

Mayor Edna B. DeVries
Deputy Mayor Pete LaFrance
Council Member Julie Berberich
Council Member Steve Carrington
Council Member Linda Combs
Council Member Sabrena Combs
Council Member David Fuller

City Attorney Michael Gatti
City Clerk Norma I. Alley, MMC
City Manager Nathan Wallace

City of Palmer, Alaska
City Council Meeting
April 23, 2019, at 7:00 PM
City Council Chambers
231 W. Evergreen Avenue, Palmer
www.cityofpalmer.org

AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. Introduction of **Ordinance No. 19-005**: Amending Palmer Municipal Code Chapters 7.40, 7.50, 7.60, 7.90, 7.110, and 7.130 Pertaining to the Airport Regulations for the Warren "Bud" Woods Palmer Municipal Airport Page 3
 - b. Introduction of **Ordinance No. 19-006**: Amending Palmer Municipal Code Section 12.08.15 Pertaining to the Fuel Flowage Fee for the Warren "Bud" Woods Palmer Municipal Airport Page 15
 - c. **Action Memorandum No. 19-043**: Authorizing the City Manager to Extend the Professional and Data Services Contract with AlasConnect, LLC for One Additional Year for a Term Ending June 15, 2020..... Page 23
 - d. **Action Memorandum No. 19-044**: Authorizing the City Manager to Negotiate and Execute a New Lease Agreement with a New LLC to be Formed by Dayton J. and Elizabeth A. Madison for Palmer Municipal Airport Lease No. 19-004 on Lot 20, Block 3, for the Purpose of Establishing a Personal Use Aircraft Hangar Page 27
 - e. **Action Memorandum No. 19-045**: Authorizing the City Manager to Negotiate and Execute an Assignment and Consent to Assignment of Lease Agreement with Alaska Tactical Aviation, LLC (Assignor) and Aurora Sky, LLC (Assignee) for Palmer Municipal Airport Lease No. 19-003 on Lease Lot 10, Block 3, for the Purpose of Transferring the Lease to a Newly Formed LLC Page 61
2. Approval of Minutes of Previous Meetings
 - a. April 9, 2019, Regular Meeting Page 77

E. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Presentation of a Proclamation Recognizing May, 2019, as Bike Month..... Page 81
2. Presentation from Triverus Owner Hans Vogel..... Page 83

F. REPORTS

3. City Manager's Report Page 91
4. City Clerk's Report
5. Mayor's Report Page 95
6. City Attorney's Report

G. AUDIENCE PARTICIPATION

H. PUBLIC HEARING

- 1. **Ordinance No. 19-004:** Amending Palmer Municipal Code Chapter 5.28 Pertaining to Roving Vendors and Retitling it to Itinerant Vendors.....Page 97
- 2. **Resolution No. 19-013:** Accepting and Appropriating a Crime Prevention and Response and Equipment Grant from the State of Alaska’s Department of Public Safety Alaska State Troopers Division in the Amount of \$75,000.00 for the Purchase of Video Surveillance Equipment for City ParksPage 107

I. NEW BUSINESS

- 1. **Action Memorandum No. 19-046:** Approving a Council Community Grant in the Amount of \$475.00 to the Alaska Farmland Trust to Support the 2019 Drive Your Tractor to Work EventPage 113

J. RECORD OF ITEMS PLACED ON THE TABLE

K. AUDIENCE PARTICIPATION

L. COUNCIL MEMBER COMMENTS

M. ADJOURNMENT

Tentative Future Palmer City Council Meetings

Meeting Date	Meeting Type	Time	Notes
May 14	Regular	7 pm	
May 28	Regular	7 pm	
June 11	Regular	7 pm	
June 25	Special	6 pm	Audit Presentation
June 25	Regular	7 pm	
July 9	Special	6 pm	Mid-Year Budget Review
July 9	Regular	7 pm	
July 23	Special	6 pm	2020 Budget Planning Priorities
July 23	Regular	7 pm	
Aug 13	Regular	7 pm	
Aug 27	Regular	7 pm	
Sept 10	Regular	7 pm	
Sept 24	Regular	7 pm	

**City of Palmer
Ordinance No. 19-005**

Subject: Amending Palmer Municipal Code Chapters 7.40, 7.50, 7.60, 7.90, 7.110, and 7.130 Pertaining to the Airport Regulations for the Warren "Bud" Woods Palmer Municipal Airport

Agenda of: April 23, 2019 – Introduction
May 14, 2019 – Public Hearing

Council Action: **Adopted** **Amended:** _____
 Defeated

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
X	Finance	<u>Michele Tefft</u>	4/4/2019
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager	<u>[Signature]</u>	_____
City Attorney	<u>[Signature]</u>	_____
City Clerk	<u>[Signature]</u>	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ _____

This legislation (√):

- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ _____
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): _____
- Not budgeted _____

Director of Finance Signature: Michele Tefft

Attachment(s):

- Ordinance No. 19-005
- Palmer Municipal Airport Advisory Commission Resolution No. 19-001

Summary Statement/Background:

On March 28, 2017, the Palmer City Council adopted Ordinance No. 17-003 which repealed Ordinance No. 428 Appendix A - Airport Regulations from May of 1991 and adopted Palmer Municipal Code Title 7, Airport Regulations.

