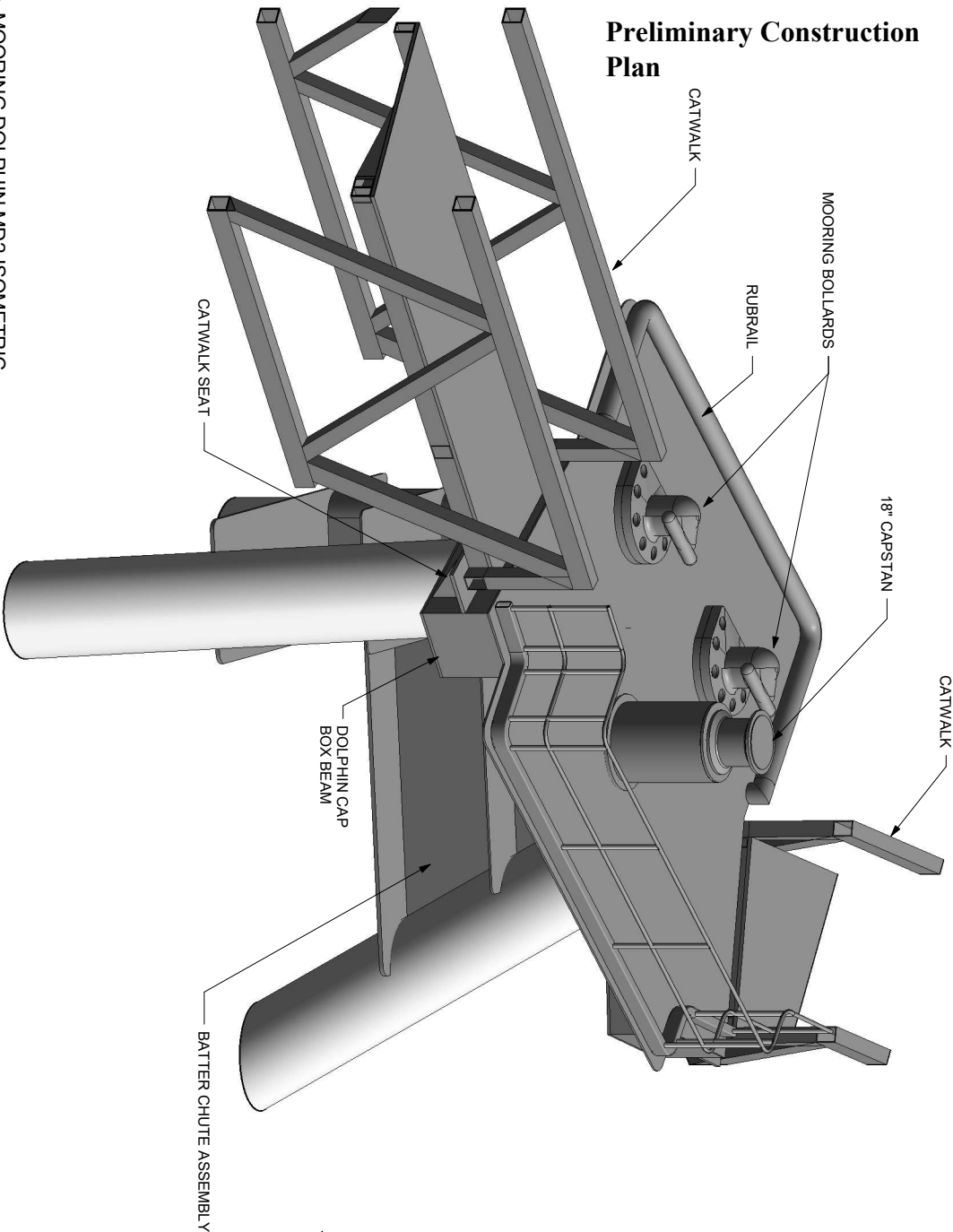
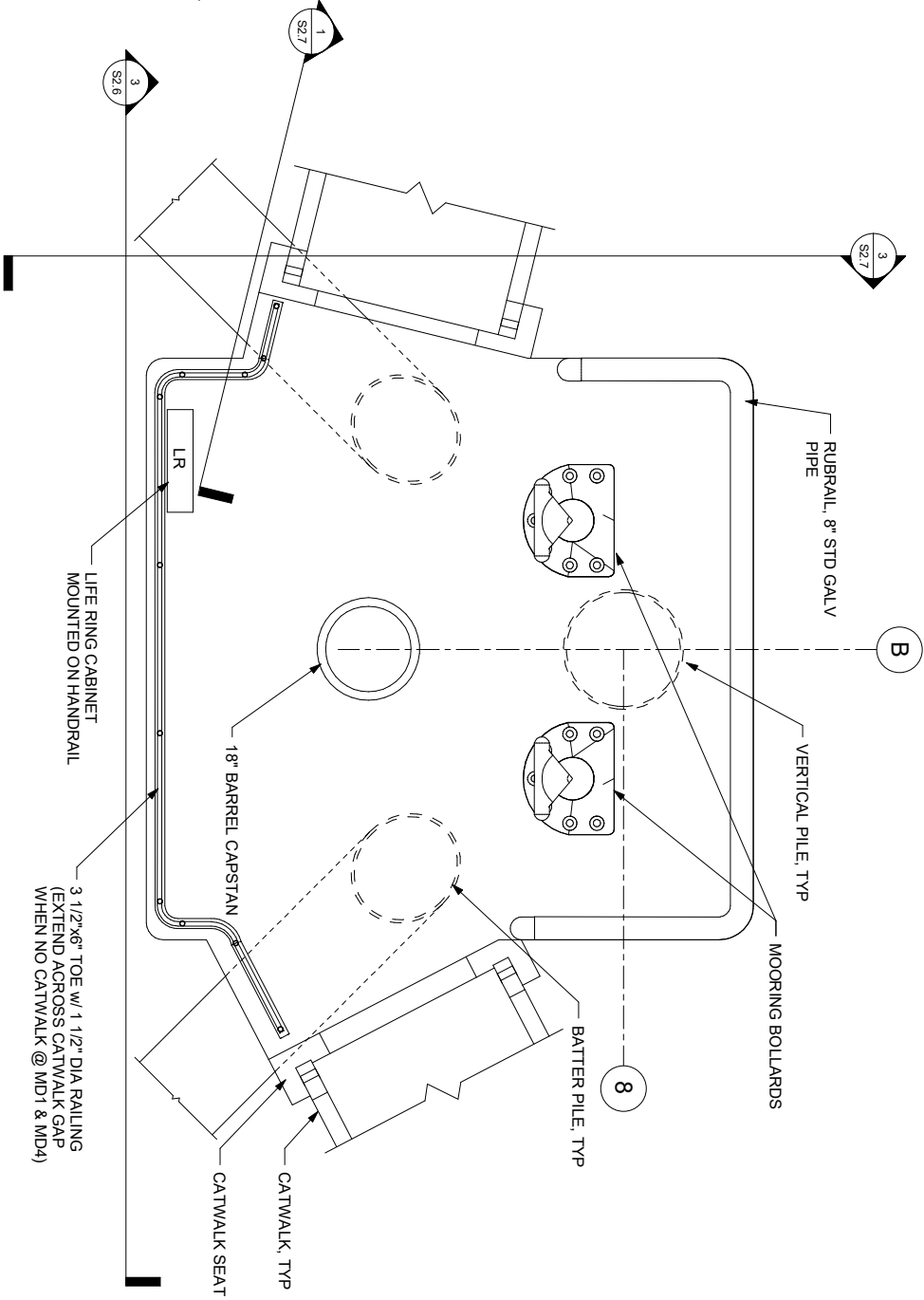


EXHIBIT D

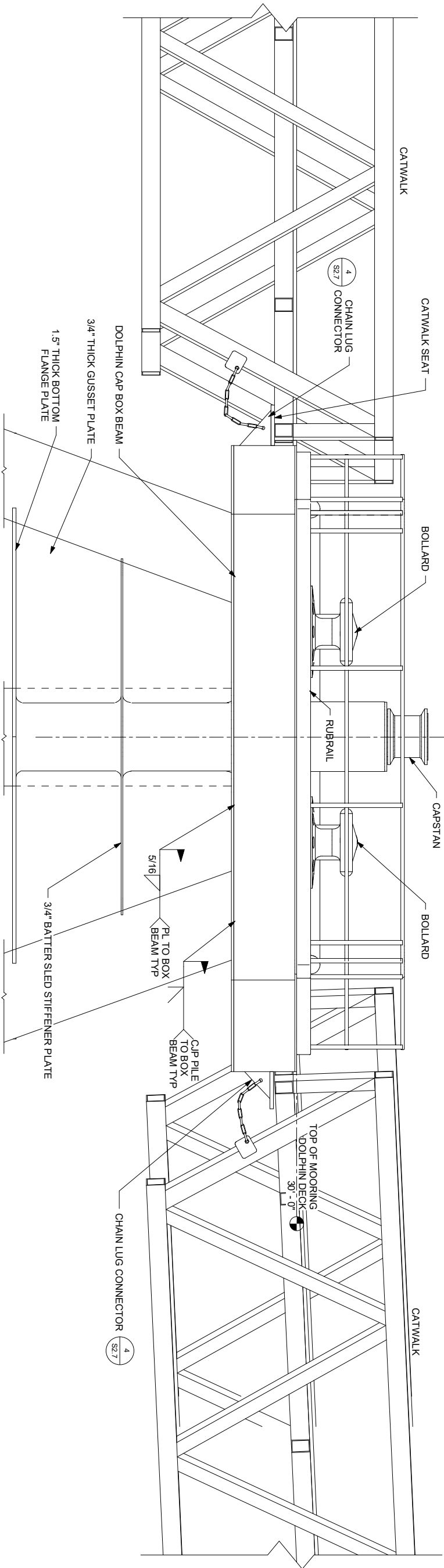
Preliminary Construction Plan



1 MOORING DOLPHIN MD2 ISOMETRIC



2 MOORING DOLPHIN DETAIL PLAN  
3/8" = 1'-0"

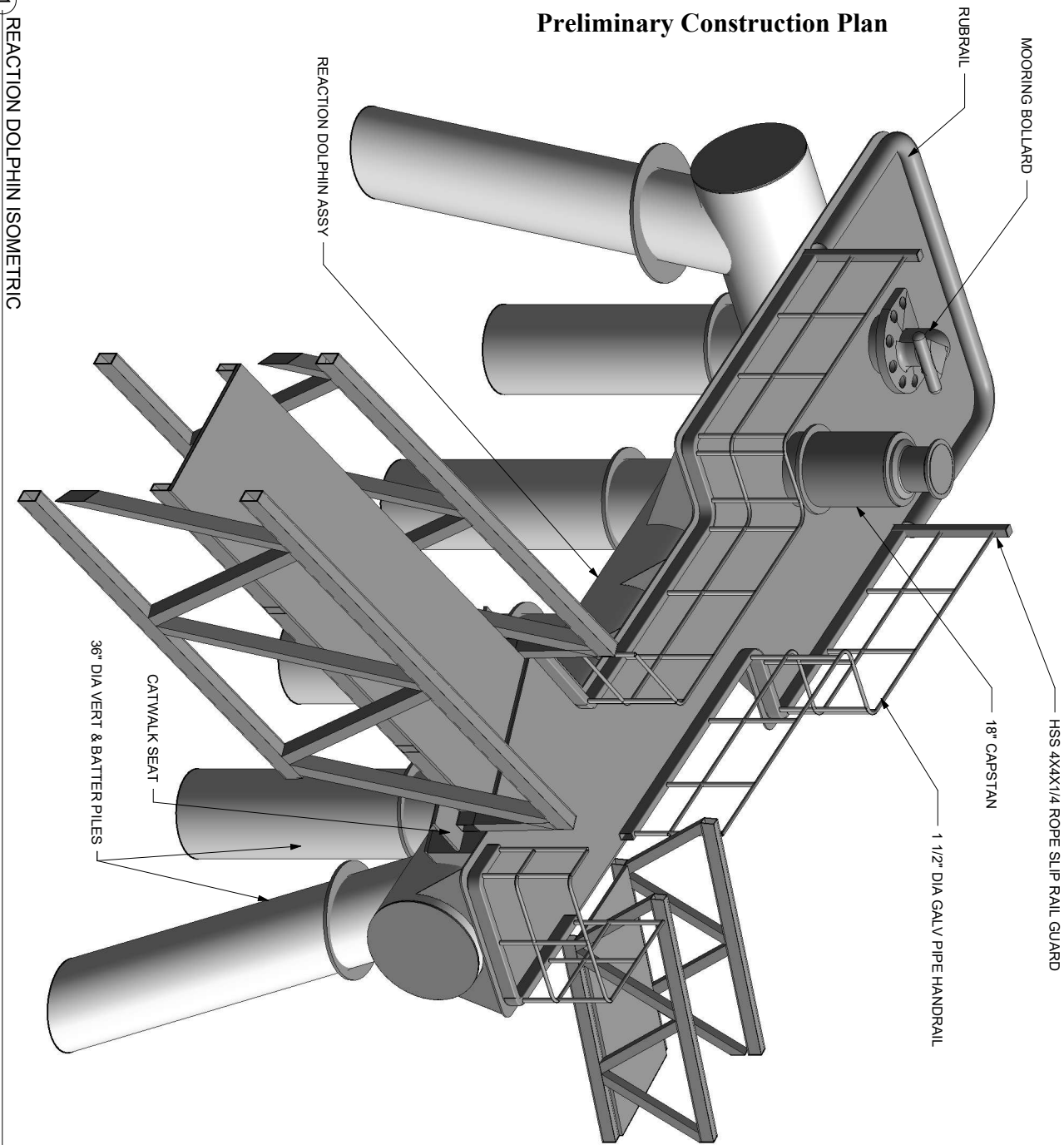


3 MOORING DOLPHIN BOLLARD ELEVATION 1  
1/2" = 1'-0"

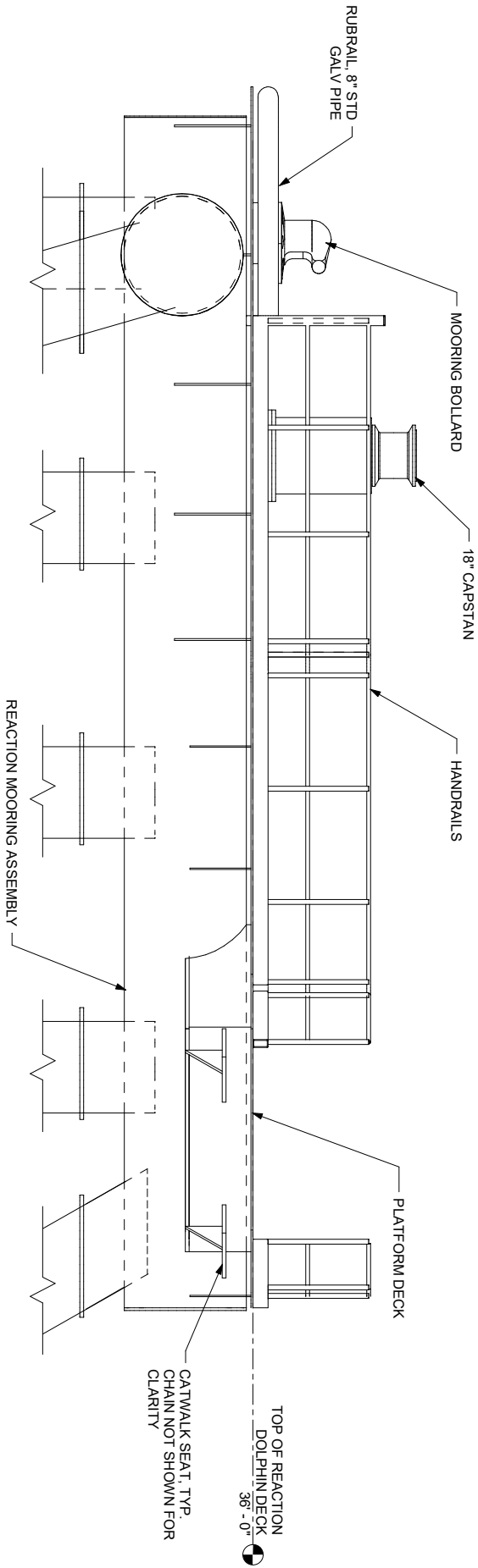


EXHIBIT D

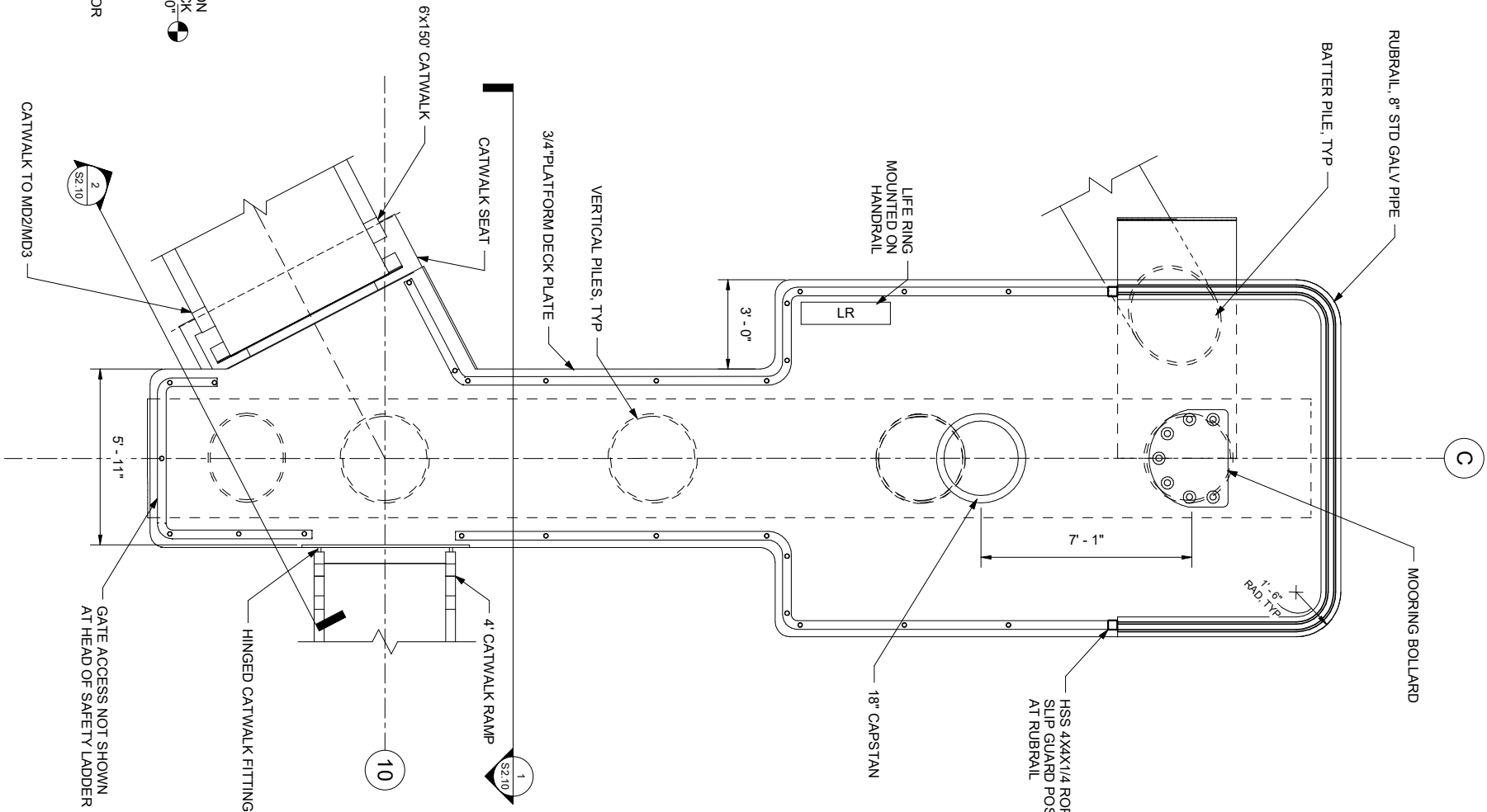
Preliminary Construction Plan



1 REACTION DOLPHIN ISOMETRIC



3 REACTION DOLPHIN DETAIL ELEVATION  
3/8" = 1'-0"



2 REACTION DOLPHIN DETAIL PLAN  
3/8" = 1'-0"

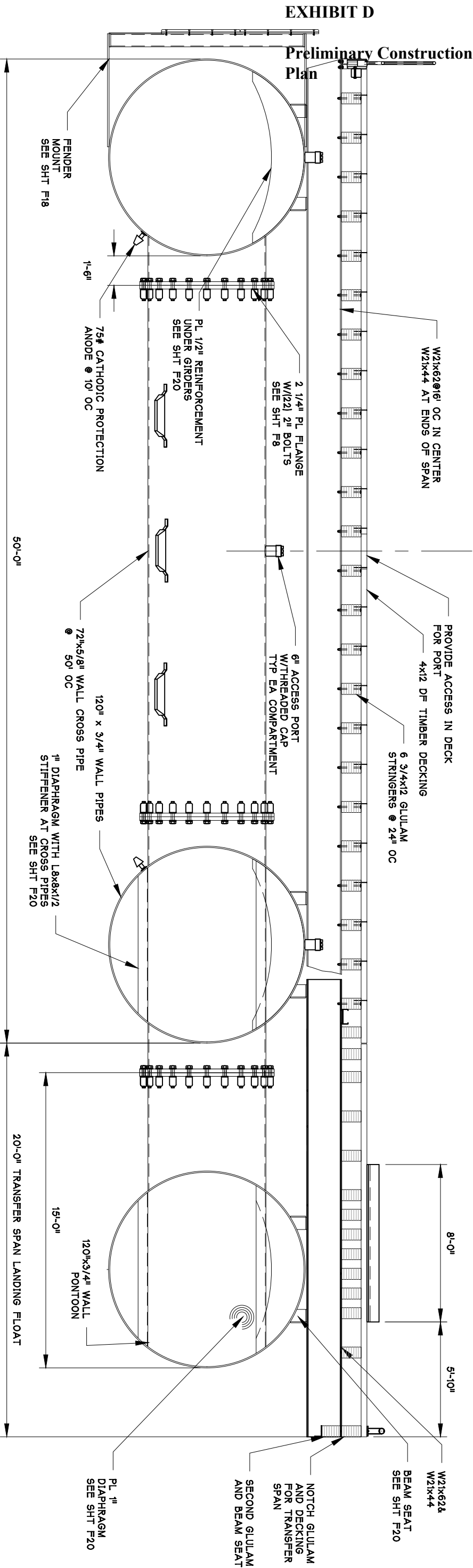




## Preliminary Construction Plan







**B SECTION - PONTON**

**NOTES:**

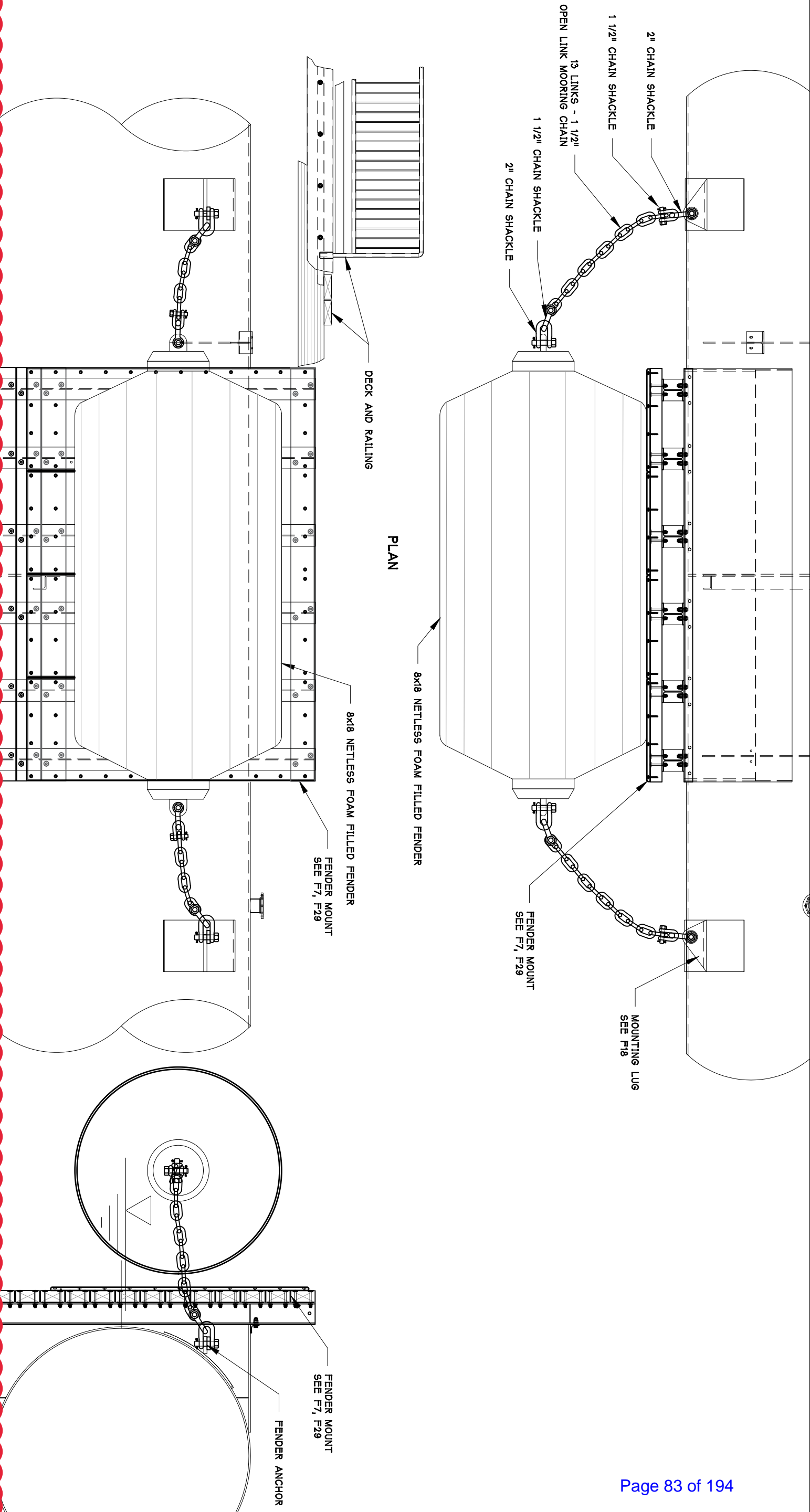
MATERIAL:  
PIPE AND GENERAL PLATE AND SHAPES: A36  
PLATE FLANGES: A572-50  
PIPE: A252 GR 3

WELDING  
UNLESS OTHERWISE NOTED, ALL EXTERIOR WELDS SHALL BE  
CONTINUOUSLY SEAL WELDED, ALL INTERIOR WELDS SHALL BE  
MIN 5/16" FILLET WELDS SPACED 2" IN 6".