Two years of working under the newly adopted regulations have passed and based upon recommendations from the Airport Superintendent, the Palmer Municipal Airport Advisory Commission has put forth a resolution dated March 28, 2019, recommending that the City Council amend Palmer Municipal Code Title 7 pertaining to the Airport Regulations for the Warren "Bud" Woods Palmer Municipal Airport.

These recommended changes update, clarify and enhance existing airport regulations for safety, environmental and regulation purposes.

Administration's Recommendation:

Adopt Ordinance No. 19-005 Amending Palmer Municipal Code Title 7 Pertaining to the Airport Regulations for the Warren "Bud" Woods Palmer Municipal Airport, Chapters 7.40, 7.50, 7.60, 7.90, 7.110, 7.130.

LEGISLATIVE HISTORY

Introduced by: City Manager
Date: April 23, 2019
Public Hearing: May 14, 2019
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

Ordinance No. 19-005

An Ordinance of the Palmer City Council Amending Palmer Municipal Code Chapters 7.40, 7.50, 7.60, 7.90, 7.110, and 7.130 Pertaining to the Airport Regulations for the Warren "Bud" Woods Palmer Municipal Airport

WHEREAS, the Airport Advisory Commission (AAC) has reviewed the recommendations of the Airport Superintendent; and put forth AAC Resolution No. 19-001 recommending that the City Council amend the Palmer Municipal Code Title 7 pertaining to the Airport Regulations for the Warren "Bud" Woods Palmer Municipal Airport; and

WHEREAS, the City Council adopted the current Airport Regulations on March 28, 2017 and needed amendments have been identified to update, clarify and enhance the current regulations; and

WHEREAS, upon additional review by the City Council, it was recommended to amend Palmer Municipal Code Title 7 Airport Regulations with the following changes.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code Title 7 Airport Regulations is hereby amended to read as follows (new language is underlined and deleted language is stricken):

7.40.010 Aeronautical activities.

A. A person who engages in any aeronautical activity on the airport or operates an aircraft departing from or arriving in the airspace above the airport shall comply with FAA regulations and orders issued pursuant thereto.

B. Upon observance by the airport superintendent, or city employees, or the owner or flight crew of an aircraft, that any person exhibits an intent to board and/or operate an aircraft while he or she is physically incapacitated or mentally irresponsible by virtue of intoxication or the effects of

drugs, or if any person attempts to board or operate an aircraft illegally, they shall endeavor to contact the Palmer emergency dispatch center by dialing 911.

C. A person who witnesses a violation of these airport regulations shall promptly report the violation to the airport superintendent.

D. If the airport superintendent, or designee, believes the conditions of the airport or any portion of the airport are unsafe for aircraft operations, the airport superintendent, or designee, shall issue a NOTAM closing the airport or portion of the airport to aircraft operations. When the airport superintendent, or designee, determines that the airport or closed portion of the airport has returned to a condition permitting the safe operation of aircraft, the ~~city manager~~ airport superintendent, or designee, shall issue a NOTAM reopening the airport or portion of the airport to aircraft operations.

E. A disabled aircraft and any parts thereof on a movement area of the airport shall be promptly removed from the movement area unless applicable law requires, or the airport superintendent or other person having jurisdiction orders, the removal to be delayed pending investigation of an accident. The owner bears financial responsibility for such removal.

F. No person shall abandon an aircraft anywhere on the airport.

G. An aircraft that the airport superintendent determines is abandoned or derelict on the airport shall be subject to impound under and removal by the city under PMC 7.60.040 at the sole expense and risk of the owner of the aircraft.

H. A person may not conduct an aircraft show or other aeronautical demonstration on the airport without the prior written approval of the airport superintendent.

I. No person shall operate an aircraft on the airport unless that person holds the valid license, certificate, or rating issued and required by the FAA for the operation of the aircraft. Said documents shall be exhibited to the airport superintendent or to a police officer upon demand.

7.50.010 Vehicle operation.

A. No person shall operate a motor vehicle on the airport in any manner other than in accordance with the airport regulations, rules prescribed by the airport superintendent, and other laws applicable to the operation of motor vehicles on the public way.

B. No person shall operate any motor vehicle in areas designated for the use of aircraft without the airport superintendent's prior permission.

C. A person that operates any kind of motorized equipment on the airport must be in possession of a valid operator's license, current and issued in the name of the person, required by law for the type of motorized equipment being operated.

D. No person shall operate a motor vehicle of any kind on the airport in a reckless manner or in excess of the speed limits prescribed by posted signs. In the absence of a posted sign, the speed limit shall be 15 miles per hour in all apron, aircraft parking, and hangar areas, and 25 miles per hour in all other portions of the airport.

E. Visitors to the airport shall use designated parking and aircraft viewing areas.

~~F.~~ Vehicles entering the airport from all traffic points of entry, shall use a direct route from the public road to their destination keeping aircraft interference to a minimum.

~~G.~~ Use of tenant ground vehicles, their employees, guests, customers and commercial deliveries shall access tenant space from tenant's driveway and are not allowed on the airside facilities.

~~H.~~ Use of tenant ground vehicles on the airside of airport facilities, including lease lots, is prohibited without obtaining authorization from the Airport Superintendent.

~~E.~~ I. Except in the case of an emergency, no person shall operate a motor vehicle in the field area contrary to the directions of posted signs.

~~F.~~ J. The driver of any vehicle operated in the field area must at all times comply with the lawful orders, signals, and directives of the airport superintendent or a police officer.

~~G.~~ K. All vehicles authorized to operate on the field area shall display a flashing yellow light visible for at least one mile and all vehicle operators shall maintain two-way voice communications with flight service, either by radio or telephone.

~~H.~~ L. The existence of emergency conditions on the field area will not suspend or cancel any existing regulations. During an emergency in the field area, no motor vehicle shall be moved in any direction unless it is an emergency response vehicle.

~~I.~~ M. All motor vehicles shall be equipped with and use headlamps, rear lamps, stop signal lamps, and other lights as required by applicable law.

~~J.~~ N. No person on the airport shall:

1. Clean motor vehicles, engines, tools, or other equipment; and
2. Repair motor vehicles anywhere in the field area.

~~K.~~ O. Any vehicle that has been authorized under this section to be operated in the field area shall not proceed closer than 75 feet from the edge of any runway, nor cross any runway, prior to obtaining current the traffic situation in the air and on the ground from the FAA flight service station during the hours when the flight service station is active, and by visual avoidance and monitoring of CTAF when within 75 feet of runway or taxiway when flight service station is not open or active.

~~L.~~ P. No vehicle shall be operated on the airport if, in the judgment of the airport superintendent, it is so constructed, equipped, or loaded as to endanger persons or property.

7.60.020 Transient aircraft parking.

A. The operator of a transient aircraft shall upon arrival park the aircraft only:

1. On the premises of a land lease where aircraft parking is authorized by the city and where the lessee has given the person permission to park the person's aircraft; or

2. In an area on the airport designated by the airport superintendent for the transient parking of the size, type, or weight of the aircraft and all transient aircraft shall be parked in those areas.

B. A person parking an aircraft in a city-operated transient aircraft parking area shall upon arrival register their aircraft and pay the required fee as outlined in the applicable City fee schedule.

~~C.~~ The airport superintendent shall require a person parking an aircraft in a city-operated transient aircraft parking area to sign a transient parking permit issued by the superintendent.

~~D.~~ C. A person using a city-operated transient parking space shall properly secure their aircraft and shall be responsible for any property damage or bodily injury that results from the person's failure to do so.

~~E.~~ D. If a person who parks an aircraft in a city-operated transient parking area fails to pay transient parking fees prior to departure from the airport, the person's aircraft shall be subject to impound under PMC 7.60.040 immediately or upon any future return to the airport.

~~F.~~ E. For the purpose of this section, a "transient aircraft" is an aircraft that is brought to the airport on a temporary basis with the intent to remain at the airport for not more than 10 consecutive days and no more than 10 days per calendar month. Extensions may be granted by the airport superintendent as the demand for transient parking allows.

7.90.040 Runway and taxiway use.

A. The normal maximum CMGTW for aircraft landing on RW ~~9/27~~ 10/28 is 12,500 pounds and unlimited on RW 16/34.

B. A pilot taxiing an aircraft on the Airport shall use the taxiways established for that purpose, subject to such aircraft size, type, or weight restrictions as may be established by the Airport Superintendent.

C. Upon landing a fixed wing aircraft, the pilot shall taxi the aircraft ahead down the runway and exit at the first available taxiway.

7.90.090 Aircraft deicing.

The airport does not have a dedicated deicing pad nor a storm water collection system that allows for separation of deicing chemicals prior to discharge. Therefore;

A. All aircraft deicing must take place on tenant's lease lots, and

B. The tenant is responsible for securing all necessary permits, inclusive of city approval, and make all necessary improvements to prevent the discharge of deicing chemicals.

7.110.080 Commercial fueling.

A. No person shall engage in fuel delivery, dispensing or storage for commercial purposes on the Airport without first obtaining a land lease or fuel dispensing permit (Wholesale commercial delivery to the airport) and a city of Palmer business license from the city authorizing the activity and paying any required fees.