Sample

EXHIBIT D

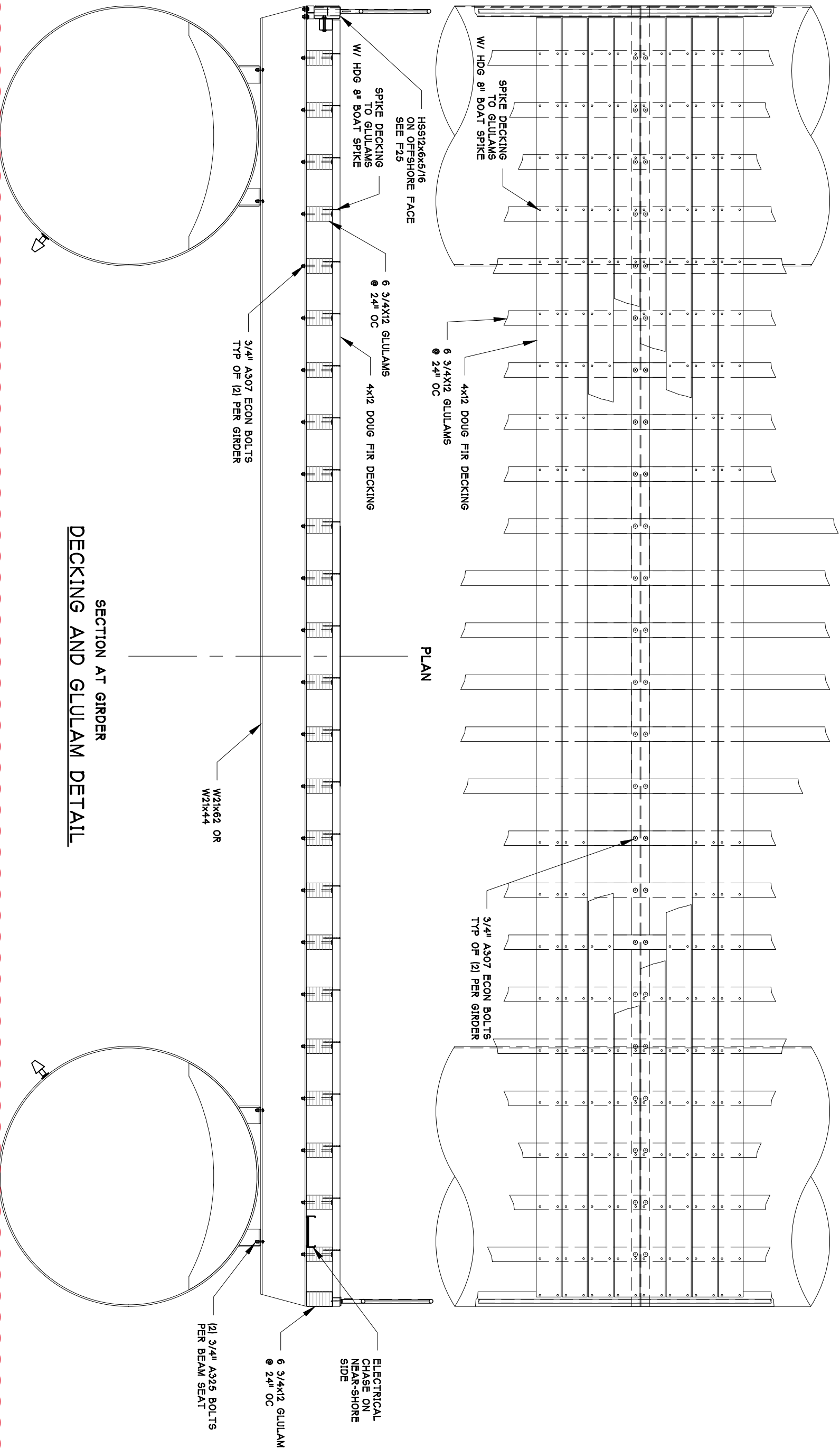
Preliminary Construction Plan



Sample



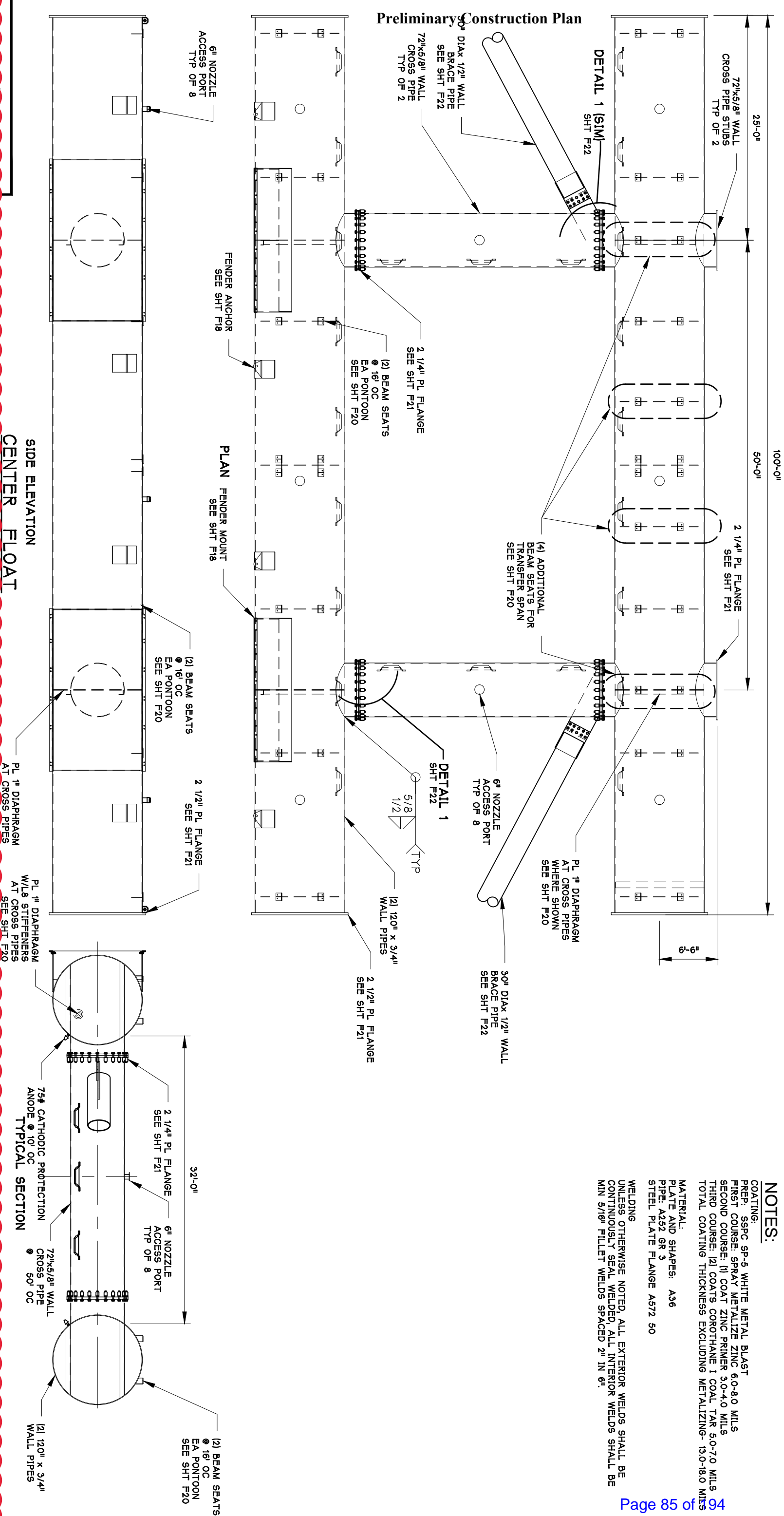
Preliminary Construction Plan



Not For Distribution

Sample

SIDE ELEVATION  
CENTER FLOAT



NOTES:

- COATING: 3SPC SP-5 WHITE METAL BLAST
- PREP: 3SPC SP-5 WHITE METAL BLAST
- FIRST COURSE: SPRAY METALIZE ZINC 6.0-8.0 MILS
- SECOND COURSE: SPRAY METALIZE ZINC 3.0-4.0 MILS
- THIRD COURSE: (1) COAT ZINC PRIMER 3.0-4.0 MILS
- TOTAL COATING THICKNESS EXCLUDING METALIZING- 13.0-18.0 MILS
- MATERIAL: PLATE AND SHAPES: A36
- PIPE: A252 GR 3
- STEEL PLATE FLANGE A572 50
- WELDING: UNLESS OTHERWISE NOTED, ALL EXTERIOR WELDS SHALL BE CONTINUOUSLY SEAL WELDED, ALL INTERIOR WELDS SHALL BE MIN 5/16" FILLET WELDS SPACED 2" IN 6".



**EXHIBIT D**

**Preliminary Construction Plan**

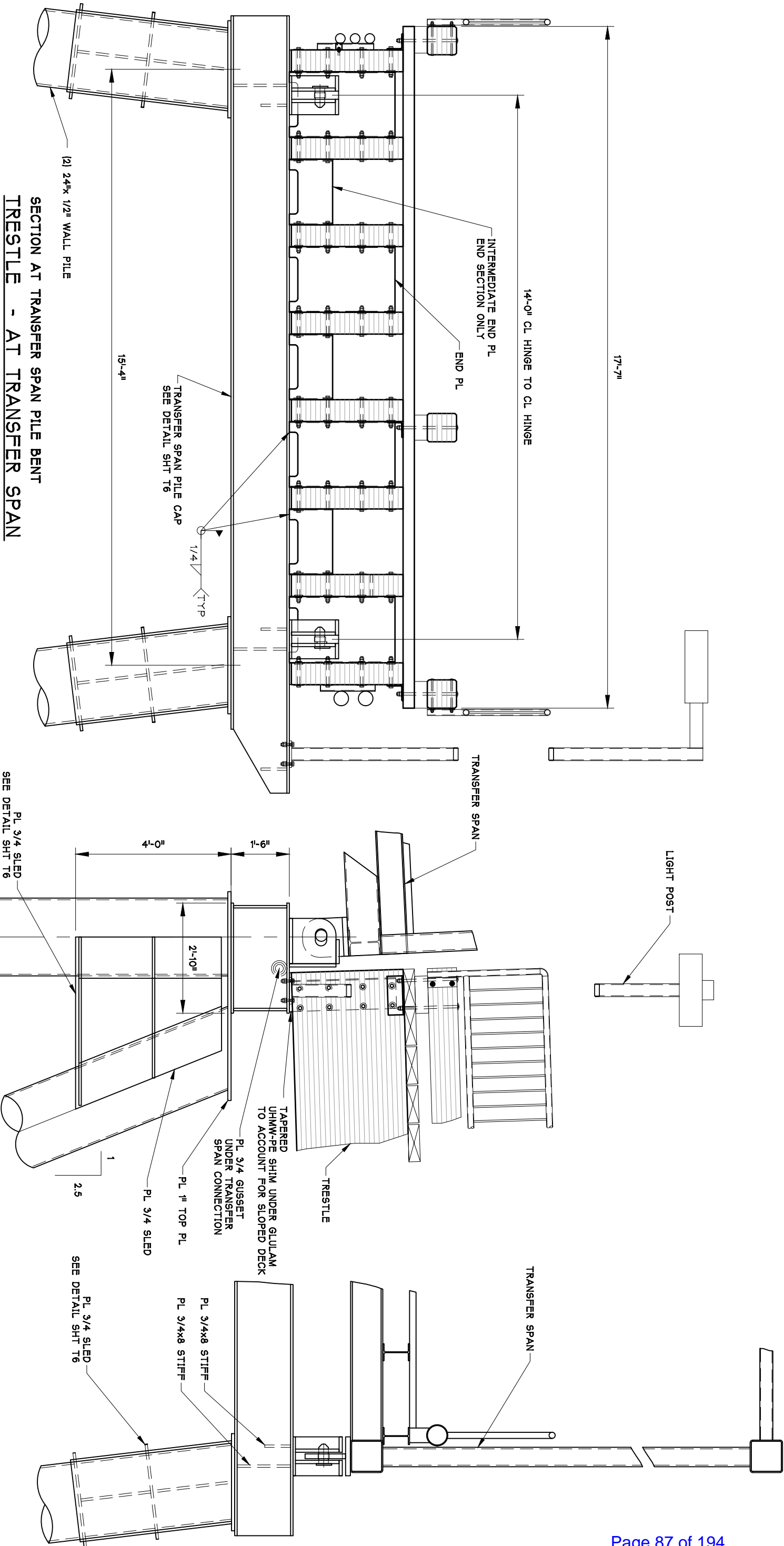
The diagram illustrates the construction of a gate structure, including a side view and an end view. Key components and dimensions are as follows:

- Side View Dimensions:**
  - Overall length: 3'-6"
  - Radius corner: 9"
  - Post spacing: 1/2" RB @ 4 1/4" OC
  - Post types: 1 1/2" ST STL PIPE HANDRAIL POST END POSTS ONLY, 1 1/2" STD STL PIPE HANDRAIL, 1 1/2" XS STL PIPE INTERIOR HANDRAIL POST, 1 1/2" STD STL PIPE FRAME FOR GATE
  - Gate hardware: GATE HINGES AND LATCH W/ UHMW BUSHINGS PER FABRICATOR PREFERENCE
- End View Dimensions:**
  - Post spacing: 1/2" RB @ 4 1/4" OC
  - Post types: 1 1/2" STD STL PIPE HANDRAIL, 1 1/2" XS STL PIPE INTERIOR HANDRAIL POST, 1 1/2" STD STL PIPE FRAME FOR GATE
- Material Specifications:**
  - FB 3/8x4 GLULAM
  - 1/2x6 LAG BOLT TYP OF 4
  - FB 3/8x4x6 W/ 1/4 1/2x6 LAG BOLTS
  - 6 3/4x12 GLULAM
- Other Details:**
  - Seal: SEAL
  - Typical sections: TYP 3/16, TYP 1/4

Sample

EXHIBIT D

Preliminary Construction Plan





# THE CITY OF WHITTIER

*Gateway to Western Prince William Sound*

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

January 14, 2022

Mr. Bill O'Leary  
President and CEO, Alaska Railroad Corporation  
327 W Ship Creek Ave.  
Anchorage, AK 99501

RE: Project Site Access and Offer to Amend Master Lease on Whittier Head of Bay Property

Dear Bill,

Thank you for meeting with the City of Whittier team to discuss our proposed purchase of Railroad property at the Head of the Bay (HOB). As we discussed, the City sees this property as critical to our ability to pursue economic development opportunities in a manner that meets the overall best interests of the community.

During our meeting we requested your approval for access across a portion of the Leased Premises at the HOB, for construction of a cruise ship dock and amenities. Please find an enclosed map, "Whittier Head of Bay Development Concept". On the map, the areas we request to utilize for access to our tidelands are shown as "Lease Area 1.6 acres" and "Lease Area 0.5 acres". We would appreciate your approval, in writing, of our temporary use of that property for access.

During our meeting your team expressed concern with any legislation involving the sale of Railroad property which could introduce potential unintended consequences for the Railroad. We heard your concerns and understand why now may not be the right time to consider a property sale. In consideration of your concerns, we propose instead, an amendment to the current Master Lease (only as it relates to the property at the Head of the Bay) according to the following approximate terms:

- Lease Term for land at the Head of the Bay amended to add 13 years. The City would like our Master Lease to match the 95-year term of our proposed cruise ship project lease. The current Master Lease expires in 2033 (Section 2.1) with options to extend for an additional 70 years, or through 2103 (Section 2.3). The City requests a lease term to expire in 2116.
- Annually during the term, the City proposes to pay the equivalent of what is currently required under the Master Lease (40% of fair market rental value), for all land at the HOB, as if that land were being subleased, regardless of whether the City decides to sublease (or not), develop (or not) the property. This guarantees the Railroad a return on every acre of HOB land, while increasing our flexibility to utilize the land, whether or not for income-producing purposes. The approximate calculation of annual rent is as follows: 70 acres x \$5,500 per acre = \$385,000 x .08 = \$30,800 (Fair Market Rental Value) x .40 = \$12,320 per year. Under this scenario, the Railroad receives the equivalent of \$1,170,400 in current dollars over the term of the lease. The lifetime return considering inflationary growth in property values, will be much higher.
- The parties agree that the City, in exchange for paying rent for the entire HOB parcel -- whether or not developed or subleased -- will have the freedom to develop or not develop, sublease or not, without



## Exhibit E

### Alaska Railroad Site Access and Request to Amend Master Lease

Page Two

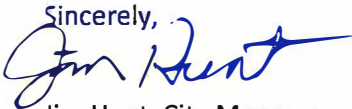
further required approval of the Railroad. The intent of this amendment is to align the interests of the parties so the Railroad receives fair compensation for its land, while the City determines the highest and best use of the property for the benefit of the community. Currently, the City is interested in considering, in addition to a cruise ship dock and upland amenities, potential improvements that may not result in generating income (after accounting for operating costs) for amenities such as parking lots, camping, boat harbor, launch ramps, etc. By agreeing to pay an annual lease on the entire parcel whether developed or not, the City wishes to be free to develop (or not develop) in a manner that maximizes the benefit to the community for public amenities and/or economic development, regardless of whether the development is profit-producing, without risk of default. We believe our development plans will comport with Section 7.1 and Section 7.3 but wish to avoid any potential dispute.

Our proposal to amend the Master Lease is beneficial to the Railroad in that it assures income generation for 95 years and removes the potential misalignment of development interests. Since City enterprise operations do not focus on generating profit, the City may decide the highest and best use of the property is in how it can enhance the needs of the community, regardless of whether the activities generate revenue. This option also ensures the City that the Railroad parcel will not be used for industrial development that may conflict with the vision we currently see with our adjacent property.

In addition to the financial advantages of this lease proposal, the Alaska Railroad stands to benefit from our cruise ship dock project in other substantive ways. We anticipate the project will double the number of airport train shuttles from Whittier, and Whittier's proximity to Talkeetna creates additional day tour opportunities. There are excellent opportunities for new one- and two-day train tours serving Whittier cruise passengers, heading both north and south out of Whittier, in addition to new Denali tours to and from both Anchorage and Whittier. The proposed Whittier cruise project will improve train passenger service by providing a fully-furnished train depot in Whittier, including proposed direct rails along-side the depot building, with car-height passenger and luggage loading. With decreased distance and increased train tour capacity, the Railroad can expect to maintain premium pricing and share in additional profits. The project is also likely to impact the railroad's need for additional engines and passenger cars, and as partners, we will work to support Railroad initiatives related to capital appropriation and financing infrastructure.

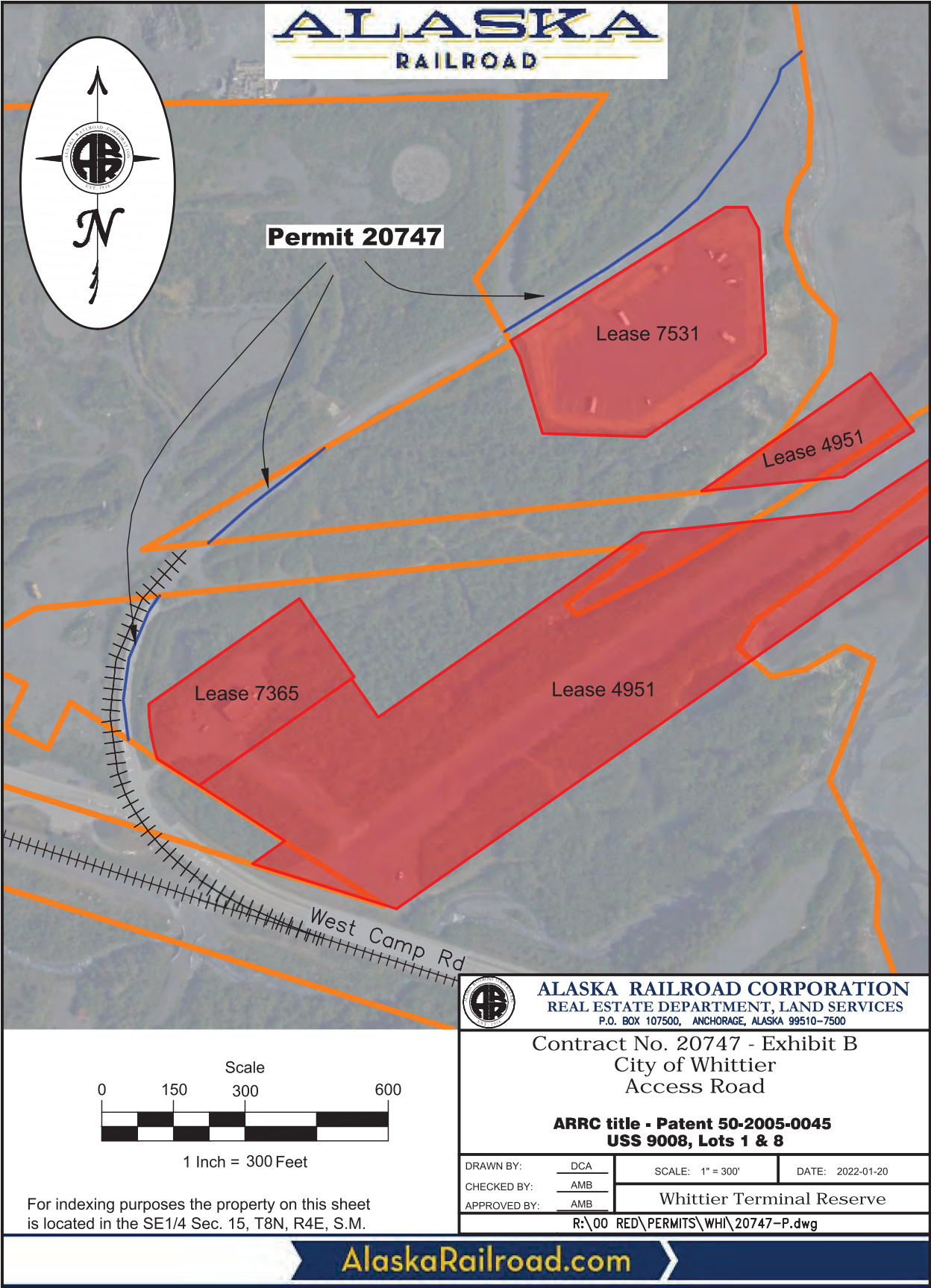
To facilitate our planning, we would appreciate a response by January 21, 2022, letting us know whether you can favorably recommend our proposal to amend the Master Lease and whether such an amendment would require approval by your Board of Directors and if so, the proposed timing of getting an amendment before your Board. The City will need to forward any proposed amendment to Council for approval, to ensure it comports with applicable laws. Further, we also appreciate your approval, in writing, of our requested access points for the project as depicted on the enclosed map. Our project developers are eager to finalize design and will be working to secure permits for the cruise ship dock project, so a timely understanding of our options will assist in making key decisions.