B. The loading of fuel as air cargo is not considered self-service fueling and therefore is not allowed except as permitted by 49 CFR Part 175.310. This includes authorized control of areas within 50 feet of cargo fueling activities.

7.130.040 Minimum standards for (nonlessee's) commercial businesses and organizations.

A. Application to conduct business on airport grounds for a Commercial Operating Agreement.

- B. An applicant must demonstrate, to the satisfaction of the City that the applicant has sufficient experience, knowledge, certifications, and licensing to be reasonably capable of lawfully and successfully operating the aeronautical service proposed by the applicant.
- C. The applicant shall rent or sub-lease at a minimum, sufficient land to provide adequate space as determined by the City, to accommodate the applicant's proposed business, aircraft parking, customer vehicle parking, and employee parking needs.
- D. As a condition of operating a business on airport grounds, the applicant must:
 - 1. Invest sufficient funds in support of the applicant's proposed business.
 - 2. Indemnify and defend the City and maintain insurance coverage, as required under the operating agreement.
 - 3. Pay all user airport user fees timely, when due without undue collection efforts on behalf of the City.
- E. PMC Title 7 Section 7.130.040 does not apply to persons or entities making deliveries to tenants of the airport and therefore they are exempt from this section.

Section 4. Effective Date. Ordinance No. 19-005 shall take effect upon adoption by the City of Palmer City Council.

Passed and approved this _____ day of _____, 2019.

Edna B. DeVries, Mayor

Norma I. Alley, MMC, City Clerk

Introduced by: Airport
Superintendent
Date: March 28, 2019
Action: Approved
Vote:

Yes:	No:
More Swearingin Helmericks Momarts Jardine Weaver	

**CITY OF PALMER, ALASKA
Resolution No. 19-001**

A RESOLUTION OF THE CITY OF PALMER AIRPORT ADVISORY COMMISSION RECOMMENDING THAT THE CITY COUNCIL AMEND THE PALMER MUNICIPAL CODE TITLE 7 PERTAINING TO THE AIRPORT REGULATIONS FOR THE WARREN "BUD" WOODS PALMER MUNICIPAL AIRPORT.

WHEREAS, the City of Palmer operates the Warren "Bud" Woods Palmer Municipal Airport; and

WHEREAS, the Airport Advisory Commission (AAC) advises the City in matters pertaining to the Airport; and

WHEREAS, the AAC Resolutions are the primary method of transmitting recommendations and observations to the City Council; and

WHEREAS, the AAC recommends The City Council amend the **Palmer Municipal Code Title 7, Airport Regulations.**

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY OF PALMER AIRPORT ADVISORY COMMISSION RECOMMENDS THAT THE CITY COUNCIL AMEND THE PALMER MUNICIPAL CODE TITLE 7 PERTAINING TO THE AIRPORT REGULATIONS FOR THE WARREN "BUD" WOODS PALMER MUNICIPAL AIRPORT AS FOLLOWS:

Chapters:

- 7.40 Aeronautical Activities
- 7.50 Vehicle Operation and Parking
- 7.60 Aircraft Parking
- 7.90 Aircraft Operation
- 7.110 Fuel
- 7.130 Standard Operating Procedure

7.40.010 Aeronautical activities.

- A. A person who engages in any aeronautical activity on the Airport or operates an aircraft departing from or arriving in the airspace above the Airport shall comply with FAA Regulations and orders issued pursuant thereto.
- B. Upon observance by the Airport Superintendent, or City Employees, or the owner or flight crew of an aircraft, that any person exhibits an intent to board and/or operate an aircraft while he or she is physically incapacitated or mentally irresponsible by virtue of intoxication or the effects of drugs, or if any person attempts to board or operate an aircraft illegally, they shall endeavor to contact the Palmer Emergency Dispatch Center by dialing 911.
- C. A person who witnesses a violation of these Airport regulations shall promptly report the violation to the Airport Superintendent.
- D. If the Airport Superintendent or designee believes the conditions of the Airport or any portion of the Airport are unsafe for aircraft operations, the Airport Superintendent or designee shall issue a NOTAM closing the Airport or portion of the Airport to aircraft operations. When the Airport Superintendent or designee determines that the Airport or closed portion of the Airport has returned to a condition permitting the safe operation of aircraft, the ~~Manager~~ **Airport Superintendent** or designee shall issue a NOTAM reopening the Airport or portion of the Airport to aircraft operations.
- E. A disabled aircraft and any parts thereof on a movement area of the Airport shall be promptly removed from the movement area unless applicable law requires, or the Airport Superintendent or other person having jurisdiction orders, the removal to be delayed pending investigation of an accident. The owner bears financial responsibility for such removal.
- F. No person shall abandon an aircraft anywhere on the Airport.
- G. An aircraft that the Airport Superintendent determines is abandoned or derelict on the Airport shall be subject to impound under and removal by the City under PMC 7.60.040 at the sole expense and risk of the owner of the aircraft.
- H. A person may not conduct an aircraft show or other aeronautical demonstration on the Airport without the prior written approval of the Airport Superintendent.
- I. No person shall operate an aircraft on the Airport unless that person holds the valid license, certificate, or rating issued and required by the FAA for the operation of the aircraft. Said documents shall be exhibited to the Airport Superintendent or to a police officer upon demand.