I look forward to hearing from you.

Sincerely,  


Jim Hunt, City Manager  
Phone: 907.202.2442  
Enclosure: Map

EXHIBIT E  
Temporary Construction Access along ARRC Property



**EXHIBIT F**

**CONSTRUCTION SCHEDULE**

[illegible]



## Exhibit G

### Limited Assignment for Security Purposes

The CITY OF WHITTIER ("Landlord") whose mailing address is PO Box 608, Whittier, Alaska 99693, under that certain Head of Bay Tidelands and Uplands – Cruise Parcel (2022) Lease Agreement ("Lease") dated \_\_\_\_\_, 2022, with \_\_\_\_\_, a wholly-owned subsidiary of Huna Totem Corporation ("Assignor"), whose mailing address is 9301 Glacier Highway, Suite 200, Juneau, AK 99801-9306, of the following real property:

See the attached Exhibit "A"

See the attached Exhibit "B"

hereby consents to the assignment of the Lease by ASSIGNOR to \_\_\_\_\_  
("ASSIGNEE")

The purpose of this consent is to allow ASSIGNOR to secure a loan, the total proceeds of which are to be used for leasehold development and/or operations on the property described above.

1. Possession by Assignee. ASSIGNEE may take possession of the leased premises and vest in the interest of the ASSIGNOR in the Lease upon the performance of the following conditions:
  - a) The payment to LANDLORD of any and all sums due to LANDLORD under the lease, including but not limited to accrued unpaid rent.
  - b) The sending of a written notice to LANDLORD and ASSIGNOR of ASSIGNEE'S intent to take possession of the premises and assume the Lease.
  - c) The curing of all defaults not remediable by the payment of money within an additional thirty (30) days of the date upon which such default was required to be cured by the Lessee under the terms of the Lease.
2. No Liability of Assignee Without Possession. ASSIGNEE shall have no liability or obligation under the Lease pursuant to this Assignment unless and until it sends to LANDLORD the written notice described in paragraph 1(b) above. Nothing in this Assignment nor in the taking of possession of the leased premises and assumption of the Lease by ASSIGNEE or a subsequent assignee shall relieve ASSIGNOR of any duty or liability to LANDLORD under the Lease.
3. Notice of Default and Opportunity to Cure. Upon any default of any of the terms of the Lease by ASSIGNOR, LANDLORD, in addition to notifying ASSIGNOR (the Lessee)

4. INSERT REMAINING ITEM

**EXHIBIT H**  
**Ground Lease and Management Agreement**  
**between City of Whittier and Alaska Railroad**  
**Corporation**

**EXHIBIT I**  
**Alaska DEC**  
**Covenants**

**CITY OF WHITTIER, ALASKA  
RESOLUTION 2022-005**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA, RETROACTIVELY AMENDING THE 2021 BUDGET TO RECORD EXPENDITURES OF \$120,373.96 PAID BY THE STATE OF ALASKA ON BEHALF OF THE CITY TOWARD THE CITY'S PUBLIC EMPLOYEES RETIREMENT SYSTEM LIABILITY FOR THE PERIOD JANUARY THROUGH DECEMBER, 2021, AND APPROPRIATING FUNDS**

**WHEREAS**, in accordance with the 2020 Alaska State Legislature's passage of House Bill 205, the State of Alaska Department of Administration, Division of Retirement & Benefits ("DRB") contributed \$66,146.66 on behalf of the City of Whittier from January through June, 2021. The Alaska Retirement Management Board set the actuarially required rate at 30.85% for the State's fiscal year 2021. The State's contribution was 8.85%, reflecting the difference between the legislative on-behalf rate of 30.85% and the 22% employer "capped" rate with the contribution representing \$66,146.66 toward pension costs and \$0 toward healthcare costs, on behalf of the City; and

**WHEREAS**, in accordance with the 2021 Alaska State Legislature's passage of House Bill 69, the DRB contributed \$54,227.30 on behalf of the City of Whittier from July through December, 2021. The Alaska Retirement Management Board set the actuarially required rate at 30.11% for the State's fiscal year 2022. The State's contribution was 8.11%, reflecting the difference between the legislative on-behalf rate of 30.11% and the 22% employer "capped" rate with the contribution representing \$54,227.30 toward pension costs and \$0 toward healthcare costs, on behalf of the City; and

**WHEREAS**, in accordance with generally accepted accounting principles, the City must record payments made on its behalf, and must therefore amend the 2021 Budget to account for both the expenditures paid on behalf of the City, and the corresponding revenues paid by the State of Alaska on the City's behalf and the City received notice from the State of the total State contribution on behalf of the City on January 3, 2022; and

**WHEREAS**, failure to amend the budget to reflect the State's payments on-behalf of the city, will result in an imbalance between the actual and budgeted revenues and expenditures, giving the appearance of revenues and expenditures exceeding the annual budget as approved by the Whittier City Council.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of Whittier, Alaska, that the 2021 Operating Budget shall be retroactively amended as follows.

**Section 1.** The 2021 Operating Budget shall be retroactively amended to appropriate State PERS On-Behalf Grant Revenues on a pro-rata basis with the total amount of \$120,373.96 allocated as follows:

- a) \$81,876.36 to General Fund State PERS On-Behalf grant revenue account 01-360-4020 allocated as follows: a) \$19,856.69 to Admin Retirement Account 01-400-6070; b) \$40,410.47 to Police Retirement Account 01-510-6070; c) \$880.19 to Fire Retirement Account 01-520-6070; d) \$7,285.46 to EMS Retirement Account 01-530-6070; and e) \$13,443.55 to Public Works Retirement Account 01-600-6070; and
- b) \$27,130.92 to Harbor Enterprise Fund State PERS On-Behalf grant revenue account 51-360-4020 allocated to the Harbor Retirement Expense Account 51-800-6070; and
- c) \$3,199.22 to Delong Dock Enterprise Fund State PERS On-Behalf grant revenue account 53-360-4020 allocated to the Delong Dock Retirement Expense Account 53-800-6070; and
- d) \$8,167.46 to Water/Wastewater Fund State PERS On-Behalf grant revenue account 50-360-4020 allocated to the Water/Wastewater Retirement Expense Account 50-800-6070.

**Section 2.** This resolution shall be retroactive to December 31, 2021.

**PASSED AND APPROVED** by a duly constituted quorum of the Whittier City Council on this 22<sup>nd</sup> day of February, 2022.

**THE CITY OF WHITTIER, ALASKA**

\_\_\_\_\_  
Dave Dickason, Mayor

AYES:

NAYS:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Jackie C. Wilde  
Assistant City Manager/Acting City Clerk



# Council Agenda Statement



**Meeting Date:** February 22, 2022  
**To:** City Council  
**Through:** Jim Hunt, City Manager  
**From:** Kris Erchinger, Finance Director  
**Agenda Item:** State of Alaska PERS On-Behalf Payments of \$120,373.96 for CY2021

---

## **BACKGROUND. JUSTIFICATION & INTENT:**

The State of Alaska Public Employees Retirement System appropriated \$120,373.96 directly to PERS on behalf of the City of Whittier to help offset retirement liability costs to local taxpayers for the period January 1 through December 31, 2021. Although the funds did not come directly through the City from the State, we are required to account for the State's contribution as both revenue and expense/expenditure on the City's financial statements.

In 2008, the Alaska State Legislature passed Senate Bill 125, setting a 22% contribution rate cap on employers, with the State of Alaska contributing to the retirement system on behalf of non-State employers, the annually required contribution rate as established by the Alaska Retirement Management Board.

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	2020 Comprehensive Plan ( <i>document source here</i> ):			X
2.	Whittier Code:			X
3.	Other ( <i>list</i> ): 2020 Alaska State Legislature HB205; 2021 Alaska State Legislature HB69.	X		

## **FISCAL NOTE:**

The State's contribution on-behalf of the City of Whittier is considered a state grant and is recorded as grant revenue in the City's financial statements, with an offsetting expense/expenditure allocated to each department's operating budget on the basis of each department's annual salaries.

**ATTORNEY REVIEW:** Yes \_\_\_ No n/a

---

**RECOMMENDATION:** Council approve this resolution 2022-005 retroactively amending the 2021 Operating Budget by appropriating and allocating \$120,373.96 from state grant revenues to the General, Harbor, Delong, and Water/Wastewater Funds' retirement expense accounts based on annual salary expenses.

**CITY OF WHITTIER, ALASKA  
RESOLUTION 2022-006**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
WHITTIER, ALASKA, STATING THE 8.0 MILL RATE OF LEVY, DATE  
OF EQUALIZATION, AND DATE WHEN TAXES BECOME  
DELINQUENT FOR THE 2022 TAX ROLE**

**WHEREAS**, AS 29.45.240 (a) states the rate of levy, the date of equalization, and the date when taxes become delinquent shall be fixed by resolution.; and

**WHEREAS**, Whittier City Code Chapter 3.12 Real and Personal Property Taxes section 3.12.030 states the City Council may assess, levy, and collect a general tax for City purposes not to exceed eight-tenths of one percent of the assessed valuation of all real and personal property except as otherwise herein provided, and enforce collection by foreclosure, levy distress and sale. The levies shall be separately made and fixed, and the aggregate of them shall not exceed eight-tenths of one percent of the assessed value of the property assessed; and

**WHEREAS**, AS 29.45.180 (a) states a person receiving an assessment notice shall advise the assessor of errors or omissions in the assessment of the person's property. The assessor may correct errors or omissions in the roll before the board of equalization hearing.; and

**WHEREAS**, AS 29.45.180 (b) states If errors found in the preparation of the assessment roll are adjusted, the assessor shall mail a corrected notice allowing 30 days for appeal to the board of equalization.; and

**WHEREAS**, the City of Whittier will send out Tax Assessments on or before Friday, April 1, 2022; and

**WHEREAS**, the City of Whittier has set an appeal date deadline of Friday, May 06, 2022, by 5:00 p.m.; and

**WHEREAS**, The Board of Equalization shall meet on Tuesday, May 17, 2022 at 6:00 p.m. at Council Chambers located in the Public Safety Building on Whittier Street.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of Whittier, Alaska, that the 8.0 mill rate of levy, date of equalization, and date when taxes become delinquent for the 2022 tax role as follows.

**Section 1.** There shall be levied on all taxable property within the City a property tax at the rate of 8.0 mills. The tax shall be levied and collected in accordance with AS 29.45 and WMC 3.12.

**Section 2.** The Board of Equalization shall meet on Tuesday, May 17, 2022 at 6:00pm at Council Chambers located in the Public Safety Building on Whittier Street.

**Section 3.** The property taxes are delinquent if not paid by 5:00 p.m. on Monday, October 31, 2022

**PASSED AND APPROVED** by a duly constituted quorum of the Whittier City Council on this 22<sup>nd</sup> day of February, 2022.

**THE CITY OF WHITTIER, ALASKA**

---

Dave Dickason, Mayor

AYES:

NAYS:

ABSENT:

ABSTAIN:

ATTEST:

---

Jackie C. Wilde  
Assistant City Manager/Acting City Clerk

# Council Agenda Statement



**Meeting Date:** February 22, 2022

**To:** City Council

**Through:** Jim Hunt, City Manager

**From:** Kris Erchinger, Finance Director

**Agenda Item:** Resolution 2022-006 Stating The 8.0 Mill Rate of Levy, Date Of Equalization, And Date When Taxes Become Delinquent For The 2022 Tax Role

---

## **BACKGROUND JUSTIFICATION & INTENT:**

Every year the City of Whittier must approve by resolution the rate of levy, the date of equalization, and the date when taxes become delinquent. These requirements must be fixed by resolution per AS 29.45.240 (a). Whittier City Code Chapter 3.12 Real and Personal Property Taxes section 3.12.030 states the City Council may assess, levy, and collect a general tax for City purposes not to exceed eight-tenths of one percent of the assessed valuation of all real and personal property except as otherwise herein provided, and enforce collection by foreclosure, levy distress and sale. The levies shall be separately made and fixed, and the aggregate of them shall not exceed eight-tenths of one percent of the assessed value of the property assessed. AS 29.45.180 (a) states a person receiving an assessment notice shall advise the assessor of errors or omissions in the assessment of the person's property. The assessor may correct errors or omissions in the roll before the board of equalization hearing. AS 29.45.180 (b) states that if errors are found in the preparation of the assessment roll and are adjusted, the assessor shall mail a corrected notice allowing 30 days for appeal to the board of equalization. The following pertinent dates include:

- April 1, 2022 Tax Assessments will be sent out
- May 6, 2022, by 5:00 p.m. Appeals must be filed
- May 17, 2022 at 6:00 p.m. the Board of Equalization will meet at Council Chambers located in the Public Safety Building on Whittier Street

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	2020 Comprehensive Plan ( <i>document source here</i> ):			X
2.	Whittier Code: 3.12	X		
3.	Other ( <i>list</i> ): Alaska State Statute 29.45.240 (a) and AS 29.45.180 (a) (b)	X		

**FISCAL NOTE:** This action does not change the current City mill rate of 8 mills, and therefore has no anticipated change on the finances of the City. The 2022 Budget was approved assuming the same 8 mill property tax rate.

**ATTORNEY REVIEW:** Yes\_\_\_\_ No n/a

---

**RECOMMENDATION:** Council approve this resolution 2022-006 stating the 8.0 mill rate of levy, date of equalization, and date when taxes become delinquent for the 2022 tax role

Sponsor(s): City Manager  
Introduction Date: 4/20/21  
Adopted Date: 4/20/21

**CITY OF WHITTIER  
RESOLUTION #11-2021**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA,  
STATING THE 8.0 MILL RATE OF LEVY, DATE OF EQUALIZATION, AND DATE  
WHEN TAXES BECOME DELINQUENT FOR THE 2021 TAX ROLE**

**WHEREAS**, AS 29.45.240(a) requires that City Council adjust the rate of levy, date of equalization, and date when taxes become delinquent as established by resolution,

**NOW THEREFORE, the Whittier City Council resolves;**

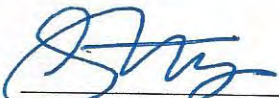
**Section 1:** There shall be levied on all taxable property within the City a property tax at the rate of 8.0 mills. The tax shall be levied and collected in accordance with AS 29.45 and WMC 3.12.

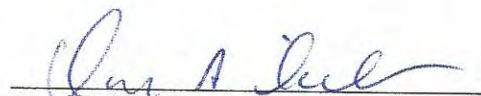
**Section 2:** The Board of Equalization shall meet on Tuesday, May 19, 2021 at 6:00pm at Council Chambers located in the Public Safety Building on Whittier Street.

**Section 3:** The property taxes are delinquent if not paid by 5:00 pm October 31, 2021.

**PASSED AND APPROVED** by a duly constituted quorum of the City Council for the City of Whittier, Alaska on this 20th day of April 2021.

**ATTEST:**

  
\_\_\_\_\_  
Naelene Matsumiya  
City Clerk

  
\_\_\_\_\_  
Dave Dickason  
Mayor

Ayes: 7  
Nays: 0  
Absent: 0  
Abstain: 0



CITY OF WHITTIER, ALASKA  
APPLICATION FOR THE  
WHITTIER COMMISSION SEAT



Commission seat applying for: Check One ☒ Planning and Zoning ☐ Port and Harbor

NAME: Jamie C. Loan

STREET ADDRESS: 100 Blackstone Rd. Whittier, AK 99693

MAILING ADDRESS: P.O. Box 777 Whittier, AK 99693

HOME TELEPHONE: 907.887.3896 BUSINESS PHONE: N/A

E-MAIL ADDRESS: jamieloanak@gmail.com

Have you resided in the City of Whittier for at least six months? ☒ Yes ☐ No

Are you a qualified voter in the City of Whittier? ☒ Yes ☐ No

List any special training, education, or background you have which may help you as a member of the Commission. I believe my degrees in International Relations and Political Science give me enough background to make informed decisions regarding planning as well as the ability to make sense of and share data. My work ethic as a business owner is second to none, and I am dedicated to doing my best in whatever capacity I serve.

Have you ever developed real property, other than your own personal residence? If so, briefly describe the development: I own 12 acres in Yukon-Koyukuk, but they are currently undeveloped.

I am specifically interested in serving on the Planning & Zoning Commission because: I feel I have the knowledge & commitment not just for the commission, but for Whittier. I want to be part of preserving Whittier for future generations and current residents.

Have you ever served on a similar commission elsewhere? ☒ Yes ☐ No

If so, where? Manor Board And when? Current

CERTIFICATION

I certify under penalty of perjury that the foregoing is true and that the information in this statement is, to the best of my knowledge, true, correct and complete. A person who makes a false sworn certification which he or she does not believe to be true is guilty of perjury.

SIGNATURE: Jamie C. Loan

Jamie C. Loan 01.18.21 Whittier, AK  
PRINT NAME OF FILER DATE AND PLACE SIGNED

CITY OF WHITTIER, ALASKA  
APPLICATION FOR THE  
WHITTIER COMMISSION SEAT



Commission seat applying for: *Check One*    ☐ Planning and Zoning    ☐ Port and Harbor

NAME: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

HOME TELEPHONE: \_\_\_\_\_ BUSINESS PHONE: \_\_\_\_\_

E-MAIL ADDRESS: \_\_\_\_\_

Have you resided in the City of Whittier for at least six months? ☐ Yes    ☐ No

Are you a qualified voter in the City of Whittier? ☐ Yes    ☐ No

List any special training, education, or background you have which may help you as a member of the Commission. \_\_\_\_\_

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

Have you ever developed real property, other than your own personal residence? If so, briefly describe the development: \_\_\_\_\_

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

I am specifically interested in serving on the \_\_\_\_\_ Commission because:

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

Have you ever served on a similar commission elsewhere? ☐ Yes    ☐ No

If so, where? \_\_\_\_\_ And when? \_\_\_\_\_

**CERTIFICATION**

I certify under penalty of perjury that the foregoing is true and that the information in this statement is, to the best of my knowledge, true, correct and complete. A person who makes a false sworn certification which he or she does not believe to be true is guilty of perjury.

SIGNATURE: \_\_\_\_\_

PRINT NAME OF FILER

DATE AND PLACE SIGNED



CITY OF WHITTIER, ALASKA  
APPLICATION FOR THE  
WHITTIER COMMISSION SEAT



Commission seat applying for: *Check One* ☐ Planning and Zoning ☐ Port and Harbor

NAME: Jimmy Morrison

STREET ADDRESS: 100 Kenai St.

MAILING ADDRESS: P.O. Box 654 Whittier, Alaska 99693

HOME TELEPHONE: (808) 785-1424 BUSINESS PHONE: \_\_\_\_\_

E-MAIL ADDRESS: jimmy@gci.net

Have you resided in the City of Whittier for at least six months? ☒ Yes ☐ No

Are you a qualified voter in the City of Whittier? ☒ Yes ☐ No

List any special training, education, or background you have which may help you as a member of the Commission. Lived in Alaska all my life much of it around Prince William Sound, South Central Alaska and Kenai Peninsula.

Worked around boats and been a boat owner off and on throughout my time here in Alaska. I have commercial fishing experience

I first came to Whittier in the late 1960s as a teenager so I have fond memories of it. I have a positive appreciation for Whittier and its unique possibilities.

Whittier needs positive, honest, experienced attitudes in government to fulfill the possibilities that exist. That's what I have to offer.

Have you ever developed real property, other than your own personal residence? If so, briefly describe the development: I have worked on various projects as an employee of large companies doing business in Alaska.

I am retired from the State of Alaska as equipment operator, worked on the North Slope in the oil field there as CDL driver and equipment operator. I developed five acres of property in Hawaii. A working vacation that I eventually sold. Also currently help out on a Non Profit development there in Hawaii.

I have building and organizational skills and understanding.

I am specifically interested in serving on the Port and Harbor Commission because:

I have the right attitude and experience to comprehend the importance of our harbor now & well into the future.

Have you ever served on a similar commission elsewhere? ☐ Yes ☒ No

If so, where? \_\_\_\_\_ And when? \_\_\_\_\_

CERTIFICATION

I certify under penalty of perjury that the foregoing is true and that the information in this statement is, to the best of my knowledge, true, correct and complete. A person who makes a false sworn certification which he or she does not believe to be true is guilty of perjury.

SIGNATURE: Jimmy Morrison

PRINT NAME OF FILER Jimmy Morrison

2-16-2022 Whittier AK.  
DATE AND PLACE SIGNED



[www.pwsrcac.org](http://www.pwsrcac.org)

Citizens promoting the environmentally safe operation of the Alyeska terminal and associated tankers.

**Members:**

Alaska State  
Chamber of Commerce

Chugach Alaska  
Corporation

City of Cordova

City of Homer

City of Kodiak

City of Seldovia

City of Seward

City of Valdez

City of Whittier

Community of Chenega

Community of Tatitlek

Cordova District  
Fishermen United

Kenai Peninsula  
Borough

Kodiak Island Borough

Kodiak Village Mayors  
Association

Oil Spill Region  
Environmental Coalition

Port Graham  
Corporation

Prince William Sound  
Aquaculture Corporation

---

**Anchorage**

3709 Spenard Rd, Ste 100  
Anchorage, AK 99503  
O: (907) 277-7222  
(800) 478-7221

**Valdez**

P.O. Box 3089  
130 S. Meals, Ste 202  
Valdez, AK 99686  
O: (907) 834-5000  
(877) 478-7221

February 2, 2022

***Sent via email and USPS mail***

Mayor Dave Dickason  
City of Whittier  
P.O. Box 608  
Whittier, AK 99693

Dear Mayor. Dickason:

The Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) is writing to advise you that Mike Bender's term on our Board of Directors expires at the upcoming May 5-6, 2022, annual meeting in Valdez.

The dedicated seat for the City of Whittier is its opportunity to influence decisions having profound implications for oil transportation safety in Alaska, and for the state's oil spill prevention and response capabilities. We greatly value your past participation.

The City of Whittier is best be served by a representative who:

- Understands her/his organization and/or community, its needs, concerns and perspectives;
- Has at least a rudimentary familiarity with oil transportation issues;
- Has a home and work schedule flexible enough to allow participation and travel;
- Is committed to our mission of promoting environmentally safe operation of the Alyeska terminal and associated tankers; and
- Seeks opportunities to foster cooperative and constructive relationships between citizens, industry and regulatory agencies.

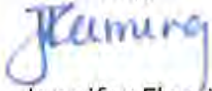
A PWSRCAC director can expect to devote an average of 20 hours a month on PWSRCAC business. The full Board conducts three in-person 2-day meetings in January, May, and September. In addition, annual budget and planning meetings are held, as well as special meetings and opportunities to participate in committees or work groups. PWSRCAC staff provides support to board members whenever possible.

**Please notify us in writing, no later than Wednesday, March 30, 2022,** of your selected individual for the City of Whittier's next two-year term on the PWSRCAC board. Ideally, this individual will then be expected to attend our May 5-6, 2022, meeting in Valdez for confirmation and participation.

**If Mike Bender will continue to be your representative, we ask that you still notify PWSRCAC in writing.**

If you have further questions about the PWSRCAC or the responsibilities of its directors, please don't hesitate to call. Thank you for your cooperation, and we look forward to the City of Whittier's continued contribution.

Sincerely,



Jennifer Fleming  
Executive Assistant  
[fleming@pwsrcac.org](mailto:fleming@pwsrcac.org)

Cc via email: Mike Bender



STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD  
FORM CONTROL

LICENSE NUMBER

XXXX

ISSUED  
11/22/2021  
ABC BOARD

**LIQUOR LICENSE**  
**2022 - 2023**  
**TEMPORARY**

2502

LICENSE RENEWAL APPLICATION DUE  
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT  
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

4/1 - 9/30

LICENSE FEE: \$300.00

1132

CITY / BOROUGH: Whittier  
Unorganized Borough

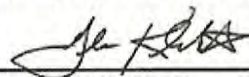
D/B/A: Swiftwater Seafood Cafe  
Lot 8 Triangle Lease Area

Mail Address:  
Whittier Lodging, LLC  
3351 Arctic Blvd  
Anchorage, AK 99503

This license cannot be transferred without permission  
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE  
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD  
FORM CONTROL

LICENSE NUMBER

XXXX

ISSUED  
11/22/2021  
ABC BOARD

**LIQUOR LICENSE**  
**2022 - 2023**  
**TEMPORARY**

2502

LICENSE RENEWAL APPLICATION DUE  
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT  
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

4/1 - 9/30

LICENSE FEE: \$300.00

CITY / BOROUGH: Whittier  
Unorganized Borough

D/B/A: Swiftwater Seafood Cafe  
Lot 8 Triangle Lease Area

Mailing Address:  
Whittier Lodging, LLC  
3351 Arctic Blvd  
Anchorage, AK 99503

This license cannot be transferred without permission  
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE  
ALCOHOLIC BEVERAGE CONTROL BOARD

**COPY**

DIRECTOR

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
alcohol.licensing@alaska.gov  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

**2022-2023 Master Checklist: Renewal License Application**

Doing Business As:	Swiftwater Seafood Cafe	License Number:	2502
License Type:	Restaurant/Eating Place-Seasonal		
Examiner:	Kns S.	Transaction #:	100301773

Document	Received	Completed	Notes
AB-17: Renewal Application	11/1	11/22/21	
App and License Fees	11/1	11/22/21	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit	11/1	11/22/21	
COI / COC / 5 Star / FAA Cert			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No	N/A
CBPL Entity Printout included?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business License Copy included?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> not found for d.b.a.
Background(s) Completed & Date: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Special Consideration: _____	Board Meeting Date: 1-18-2022		
LGB Sent Date: _____	LGB Deadline Date: _____		
LGB 1 Name: City of Whittier	LGB 2 Name: N/A		
<input type="checkbox"/> Waive	<input type="checkbox"/> Protest	<input type="checkbox"/> Lapsed	<input type="checkbox"/> Waive <input type="checkbox"/> Protest <input type="checkbox"/> Lapsed





Alaska Alcoholic Beverage Control Board

## Form AB-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

### Establishment Contact Information

Licensee (Owner):	Whittier Lodging LLC	License #:	2502
License Type:	Restaurant / Eating Place - Seasonal		
Doing Business As:	Swiftwater Seafood Cafe		
Premises Address:	Lot 8 Triangle Lease Area		
Local Governing Body:	City of Whittier		
Community Council:	None		

If your mailing address has changed, write the NEW address below:

Mailing Address:	3351 Arctic Blvd				
City:	Anchorage	State:	AK	ZIP:	99503

### Section 1 – Licensee Contact Information

**Contact Licensee:** The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	Sloane Unwin or	Contact Phone:	907-751-6800 or 907-472-3200
Contact Email:	Sunwin@innatwhittier.com		

**Optional:** If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:	Carol Anderson	Contact Phone:	907-751-6809
Contact Email:	canderson@innatwhittier.com		

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			





## Alaska Alcoholic Beverage Control Board

## Form AB-17: 2022/2023 License Renewal Application

## Section 2 – Entity or Community Ownership Information

**Sole Proprietors should skip this Section.**

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:	10079182
-----------------------	----------

**READ BEFORE PROCEEDING:** Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

**DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.**

- **Corporations** of any type *including non-profit* must list **ONLY** the following:
  - All shareholders who own 10% or more stock in the corporation
  - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- **Limited Liability Corporations**, of any type must list **ONLY** the following:
  - All Members with an ownership interest of 10% or more
  - All Managers (of the LLC, not the DBA) regardless of percentage owned
- **Partnerships** of any type, *including Limited Partnerships* must list **ONLY** the following:
  - Each Partner with an interest of 10% or more
  - All General Partners regardless of percentage owned

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	Sloane Unwin			
Title(s):	Member	Phone:	907-751-6800	% Owned: 50
Mailing Address:	14414 Riverton Ct.			
City:	Anchorage	State:	AK	ZIP: 99506

Name of Official:	Todd Perez			
Title(s):	Member	Phone:	907-472-3200	% Owned: 50
Mailing Address:	1058 SW 152nd St.			
City:	Burien	State:	WA	ZIP: 98166

Name of Official:				
Title(s):		Phone:		% Owned:
Mailing Address:				
City:		State:		ZIP:

AMCO

NOV 01 2021





## Form AB-17: 2022/2023 License Renewal Application

## Section 3 – Sole Proprietor Ownership Information

**Corporations, LLC's and Partnerships of ALL kinds should skip this section.**

**READ BEFORE PROCEEDING:** Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

**If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.**

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

## Section 4 – License Operation

**Check ONE BOX for EACH CALENDAR YEAR** that best describes how this liquor license was operated:

1. The license was **regularly operated continuously** throughout each year. (Year-round)

2020

2021

☐☐

2. The license was **only operated during a specific season** each year. (Seasonal)

If your operation dates have changed, list them below:

☒☒

to

3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.

☐☐

4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total

hours each year, during one or both calendar years. A complete Form AB-29: Waiver of Operation Application

and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.

☐☐

If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.

## Section 5 – Violations and Convictions

Have **ANY** Notices of Violation been issued for this license **OR** has **ANY** person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes

No

☐☒

**If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)**

**If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.**

AMCC

NOV 01 2021

Whetters Lodging LLC dba Swiftwater Seafood Cafe





# Alaska Alcoholic Beverage Control Board


## Form AB-17: 2022/2023 License Renewal Application

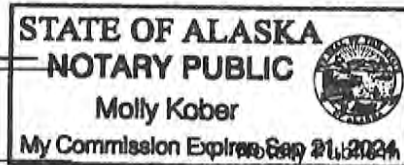
### Section 6 – Certifications


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, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff 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 and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and 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.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- 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 from what is currently approved and on file with the Alcoholic Beverage Control Board.

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.

  
Signature of licensee  
Sloane Unwin  
Printed name of licensee



  
Signature of Notary Public  
and for the State of: ALASKA

My commission expires: 9/21/24

Subscribed and sworn to before me this 29<sup>th</sup> day of October, 2021.

**Restaurant/Eating Place** applications must include a completed AB-33: Restaurant Receipts Affidavit

**Recreational Site** applications must include a completed Recreational Site Statement

**Tourism** applications must include a completed Tourism Statement

**Wholesale** applications must include a completed AB-25: Supplier Certification

**Common Carrier** applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

### FOR OFFICE USE ONLY

License Fee:	\$ <u>300</u>	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ <u>600.00</u>

Department of Commerce, Community, and Economic Development

CORPORATIONS, BUSINESS & PROFESSIONAL

LICENSING

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Corporations / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Whittier Lodging, LLC

Entity Type: Limited Liability Company

Entity #: 10079182

Status: Good Standing

AK Formed Date: 2/28/2018

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2022 [File Biennial Report](#)

Entity Mailing Address: 14414 RIVERTON COURT, ANCHORAGE, AK 99516

Entity Physical Address: 14414 RIVERTON COURT, ANCHORAGE, AK 99516

Registered Agent

Agent Name: Sloane Unwin

Registered Mailing Address: 14414 RIVERTON COURT, ANCHORAGE, AK 99516

Registered Physical Address: 14414 RIVERTON COURT, ANCHORAGE, AK 99516

Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
	Sloane Unwin	Member	50.00
	Todd Perez	Member	50.00



Filed Documents

Date Filed	Type	Filing	Certificate
2/28/2018	Creation Filing	<a href="#">Click to View</a>	<a href="#">Click to View</a>
2/28/2018	Initial Report	<a href="#">Click to View</a>	
7/18/2018	Entity Address Change	<a href="#">Click to View</a>	
11/25/2019	Biennial Report	<a href="#">Click to View</a>	

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Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Business License / License #2086615

LICENSE DETAILS

License #: 2086615

Print Business License

Business Name: Swiftwater

Status: Active

Issue Date: 05/01/2019

Expiration Date: 12/31/2022

Mailing Address: 14414 Riverton Ct  
Anchorage, AK 99516

Physical Address: Lot 8 Triangle Lease Area  
Whittier, AK 99693

Owners

Whittier Lodging, LLC

Activities

Line of Business	NAICS	Professional License #
72 - Accommodation and Food Services	722110 - FULL-SERVICE RESTAURANTS	

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.





THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

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

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

February 16, 2022

City of Whittier

Via Email: [cityclerk@whittieralaska.gov](mailto:cityclerk@whittieralaska.gov) ;

**Re: Notice of 2022/2023 Liquor License Renewal Application**

<b>License Type:</b>	Beverage Dispensary – Duplicate	<b>License</b>	3131
<b>Licensee:</b>	Chou Joe & YenWen Anne Shen		
<b>Doing Business As:</b>	Anchor Inn		

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,

A handwritten signature in black ink, appearing to read "Glen Klinkhart".

Glen Klinkhart, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED  
2/16/2022  
ABC BOARD

LIQUOR LICENSE  
2022 - 2023  
TEMPORARY

3131

LICENSE RENEWAL APPLICATION DUE  
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT  
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Beverage Dispenser

LICENSE FEE: \$2,500.00

1105

CITY / BOROUGH: Whittier  
Unorganized Borough

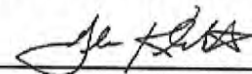
D/B/A: Anchor Inn  
Lot 2 Block 1

Mail Address:  
Chou Joe & YenWen Anne Shen  
PO Box 750  
Whittier, AK 99693

This license cannot be transferred without permission  
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE  
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED  
2/16/2022  
ABC BOARD

LIQUOR LICENSE  
2022 - 2023  
TEMPORARY

3131

LICENSE RENEWAL APPLICATION DUE  
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT  
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Beverage Dispenser

LICENSE FEE: \$2,500.00

CITY / BOROUGH: Whittier  
Unorganized Borough

This license cannot be transferred without permission  
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE  
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

D/B/A: Anchor Inn  
Lot 2 Block 1  
Mailing Address:  
Chou Joe & YenWen Anne Shen  
PO Box 750  
Whittier, AK 99693

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)



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

## 2022-2023 Master Checklist: Renewal License Application

Doing Business As:	Anchor Inn	License Number:	3131
License Type:	Beverage Dispensary - Duplicate		
Examiner:		Transaction #:	100321568

Document	Received	Completed	Notes
AB-17: Renewal Application	12/21	2/16/22	
App and License Fees	12/21	2/16/22	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement	12/21		
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star / FAA Cert			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No	N/A
CBPL Entity Printout included?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business License Copy included?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Background(s) Completed & Date: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Consideration: _____			
LGB Sent Date: <u>2/16/22</u>			
LGB Deadline Date: _____			
LGB 1 Name: <u>Witter</u>			
LGB 2 Name: _____			
<input type="checkbox"/> Waive <input type="checkbox"/> Protest <input type="checkbox"/> Lapsed	<input type="checkbox"/> Waive <input type="checkbox"/> Protest <input type="checkbox"/> Lapsed		





## Alaska Alcoholic Beverage Control Board

**Form AB-17: 2022/2023 General Renewal Application**

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

**Establishment Contact Information**

<b>Licensee (Owner):</b>	Chou Joe & Yenwen Anne Shen	<b>License #:</b>	3131
<b>License Type:</b>	Beverage Dispensary - Tourism - Duplicate		
<b>Doing Business As:</b>	Anchor Inn		
<b>Premises Address:</b>	Lot 2 Block 1		
<b>Local Governing Body:</b>	City of Whittier		
<b>Community Council:</b>	None		

If your mailing address has changed, write the NEW address below:

<b>Mailing Address:</b>	PO Box 750				
<b>City:</b>	Whittier	<b>State:</b>	AK	<b>ZIP:</b>	99693

**Section 1 – Licensee Contact Information**

**Contact Licensee:** The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

<b>Contact Licensee:</b>	Chou Joe Shen	<b>Contact Phone:</b>	907-440-4639
<b>Contact Email:</b>	anchorinnwhittier@yahoo.com		

**Optional:** If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

<b>Name of Contact:</b>	Yenwen Anne Shen	<b>Contact Phone:</b>	907-242-1209
<b>Contact Email:</b>	anchorinnwhittier@yahoo.com		

<b>Name of Contact:</b>		<b>Contact Phone:</b>	
<b>Contact Email:</b>			

<b>Name of Contact:</b>		<b>Contact Phone:</b>	
<b>Contact Email:</b>			





## Form AB-17: 2022/2023 License Renewal Application

## Section 2 – Entity or Community Ownership Information

**Sole Proprietors should skip this Section.**

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:

**READ BEFORE PROCEEDING:** Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).**DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.**

- Corporations of any type including non-profit must list **ONLY** the following:
  - All shareholders who own 10% or more stock in the corporation
  - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- Limited Liability Corporations, of any type must list **ONLY** the following:
  - All Members with an ownership interest of 10% or more
  - All Managers (of the LLC, not the DBA) regardless of percentage owned
- Partnerships of any type, including Limited Partnerships must list **ONLY** the following:
  - Each Partner with an interest of 10% or more
  - All General Partners regardless of percentage owned

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You **must** list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

DEC 21 2021  
Page 120 of 194





# Alaska Alcoholic Beverage Control Board

## Form AB-17: 2022/2023 License Renewal Application

### Section 3 – Sole Proprietor Ownership Information

**Corporations, LLC's and Partnerships of ALL kinds should skip this section.**

**READ BEFORE PROCEEDING:** Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

**If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.**

This individual is an: ☒ Applicant ☐ Affiliate

Name:	Choue Joe Shen		Contact Phone:	907-472-2354	
Mailing Address:	PO Box 750				
City:	Whittier	State:	AK	ZIP:	99693
Email:	anchorinnwhittier@yahoo.com				

This individual is an: ☒ Applicant ☐ Affiliate

Name:	Yenwen Anne Shen		Contact Phone:	907-472-2354	
Mailing Address:	PO Box 750				
City:	Whittier	State:	AK	ZIP:	99693
Email:	anchornnwhittier@yahoo.com				

### Section 4 – License Operation

**Check ONE BOX for EACH CALENDAR YEAR** that best describes how this liquor license was operated:

- |  | 2020                                | 2021                                |
|--|-------------------------------------|-------------------------------------|
| 1. The license was <b>regularly operated continuously</b> throughout each year. (Year-round)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. The license was <b>only operated during a specific season</b> each year. (Seasonal)<br><i>If your operation dates have changed, list them below:</i><br>_____ to _____  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.<br><i>A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.</i>   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendaryears. <i>A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.</i><br><b>If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.</b> | <input type="checkbox"/>            | <input type="checkbox"/>            |

### Section 5 – Violations and Convictions

Have ANY Notices of Violation been issued for this license **OR** has ANY person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes ☐ No ☒

**If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)**

**If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.**

AMCO

Page 121 of 194

DEC 21 2021





# Alaska Alcoholic Beverage Control Board

## Form AB-17: 2022/2023 License Renewal Application

### Section 6 – Certifications

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, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff 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 and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and 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.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- 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 from what is currently approved and on file with the Alcoholic Beverage Control Board.

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.

Chou Joe Shen  
Signature of licensee

CHOU JOE SHEN  
Printed name of licensee



Jennifer Dufresne  
Signature of Notary Public

Notary Public in and for the State of: Alaska

My commission expires: with office

Subscribed and sworn to before me this 21<sup>st</sup> day of December, 2021.

**Restaurant/Eating Place** applications must include a completed AB-33: Restaurant Receipts Affidavit

**Recreational Site** applications must include a completed Recreational Site Statement

**Tourism** applications must include a completed Tourism Statement

**Wholesale** applications must include a completed AB-25: Supplier Certification

**Common Carrier** applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

#### FOR OFFICE USE ONLY

License Fee:	\$ 2500	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ 2800

License Detail

LICENSE DETAILS

License #: 902444

Print Business License

Business Name: ANCHOR INN

Status: Active

Issue Date: 01/04/2007

Expiration Date: 12/31/2022

Mailing Address: PO BOX 750  
WHITTIER, AK 99693

Physical Address: 957 WHITTIER STREET  
WHITTIER, AK 99693

Owners

CHOU J SHEN  
YEN WEN SHEN

Activities

Line of Business	NAICS	Professional License #
72 - Accommodation and Food Services	722110 - FULL-SERVICE RESTAURANTS	

Endorsements

End	Action		Action	Address
# Issue	Renew	Expiration	Note	
1 11/27/2018		12/31/2020		100 WHITTIER STREET RESTAURANT, WHITTIER, AK 99693
2 11/27/2018		12/31/2020		100 WHITTIER STREET OVERVIEW LOUNGE, WHITTIER, AK 99693
3 10/16/2020		12/31/2022		957 WHITTIER ST RESTAURANT, WHITTIER, AK 99693
4 10/16/2020		12/31/2022		957 WHITTIER ST COCKTAIL OVERVIEW LOUNGE, WHITTIER, AK 99693

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.

Close License Detail

Print Friendly Version





## Alaska Alcoholic Beverage Control Board

# Tourism Statement

A new, transfer, or renewal application for a Beverage Dispensary – Tourism or Restaurant/Eating Place – Tourism license must be accompanied by a written statement that explains how the establishment encourages tourism and meets the requirements listed under AS 04.11.400(d) and 3 AAC 304.325.

This document must be completed and submitted to AMCO's main office before any tourism license application will be reviewed.

### Section 1 – Establishment Information

Enter information for the business seeking to have its license renewed.

Doing Business As:	Anchor Inn	License #:	3131
License Type:	Beverage Dispensary - Tourism - Duplicate		

### Section 2 – Tourism Statement

#### 2.1. Explain how issuance of a liquor license at your establishment has/will encourage tourism.

It will encourage tourism through allowing establishment open with extended-hours to provide tourists and locals a convenient location to relax and socialize, walking convenience between on-site facilities, hiring more employees to provide services, and extending restroom's hours to Whittier visitors.

#### 2.2. Explain how the facility was/will be constructed or improved as required by AS 04.11.400(d)(1):

Funding and man-power was provided to museum for constructing new exhibits promoting Whittier's history. New large LED TVs replacing smaller TVs for better entertainment.

2.3 Does the licensee or applicant for this liquor license also operate the tourism facility in which this license is located?

YES

☒

NO

☐

2.4 If "no" who operates the tourism facility?



## Alaska Alcoholic Beverage Control Board

**Tourism Statement**

2.5 Do you offer room rentals to the traveling public?

YES

☒

NO

☐

If "yes" answer the following questions:

How many rooms are available?

16

How many of the available rooms (if any) have kitchen facilities (defined as: a separate sink for food preparation along with refrigeration and cooking appliance devices, including a microwave)?

6

Do you stock or plan to stock alcoholic beverages in guest rooms?

YES

☐

NO

☒

If "no" is your facility located within an airport terminal?

YES

☐

NO

☒

2.6 If your establishment includes a dining facility, please describe that facility. If it does not please write "none".

Full-service restaurant with enough seating for 75+ customers.

2.7 If additional amenities are available to your guests through your establishment (eg: guided tours or trips, rental equipment for guests, other activities that attract tourists), please describe them. If they are not offered, please write "none".

free parking, free wi-fi, concierge services for reserving glacier tours and outdoor rec tours, freezer space for fish caught by guests, laundromat, and convenience shuttle to/from train/ferry/cruise ship terminals, private charter boats, outdoor red rentals, and glacier tours.



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

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

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

February 16, 2022

City of Whittier

Via Email: [cityclerk@whittieralaska.gov](mailto:cityclerk@whittieralaska.gov) ;

**Re: Notice of 2022/2023 Liquor License Renewal Application**

<b>License Type:</b>	Beverage Dispensary – Tourism	<b>License</b>	1400
<b>Licensee:</b>	Chou Joe & YenWen Anne Shen		
<b>Doing Business As:</b>	Anchor Inn		

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,

A handwritten signature in black ink, appearing to read "Glen Klinkhart", with a stylized flourish at the end.

Glen Klinkhart, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED

2/16/2022

ABC BOARD

LIQUOR LICENSE

2022 - 2023

TEMPORARY

1400

LICENSE RENEWAL APPLICATION DUE  
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT  
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Beverage Dispenser

LICENSE FEE: \$2,500.00

1106

CITY / BOROUGH: Whittier  
Unorganized Borough

D/B/A: Anchor Inn  
Lot 2 Block 1

Mail Address:  
Chou Joe & YenWen Anne Shen  
PO Box 750  
Whittier, AK 99693

This license cannot be transferred without permission  
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE  
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED

2/16/2022

ABC BOARD

LIQUOR LICENSE

2022 - 2023

TEMPORARY

1400

LICENSE RENEWAL APPLICATION DUE  
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT  
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Beverage Dispenser

LICENSE FEE: \$2,500.00

CITY / BOROUGH: Whittier  
Unorganized Borough

This license cannot be transferred without permission  
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE  
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)





Alaska Alcoholic Beverage Control Board

## 2022-2023 Master Checklist: Renewal License Application

Doing Business As:	Anchor Inn	License Number:	1400
License Type:	Beverage Dispensary - Tourism		
Examiner:	<i>Pajima</i>	Transaction #:	100321568

Document	Received	Completed	Notes
AB-17: Renewal Application	12/21	2/16/22	
App and License Fees	12/21	2/16/22	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement	12/21	2/16/22	
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star / FAA Cert			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No	N/A
CBPL Entity Printout included?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business License Copy included?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Background(s) Completed & Date: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Consideration: <u>Tourism</u>			
Board Meeting Date: <u>4/12/2022</u>			
LGB Sent Date: <u>2/16/22</u>			
LGB Deadline Date: _____			
LGB 1 Name: <u>Whittier</u>			
LGB 2 Name: _____			
<input type="checkbox"/> Waive <input type="checkbox"/> Protest <input type="checkbox"/> Lapsed	<input type="checkbox"/> Waive <input type="checkbox"/> Protest <input type="checkbox"/> Lapsed		



Alaska Alcoholic Beverage Control Board

## Form AB-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

### Establishment Contact Information

Licensee (Owner):	Chou Joe & Yenwen Anne Shen	License #:	1400
License Type:	Beverage Dispensary - Tourism		
Doing Business As:	Anchor Inn		
Premises Address:	Lot 2 Block 1		
Local Governing Body:	City of Whittier		
Community Council:	None		

If your mailing address has changed, write the NEW address below:

Mailing Address:	PO Box 750				
City:	Whittier	State:	AK	ZIP:	99693

### Section 1 – Licensee Contact Information

**Contact Licensee:** The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	Chou Joe Shen	Contact Phone:	907-440-4639
Contact Email:	anchorinnwhittier@yahoo.com		

**Optional:** If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:	Yenwen Anne Shen	Contact Phone:	907-242-1209
Contact Email:	anchorinnwhittier@yahoo.com		

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

AMCO





## Form AB-17: 2022/2023 License Renewal Application

## Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.  
<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:

**READ BEFORE PROCEEDING:** Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

**DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.**

- Corporations of any type including non-profit must list ONLY the following:
  - All shareholders who own 10% or more stock in the corporation
  - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- Limited Liability Corporations, of any type must list ONLY the following:
  - All Members with an ownership interest of 10% or more
  - All Managers (of the LLC, not the DBA) regardless of percentage owned
- Partnerships of any type, including Limited Partnerships must list ONLY the following:
  - Each Partner with an interest of 10% or more
  - All General Partners regardless of percentage owned

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You **must** list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

AMCO





## Form AB-17: 2022/2023 License Renewal Application

## Section 3 – Sole Proprietor Ownership Information

**Corporations, LLC's and Partnerships of ALL kinds should skip this section.**

**READ BEFORE PROCEEDING:** Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

**If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.**

This individual is an: ☒ Applicant ☐ Affiliate

Name:	Choue Joe Shen			Contact Phone:	907-472-2354	
Mailing Address:	PO Box 750					
City:	Whittier	State:	AK	ZIP:	99693	
Email:	anchorinnwhittier@yahoo.com					

This individual is an: ☒ Applicant ☐ Affiliate

Name:	Yenwen Anne Shen			Contact Phone:	907-472-2354	
Mailing Address:	PO Box 750					
City:	Whittier	State:	AK	ZIP:	99693	
Email:	anchornnwhittier@yahoo.com					

## Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

- |  | 2020                                | 2021                                |
|--|-------------------------------------|-------------------------------------|
| 1. The license was regularly operated continuously throughout each year. (Year-round)  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. The license was only operated during a specific season each year. (Seasonal)<br><i>If your operation dates have changed, list them below:</i><br>_____ to _____   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.<br><i>A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.</i>   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. <i>A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.</i><br><b><u>If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.</u></b> | <input type="checkbox"/>            | <input type="checkbox"/>            |

## Section 5 – Violations and Convictions

Have ANY Notices of Violation been issued for this license OR has ANY person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes ☐ No ☒

**If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)**

**If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.**

AMCO





## Form AB-17: 2022/2023 License Renewal Application

## Section 6 – Certifications

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, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff 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 and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and 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.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- 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 from what is currently approved and on file with the Alcoholic Beverage Control Board.