7.50.010 Vehicle operation.

- A. No person shall operate a motor vehicle on the Airport in any manner other than in accordance with the Airport regulations, rules prescribed by the Airport Superintendent, and other laws applicable to the operation of motor vehicles on the public way.
- B. No person shall operate any motor vehicle in areas designated for the use of aircraft without the Airport Superintendent's prior permission.
- C. A person that operates any kind of motorized equipment on the Airport must be in possession of a valid operator's license, current and issued in the name of the person, required by law for the type of motorized equipment being operated.
- D. No person shall operate a motor vehicle of any kind on the Airport in a reckless manner or in excess of the speed limits prescribed by posted signs. In the absence of a posted sign, the speed limit shall be fifteen (15) miles per hour in all apron, aircraft parking,

and hangar areas, and twenty-five (25) miles per hour in all other portions of the Airport.

- E. Visitors to the airport shall use designated parking and aircraft viewing areas.
- F. Vehicles entering the airport from all traffic points of entry, shall use a direct route from the public road to their destination keeping aircraft interference to a minimum.
- G. Use of tenant ground vehicles, their employees, guests, customers and commercial deliveries shall access tenant space from tenant's driveway and are not allowed on the airside facilities.
- H. Use of tenant ground vehicles on the airside of airport facilities, including lease lots, is prohibited without obtaining authorization from the Airport Superintendent.
- I. Except in the case of an emergency, no person shall operate a motor vehicle in the field area contrary to the directions of posted signs.
- J. The driver of any vehicle operated in the field area must at all times comply with the lawful orders, signals, and directives of the Airport Superintendent or a Police Officer.
- K. All vehicles authorized to operate on the field area shall display a flashing yellow light visible for at least one mile and all vehicle operators shall maintain two-way voice communications with Flight Service, either by radio or telephone (745-2495 or 1-800-WX-BRIEF).
- L. The existence of emergency conditions on the field area will not suspend or cancel any existing regulations. During an emergency in the field area, no motor vehicle operator shall move his vehicle in any direction unless it is an emergency response vehicle.
- M. All motor vehicles shall be equipped with, and use headlamps, rear lamps, stop signal lamps, and other lights as required by applicable law.
- N. No person on the Airport shall:
 - 1. clean motor vehicles, engines, tools, or other equipment;
 - 2. repair motor vehicles anywhere in the field area.
- O. Any vehicle that has been authorized under this section to be operated in the field area shall not proceed closer than seventy-five (75) feet from the edge of any runway, nor cross any runway, prior to obtaining current traffic situation in the air and on the ground from the FAA Flight Service Station during the hours when the Flight Service Station is active, and by visual avoidance and monitoring of CTAF when within 75 feet of runway or taxiway when Flight Service Station is not open or active.

No vehicle shall be operated on the Airport if, in the judgment of the Airport Superintendent, it is so constructed, equipped, or loaded as to endanger persons or property.

7.60.020 Transient aircraft parking.

- A. The operator of a transient aircraft shall upon arrival park the aircraft only:
 - 1. on the premises of a land lease where aircraft parking is authorized by the City and where the lessee has given the person permission to park the person's aircraft; or
 - 2. in an area on the Airport designated by the Airport Superintendent for the transient parking of the size, type, or weight of the aircraft and all transient aircraft shall be parked in those areas.
- B. A person parking an aircraft in a City-operated transient aircraft parking area shall upon arrival register their aircraft and pay the required fee as outlined in the applicable City fee schedule.

- C. ~~The Airport Superintendent shall require a person parking an aircraft in a City-operated transient aircraft parking area to sign a transient parking permit issued by the Superintendent.~~
- D. A person using a City-operated transient parking space shall properly secure their aircraft and shall be responsible for any property damage or bodily injury that results from the person's failure to do so.
- E. If a person who parks an aircraft in a City-operated transient parking area fails to pay transient parking fees prior to departure from the Airport, the person's aircraft shall be subject to impound under Section 7.60.040 immediately or upon any future return to the Airport.
- F. For the purpose of this section, a "transient aircraft" is an aircraft that is brought to the Airport on a temporary basis with the intent to remain at the airport for not more than ten (10) consecutive days and no more than 10 days per calendar month. Extensions may be granted by the Airport Superintendent as the demand for transient parking allows.