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.

*Chou Joe Shen*

Signature of licensee

CHOU JOE SHEN

Printed name of licensee



*Jennifer Dufresne*

Signature of Notary Public

Notary Public in and for the State of: Alaska

My commission expires: with office

Subscribed and sworn to before me this 21<sup>st</sup> day of December, 2021.

**Restaurant/Eating Place** applications must include a completed AB-33: Restaurant Receipts Affidavit

**Recreational Site** applications must include a completed Recreational Site Statement

**Tourism** applications must include a completed Tourism Statement

**Wholesale** applications must include a completed AB-25: Supplier Certification

**Common Carrier** applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

## FOR OFFICE USE ONLY

License Fee:	\$ 2500	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ 2800

AMCO

DEC 21 2021 Page 132 of 194

License Detail

## LICENSE DETAILS

License #: 902444

[Print Business License](#)

Business Name: ANCHOR INN

Status: Active

Issue Date: 01/04/2007

Expiration Date: 12/31/2022

Mailing Address: PO BOX 750  
WHITTIER, AK 99693Physical Address: 957 WHITTIER STREET  
WHITTIER, AK 99693

## Owners

CHOU J SHEN  
YEN WEN SHEN

## Activities

Line of Business

72 - Accommodation and Food Services

NAICS

722110 - FULL-SERVICE RESTAURANTS

Professional License #

## Endorsements

End	Action		Action	Address
# Issue	Renew	Expiration	Note	
1 11/27/2018		12/31/2020		100 WHITTIER STREET RESTAURANT, WHITTIER, AK 99693
2 11/27/2018		12/31/2020		100 WHITTIER STREET OVERVIEW LOUNGE, WHITTIER, AK 99693
3 10/16/2020		12/31/2022		957 WHITTIER ST RESTAURANT, WHITTIER, AK 99693
4 10/16/2020		12/31/2022		957 WHITTIER ST COCKTAIL OVERVIEW LOUNGE, WHITTIER, AK 99693

## License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.

[Close License Detail](#)[Print Friendly Version](#)



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## **CALL TO ORDER**

The December 14, 2021 Meeting of the Whittier City Council was called to order at 7:08 p.m. by Mayor Dickason.

## **OPENING CEREMONY**

Mayor Dickason led the pledge of allegiance to the flag

## **ROLL CALL**

There were present:

Dave Dickason	presiding, and	
Dan Blair	Cathy McCord	Victor Shen,

Via Teams	David Pinguoch
	Peter Denmark
	Tom Wagner

Comprising a quorum of the Board; and  
Absent

Also Present

Jim Hunt, City Manager  
Jackie C Wilde, Assistant City Manager  
Kris Erchinger, Finance Director

## **SPECIAL ORDERS, PRESENTATIONS AND REPORTS-**

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

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

**Motion (Blair/McCord)**

**Approval of Agenda and Consent Agenda**

*On Consent*

Approval of the November 9, 2021 Special Meeting Minutes  
Approval of the November 16, 2021 Regular Meeting Minutes  
Approval of the November 23, 2021 Special Meeting Minutes

**Motion Passed**

**Unanimous**

---

## PRESENTATIONS AND REPORTS

- A. Proclamations and Awards
  - a. Mayor and Council recognized 1st place winner Silver Clark for the City of Whittier 1st Annual Holiday Card Design Contest- received a certificate and art set
  - b. Mayor and Council recognized Honorary 1st place winner Khizeah Espinosa for the City of Whittier 1st Annual Holiday Card Design - received a certificate and art set
- B. Mayor Report-wanted to let everyone know about the upcoming Christmas program at the school.
- C. Vice Mayor Report- None
- D. City Manager Report-- City Manager's included, among other things, Finance Director report and the Water/Wastewater Manager Report
- E. City Attorney Report-None

## PUBLIC HEARINGS (NON-ORDINANCE)

### Motion (Shen/Wagner)

**Non-Code Ordinance 005-2021, Approving The 2022 Budgeted Revenues, Expenditures/Expenses and Interfund Transfers, And Appropriating Funds**

### Motion Passed

**AYES** Shen, Wagner, Blair, Denmark, McCord, Dickason  
**NAYS** Pinqouch

## NEW BUSINESS

## ORDINANCES

### Motion (Blair/Wagner)

**Ordinance 006-2021, Amending Portions of Whittier Municipal Code Chapter 2.70 Personnel Administration**

General Discussion given

### Motion Passed

**AYES** Shen, Wagner, Blair, Denmark, McCord, Pinqouch, Dickason

**NAYS** None

## RESOLUTIONS

### Motion (Blair/Wagner)

**Resolution 047-2021** Authorizing the City Manager to Enter into Lease Negotiations with Huna-Totem Corporation of Approximately 5 Acres of ATS 1545 Tract B of City Owned Tidelands



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General Discussion given

Council members Denmark and Pinqouch requested to suspend the rules for citizens to speak regarding the resolution.

Don Stevens has been in Whittier since 1982 gave an overview of work and the need for workers is substantial. Allowing this negotiation to move forward gives the locals the ability to grow businesses.

**Motion Passed**

**AYES** Shen, Wagner, Blair, McCord, Dickason  
**NAYS** Denmark, Pinqouch

**Motion (Blair/ Shen)**

**Resolution 048-2021** Adopting an Alternative Allocation Method For The Fy2022 Shared Fisheries Business Tax Program And Certifying That This Allocation Method Fairly Represents The Distribution Of Significant Effects Of Fisheries Business Activity In Fisheries Management Area 15 Prince William Sound

**Motion Passed**

**AYES** Shen, Wagner, Blair, Denmark, McCord, Pinqouch, Dickason

**NAYS** None

## **CORRESPONDENCE, INFORMATIONAL ITEMS AND REPORTS-**

October 2021 Financial Reports for the City of Whittier were provided in packet

## **COUNCIL COMMENTS**

Dave Dickason-None

Dan Blair- Asked the City Manager about the clerk position and the possibility of it being filled in the near future. Blair would also like to have additional input from the public and would like an additional work session basically an open mic night on January 18, 2022. Allowing citizens to speak again.

Victor Shen- None

David Pinqouch- None

Cathy McCord- Asked about the clinic and how to be seen.

Tom Wagner- None

Peter Denmark- None

## **CITIZENS' COMMENTS-**

**Suzanne Houston** – asked that someone investigate the tunnel the road is in bad condition.

**Kelley Bender**- wanted to make sure that council received the letter they sent regarding the Huna Totem project at the head of the bay.

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**COUNCIL AND ADMINISTRATIVE RESPONSE TO CITIZENS' COMMENTS-**

**ADJOURNMENT**

The meeting was adjourned at 9:59 p.m.

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Jackie C. Wilde  
Assistant City Manager/Acting Clerk

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Dave Dickason  
Mayor

(City Seal)

DRAFT

---

## **CALL TO ORDER**

The January 18, 2022 regular meeting of the Whittier City Council was called to order at 7:01p.m. by Mayor Dickson.

## **OPENING CEREMONY**

Council Member Dickason led the pledge of allegiance to the flag

## **ROLL CALL**

There were present:

Dave Dickason           presiding, and  
Dan Blair     Victor Shen   Cathy McCord  
David Pinqouch-*Arrived at 7:10pm*  
Peter Denmark-Via Teams  
Tom Wagner- Via Teams

Comprising a quorum of the Board; and  
Absent

## **Also Present**

Jim Hunt, City Manager- Via Teams  
Jackie C. Wilde- Assistant City Manager  
E, Finance Director  
Scott Korbe, Via Teams  
Dave Borg, Harbormaster  
Andre Achee, Police Chief

## **CITIZENS' COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING –**

**Jamie Loan-Inside City Limits-** wanted council to know that she has put in her letter of intent for the open seat on Planning and Zoning

## **APPROVAL OF SPECIAL MEETING AGENDA AND CONSENT AGENDA**

### **Motion (Blair/Shen)**

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

Denmark requested for consent items resolutions 2022-001 and 2022-002 to be removed from consent

### **Motion Passed**

### **Unanimous**

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## PRESENTATIONS AND REPORTS

- A. **Mayor Report---** Dickason gave a brief report. Asked for upcoming Planning and Zoning and Port and Harbor training in February and regular meetings in March. Welcomed back Naelene Matsumiya as the new City Clerk.
- B. **Vice Mayor Report- None**
- C. **City Manager Report-** Director Erchinger gave brief report regarding the work on the Buckner building grants. Erchinger thanked the clinic for supplying more home tests. City Manager's included, among other things, Finance Director report and the Water/Wastewater Manager Report.
- D. **City Attorney Report- None**
- E. **Commission/Committee Reports**
  - 1. **Planning Commission**
  - 2. **Port & Harbor Commission**
  - 3. **Parks & Recreation Committee**
  - 4. **Whittier Community School**
  - 5. **Prince William Sound Aquaculture Corp.**
  - 6. **Regional Citizen's Advisory Council**

**PUBLIC HEARINGS (NON-ORDINANCE)- None**

## NEW BUSINESS

**EMERGENCY ORDINANCE 2022-001** Temporarily authorizing the suspension and/or modification of various sections of the Whittier city code regarding public meetings and participation in order to protect and preserve the health, safety, and welfare of the Whittier community during a statewide high alert and local public health emergency resulting from covid-19

Denmark asked if the waivers listed in section 1 were also for the public. Wilde stated that it was for the council only. Pinquouch requested adding a new section 2 allowing citizens a way to participate if not comfortable to be in person for citizen comments.

**Motion (Pinquouch/ Denmark)**

**Amendment adding a section 2 Allowing citizens not wishing to participate in person may request via email to the City Clerk to be called for citizen comments by email no later than noon prior to a meeting**

Amendment Passed

AYES: Blair, McCord, Wagner, Shen,  
Dickason, Denmark, Pinquouch  
NOES: none

**Motion (Blair/ Shen)**

**EMERGENCY ORDINANCE 2022-001**



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**Temporarily authorizing the suspension and/or modification of various sections of the Whittier city code regarding public meetings and participation in order to protect and preserve the health, safety, and welfare of the Whittier community during a statewide high alert and local public health emergency resulting from covid-19**

Motion Passed (as amended)

AYES: Blair, McCord, Wagner, Shen,  
Dickason, Denmark, Pinqouch  
NOES: none

**Motion (Shen/Blair)**

**RESOLUTION 2022-001**-Amending the City of Whittier's Calendar Year 2022 State Legislative Priorities

General discussion was given. Denmark asked administration what the changes were made.

Motion Passed

AYES: Blair, Shen, Wagner, McCord,  
Denmark, Dickason  
NOES: Pinqouch

**Motion (Blair/McCord )**

**RESOLUTION 2022-002**-Amending the City of Whittier's Calendar Year 2022 City Legislative Priorities

General discussion was given. Denmark asked administration what the changes were made. Blair asked for an amendment to add restroom improvements.

**Motion (Blair/ Shen)**

**Amendment Adding a number 4 to read Whittier Harbor Business District restroom infrastructure improvements**

Motion Passed

AYES: Blair, Shen, Wagner, McCord,  
Denmark, Pinqouch, Dickason  
NOES: None

**Shen asked for an amendment to add City parks**

**Motion (Shen/ Blair)**

**Amendment Adding a number 5 to read Whittier Park infrastructure improvements**

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Motion Passed

**AYES:** Blair, Shen, Wagner, McCord,  
Denmark, Pinqouch, Dickason  
**NOES:** None

**Motion (Blair/McCord)**

**RESOLUTION 2022-002-Amending the  
City of Whittier's Calendar Year 2022  
City Legislative Priorities**

Motion Passed

**AYES:** Blair, Shen, Wagner, McCord,  
Dickason  
**NOES:** Denmark, Pinqouch

**Motion (Blair/Pinqouch)**

**RESOLUTION 2022-003-Approving  
Emergency Repairs to The Oshkosh  
Snowblower**

Motion Passed

Unanimous  
**AYES:** Blair, Shen, Wagner, McCord,  
Denmark, Pinqouch, Dickason

### **Other New Business Items**

Discuss rescheduling February 15<sup>th</sup> meeting to February 22<sup>nd</sup> – meeting was rescheduled.

**Motion Passed**

**Unanimous**

Scheduling an executive session to discuss Draft Lease with Huna Totem on February 14<sup>th</sup> at 5 pm

**Motion Passed**

**Unanimous**

### **INFORMATIONAL ITEMS AND REPORTS**

November 2021 Financial Reports for the City of Whittier *Please see City Council packet which contains monthly Financial Statements*

### **COUNCIL COMMENTS**

Dave Dickason-None

Dan Blair- had code questions and will meet with administration to discuss  
Victor Shen- None

David Pinqouch wanted to know why the mayor stated “WE” at the chamber presentation. Pinqouch stated that he was asked by many people on if the mayor was representing the council as a whole when speaking. Mayor responded with that when using the word “WE” as in the city of Whittier not the council has a whole. Pinqouch spoke about the public meeting and the head of the bay project.

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Cathy McCord-None  
Tom Wagner- None  
Peter Denmark-Asked about the terms of the Princess lease.

## **CITIZENS COMMENTS**

Montgomery Irvin-Inside City Limits-gave kudos to Finance Director and Assistant City Manager. He is happy to see some progress with the city. He would like to the city to pursue changing our city to possibly a home rule city.

Kris Erchinger-Inside City Limits- speaking as a citizen. She requests that the council reach out to administration for questions so that they can help. she wanted citizens to know we hear you and are being transparent. Please don't immediately jump to the worst-case scenario lets work together.

## **COUNCIL AND ADMINISTRATION RESPONSE TO CITIZEN COMMENTS**

David Pinqouch

### **EXECUTIVE SESSION:**

**Motion (Wagner/Blair)**

**TIME: 9:11 P.M.**

**Motion Passed**

**Unanimous**

**Out of Executive Session**

**TIME: 11:00 P.M.**

### **ADJOURNMENT**

The meeting was adjourned at 11:00 p.m.

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Jackie C. Wilde  
Assistant City Manager- Acting Clerk

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Dave Dickson  
Mayor

(City Seal)

CITY OF WHITTIER  
COMBINED CASH INVESTMENT  
DECEMBER 31, 2021

COMBINED CASH ACCOUNTS

99-000-1000	COMBINED CASH CHECKING	3,065,804.62
99-000-1001	XPRESS DEPOSIT ACCOUNT	19,449.01
99-000-1020	COMBINED INVESTMENTS	6,500,000.00
TOTAL COMBINED CASH		9,585,253.63
99-000-1800	CASH CLEARING - ACCT REC	( 867.20)
99-000-1840	CASH CLEARING - PROPERTY TAX	( 20.00)
99-000-1850	CASH CLEARING - UTILITIES	( 1,987.90)
99-000-0100	CASH ALLOCATED TO OTHER FUNDS	( 9,582,378.53)

TOTAL UNALLOCATED CASH	.00
------------------------	-----

CASH ALLOCATION RECONCILIATION

1	ALLOCATION TO GENERAL FUND	1,878,891.04
14	ALLOCATION TO PUBLIC WORKS EQUIP FUND	270,912.44
20	ALLOCATION TO CRUISE SHIP TAX	1,927,627.42
21	ALLOCATION TO COVID19 GRANT FUND	39,483.02
24	ALLOCATION TO NEW CITY PARK FUND	88,760.45
30	ALLOCATION TO SHOTGUN COVE	( 41,713.42)
31	ALLOCATION TO 2019 EARTHQUAKE	( 850,506.92)
50	ALLOCATION TO WATER AND WASTEWATER	417,551.30
51	ALLOCATION TO SMALL BOAT HARBOR	1,026,969.52
53	ALLOCATION TO DELONG DOCK	1,476,844.46
60	ALLOCATION TO MOTOR POOL	34,517.00
61	ALLOCATION TO COMPENSATED ABSENCES	112,545.87
72	ALLOCATION TO GENERAL FUND MRRF	1,014,900.00
73	ALLOCATION TO HARBOR MRRF	1,154,186.43
75	ALLOCATION TO WATER/WASTEWATER MRRF	1,031,409.92

TOTAL ALLOCATIONS TO OTHER FUNDS	9,582,378.53
ALLOCATION FROM COMBINED CASH FUND - 99-000-1000	( 9,582,378.53)

ZERO PROOF IF ALLOCATIONS BALANCE	.00
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CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

GENERAL FUND

ASSETS

01-000-0100	CASH - COMBINED FUND	1,878,891.04	
01-000-1090	PETTY CASH	250.00	
01-000-1200	ACCOUNTS RECEIVABLE - GENERAL	163,604.68	
01-000-1201	AR- NOT THRU AR JOURNAL CASELL	632.96	
01-000-1210	ACCOUNTS REC PROPERTY TAX REAL	49,763.56	
01-000-1212	ACCOUNTS REC PROPERTY TAX PERS	124,198.30	
01-000-1215	UNAPPLIED PAYMENT - PROP TAX	( 25,253.43)	
01-000-1220	ACCOUNTS REC - BUSINESS TAX	16,070.19	
01-000-1230	ACCOUNTS RECEIVABLE - LEASES	39,242.15	
01-000-1299	ALLOWANCE FOR DOUBTFUL ACCOUN	( 72,248.96)	
01-000-1700	PREPAID EXPENSES	1,320.33	
01-000-1710	PREPAID WORKER'S COMP.	116,266.07	
01-000-1720	PREPAID INSURANCE	183,884.21	
01-000-1900	SUSPENSE	530.91	
TOTAL ASSETS			2,477,152.01

LIABILITIES AND EQUITY

LIABILITIES

01-000-2000	ACCOUNTS PAYABLE	18,585.70	
01-000-2060	ESC TAXES PAYABLE	( 3,455.87)	
01-000-2080	PERS PAYABLE	3,631.22	
01-000-2085	DEFERRED COMP PAYABLE	1,300.00	
01-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	93.89	
01-000-2097	MISCELLANEOUS PR PAYABLE	( 2,000.00)	
01-000-2310	UNEARNED REVENUE - PROPERTY TA	38,347.40	
01-000-2320	UNEARNED REVENUE - OTHER	1,715.98	
01-000-2330	UNEARNED REVENUE - LEASES	12,585.42	
TOTAL LIABILITIES			70,803.74

FUND EQUITY

01-000-3000	FUND BALANCE	2,421,154.28	
01-000-3201	F/B-ASSIGNED OPERATING RESERVE	326,831.96	
01-000-3202	F/B-ASSIGNED PARKS AND REC	43,700.88	
01-000-3203	F/B-ASSIGNED EXXON SETTLEMENT	84,427.57	
REVENUE OVER EXPENDITURES - YTD		( 469,766.42)	
BALANCE - CURRENT DATE		2,406,348.27	
TOTAL FUND EQUITY			2,406,348.27
TOTAL LIABILITIES AND EQUITY			2,477,152.01

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TAXES</u>					
01-310-4005 FISH TAX	.00	70,307.85	50,000.00	( 20,307.85)	140.6
01-310-4006 MOTOR VEHICLE REGISTRATION	189.52	4,033.28	3,500.00	( 533.28)	115.2
01-310-4007 LIQUOR TAX	.00	.00	5,000.00	5,000.00	.0
01-310-4009 ELEC & TELE CO-OP TAX	.00	3,524.75	3,600.00	75.25	97.9
01-310-4200 SALES TAX	3,344.90	563,182.99	375,000.00	( 188,182.99)	150.2
01-310-4201 PROPERTY TAX - REAL	.00	379,169.59	380,000.00	830.41	99.8
01-310-4202 PROPERTY TAX - PERSONAL	.00	338,038.16	330,000.00	( 8,038.16)	102.4
01-310-4205 BUSINESS TRANSPORTATION TAX	838.00	405,131.47	150,000.00	( 255,131.47)	270.1
TOTAL TAXES	4,372.42	1,763,388.09	1,297,100.00	( 466,288.09)	136.0
<u>LICENSES &amp; PERMITS</u>					
01-320-4250 BUSINESS LICENSES	1,100.00	4,450.00	4,000.00	( 450.00)	111.3
01-320-4251 USER FEES & PERMITS	.00	270.00	1,000.00	730.00	27.0
01-320-4312 AMBULANCE FEES	.00	.00	5,000.00	5,000.00	.0
TOTAL LICENSES & PERMITS	1,100.00	4,720.00	10,000.00	5,280.00	47.2
<u>INTERGOVERNMENTAL REVENUE</u>					
01-330-4002 STATE REVENUE SHARING	.00	76,281.89	75,000.00	( 1,281.89)	101.7
01-330-4003 STATE PAY-IN-LIEU OF TAXES	.00	60,708.30	55,000.00	( 5,708.30)	110.4
01-330-4011 EMS SMALL GRANT	.00	.00	2,500.00	2,500.00	.0
01-330-4012 FEDERAL GRANT FUNDS	.00	.00	40,000.00	40,000.00	.0
01-330-4025 NAT'L FOREST SERVICE RECEIPTS	.00	20,953.45	24,000.00	3,046.55	87.3
TOTAL INTERGOVERNMENTAL REVENUE	.00	157,943.64	196,500.00	38,556.36	80.4
<u>LEASES</u>					
01-345-4513 LEASE CREDITS (CONTRA)	.00	( 4,461.49)	.00	4,461.49	.0
01-345-4515 LEASE INCOME - CITY LAND	19,281.03	187,261.43	233,380.00	46,118.57	80.2
01-345-4517 LEASES - ARRC LAND	1,176.49	33,546.27	.00	( 33,546.27)	.0
01-345-4520 LEASE INCOME - CONDOMINIUMS	471.16	11,533.68	13,380.00	1,846.32	86.2
01-345-4525 LAND USE RENT	105.00	12,460.00	12,000.00	( 460.00)	103.8
TOTAL LEASES	21,033.68	240,339.89	258,760.00	18,420.11	92.9
<u>FINES &amp; CITATIONS</u>					
01-350-4261 PSD FINES & CITATIONS	.00	83.00	1,000.00	917.00	8.3
01-350-4262 PSD PARKING TICKETS CIVIL	.00	514.00	.00	( 514.00)	.0
TOTAL FINES & CITATIONS	.00	597.00	1,000.00	403.00	59.7

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>MISCELLANEOUS</u>					
01-360-4020 PERS ON-BEHALF	81,876.36	81,876.36	81,876.36	.00	100.0
01-360-4099 MISCELLANEOUS REVENUE	1,193.89	1,135.41	2,500.00	1,364.59	45.4
01-360-4204 INTEREST & PENALTIES	106.39	920.54	2,000.00	1,079.46	46.0
01-360-4270 DONATIONS	.00	10,000.00	.00	( 10,000.00)	.0
01-360-4275 LEGAL/INSURANCE SETTLEMENT	50,142.96	50,142.96	.00	( 50,142.96)	.0
01-360-4900 INTEREST ON BANK ACCOUNTS	137.80	2,977.81	50,000.00	47,022.19	6.0
01-360-4902 INTEREST ON ESCROW ACCOUNTS	.00	.00	15,000.00	15,000.00	.0
01-360-4914 TRANSFIELD - TUNNEL CONTRAC	.00	34,970.96	77,825.00	42,854.04	44.9
01-360-4915 GIRDWOOD-POLICE CONTRACT	56,250.00	731,250.00	684,383.00	( 46,867.00)	106.9
TOTAL MISCELLANEOUS	189,707.40	913,274.04	913,584.36	310.32	100.0
<u>TRANSFERS &amp; OTHER</u>					
01-390-4990 TRANSFER IN FROM CVP FUND	.00	380,043.00	50,043.00	( 330,000.00)	759.4
01-390-4994 TRANSFER IN FROM HARBOR	.00	126,068.08	156,000.00	29,931.92	80.8
01-390-4995 TRANSFER IN FROM WWS	.00	36,251.52	39,048.00	2,796.48	92.8
01-390-4996 TRANSFER IN FROM DELONG DOCK	.00	2,797.25	38,400.00	35,602.75	7.3
TOTAL TRANSFERS & OTHER	.00	545,159.85	283,491.00	( 261,668.85)	192.3
TOTAL FUND REVENUE	216,213.50	3,625,422.51	2,960,435.36	( 664,987.15)	122.5

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ADMIN</u>					
01-400-6000 SALARIES & WAGES	22,703.97	321,731.22	333,746.00	12,014.78	96.4
01-400-6030 FICA TAXES	326.95	5,394.68	5,078.00	( 316.68)	106.2
01-400-6040 WORKER'S COMP.	.00	.00	6,000.00	6,000.00	.0
01-400-6050 ESC TAXES	147.77	3,200.36	3,502.00	301.64	91.4
01-400-6060 HEALTH & LIFE INSURANCE	6,914.06	68,988.03	66,249.00	( 2,739.03)	104.1
01-400-6070 PERS RETIREMENT	26,725.69	80,916.88	81,512.69	595.81	99.3
01-400-6205 ADVERTISING	.00	2,155.00	5,000.00	2,845.00	43.1
01-400-6210 B.T.I. CONDO FEES	.00	.00	2,500.00	2,500.00	.0
01-400-6220 BANK SERVICES CHARGES	367.60	7,964.26	10,000.00	2,035.74	79.6
01-400-6240 COMMUNITY SUPPORT-DONATIONS	.00	250.43	.00	( 250.43)	.0
01-400-6280 DUES & SUBSCRIPTIONS	239.99	5,511.49	5,000.00	( 511.49)	110.2
01-400-6410 INSURANCE - LIABILITY	.00	8,260.80	9,000.00	739.20	91.8
01-400-6440 INSURANCE - PROPERTY	.00	150.00	.00	( 150.00)	.0
01-400-6540 LICENSES & PERMITS	.00	115.00	.00	( 115.00)	.0
01-400-6541 PENALTIES & FEES	.00	.00	1,000.00	1,000.00	.0
01-400-6565 OUTSIDE CONTRACTORS	47.56	7,861.28	16,120.00	8,258.72	48.8
01-400-6570 PHYSICAL EXAMS & BACKGROUND CK	.00	.00	400.00	400.00	.0
01-400-6580 POSTAGE	145.86	1,762.06	2,500.00	737.94	70.5
01-400-6610 PROF. FEES - ACCOUNTING	2,100.00	23,700.00	22,000.00	( 1,700.00)	107.7
01-400-6620 PROF. FEES - APPRAISAL	.00	4,000.00	12,000.00	8,000.00	33.3
01-400-6625 PROF. FEES - FINANCIAL SOFTWARE	1,666.00	21,658.00	25,000.00	3,342.00	86.6
01-400-6635 PROF. FEES - COMPUTER SUPPORT	.00	.00	20,000.00	20,000.00	.0
01-400-6636 PROF FEES - WEB SITE SUPPORT	.00	2,030.00	4,200.00	2,170.00	48.3
01-400-6650 PROF. FEES - LEGAL	9,457.79	88,373.23	60,000.00	( 28,373.23)	147.3
01-400-6670 REIMBURSEMENT	.00	335.13	.00	( 335.13)	.0
01-400-6700 PUBLICATIONS & SUBSCRIPTIONS	.00	1,205.96	800.00	( 405.96)	150.8
01-400-6770 TRAVEL, TRAINING & DEV.	1,126.38	10,602.73	12,000.00	1,397.27	88.4
01-400-7351 EQUIPMENT MAINT. AGREEMENTS	.00	.00	2,000.00	2,000.00	.0
01-400-7450 REPAIRS-OFFICE EQUIPMENT	.00	400.00	1,000.00	600.00	40.0
01-400-8150 SUPPLIES - CONSUMABLE	793.13	1,110.37	.00	( 1,110.37)	.0
01-400-8550 SUPPLIES - OFFICE	275.22	4,486.94	5,000.00	513.06	89.7
01-400-8750 SUPPLIES - PRINTING	.00	.00	300.00	300.00	.0
01-400-9000 UTILITIES - INTERNET	2,158.85	15,421.78	13,000.00	( 2,421.78)	118.6
01-400-9070 UTILITIES - TELEPHONE	1,567.61	13,278.00	9,500.00	( 3,778.00)	139.8
01-400-9100 MISCELLANEOUS EXPENSES	.00	( 11,571.46)	2,000.00	13,571.46	(578.6)
01-400-9530 CAPITAL OUTLAY-COMPUTER EQUIP	.00	5,694.60	5,000.00	( 694.60)	113.9
<b>TOTAL ADMIN</b>	<b>76,764.43</b>	<b>694,986.77</b>	<b>741,407.69</b>	<b>46,420.92</b>	<b>93.7</b>



CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COUNCIL</u>					
01-401-6240 CITY COUNCIL-COMMUNITY SUPPORT	3,603.97	6,968.47 (	1,000.00)	( 7,968.47)	696.9
01-401-6280 DUES & SUBSCRIPTIONS	.00	1,446.00	600.00	( 846.00)	241.0
01-401-6325 FIREWORKS	.00	5,000.00	.00	( 5,000.00)	.0
01-401-6600 PROF. FEES - AUDIT	.00	41,017.64	38,000.00	( 3,017.64)	107.9
01-401-6650 PROF. FEES - LEGAL	.00	3,999.00	.00	( 3,999.00)	.0
01-401-6770 TRAVEL, TRAINING & DEV.	.00	98.28	3,000.00	2,901.72	3.3
01-401-6800 COUNCIL CHAMBER IMPROV	.00	.00	1,500.00	1,500.00	.0
01-401-8550 SUPPLIES - OFFICE	56.95	215.32	800.00	584.68	26.9
01-401-8750 SUPPLIES - PRINTING	.00	892.85	.00	( 892.85)	.0
01-401-9070 UTILITIES - TELEPHONE	.00	544.96	.00	( 544.96)	.0
01-401-9500 LOBBYIST FEES	.00	120,000.00	120,000.00	.00	100.0
TOTAL COUNCIL	3,660.92	180,182.52	162,900.00	( 17,282.52)	110.6
<u>ELECTIONS</u>					
01-420-6100 VOLUNTEER SUPPORT	.00	915.10	1,200.00	284.90	76.3
01-420-6205 ADVERTISING	.00	.00	600.00	600.00	.0
01-420-8150 SUPPLIES - CONSUMABLE	.00	523.00	.00	( 523.00)	.0
TOTAL ELECTIONS	.00	1,438.10	1,800.00	361.90	79.9

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PUBLIC SAFETY</u>					
01-510-6000 SALARIES & WAGES	57,011.30	654,757.31	680,413.00	25,655.69	96.2
01-510-6030 FICA TAXES	881.08	13,702.22	10,459.00	( 3,243.22)	131.0
01-510-6040 WORKER'S COMP.	.00	.00	25,714.00	25,714.00	.0
01-510-6050 ESC TAXES	45.90	4,913.56	6,915.00	2,001.44	71.1
01-510-6060 HEALTH & LIFE INSURANCE	8,787.96	100,334.57	106,024.00	5,689.43	94.6
01-510-6070 PERS RETIREMENT	50,651.16	150,847.97	155,808.47	4,960.50	96.8
01-510-6091 UNIFORM ALLOWANCE	.00	1,520.00	2,500.00	980.00	60.8
01-510-6100 VOLUNTEER SUPPORT	.00	.00	1,500.00	1,500.00	.0
01-510-6205 ADVERTISING	.00	275.00	250.00	( 25.00)	110.0
01-510-6210 B.T.I. CONDO FEES	.00	745.01	2,000.00	1,254.99	37.3
01-510-6280 DUES & SUBSCRIPTIONS	14.99	798.93	500.00	( 298.93)	159.8
01-510-6410 INSURANCE - LIABILITY	.00	10,969.24	17,500.00	6,530.76	62.7
01-510-6420 INSURANCE - AUTO	.00	4,918.68	9,000.00	4,081.32	54.7
01-510-6440 INSURANCE - PROPERTY	.00	( 301.25)	1,200.00	1,501.25	( 25.1)
01-510-6540 LICENSES & PERMITS	.00	144.14	2,000.00	1,855.86	7.2
01-510-6565 OUTSIDE CONTRACTORS	.00	46,160.52	35,600.00	( 10,560.52)	129.7
01-510-6570 PHYSICAL EXAMS	.00	343.00	2,000.00	1,657.00	17.2
01-510-6580 POSTAGE	3.15	56.85	200.00	143.15	28.4
01-510-6635 PROF. FEES - COMPUTER SUPPORT	.00	.00	800.00	800.00	.0
01-510-6700 PUBLICATIONS & SUBSCRIPTIONS	.00	29.98	500.00	470.02	6.0
01-510-6735 EQUIPMENT PURCHASE	.00	2,848.50	8,000.00	5,151.50	35.6
01-510-6740 SMALL TOOLS	.00	2,594.71	.00	( 2,594.71)	.0
01-510-6770 TRAVEL, TRAINING & DEV.	4,008.79	5,733.79	5,000.00	( 733.79)	114.7
01-510-7100 BUILDING MAINT.	.00	113.50	1,500.00	1,386.50	7.6
01-510-7150 REPAIRS - COMMUNICATION EQUIPM	.00	.00	2,000.00	2,000.00	.0
01-510-7200 REPAIRS-COMPUTER SYSTEM	.00	.00	1,000.00	1,000.00	.0
01-510-7350 REPAIRS - EQUIPMENT	.00	1,368.98	8,000.00	6,631.02	17.1
01-510-7400 REPAIRS - VEHICLES	.00	1,892.25	5,000.00	3,107.75	37.9
01-510-7750 GAS & OIL - VEHICLES	1,647.82	14,215.74	25,000.00	10,784.26	56.9
01-510-8020 SUPPLIES - AMMUNITION	.00	2,634.50	5,000.00	2,365.50	52.7
01-510-8100 SUPPLIES - COMPUTERS	.00	14.99	1,500.00	1,485.01	1.0
01-510-8150 SUPPLIES - CONSUMABLE	766.32	4,900.84	4,000.00	( 900.84)	122.5
01-510-8200 SUPPLIES - COPIER	.00	.00	1,200.00	1,200.00	.0
01-510-8550 SUPPLIES - OFFICE	.00	582.35	2,000.00	1,417.65	29.1
01-510-8950 SUPPLIES - UNIFORMS	260.00	5,228.58	6,000.00	771.42	87.1
01-510-9000 UTILITIES - INTERNET	2,957.73	18,411.76	15,000.00	( 3,411.76)	122.8
01-510-9010 UTILITIES - ELECTRICITY	.00	40.45	.00	( 40.45)	.0
01-510-9070 UTILITIES - TELEPHONE	757.88	9,227.84	.00	( 9,227.84)	.0
01-510-9200 GRANT EXPENDITURES	.00	.00	8,000.00	8,000.00	.0
TOTAL PUBLIC SAFETY	127,794.08	1,060,024.51	1,159,083.47	99,058.96	91.5

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>FIRE</u>					
01-520-6000 SALARIES & WAGES	1,190.76	14,261.38	14,400.00	138.62	99.0
01-520-6030 FICA TAXES	17.27	209.99	1,102.00	892.01	19.1
01-520-6040 WORKERS COMP	.00	.00	563.00	563.00	.0
01-520-6050 ESC TAXES	.00	61.18	144.00	82.82	42.5
01-520-6070 PERS RETIREMENT	880.19	880.19	880.19	.00	100.0
01-520-6100 VOLUNTEER SUPPORT	.00	.00	12,000.00	12,000.00	.0
01-520-6410 INSURANCE - LIABILITY	.00	558.07	1,000.00	441.93	55.8
01-520-6420 INSURANCE - AUTO	.00	3,220.53	4,500.00	1,279.47	71.6
01-520-6570 PHYSICAL EXAMS	.00	25.00	.00	( 25.00)	.0
01-520-6735 EQUIPMENT PURCHASE	.00	.00	5,000.00	5,000.00	.0
01-520-6750 TESTING	( 2,064.60)	2,209.60	1,000.00	( 1,209.60)	221.0
01-520-6770 TRAVEL, TRAINING & DEV.	.00	.00	500.00	500.00	.0
01-520-7350 REPAIRS - EQUIPMENT	.00	149.00	2,000.00	1,851.00	7.5
01-520-7400 REPAIRS - VEHICLES	.00	10.00	1,500.00	1,490.00	.7
01-520-7750 GAS & OIL - VEHICLES	.00	218.72	1,000.00	781.28	21.9
01-520-8550 SUPPLIES - OFFICE	.00	.00	150.00	150.00	.0
01-520-8950 SUPPLIES - UNIFORMS	.00	.00	750.00	750.00	.0
<b>TOTAL FIRE</b>	<b>23.62</b>	<b>21,803.66</b>	<b>46,489.19</b>	<b>24,685.53</b>	<b>46.9</b>

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EMS</u>					
01-530-6000 SALARIES & WAGES	9,905.34	118,043.90	131,696.00	13,652.10	89.6
01-530-6030 FICA TAXES	334.75	3,711.12	6,441.00	2,729.88	57.6
01-530-6040 WORKER'S COMP.	.00	.00	8,738.00	8,738.00	.0
01-530-6050 ESC TAXES	46.85	1,215.10	1,399.00	183.90	86.9
01-530-6060 HEALTH & LIFE INSURANCE	1,278.50	12,409.08	16,358.00	3,948.92	75.9
01-530-6070 PERS RETIREMENT	8,393.58	21,429.90	22,410.46	980.56	95.6
01-530-6091 UNIFORM ALLOWANCE	.00	440.00	600.00	160.00	73.3
01-530-6100 EMS VOLUNTEER SUPPORT	.00	800.00	20,000.00	19,200.00	4.0
01-530-6410 INSURANCE - LIABILITY	.00	7,855.52	10,000.00	2,144.48	78.6
01-530-6420 INSURANCE - AUTO	.00	3,077.54	3,500.00	422.46	87.9
01-530-6540 LICENSES & PERMITS	.00	20.00	.00	( 20.00)	.0
01-530-6565 OUTSIDE CONTRACTORS	.00	1,600.00	.00	( 1,600.00)	.0
01-530-6570 PHYSICAL EXAMS	.00	351.00	.00	( 351.00)	.0
01-530-6700 PUBLICATIONS & SUBSCRIPTIONS	.00	300.00	.00	( 300.00)	.0
01-530-6735 EQUIPMENT PURCHASE	.00	280.67	1,000.00	719.33	28.1
01-530-6750 TESTING	.00	.00	250.00	250.00	.0
01-530-6761 TRAINING - EMS SUPVSG MD	1,000.00	12,000.00	8,000.00	( 4,000.00)	150.0
01-530-6770 TRAVEL, TRAINING & DEV.	.00	.00	2,000.00	2,000.00	.0
01-530-7350 REPAIRS - EQUIPMENT	177.17	868.65	.00	( 868.65)	.0
01-530-7400 REPAIRS - VEHICLES	.00	2,768.85	1,500.00	( 1,268.85)	184.6
01-530-7750 GAS & OIL - VEHICLES	170.18	418.48	2,500.00	2,081.52	16.7
01-530-8150 SUPPLIES - CONSUMABLE	4,124.91	5,403.38	3,500.00	( 1,903.38)	154.4
01-530-8550 SUPPLIES - OFFICE	.00	.00	250.00	250.00	.0
01-530-8650 SUPPLIES AND DRUGS BILLABLE	1,265.57	1,265.57	2,500.00	1,234.43	50.6
01-530-8950 SUPPLIES - UNIFORMS	1,031.00	1,031.00	2,000.00	969.00	51.6
01-530-9000 UTILITIES - INTERNET	558.33	6,429.39	5,000.00	( 1,429.39)	128.6
01-530-9070 UTILITIES - TELEPHONE	50.38	1,810.67	500.00	( 1,310.67)	362.1
TOTAL EMS	28,336.56	203,529.82	250,142.46	46,612.64	81.4
<u>CLINIC</u>					
01-535-6210 B.T.I. CONDO FEE	.00	3,314.01	4,500.00	1,185.99	73.6
01-535-6440 INSURANCE - PROPERTY	.00	.00	1,200.00	1,200.00	.0
TOTAL CLINIC	.00	3,314.01	5,700.00	2,385.99	58.1



CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PUBLIC WORKS</u>					
01-600-6000 SALARIES & WAGES	21,107.06	217,821.33	264,710.00	46,888.67	82.3
01-600-6030 FICA TAXES	306.05	3,207.64	5,447.00	2,239.36	58.9
01-600-6040 WORKER'S COMP.	.00	.00	9,662.00	9,662.00	.0
01-600-6050 ESC TAXES	.00	1,943.11	1,435.00	( 508.11)	135.4
01-600-6060 HEALTH & LIFE INSURANCE	3,899.28	49,770.00	53,162.00	3,392.00	93.6
01-600-6070 PERS RETIREMENT	17,338.23	60,096.87	66,421.55	6,324.68	90.5
01-600-6410 INSURANCE - LIABILITY	.00	4,665.57	7,750.00	3,084.43	60.2
01-600-6420 INSURANCE - AUTO	.00	2,551.97	4,800.00	2,248.03	53.2
01-600-6430 INSURANCE EQUIPMENT	.00	1,626.58	5,000.00	3,373.42	32.5
01-600-6440 INSURANCE - PROPERTY	.00	189.53	1,000.00	810.47	19.0
01-600-6540 LICENSES & FEES	.00	.00	250.00	250.00	.0
01-600-6565 OUTSIDE CONTRACTORS	.00	306.26	8,000.00	7,693.74	3.8
01-600-6570 PHYSICAL EXAMS	105.00	261.00	750.00	489.00	34.8
01-600-6635 PROF. FEES - COMPUTER SUPPORT	.00	.00	2,000.00	2,000.00	.0
01-600-6740 SMALL TOOLS	.00	1,171.06	3,000.00	1,828.94	39.0
01-600-6770 TRAVEL, TRAINING & DEV.	.00	1,269.80	2,000.00	730.20	63.5
01-600-7100 REPAIRS	.00	.00	5,000.00	5,000.00	.0
01-600-7210 REPAIRS - ROADS	.00	858.80	30,621.69	29,762.89	2.8
01-600-7350 REPAIR & MAINTENANCE	1,286.84	76,981.98	15,000.00	( 61,981.98)	513.2
01-600-7750 GAS & OIL - VEHICLES	7,779.93	20,505.94	15,000.00	( 5,505.94)	136.7
01-600-8150 SUPPLIES - CONSUMABLE	.00	290.50	1,000.00	709.50	29.1
01-600-8550 SUPPLIES - OFFICE	.00	90.40	500.00	409.60	18.1
01-600-8950 SUPPLIES - UNIFORMS	.00	.00	750.00	750.00	.0
01-600-8970 SUPPLIES - SAFETY	.00	887.81	5,000.00	4,112.19	17.8
01-600-8995 SUPPLIES & MATERIALS	.00	2,919.67	15,000.00	12,080.33	19.5
01-600-9000 UTILITIES - INTERNET	824.62	9,695.15	7,500.00	( 2,195.15)	129.3
01-600-9010 UTILITIES - ELECTRICITY	1,149.31	13,046.78	12,000.00	( 1,046.78)	108.7
01-600-9070 UTILITIES - TELEPHONE	202.33	2,211.19	1,500.00	( 711.19)	147.4
01-600-9095 UTILITIES - WATER/SEWER	.00	.00	10,000.00	10,000.00	.0
01-600-9520 CAPITAL OUTLAY - EQUIPMENT	8,870.00	15,620.00	20,000.00	4,380.00	78.1
01-600-9900 INTERDEPARTMENT SUPPORT	( 2,916.66)	( 34,999.92)	( 35,000.00)	( .08)	(100.0)
TOTAL PUBLIC WORKS	59,951.99	452,989.02	539,259.24	86,270.22	84.0

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PROPERTY &amp; FACILITIES</u>						
01-700-6210	B.T.I. CONDO FEES	.00	10,168.56	10,979.00	810.44	92.6
01-700-6410	INSURANCE - LIABILITY	.00	1,378.64	.00	( 1,378.64)	.0
01-700-6440	INSURANCE - PROPERTY	.00	10,513.19	26,000.00	15,486.81	40.4
01-700-6565	PROP & FAC-CONTRACTED SERVICES	740.00	14,366.98	10,000.00	( 4,366.98)	143.7
01-700-7100	REPAIRS - BUILDINGS	912.98	1,224.98	5,000.00	3,775.02	24.5
01-700-7350	REPAIRS - EQUIPMENT	.00	4,853.14	.00	( 4,853.14)	.0
01-700-8150	SUPPLIES - CONSUMABLE	.00	107.03	.00	( 107.03)	.0
01-700-8550	JANITORIAL SUPPLIES	.00	142.95	500.00	357.05	28.6
01-700-8970	SUPPLIES - SAFETY	.00	280.57	500.00	219.43	56.1
01-700-9010	UTILITIES - ELECTRICITY	3,039.48	33,650.68	31,261.00	( 2,389.68)	107.6
01-700-9040	UTILITIES - HEATING FUEL	3,023.48	22,409.44	25,000.00	2,590.56	89.6
01-700-9050	UTILITIES - SOLID WASTE	70.80	816.49	2,000.00	1,183.51	40.8
01-700-9095	UTILITIES - WATER/SEWER	117.17	1,313.57	2,000.00	686.43	65.7
TOTAL PROPERTY & FACILITIES		7,903.91	101,226.22	113,240.00	12,013.78	89.4
<u>PARKS AND RECREATION</u>						
01-800-6000	SALARIES AND WAGES	.00	.00	6,198.00	6,198.00	.0
01-800-6030	FICA TAXES	.00	.00	474.00	474.00	.0
01-800-6040	WORKER'S COMP	.00	.00	249.00	249.00	.0
01-800-6050	ESC TAX	.00	.00	62.00	62.00	.0
01-800-6565	OUTSIDE CONTRACTORS	.00	2,978.86	.00	( 2,978.86)	.0
01-800-7340	PROFESSIONAL SERVICES	.00	.00	3,000.00	3,000.00	.0
01-800-7350	REPAIRS EQUIPMENT	.00	.00	1,000.00	1,000.00	.0
01-800-8950	SUPPLIES AND MATERIALS	2,362.12	4,218.87	6,000.00	1,781.13	70.3
TOTAL PARKS AND RECREATION		2,362.12	7,197.73	16,983.00	9,785.27	42.4
<u>GF ADMN CAPITAL OUTLAY</u>						
01-910-9540	CAPITAL OUTLAY - LAND & IMPROV	.00	165,000.00	165,000.00	.00	100.0
TOTAL GF ADMN CAPITAL OUTLAY		.00	165,000.00	165,000.00	.00	100.0
<u>TRANSFERS TO OTHER FUNDS</u>						
01-990-9990	TRANSFER OUT	.00	23,341.00	23,341.00	.00	100.0
01-990-9991	TRANSFER TO F 14 EQUIP REP PW	.00	165,255.57	165,255.57	.00	100.0
01-990-9992	CAPITAL EQUIPMENT SET ASIDE	.00	1,014,900.00	1,014,900.00	.00	100.0
TOTAL TRANSFERS TO OTHER FUNDS		.00	1,203,496.57	1,203,496.57	.00	100.0
TOTAL FUND EXPENDITURES		306,797.63	4,095,188.93	4,405,501.62	310,312.69	93.0

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
NET REVENUE OVER EXPENDITURES	( 90,584.13)	( 469,766.42)	( 1,445,066.26)	( 975,299.84)	( 32.5)

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

PUBLIC WORKS EQUIP FUND

ASSETS

14-000-0100	CASH - COMBINED FUND	270,912.44	
	TOTAL ASSETS		270,912.44

LIABILITIES AND EQUITY

FUND EQUITY

14-000-3000	FUND BALANCE	105,656.87	
	REVENUE OVER EXPENDITURES - YTD	165,255.57	
	BALANCE - CURRENT DATE	270,912.44	
	TOTAL FUND EQUITY		270,912.44
	TOTAL LIABILITIES AND EQUITY		270,912.44



CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

PUBLIC WORKS EQUIP FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>TRANSFERS FROM OTHER FUNDS</u>					
14-390-4990	TRANSFER FROM GENERAL FUND	.00	165,255.57	140,255.57	( 25,000.00)	117.8
	TOTAL TRANSFERS FROM OTHER FUNDS	.00	165,255.57	140,255.57	( 25,000.00)	117.8
	TOTAL FUND REVENUE	.00	165,255.57	140,255.57	( 25,000.00)	117.8
	NET REVENUE OVER EXPENDITURES	.00	165,255.57	140,255.57	( 25,000.00)	117.8

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

CRUISE SHIP TAX

ASSETS

20-000-0100	CASH - COMBINED FUND	1,927,627.42	
	TOTAL ASSETS		1,927,627.42

LIABILITIES AND EQUITY

LIABILITIES

20-000-2000	ACCOUNTS PAYABLE	44.97	
	TOTAL LIABILITIES		44.97

FUND EQUITY

20-000-3000	UNDESIGNATED-FUND BALANCE	1,542,728.55	
	REVENUE OVER EXPENDITURES - YTD	384,853.90	
	BALANCE - CURRENT DATE	1,927,582.45	
	TOTAL FUND EQUITY		1,927,582.45
	TOTAL LIABILITIES AND EQUITY		1,927,627.42