7.90.040 Runway and taxiway use.

- A. The normal maximum CMGTW for aircraft landing on RW 9/27 10/28 is 12,500 pounds and unlimited on RW 16/34.
- B. A pilot taxiing an aircraft on the Airport shall use the taxiways established for that purpose, subject to such aircraft size, type, or weight restrictions as may be established by the Airport Superintendent.
- C. Upon landing a fixed wing aircraft, the pilot shall taxi the aircraft ahead down the runway and exit at the first available taxiway.

7.90.090 Aircraft Deicing

The airport does not have a dedicated deicing pad nor a storm water collection system that allows for separation of deicing chemicals prior to discharge. Therefore;

- A. All aircraft deicing must take place on tenant's lease lots, and
- B. The tenant is responsible for securing all necessary permits, inclusive of City approval, and make all necessary improvements to prevent the discharge of deicing chemicals.

7.110.080 Commercial fueling.

- A. No person shall engage in fuel delivery, dispensing or storage for commercial purposes on the Airport without first obtaining a land lease or fuel dispensing permit (Wholesale commercial delivery to the airport) and a City of Palmer business license from the City authorizing the activity and paying any required fees.
- B. The loading of fuel as air cargo is not considered self-service fueling and therefore is not allowed except as permitted by 49 CFR Part 175.310. This includes authorized control of areas within 50 feet of cargo fueling activities.

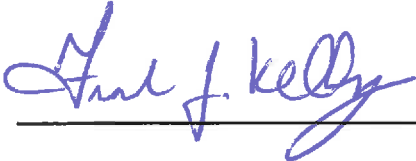
7.130.040 Minimum Standards for (Non-Lessee's) Commercial Businesses and Organizations

- A. Application to conduct business on airport grounds for a Commercial Operating Agreement.
- B. An applicant must demonstrate, to the satisfaction of the City that the applicant has sufficient experience, knowledge, certifications, and licensing to be reasonably capable of lawfully and successfully operating the aeronautical service proposed by the applicant.

- C. The applicant shall rent or sub-lease at a minimum, sufficient land to provide adequate space as determined by the City, to accommodate the applicant's proposed business, aircraft parking, customer vehicle parking, and employee parking needs.
- D. As a condition of operating a business on airport grounds, the applicant must:
 - 1. Invest sufficient funds in support of the applicant's proposed business.
 - 2. Indemnify and defend the City and maintain insurance coverage, as required under the operating agreement.
 - 3. Pay all user airport user fees timely, when due without undue collection efforts on behalf of the City.

PMC Title 7 Section 7.130.040 does not apply to third party entities making deliveries to tenants of the airport and therefore they are exempt from this section.

Passed and approved by the Airport Advisory Commission of the City of Palmer, Alaska this 28th day of March 2019.



Frank Kelly, Airport Superintendent



Ken More, Chairperson

**City of Palmer
Ordinance No. 19-006**

Subject: Amending Palmer Municipal Code Section 12.08.15 Pertaining to the Fuel Flowage Fee for the Warren "Bud" Woods Palmer Municipal Airport

Agenda of: April 23, 2019 – Introduction
May 14, 2019 – Public hearing

Council Action: **Adopted** **Amended:** _____
 Defeated

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
X	Finance	<i>Michelle Tefft</i>	4/4/2019
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager	<i>[Signature]</i>	_____
City Attorney	<i>[Signature]</i>	_____
City Clerk	<i>Norma L. Alley</i>	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ _____

This legislation (√):

- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ _____
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): _____
- Not budgeted

Director of Finance Signature: *Michelle Tefft*

Attachment(s):

- Ordinance No. 19-006
- Palmer Municipal Airport Advisory Commission Resolution No. 19-002
- Fuel Flowage Fee Statistics from Inception

Summary Statement/Background:

On April 26, 2016 the Palmer City Council approved Ordinance Nos. 16-002 and 16-008 changing Palmer Municipal Code Sections 3.16.050 and 12.08.015 respectively. As of July 1, 2016, the City of Palmer discontinued the collection of sales tax at the Palmer Municipal Airport on all aviation fuel products and replaced it with a fuel flowage fee of five cents (\$0.05) per gallon of aviation fuel delivered for sale at the Palmer Municipal Airport. The change effected both the wholesale and retail distribution of aviation fuel at the airport. Fuel distribution and sale of other fuel products that are not considered aviation in nature remained unaffected and are still subject to the city's existing sales tax.

By ordinance, wholesale distributors are required to charge and collect the five (\$0.05) cents per gallon fuel flowage fee (FFF) on all aviation fuel sold at the Palmer Municipal Airport. A consolidated monthly report is issued to the City of Palmer, Finance Department within 15 calendar days of the last day of the prior month. By ordinance, retail sellers of aviation fuel can apply for a refund of the fuel flowage fee for sale transactions and delivery of aviation fuel that occur outside of the Palmer Municipal Airport.

On January 15, 2019, at the joint City Council and Airport Advisory Commission meeting, the City Council directed the Airport Advisory Commission (AAC) to review the FFF Program and make recommendations to the City Council.

At the February 28 and March 28, 2019, Airport Advisory Commission meetings, a review was conducted of the fuel flowage fee program with the historical statistical information available. After review of the program, the Airport Advisory Commission has recommended that the program remain in place as it has shown that even with the reduced wild fire seasons of the last three years, since the programs' inception, that the FFF program generally out performs previous sales tax revenue. The Commission also recommends that the reimbursement language for retail sales occurring off airport property be deleted. The commission contends that the same infrastructure resources are being utilized to transport aviation fuel off the airport and FFF proceeds are still needed to eventually replace the depreciated airport infrastructure.

The AAC recommendations are set forth in the attached AAC Resolution No. 19-002.

Administration's Recommendation:

Adopt Ordinance No. 19-006 Amending Palmer Municipal Code Section 12.08 Pertaining to the Fuel Flowage Fee for the Warren "Bud" Woods Palmer Municipal Airport, Chapter 12.08.015.

LEGISLATIVE HISTORY

Introduced by: City Manager
Date: April 23, 2019
Public Hearing: May 14, 2019
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

Ordinance No. 19-006

An Ordinance of the Palmer City Council Amending Palmer Municipal Code Section 12.08.15 Pertaining to the Fuel Flowage Fee for the Warren "Bud" Woods Palmer Municipal Airport

WHEREAS, the Airport Advisory Commission (AAC) has reviewed the Fuel Flowage Fee program at the direction of the Palmer City Council and put forth AAC Resolution No. 19-002 recommending that the City Council amend the Palmer Municipal Code Section 12.08 pertaining to the Fuel Flowage Fee program for the Warren "Bud" Woods Palmer Municipal Airport; and

WHEREAS, On April 26, 2016, the Palmer City Council approved Ordinance Nos. 16-002 and 16-008 changing the Palmer Municipal Code Sections 3.16.050 and 12.08.015 respectively; and

WHEREAS, upon additional review by the City Council, it was recommended to amend Palmer Municipal Code Chapter 12.08 Municipal Airport.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code Chapter 12.08 Municipal Airport is hereby amended to read as follows (new language is underlined and deleted language is stricken):

12.08.15 Fuel Flowage Fee.

A. Any person, firm or corporation who delivers aviation fuel including Jet A, Jet B, or 100 low lead fuel and others (hereafter referred to as fuel) to any person, firm or corporation at the Warren "Bud" Woods Palmer Municipal Airport for use in an aircraft for flight, shall pay a fuel flowage fee of five cents (\$0.05) for each gallon of fuel.

~~B. Any person, firm or corporation who transports fuel to another location for sale outside city limits for resale may be entitled to a rebate within 45 days of the city of palmer fuel flowage fee.~~

- ~~1. A rebate request must be accompanied by proof of purchase of a fuel flowage fee at the Warren "Bud" Woods Palmer Municipal Airport; and~~
- ~~2. Proof of resale outside Palmer city limits.~~

~~C. B.~~ The funds derived from fuel flowage fees shall be utilized solely for the maintenance, operation and improvements of the Warren "Bud" Woods Palmer Municipal Airport.

Section 4. Effective Date. Ordinance No. 19-006 shall take effect upon adoption by the City of Palmer City Council.

Passed and approved this ____ day of _____, 2019.

Edna B. DeVries, Mayor

Norma I. Alley, MMC, City Clerk

Introduced by: Airport Superintendent
Date: March 28, 2019
Action: Approved
Vote:

Yes:	No:
More Swearingin Helmericks Momarts Jardine Weaver	

**CITY OF PALMER, ALASKA
Resolution No. 19-002**

A RESOLUTION OF THE CITY OF PALMER AIRPORT ADVISORY COMMISSION RECOMMENDING THAT THE CITY COUNCIL AMEND THE PALMER MUNICIPAL CODE SECTION 12.08 PERTAINING TO THE FUEL FLOWAGE FEE FOR THE WARREN "BUD" WOODS PALMER MUNICIPAL AIRPORT.

WHEREAS, the City of Palmer operates the Warren "Bud" Woods Palmer Municipal Airport; and

WHEREAS, the Airport Advisory Commission (AAC) advises the City in matters pertaining to the Airport; and

WHEREAS, the AAC Resolutions are the primary method of transmitting recommendations and observations to the City Council; and

WHEREAS, the AAC recommends The City Council amend the **Palmer Municipal Code, Chapter 12.08, Municipal Airport.**

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY OF PALMER AIRPORT ADVISORY COMMISSION RECOMMENDS THAT THE CITY COUNCIL AMEND THE PALMER MUNICIPAL CODE, CHAPTER 12.08. FOR THE WARREN "BUD" WOODS PALMER MUNICIPAL AIRPORT AS FOLLOWS:

**Chapter 12.08
Municipal Airport**

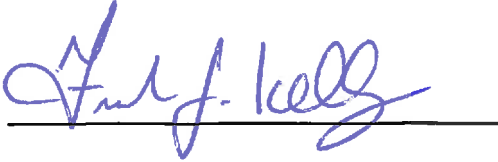
12.08.015 Fuel Flowage Fee.