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

CRUISE SHIP TAX

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>TAXES - REVENUE</u>					
20-310-4008	CRUISE SHIP TAX	.00	1,136,552.25	.00	( 1,136,552.25)	.0
20-310-4009	CPV - COVID MITIGATION	.00	113,462.75	.00	( 113,462.75)	.0
	TOTAL TAXES - REVENUE	.00	1,250,015.00	.00	( 1,250,015.00)	.0
	TOTAL FUND REVENUE	.00	1,250,015.00	.00	( 1,250,015.00)	.0

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

CRUISE SHIP TAX

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>DONATIONS - SUPPORT</u>					
20-400-6240 MUSEUM SUPPORT - DONATIONS	.00	15,000.00	15,000.00	.00	100.0
20-400-6565 CONTRACTED SERVICES	7,041.49	15,990.83	.00	( 15,990.83)	.0
20-400-8150 SUPPLIES	1,118.11	1,118.11	.00	( 1,118.11)	.0
20-400-9520 CAPITAL EQUIPMENT	.00	299,234.16	.00	( 299,234.16)	.0
TOTAL DONATIONS - SUPPORT	8,159.60	331,343.10	15,000.00	( 316,343.10)	2209.0
<u>TRANSFERS OUT</u>					
20-990-9990 TRANSFER TO OTHER FUNDS	.00	380,043.00	379,634.00	( 409.00)	100.1
20-990-9992 TRANSFER TO HARBOR FUND #51	.00	153,775.00	153,775.00	.00	100.0
TOTAL TRANSFERS OUT	.00	533,818.00	533,409.00	( 409.00)	100.1
TOTAL FUND EXPENDITURES	8,159.60	865,161.10	548,409.00	( 316,752.10)	157.8
NET REVENUE OVER EXPENDITURES	( 8,159.60)	384,853.90	( 548,409.00)	( 933,262.90)	70.2



CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

COVID19 GRANT FUND

ASSETS

21-000-0100	CASH - COMBINED FUND	39,483.02	
21-000-1200	ACCOUNTS RECEIVABLE	39,851.55	
	TOTAL ASSETS		79,334.57

LIABILITIES AND EQUITY

FUND EQUITY

	REVENUE OVER EXPENDITURES - YTD	79,334.57	
	BALANCE - CURRENT DATE	79,334.57	
	TOTAL FUND EQUITY		79,334.57
	TOTAL LIABILITIES AND EQUITY		79,334.57

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

COVID19 GRANT FUND

		<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
	<u>CARES ACT GRANT REVENUE</u>					
21-330-4010	GRANT REVENUES - STATE	.00	79,334.57	.00	( 79,334.57)	.0
21-330-4012	FEDERAL GRANT FUNDS	.00	.00	102,405.23	102,405.23	.0
	TOTAL CARES ACT GRANT REVENUE	.00	79,334.57	102,405.23	23,070.66	77.5
	TOTAL FUND REVENUE	.00	79,334.57	102,405.23	23,070.66	77.5

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

COVID19 GRANT FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>GRANT EXPENDITURES</u>					
21-900-9900	TRANSFER OUT	.00	.00	102,405.23	102,405.23	.0
	TOTAL GRANT EXPENDITURES	.00	.00	102,405.23	102,405.23	.0
	TOTAL FUND EXPENDITURES	.00	.00	102,405.23	102,405.23	.0
	NET REVENUE OVER EXPENDITURES	.00	79,334.57	.00	( 79,334.57)	.0

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

NEW CITY PARK FUND

ASSETS

24-000-0100	CASH - COMBINED FUND	88,760.45	
	TOTAL ASSETS		88,760.45

LIABILITIES AND EQUITY

FUND EQUITY

24-000-3000	FUND BALANCE	91,758.70	
	REVENUE OVER EXPENDITURES - YTD	( 2,998.25)	
	BALANCE - CURRENT DATE	88,760.45	
	TOTAL FUND EQUITY		88,760.45
	TOTAL LIABILITIES AND EQUITY		88,760.45



CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

NEW CITY PARK FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>GRANT EXPENDITURES</u>					
24-900-9200	CITY-FUNDED PARK EXPENDITURES	.00	2,998.25	.00	( 2,998.25)	.0
	TOTAL GRANT EXPENDITURES	.00	2,998.25	.00	( 2,998.25)	.0
	TOTAL FUND EXPENDITURES	.00	2,998.25	.00	( 2,998.25)	.0
	NET REVENUE OVER EXPENDITURES	.00	( 2,998.25)	.00	2,998.25	.0

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

SHOTGUN COVE

ASSETS

30-000-0100	CASH - COMBINED FUND	(	41,713.42)	
30-000-1205	GRANT RECEIVABLE		89,548.87	
	TOTAL ASSETS			47,835.45

LIABILITIES AND EQUITY

LIABILITIES

30-000-2000	ACCOUNTS PAYABLE		47,835.45	
	TOTAL LIABILITIES			47,835.45
	TOTAL LIABILITIES AND EQUITY			47,835.45

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

SHOTGUN COVE

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>FEDERAL GRANT REVENUE WFL</u>					
30-350-4063	WFL DLG GRANT 3303A70007700000	27,990.57	70,752.52	.00	( 70,752.52)	.0
30-350-4064	WFL FLAP REVENUE 6905671950011	61,558.30	232,606.13	.00	( 232,606.13)	.0
	TOTAL FEDERAL GRANT REVENUE WFL	89,548.87	303,358.65	.00	( 303,358.65)	.0
	TOTAL FUND REVENUE	89,548.87	303,358.65	.00	( 303,358.65)	.0

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

SHOTGUN COVE

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>FEDERAL GRANT EXPENDITURES WFL</u>					
30-850-9543	WFL DLG GRANT DTFH70-03A170077	24,192.09	70,752.52	.00	( 70,752.52)	.0
30-850-9544	FLAP 1 SCR DESIGN	46,364.36	232,606.13	.00	( 232,606.13)	.0
	TOTAL FEDERAL GRANT EXPENDITURES W	70,556.45	303,358.65	.00	( 303,358.65)	.0
	TOTAL FUND EXPENDITURES	70,556.45	303,358.65	.00	( 303,358.65)	.0
	NET REVENUE OVER EXPENDITURES	18,992.42	.00	.00	.00	.0



CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

2019 EARTHQUAKE

ASSETS

31-000-0100	CASH - COMBINED FUND	(	850,506.92)	
31-000-1205	GRANT RECEIVABLE		598,770.95	
	TOTAL ASSETS			( 251,735.97)

LIABILITIES AND EQUITY

LIABILITIES

31-000-2002	AP OTHER NOT THRU JOURNAL		467.80	
	TOTAL LIABILITIES			467.80

FUND EQUITY

	REVENUE OVER EXPENDITURES - YTD	(	252,203.77)	
	BALANCE - CURRENT DATE	(	252,203.77)	
	TOTAL FUND EQUITY			( 252,203.77)
	TOTAL LIABILITIES AND EQUITY			( 251,735.97)

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

2019 EARTHQUAKE

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>STATE GRANT REVENUE</u>					
31-320-4010	GRANT REVENUE	520,680.95	520,680.95	.00	( 520,680.95)	.0
31-320-4275	INSURANCE SETTLEMENT	.00	39,394.55	.00	( 39,394.55)	.0
	TOTAL STATE GRANT REVENUE	520,680.95	560,075.50	.00	( 560,075.50)	.0
	<u>SOURCE 390</u>					
31-390-4990	TRANSFER IN	.00	25,000.00	25,000.00	.00	100.0
	TOTAL SOURCE 390	.00	25,000.00	25,000.00	.00	100.0
	TOTAL FUND REVENUE	520,680.95	585,075.50	25,000.00	( 560,075.50)	2340.3

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

2019 EARTHQUAKE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>STATE GRANT EXPENDITURES</u>					
31-820-9200 GRANT EXPENDITURES	708,484.47	837,279.27	25,000.00	( 812,279.27)	3349.1
TOTAL STATE GRANT EXPENDITURES	708,484.47	837,279.27	25,000.00	( 812,279.27)	3349.1
TOTAL FUND EXPENDITURES	708,484.47	837,279.27	25,000.00	( 812,279.27)	3349.1
NET REVENUE OVER EXPENDITURES	( 187,803.52)	( 252,203.77)	.00	252,203.77	.0

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

WATER AND WASTEWATER

ASSETS

50-000-0100	CASH - COMBINED FUND	417,551.30	
50-000-1200	ACCT REC - WATER WASTEWATER	177,722.28	
50-000-1800	SYSTEMS	12,666,103.20	
50-000-1810	BUILDINGS & FACILITIES	1,288,370.61	
50-000-1820	MACHINERY & EQUIPMENT	141,253.81	
50-000-1830	CONSTRUCTION IN PROGRESS	107,105.00	
50-000-1890	ACCUMULATED DEPRECIATION	( 7,605,105.76)	
	TOTAL ASSETS		7,193,000.44

LIABILITIES AND EQUITY

LIABILITIES

50-000-2000	ACCOUNTS PAYABLE	14,245.48	
50-000-2060	ESC TAXES PAYABLE	39.64	
50-000-2075	HEALTH & LIFE INSURANCE PAYABL	( 203.41)	
50-000-2080	PERS PAYABLE	1,216.92	
50-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	33.22	
50-000-2095	ACCRUED LEAVE	12,578.55	
	TOTAL LIABILITIES		27,910.40

FUND EQUITY

50-000-3000	RETAINED EARNINGS	( 10,434.80)	
50-000-3350	NET INVESTMENT CAPITAL ASSETS	8,248,949.93	
	REVENUE OVER EXPENDITURES - YTD	( 1,073,425.09)	
	BALANCE - CURRENT DATE	7,165,090.04	
	TOTAL FUND EQUITY		7,165,090.04
	TOTAL LIABILITIES AND EQUITY		7,193,000.44



CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

WATER AND WASTEWATER

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>CHARGES FOR SERVICES</u>					
50-340-4300	WATER SERVICE CHARGES	.00	312,819.05	257,176.00	( 55,643.05)	121.6
50-340-4350	WASTE WATER SERVICE CHARGES	.00	74,851.09	115,000.00	40,148.91	65.1
50-340-4500	ENTERPRISE-PERMIT FEES	.00	.00	100.00	100.00	.0
	TOTAL CHARGES FOR SERVICES	.00	387,670.14	372,276.00	( 15,394.14)	104.1
	<u>MISCELLANEOUS</u>					
50-360-4020	PERS ON-BEHALF	8,167.46	8,167.46	8,167.46	.00	100.0
50-360-4901	INTEREST ON BANK ACCOUNTS	.00	893.98	17,500.00	16,606.02	5.1
50-360-4910	MISCELLANEOUS INCOME	.00	4,943.28	700.00	( 4,243.28)	706.2
	TOTAL MISCELLANEOUS	8,167.46	14,004.72	26,367.46	12,362.74	53.1
	<u>PROPERTY &amp; SURPLUS SALES</u>					
50-390-4990	TRANSFERS IN	.00	23,341.00	23,341.00	.00	100.0
	TOTAL PROPERTY & SURPLUS SALES	.00	23,341.00	23,341.00	.00	100.0
	TOTAL FUND REVENUE	8,167.46	425,015.86	421,984.46	( 3,031.40)	100.7

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

WATER AND WASTEWATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WATER &amp; WASTE WATER OPERATING</u>					
50-800-6000 SALARIES & WAGES	10,988.09	132,334.69	125,591.00	( 6,743.69)	105.4
50-800-6030 FICA TAXES	159.10	1,945.50	2,452.00	506.50	79.3
50-800-6040 WORKER'S COMP.	.00	.00	5,659.00	5,659.00	.0
50-800-6050 ESC TAXES	6.01	959.59	1,285.00	325.41	74.7
50-800-6060 HEALTH & LIFE INSURANCE	1,502.37	22,739.92	17,584.00	( 5,155.92)	129.3
50-800-6070 PERS RETIREMENT	10,252.31	31,190.61	27,248.46	( 3,942.15)	114.5
50-800-6280 DUES & SUBSCRIPTIONS	.00	170.00	1,000.00	830.00	17.0
50-800-6410 INSURANCE - LIABILITY	.00	2,202.90	3,600.00	1,397.10	61.2
50-800-6440 INSURANCE - PROPERTY	.00	1,968.23	3,500.00	1,531.77	56.2
50-800-6540 LICENSES & PERMITS	.00	805.00	1,200.00	395.00	67.1
50-800-6565 OUTSIDE CONTRACTORS	.00	.00	10,000.00	10,000.00	.0
50-800-6570 PHYSICAL EXAMS	.00	.00	500.00	500.00	.0
50-800-6580 POSTAGE	350.99	848.12	1,300.00	451.88	65.2
50-800-6635 PROF. FEES - COMPUTER SUPPORT	.00	.00	1,200.00	1,200.00	.0
50-800-6740 SMALL TOOLS	.00	.00	4,000.00	4,000.00	.0
50-800-6750 TESTING WATER/SEWER	.00	5,520.00	9,000.00	3,480.00	61.3
50-800-6770 TRAVEL, TRAINING & DEV.	.00	1,536.55	5,500.00	3,963.45	27.9
50-800-7100 REPAIRS - BUILDING	.00	1,385.22	5,000.00	3,614.78	27.7
50-800-7350 REPAIRS - EQUIPMENT	.00	2,820.31	5,000.00	2,179.69	56.4
50-800-7650 REPAIRS - SYSTEM	29,873.70	31,170.16	5,000.00	( 26,170.16)	623.4
50-800-7750 GAS & OIL - VEHICLES	197.29	3,192.95	3,500.00	307.05	91.2
50-800-8550 SUPPLIES - OFFICE	.00	140.78	500.00	359.22	28.2
50-800-8950 UNIFORMS	.00	.00	500.00	500.00	.0
50-800-8970 SUPPLIES - SAFETY	32.77	851.47	1,500.00	648.53	56.8
50-800-8995 SUPPLIES & MATERIALS	.00	712.09	3,500.00	2,787.91	20.4
50-800-9000 UTILITIES -INTERNET	425.18	5,930.08	1,500.00	( 4,430.08)	395.3
50-800-9010 UTILITIES - ELECTRICITY	2,188.40	28,563.48	30,000.00	1,436.52	95.2
50-800-9040 UTILITIES - HEATING FUEL	164.79	2,393.10	5,000.00	2,606.90	47.9
50-800-9070 UTILITIES - TELEPHONE	232.63	1,398.76	600.00	( 798.76)	233.1
50-800-9580 CAPITAL OUTLAY - W/WWW	47,135.00	150,000.00	150,000.00	.00	100.0
50-800-9900 TRANSFER OUT TO GF	.00	36,251.52	39,048.00	2,796.48	92.8
50-800-9901 TRANSFERS OUT - OTHER	.00	1,031,409.92	1,031,327.54	( 82.38)	100.0
TOTAL WATER & WASTE WATER OPERATIN	103,508.63	1,498,440.95	1,502,595.00	4,154.05	99.7
TOTAL FUND EXPENDITURES	103,508.63	1,498,440.95	1,502,595.00	4,154.05	99.7
NET REVENUE OVER EXPENDITURES	( 95,341.17)	( 1,073,425.09)	( 1,080,610.54)	( 7,185.45)	( 99.3)

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

SMALL BOAT HARBOR

ASSETS

51-000-0100	CASH - COMBINED FUND	1,026,969.52	
51-000-0110	2017 HARBOR BOND RESERVE	159,025.00	
51-000-1090	PETTY CASH	350.00	
51-000-1201	ACCTS REC FROM HARBOR	238,662.59	
51-000-1230	ACCOUNTS RECEIVABLE - LEASES	4,079.08	
51-000-1299	ALLOWANCE FOR DOUBTFUL ACCOUNT	( 33,397.56)	
51-000-1720	PREPAID INSURANCE	25,969.26	
51-000-1810	BUILDINGS & FACILITIES	24,086,913.66	
51-000-1820	MACHINERY & EQUIPMENT	275,314.46	
51-000-1824	EQUIPMENT - COMPUTER	81,910.74	
51-000-1890	ACCUMULATED DEPRECIATION	( 10,500,595.62)	
TOTAL ASSETS			15,365,201.13

LIABILITIES AND EQUITY

LIABILITIES

51-000-2000	ACCOUNTS PAYABLE	55,469.02	
51-000-2002	AP OTHER NOT THRU JOURNAL	3,410.53	
51-000-2060	ESC TAXES PAYABLE	613.49	
51-000-2075	HEALTH & LIFE INSURANCE PAYABL	( 1,368.14)	
51-000-2080	PERS PAYABLE	1,216.90	
51-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	182.29	
51-000-2095	ACCRUED LEAVE	35,929.98	
51-000-2178	ACCRUED INTEREST PAYABLE	14,254.17	
51-000-2180	CURRENT PORT. 2017 BOND PREMIUM	8,843.00	
51-000-2182	CURRENT PORT. 2017 HARBOR BOND	70,000.00	
51-000-2186	NET PREMIUM-2017 BOND ISSUANCE	132,645.45	
51-000-2188	L/T PORTION. 2017 HARBOR BOND	1,735,000.00	
51-000-2320	UNEARNED REVENUE - MOORAGE	175,566.39	
TOTAL LIABILITIES			2,231,763.08

FUND EQUITY

51-000-3000	RETAINED EARNINGS	( 2,564,271.47)	
51-000-3350	NET INVESTMENT CAPITAL ASSETS	16,362,156.74	
REVENUE OVER EXPENDITURES - YTD		( 664,447.22)	
BALANCE - CURRENT DATE		13,133,438.05	
TOTAL FUND EQUITY			13,133,438.05
TOTAL LIABILITIES AND EQUITY			15,365,201.13

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>CHARGES FOR SERVICES</u>					
51-340-4399 MOORAGE - TRANSIENT WINTER	3,497.39	26,143.42	20,000.00	( 6,143.42)	130.7
51-340-4401 MOORAGE - PREFERENTIAL	( 4,352.77)	467,999.95	545,000.00	77,000.05	85.9
51-340-4402 MOORAGE - TRANSIENT	123.57	469,359.47	400,000.00	( 69,359.47)	117.3
51-340-4403 BOAT LIFT FEES	.00	2,552.25	25,000.00	22,447.75	10.2
51-340-4404 UTILITY FEES	4,659.21	57,075.48	60,000.00	2,924.52	95.1
51-340-4406 WHARFAGE FEES	.00	15,884.71	15,000.00	( 884.71)	105.9
51-340-4407 VESSEL TOW FEES	.00	.00	3,000.00	3,000.00	.0
51-340-4408 USED OIL COLLECTION F	.00	585.80	1,000.00	414.20	58.6
51-340-4409 WAITING LIST FEES	150.00	17,850.00	16,000.00	( 1,850.00)	111.6
51-340-4410 PUMP OUT FEES	.00	900.00	500.00	( 400.00)	180.0
51-340-4411 LAUNCH FEES	320.00	85,940.00	150,000.00	64,060.00	57.3
51-340-4412 SHOWERS	9.52	1,679.52	1,000.00	( 679.52)	168.0
51-340-4413 GRID	.00	1,928.74	1,200.00	( 728.74)	160.7
51-340-4414 VESSEL MAINTENANCE	.00	5,734.50	7,000.00	1,265.50	81.9
51-340-4415 DRY STORAGE FEES	574.00	4,214.00	5,000.00	786.00	84.3
51-340-4416 PARKING - ANNUAL	250.00	38,000.00	45,000.00	7,000.00	84.4
51-340-4426 PARKING DAILY	495.00	54,868.00	60,000.00	5,132.00	91.5
51-340-4445 MISC. SERVICES	( 3,367.93)	1,690.46	3,000.00	1,309.54	56.4
TOTAL CHARGES FOR SERVICES	2,357.99	1,252,406.30	1,357,700.00	105,293.70	92.2
<u>LEASES INCOME</u>					
51-345-4512 LEASE - ARRC NET OF RR SHARE	( 24,462.02)	36,294.49	95,000.00	58,705.51	38.2
51-345-4515 LEASE - GARBAGE REVENUE	.00	40.00	350.00	310.00	11.4
TOTAL LEASES INCOME	( 24,462.02)	36,334.49	95,350.00	59,015.51	38.1
<u>OTHER REVENUE</u>					
51-360-4020 PERS ON-BEHALF	27,130.92	27,130.92	27,130.92	.00	100.0
51-360-4417 FUEL FLOAT INCOME	.00	42,522.56	25,000.00	( 17,522.56)	170.1
51-360-4430 CAMPING	.00	14,622.00	12,000.00	( 2,622.00)	121.9
51-360-4900 INTEREST & LATE FEES ON A/R	21.30	406.16	1,500.00	1,093.84	27.1
51-360-4901 INTEREST ON BANK ACCO	.00	894.05	10,000.00	9,105.95	8.9
51-360-4910 MISCELLANEOUS INCOME	.00	.00	15,000.00	15,000.00	.0
51-360-4957 AMORTIZATION OF BOND PREMIUM	.00	.00	8,843.00	8,843.00	.0
TOTAL OTHER REVENUE	27,152.22	85,575.69	99,473.92	13,898.23	86.0
<u>TRANSFERS IN AND OTHER</u>					
51-390-4991 TRANSFER FROM CPV FUND	.00	153,775.00	153,775.00	.00	100.0
TOTAL TRANSFERS IN AND OTHER	.00	153,775.00	153,775.00	.00	100.0

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
TOTAL FUND REVENUE	5,048.19	1,528,091.48	1,706,298.92	178,207.44	89.6



CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>HARBOR OPERATIONS EXP</u>					
51-800-6000 SALARIES & WAGES	37,873.22	439,693.19	459,463.00	19,769.81	95.7
51-800-6030 FICA TAXES	688.14	8,025.31	9,752.00	1,726.69	82.3
51-800-6040 WORKER'S COMP.	.00	.00	18,571.00	18,571.00	.0
51-800-6050 ESC TAXES	195.30	4,266.70	4,775.00	508.30	89.4
51-800-6060 HEALTH & LIFE INSURANCE	7,256.74	97,169.76	110,333.00	13,163.24	88.1
51-800-6070 PERS RETIREMENT	34,074.40	110,325.44	115,772.92	5,447.48	95.3
51-800-6205 ADVERTISING	.00	1,000.00	1,000.00	.00	100.0
51-800-6215 COLLECTION EXPENSE	.00	.00	5,000.00	5,000.00	.0
51-800-6220 BANK SERVICE CHARGES	1,744.47	48,354.36	30,000.00	( 18,354.36)	161.2
51-800-6260 BAD DEBT EXPENSE	.00	.00	30,000.00	30,000.00	.0
51-800-6265 BOND INTEREST EXPENSE	.00	83,775.00	83,775.00	.00	100.0
51-800-6270 DEPRECIATION	.00	.00	940,000.00	940,000.00	.0
51-800-6280 DUES & SUBSCRIPTIONS	265.00	415.00	500.00	85.00	83.0
51-800-6410 INSURANCE - LIABILITY	.00	17,332.46	30,000.00	12,667.54	57.8
51-800-6420 INSURANCE - AUTO	.00	634.14	1,000.00	365.86	63.4
51-800-6430 INSURANCE EQUIPMENT	.00	257.00	600.00	343.00	42.8
51-800-6440 INSURANCE - PROPERTY	.00	19,965.11	70,000.00	50,034.89	28.5
51-800-6490 INSURANCE CLAIMS-DEDU	.00	.00	5,000.00	5,000.00	.0
51-800-6540 ENTERPRISE-LICENSES & PERMITS	.00	.00	125.00	125.00	.0
51-800-6565 OUTSIDE CONTRACTORS	4,233.82	50,093.50	25,000.00	( 25,093.50)	200.4
51-800-6570 PHYSICAL EXAMS	.00	234.00	500.00	266.00	46.8
51-800-6580 POSTAGE	584.34	3,763.36	2,500.00	( 1,263.36)	150.5
51-800-6635 PROF. FEES - COMPUTER SUPPORT	.00	.00	3,000.00	3,000.00	.0
51-800-6636 PROF FEES - WEB SITE	.00	.00	250.00	250.00	.0
51-800-6650 PROF. FEES - LEGAL	.00	19,257.00	5,000.00	( 14,257.00)	385.1
51-800-6700 PUBLICATIONS&SUBS.	.00	518.56	350.00	( 168.56)	148.2
51-800-6730 EQUIPMENT RENTAL	.00	85.00	1,000.00	915.00	8.5
51-800-6740 SMALL TOOLS	.00	4,146.86	2,500.00	( 1,646.86)	165.9
51-800-6770 TRAVEL, TRAINING & DEV.	.00	79.71	3,000.00	2,920.29	2.7
51-800-6780 WASTE DISPOSAL - EVOS	.00	420.23	4,000.00	3,579.77	10.5
51-800-7100 REPAIRS - BUILDINGS	.00	2,665.32	6,000.00	3,334.68	44.4
51-800-7350 REPAIRS - EQUIPMENT	75.00	3,383.64	15,000.00	11,616.36	22.6
51-800-7400 REPAIRS - VEHICLES	.00	.00	2,000.00	2,000.00	.0
51-800-7500 PARKING LOT MAINTENANCE	.00	.00	1,000.00	1,000.00	.0
51-800-7610 REPAIRS - UTILITIES	.00	2,578.00	10,000.00	7,422.00	25.8
51-800-7750 GAS & OIL - VEHICLES	1,312.23	5,662.84	6,000.00	337.16	94.4
51-800-7820 REPAIRS - DOCKS	.00	445.14	20,000.00	19,554.86	2.2
51-800-8150 SUPPLIES - CONSUMABLE	3,882.78	16,000.73	30,000.00	13,999.27	53.3
51-800-8200 SUPPLIES - PARKING	.00	653.00	1,000.00	347.00	65.3
51-800-8400 SUPPLIES - FIRE SUPPRESSION	.00	914.00	3,000.00	2,086.00	30.5
51-800-8550 SUPPLIES - OFFICE	1,203.93	5,340.72	6,000.00	659.28	89.0
51-800-8950 SUPPLIES - UNIFORMS	.00	227.54	2,500.00	2,272.46	9.1
51-800-8970 SUPPLIES - SAFETY	.00	1,130.92	5,000.00	3,869.08	22.6
51-800-9000 UTILITIES - INTERNET	2,584.04	14,155.11	6,100.00	( 8,055.11)	232.1
51-800-9010 UTILITIES - ELECTRICITY	9,557.79	78,368.93	62,000.00	( 16,368.93)	126.4
51-800-9040 UTILITIES - HEATING FUEL	587.37	4,105.89	5,500.00	1,394.11	74.7
51-800-9050 UTILITIES - SOLID WASTE	3,262.26	120,870.68	100,000.00	( 20,870.68)	120.9
51-800-9070 UTILITIES - TELEPHONE	699.49	3,849.83	1,600.00	( 2,249.83)	240.6
51-800-9095 UTILITIES - WATER/WASTEWATER	326.91	33,306.72	35,000.00	1,693.28	95.2
51-800-9213 HARBOR EMERGENCY REPAIR	.00	.00	10,000.00	10,000.00	.0
51-800-9510 SNOW REMOVAL	2,916.66	34,999.92	35,000.00	.08	100.0
51-800-9515 CAPITAL - PARKING METERS	.00	.00	2,000.00	2,000.00	.0

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
51-800-9520 CAPITAL OUTLAY - EQUIPMENT	.00	8,000.00	8,000.00	.00	100.0
51-800-9900 TRANSFER OUT TO GF	.00	126,068.08	156,000.00	29,931.92	80.8
51-800-9901 TRANSFERS OUT - OTHER	.00	750,000.00	750,000.00	.00	100.0
TOTAL HARBOR OPERATIONS EXP	113,323.89	2,122,538.70	3,241,466.92	1,118,928.22	65.5
CAPITAL OUTLAY - FROM RESERVE					
51-900-9510 CAPITAL OUTLAY - BLDG & FACIL	.00	.00	5,000.00	5,000.00	.0
51-900-9520 CAPITAL OUTLAY - EQUIPMENT	.00	.00	1,500.00	1,500.00	.0
51-900-9530 CAPITOL OUTLAY - COMP	.00	.00	2,000.00	2,000.00	.0
51-900-9575 BOND PRINCIPAL	.00	70,000.00	70,000.00	.00	100.0
TOTAL CAPITAL OUTLAY - FROM RESERVE	.00	70,000.00	78,500.00	8,500.00	89.2
TOTAL FUND EXPENDITURES	113,323.89	2,192,538.70	3,319,966.92	1,127,428.22	66.0
NET REVENUE OVER EXPENDITURES	( 108,275.70)	( 664,447.22)	( 1,613,668.00)	( 949,220.78)	( 41.2)

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

DELONG DOCK

ASSETS

53-000-0100	CASH - COMBINED FUND	1,476,844.46	
53-000-1810	BUILDINGS & FACILITIES	5,529,048.95	
53-000-1820	MACHINERY & EQUIPMENT	4,259.00	
53-000-1890	ACCUMULATED DEPRECIATION	( 1,065,034.76)	
TOTAL ASSETS			5,945,117.65

LIABILITIES AND EQUITY

LIABILITIES

53-000-2000	ACCOUNTS PAYABLE	711.48	
53-000-2060	ESC TAXES PAYABLE	77.65	
53-000-2075	HEALTH & LIFE INSURANCE PAYABL	1,470.19	
53-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	96.84	
TOTAL LIABILITIES			2,356.16

FUND EQUITY

53-000-3000	RETAINED EARNINGS	5,681,884.26	
REVENUE OVER EXPENDITURES - YTD		260,877.23	
BALANCE - CURRENT DATE		5,942,761.49	
TOTAL FUND EQUITY			5,942,761.49
TOTAL LIABILITIES AND EQUITY			5,945,117.65

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

DELONG DOCK

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>DELONG DOCK CHARGES FOR SERVIC</u>					
53-341-4251	USER FEES & PERMITS	.00	3,000.00	12,000.00	9,000.00	25.0
53-341-4402	MOORAGE - TRANSIENT	.00	2,338.56	5,000.00	2,661.44	46.8
53-341-4404	UTILITY FEES	.00	4,652.18	7,000.00	2,347.82	66.5
53-341-4406	WHARFAGE FEES	.00	454,512.54	360,000.00	( 94,512.54)	126.3
	TOTAL DELONG DOCK CHARGES FOR SERV	.00	464,503.28	384,000.00	( 80,503.28)	121.0
	<u>SOURCE 360</u>					
53-360-4020	PERS ON-BEHALF	3,199.22	3,199.22	3,199.22	.00	100.0
	TOTAL SOURCE 360	3,199.22	3,199.22	3,199.22	.00	100.0
	TOTAL FUND REVENUE	3,199.22	467,702.50	387,199.22	( 80,503.28)	120.8

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

DELONG DOCK

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
53-800-6070 PERS RETIREMENT	3,199.22	3,199.22	3,199.22	.00	100.0
TOTAL DEPARTMENT 800	3,199.22	3,199.22	3,199.22	.00	100.0
 <u>DEPARTMENT 801</u>					
53-801-6000 SALARES & WAGES	7,143.82	51,835.69	51,051.00	( 784.69)	101.5
53-801-6030 FICA/MEDICARE	118.35	880.68	1,084.00	203.32	81.2
53-801-6040 WORKER'S COMP.	.00	.00	2,063.00	2,063.00	.0
53-801-6050 ESC TAXES	25.11	343.77	531.00	187.23	64.7
53-801-6060 HEALTH & LIFE INSURANCE	.00	10,622.19	13,168.00	2,545.81	80.7
53-801-6070 PERS RETIREMENT	1,322.80	10,632.21	10,423.00	( 209.21)	102.0
53-801-6410 INSURANCE - LIABILITY	.00	2,788.36	15,000.00	12,211.64	18.6
53-801-6440 INSURANCE - PROPERTY	.00	5,428.00	10,000.00	4,572.00	54.3
53-801-6565 OUTSIDE CONTRACTORS	.00	95,869.00	120,000.00	24,131.00	79.9
53-801-6730 EQUIPMENT RENTAL	.00	.00	2,500.00	2,500.00	.0
53-801-6740 SMALL TOOLS	.00	.00	1,000.00	1,000.00	.0
53-801-7350 REPAIRS - EQUIPMENT	.00	155.00	.00	( 155.00)	.0
53-801-7750 GAS & OIL - VEHICLES	.00	.00	500.00	500.00	.0
53-801-7820 REPAIRS - DOCKS	.00	3,286.00	20,000.00	16,714.00	16.4
53-801-8150 SUPPLIES - CONSUMABLE	.00	.00	2,500.00	2,500.00	.0
53-801-8400 SUPPLIES - FIRE SUPPRESSION	.00	308.00	1,000.00	692.00	30.8
53-801-8950 SUPPLIES - UNIFORMS	.00	.00	1,000.00	1,000.00	.0
53-801-8970 SUPPLIES - SAFETY	.00	.00	2,000.00	2,000.00	.0
53-801-9010 UTILITIES - ELECTRICITY	711.48	18,679.90	15,000.00	( 3,679.90)	124.5
53-801-9050 UTILITIES - SOLID WASTE	.00	.00	1,500.00	1,500.00	.0
53-801-9095 UTILITIES - WATER/WASTEWATER	.00	.00	5,000.00	5,000.00	.0
53-801-9900 TRANSFER OUT TO GF	.00	2,797.25	38,400.00	35,602.75	7.3
TOTAL DEPARTMENT 801	9,321.56	203,626.05	313,720.00	110,093.95	64.9
 <u>CAPITAL OUTLAY</u>					
53-900-9504 CAPITAL IMPROVEMENTS	.00	.00	30,000.00	30,000.00	.0
53-900-9540 CAP EXP EMERGENCY REPAIRS	.00	.00	5,000.00	5,000.00	.0
TOTAL CAPITAL OUTLAY	.00	.00	35,000.00	35,000.00	.0
TOTAL FUND EXPENDITURES	12,520.78	206,825.27	351,919.22	145,093.95	58.8
NET REVENUE OVER EXPENDITURES	( 9,321.56)	260,877.23	35,280.00	( 225,597.23)	739.5



CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

MOTOR POOL

ASSETS

60-000-0100	CASH - COMBINED FUND	34,517.00	
60-000-1820	MACHINERY & EQUIPMENT	303,500.00	
60-000-1823	EQUIPMENT - VEHICLES	60,000.00	
		<hr/>	
	TOTAL ASSETS		398,017.00
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LIABILITIES AND EQUITY

FUND EQUITY

60-000-3000	RETAINED EARNINGS	398,017.00	
		<hr/>	
	TOTAL FUND EQUITY		398,017.00
			<hr/>
	TOTAL LIABILITIES AND EQUITY		398,017.00
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CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

COMPENSATED ABSENCES

ASSETS

61-000-0100	CASH - COMBINED FUND	112,545.87	
	TOTAL ASSETS		112,545.87

LIABILITIES AND EQUITY

LIABILITIES

61-000-2095	ACCRUED LEAVE	112,545.87	
	TOTAL LIABILITIES		112,545.87
	TOTAL LIABILITIES AND EQUITY		112,545.87

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

GENERAL FUND MRRF

ASSETS

72-000-0100	CASH - COMBINED FUND	1,014,900.00	
	TOTAL ASSETS		1,014,900.00

LIABILITIES AND EQUITY

FUND EQUITY

	REVENUE OVER EXPENDITURES - YTD	1,014,900.00	
	BALANCE - CURRENT DATE	1,014,900.00	
	TOTAL FUND EQUITY		1,014,900.00
	TOTAL LIABILITIES AND EQUITY		1,014,900.00

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND MRRF

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>SOURCE 390</u>					
72-390-4990	TRANSFERS-IN	.00	1,014,900.00	1,014,900.00	.00	100.0
	TOTAL SOURCE 390	.00	1,014,900.00	1,014,900.00	.00	100.0
	TOTAL FUND REVENUE	.00	1,014,900.00	1,014,900.00	.00	100.0
	NET REVENUE OVER EXPENDITURES	.00	1,014,900.00	1,014,900.00	.00	100.0

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

HARBOR MRRF

ASSETS

73-000-0100	CASH - COMBINED FUND	1,154,186.43	
	TOTAL ASSETS		1,154,186.43

LIABILITIES AND EQUITY

FUND EQUITY

73-000-3000	FUND BALANCE	429,186.43	
	REVENUE OVER EXPENDITURES - YTD	725,000.00	
	BALANCE - CURRENT DATE	1,154,186.43	
	TOTAL FUND EQUITY		1,154,186.43
	TOTAL LIABILITIES AND EQUITY		1,154,186.43



CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

HARBOR MRRF

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TRANSFERS FROM OTHER FUNDS</u>					
73-390-4992 TRANSFER FROM HARBOR FUND	.00	750,000.00	750,000.00	.00	100.0
TOTAL TRANSFERS FROM OTHER FUNDS	.00	750,000.00	750,000.00	.00	100.0
TOTAL FUND REVENUE	.00	750,000.00	750,000.00	.00	100.0

CITY OF WHITTIER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

HARBOR MRRF

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WHITTIER SBH RE PHASE II</u>					
73-901-9990 TRANSFERED OUT	.00	25,000.00	25,000.00	.00	100.0
TOTAL WHITTIER SBH RE PHASE II	.00	25,000.00	25,000.00	.00	100.0
TOTAL FUND EXPENDITURES	.00	25,000.00	25,000.00	.00	100.0
NET REVENUE OVER EXPENDITURES	.00	725,000.00	725,000.00	.00	100.0

CITY OF WHITTIER  
BALANCE SHEET  
DECEMBER 31, 2021

WATER/WASTEWATER MRRF

ASSETS

75-000-0100	CASH - COMBINED FUND	1,031,409.92	
	TOTAL ASSETS		1,031,409.92

LIABILITIES AND EQUITY

FUND EQUITY

	REVENUE OVER EXPENDITURES - YTD	1,031,409.92	
	BALANCE - CURRENT DATE	1,031,409.92	
	TOTAL FUND EQUITY		1,031,409.92
	TOTAL LIABILITIES AND EQUITY		1,031,409.92

CITY OF WHITTIER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

WATER/WASTEWATER MRRF

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TRANSFERS FROM OTHER FUNDS</u>					
75-390-4992 TRANSFERS-IN OTHER	.00	1,031,409.92	1,031,327.54	( 82.38)	100.0
TOTAL TRANSFERS FROM OTHER FUNDS	.00	1,031,409.92	1,031,327.54	( 82.38)	100.0
TOTAL FUND REVENUE	.00	1,031,409.92	1,031,327.54	( 82.38)	100.0
NET REVENUE OVER EXPENDITURES	.00	1,031,409.92	1,031,327.54	( 82.38)	100.0

# BUDGET POLICY DASHBOARD:

Updated: 12/31/2021

The purpose of this Dashboard is to assist the Council and Administration in determining how well the City is achieving its budget policy goals. Budget Policies were first adopted by the City Council on 12/8/2020. The Dashboard is a new tool that will be modified over time, to meet the Council's needs.



Indicates a Change in Metric since last report. Red text is new since last report.

## 1 FUND BALANCE POLICY (9-12 months)

Goal is that Unassigned Fund Balance will be equal to between 9 and 12 months of General Fund Expenditures and Transfers-Out:



### UNASSIGNED RESERVES TARGET:

Lower-Band:	\$	2,439,698
Higher-Band:	\$	3,252,931

### Based on:

2022 Budgeted Expenditures	\$	3,144,590
2022 Budgeted T/F-Out	\$	108,341
	\$	3,252,931

### Current Unassigned Reserves Projected thru 12/31/2021:

2020 Audited Unassigned F/B	\$	2,643,886
+ 2021 Estimated Revenue + T/F-In	\$	3,625,423
- 2021 Estimated Expenditures + T/F-Out	\$	(4,405,502)
	\$	1,863,806

### Less Future Expected Assignments of Fund Balance:

Assigned for Operating Reserves	\$	326,832	(b)
Assigned for Parks & Recreation	\$	43,701	(b)
Assigned for EXXON Settlement	\$	84,428	(b)
Projected Unassigned Reserves:	\$	1,408,846	

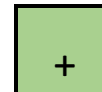
Current Number of Months' reserves:

5



## 2 One-Time Revenue Policy

Goal is that one-time revenues (grant admin fees, sales of fixed assets, legal settlements) should be transferred to Capital Replacement Fund and not used to fund operating budget.



Note: City Council authorized transfer of one-time revenues (i.e. sales of fixed assets) to Capital Replacement Fund which resulted in Unassigned Fund Balance no longer falling within policy band.

Resolution #05-2021 authorized surplus sales revenues from sale of BTI condo units (\$164,400) and P12 Building (\$850,500) for total \$1,014,900 to be set aside for Capital Purposes.

## 3 Revenue Stabilization Account Policy

Goal is that Revenue Stabilization account will maintain 10% of revenues or \$299,433 (based on 2022 Budgeted revenue).



Note: Given the recent transfer of Reserves into GF MRRF there are insufficient operating reserves to recommend funding of a revenue stabilization account at this time.

## 4 Accrued Leave Funding Policy

Goal is that an Internal Service Fund will be created to accumulate cash to pay for accrued but unused portion of annual leave for General Fund employees, solely for use for payment of accumulated leave.

RES #01-2021 established a new Compensated Absences Fund for this purpose.





## 5 Capital Replacement Fund Policy

Goal is to designate 50% of prior year annual surplus into the Capital Replacement Fund to finance major capital maintenance and repairs (defined as items > \$20K) in any year where Unassigned Fund Balance is within the band of established policy levels, but where the transfer will not reduce the unassigned F/B down to below 9 months' reserves.

Note: In 2021 \$1,014,900 was transferred into Capital Replacement Fund (GF MRRF), leaving GF reserves lower than policy band requirements. Therefore, administration will not recommend additional funding until GF Reserves fall within required bands.

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## 6 Sales of General Fixed Assets

Goal is that revenue from sales of General Fixed Assets will be added to the Capital Replacement Fund.

Resolution #05-2021 authorized surplus sales revenues from sale of BTI condo units (\$164,400) and P12 Building (\$850,500) for total \$1,014,900 to be set aside for Capital Purposes.

+

## 7 Recurring Funding Source for Capital

Goal is to identify recurring specific funding sources to fund Capital needs.

Note: Once GF reserves are replenished to within Policy bands, consider setting aside all State Assistance and 50% of any prior-year surplus, for capital purposes.

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## 8 Motor Pool Appropriation Control

Goal is that motor pool reserves be used solely to pay for replacement of existing vehicles and/or heavy equipment.

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## 9 Enterprise Fund Rate Reviews

Harbor, Delong Dock and Water/Sewer rates should be reviewed annually to determine if they are adequate to cover annual operating and capital costs plus the annual cost of depreciation. Tariffs should be adjusted to rise based on CPI annually.

Note: All tariffs have been amended to include automatic CPI adjustments.

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## 10 Enterprise Fund Depreciation (MRRF) Funds

Establish a MRRF Fund for each of our enterprise funds.

Note: The City created MRRF Funds for General Fund, Harbor and Water/Sewer Fund. The balances at 12/31/2021 are: GF \$1,014,900; Harbor \$1,154,186; and Water/Sewer \$1,031,410.

+

## 11 Depreciation Funding Policy

Goal is to seek to fund a minimum of 100% of annual depreciation in order to have funds available to replace infrastructure in the future rather than passing along fully depleted assets to the next generation, making for intergenerational inequity.

Note: To meet this goal, Harbor would need to contribute \$940K toward depreciation reserve each year. In 2021, contributed a one-time contribution of \$1,154,186 to establish MRRF. 2022 Budget transfers \$60K from Harbor to Harbor MRRF. The Water/Sewer would need to contribute \$331K each year to meet this goal. In 2021, contributed a one-time contribution of \$1,031,410. 2022 Budget transfers \$20K to Water/Sewer MRRF.

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## 12 Tax Cap Policy

Goal is to periodically review (annually) the City's tax cap on sales of items in excess of the cap to ensure that the cap does not erode the City's funding availability over time.

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Note: The City's pursuit of a new cruise ship dock and terminal at the Head of the Bay is expected to mitigate the need to increase the sale tax rate at this time.

**CITY OF WHITTIER  
CASH BALANCES ALL FUNDS**

FUND	Preliminary 12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
<b>01 - General Fund ("GF")</b>					
Cash	1,878,891	\$ 2,093,829	(f) \$ 2,084,742	\$ 1,172,477	\$ 2,543,401
Investments	-	326,549	318,717	307,628	303,169
UBS - Parks Reserve	-	43,663	42,616	41,133	40,537
UBS - Exxon Settlement	-	84,354	82,331	79,466	78,315
UBS - Equipment Replacement	-	140,134	(e) 136,773	132,011	130,032
	\$ 1,878,891	\$ 2,688,529	\$ 2,665,180	\$ 1,732,715	\$ 3,095,454
<b>72 - General MRRF Fund</b>	\$ 1,014,900	(g) \$ -	\$ -	\$ -	\$ -
<b>14 - Public Works Equipment Fund</b>					
Cash and Investments	270,912	(e) \$ 101,138	\$ 51,138	\$ 51,138	\$ 51,138
UBS - Equipment Replacement	-	4,519	4,518	4,518	4,518
	\$ 270,912	\$ 105,657	\$ 55,656	\$ 55,656	\$ 55,656
<b>20 - Cruise Ship Tax Fund</b>					
Cash and Investments	1,927,627	(a) \$ 1,187,747	\$ 993,465	\$ 481,996	\$ 113,968
UBS - CPV	-	354,981	347,517	336,441	332,512
	\$ 1,927,627	\$ 1,542,728	\$ 1,340,982	\$ 818,437	\$ 446,480
<b>21 - COVID19 Grants Fund</b>					
Cash and Investments	\$ 39,483	(b) (523,927)	\$ -	\$ -	\$ -
<b>24 - Community Park</b>					
Cash and Investments	\$ 88,760	91,759	\$ -	\$ -	\$ -
<b>30 - Shotgun Cove</b>					
Cash and Investments	\$ (41,713)	\$ 37,479	\$ (549,964)	\$ 1,578,784	\$ 318,212
<b>31 - 2018 Earthquake</b>					
Cash and Investments	\$ (850,507)	\$ (77,622)	\$ (17,610)	\$ -	\$ -
<b>50 - Water and Wastewater Fund</b>					
Cash and Investments	417,551	\$ 678,889	\$ 785,060	\$ 653,913	\$ 481,550
UBS - Water/Wastewater	-	1,030,434	(c) 1,006,860	972,929	959,848
	\$ 417,551	\$ 1,709,323	\$ 1,791,920	\$ 1,626,842	\$ 1,441,398
<b>75 - Water/Sewer MRRF Fund</b>					
Cash and Investments	\$ 1,031,410	(c) \$ -	\$ -	\$ -	\$ -
<b>51 - Small Boat Harbor</b>					
Cash and Investments	1,026,970	\$ 851,983	\$ 475,990	\$ (112,285)	\$ (1,511,994)
UBS - Harbor Reserve	-	1,030,516	(d) 1,006,941	973,006	959,924
Harbor Bond Reserve	-	159,025	159,025	-	-
	\$ 1,026,970	\$ 2,041,524	\$ 1,482,931	\$ 860,721	\$ (552,070)
<b>73 - Harbor MRRF Fund</b>					
Cash and Investments	1,154,186	(d) \$ 429,186	\$ 429,186	\$ 2,369,335	\$ 2,447,022
Harbor Bond Reserve	-	-	-	159,025	159,025
	\$ 1,154,186	\$ 429,186	\$ 429,186	\$ 2,528,360	\$ 2,606,047
<b>53 - Delong Dock Fund</b>	1,476,844	\$ 1,214,020	\$ 299,397	\$ -	\$ -
<b>60 - Motor Pool Fund</b>	34,517	\$ 34,517	\$ 15,000	\$ -	\$ -
<b>61 - Compensated Absences Fund</b>	112,546	(f) 112,546	0		
<b>Grand Total All Funds:</b>	<u>\$ 9,582,379</u>	<u>\$ 9,405,718</u>	<u>\$ 7,512,679</u>	<u>\$ 9,201,515</u>	<u>\$ 7,411,177</u>
<b>Exclude Grant Funds: (see "a")</b>	<u>\$ (852,737)</u>	<u>\$ (564,070)</u>	<u>\$ (567,574)</u>	<u>\$ 1,578,784</u>	<u>\$ 318,212</u>
<b>Total Excluding Grant Funds:</b>	<u>\$ 10,435,116</u>	<u>\$ 9,969,789</u>	<u>\$ 8,080,253</u>	<u>\$ 7,622,731</u>	<u>\$ 7,092,965</u>

- (a) Cruise Ship Tax is not considered a grant for purposes of this schedule, as City determines spending.  
(b) COVID-related grant.  
(c) Transferred portion of Water/Sewer UBS account to new Water/Sewer MRRF Fund for capital.  
(d) Transferred Harbor UBS account to Harbor MRRF Fund for capital.  
(e) Transferred Public Works UBS equipment replacement account to Fund 14 Public Works Equipment for capital.  
(f) Unpaid value of GF accrued but unused annual leave  
(g) Newly-created GF MRRF; funding transferred from previous GF UBS reserves, plus sale of BTI units and P12 Bldg.  
"MRRF" = Major Repair and Replacement Fund

General Fund-Related  
Grants  
Water/Sewer  
Harbor/Port-Related