- A. Any person, firm or corporation who delivers aviation fuel including Jet A, Jet B, or 100 low lead fuel and others (hereafter referred to as fuel) to any person, firm or corporation at the Warren "Bud" Woods Palmer Municipal Airport for use in an aircraft for flight, shall pay a fuel flowage fee of five cents (\$0.05) for each gallon of fuel.
- B. Any person, firm or corporation who transports fuel to another location for sale outside city limits for resale may be entitled to a rebate within 45 days of the city of palmer fuel flowage fee.

- ~~1. A rebate request must be accompanied by proof of purchase of a fuel flowage fee at the Warren "Bud" Woods Palmer Municipal Airport; and~~
- ~~2. Proof of resale outside Palmer city limits.~~

C. The funds derived from fuel flowage fees shall be utilized solely for the maintenance, operation and improvements of the Warren "Bud" Woods Palmer Municipal Airport.

Passed and approved by the Airport Advisory Commission of the City of Palmer, Alaska this 28th day of March 2019.



Frank Kelly, Airport Superintendent



Ken More, Chairperson

Report to Airport Advisory Commission

“Fuel Flowage Fee vs. Sales Tax”

Aviation Fuel Sales Tax Summary (3%)

In 2011, sales tax for fuel sales at the airport were posted to the airport fund and that lasted until July 1, 2016 when the Fuel Flowage Fee was put into place.

The sales tax for fuel sales at the airport by year follows.

2011	\$6,960
2012	\$4,323
2013	\$4,223
2014	\$9,471
2015	\$8,135
2016	\$2,975 (Only first half of year)

Aviation Fuel Flowage Fee Summary (\$0.05 Cents Per Gallon)

2016	\$6,459.41 (Second half of year)
2017	\$11,602.90 (Less reimbursements of \$1,426.25)
2018	\$8,563.00

Total Gallons Delivered to Airport

2016	129,188 (Second half of year)
2017	232,060
2018	171,260

Considerations:

- SOA DNR Division of Forestry is tax exempt.
- A robust South Central fire season has not occurred since FFF inception.
- FFF currently allows for reimbursement of cargo fuel delivered to outside of the City limits.
- FFF is charged and collected by the wholesale fuel distributor, which provides for any easy accounting of gallons sold and remittance of the fee.

**City of Palmer
Action Memorandum No. 19-043**

Subject: Authorizing the City Manager to Extend the Professional and Data Services Contract with AlasConnect, LLC for One Additional Year for a Term Ending June 15, 2020

Agenda of: April 23, 2019

Council Action: **Approved** **Amended:** _____
 Defeated

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
√	Finance	<i>Michelle Tefft</i>	03/22/2019
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager	<i>[Signature]</i>	_____
City Attorney	<i>[Signature]</i>	_____
City Clerk	<i>Norma L. Alley</i>	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ **114,000.00**

This legislation (√):

- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ 114,000.00
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): 01-01-05-6096
- Not budgeted

Director of Finance Signature: *Michelle Tefft*

Attachment(s):

- Draft amendment 1

Summary Statement/Background:

On June 13, 2017, council approved AM 17-038, a two-year contract for professional and data services with AlasConnect, LLC for the period starting June 16, 2017 and expiring June 15, 2019. Included in the professional and data services request for proposal and agreement was the option for an extension of the contract for data services for an additional three one-year terms.

The first of the optional extensions would be effective June 16, 2019 through June 15, 2020. All remaining terms and conditions of the original agreement shall remain in full force and effect.

Administration's Recommendation:

To approve Action Memorandum No. 19-043 authorizing the City Manager to Extend the Professional and Data Services Contract with AlasConnect, LLC for One Additional Year.

First Amendment
to Professional and Data Services Agreement

Between
City of Palmer
and
AlasConnect, LLC

The contract between the City of Palmer and AlasConnect, LLC is amended as follows:

1. On June 13, 2017 the Palmer City Council approved AM 17-038 agreeing to a two year contract for professional and data services with AlasConnect, LLC for the period starting June 16, 2017 and expiring on June 15, 2019.
2. The foregoing professional and data services contract is subject to an option for three one-year extensions approved at the discretion of the Council; the first one year extension of the AlasConnect, LLC professional and data services contract is approved effective June 16, 2019 through June 15, 2020.
3. All remaining terms and conditions of the original agreement shall remain in full force and effect.

CITY OF PALMER:

ALASCONNECT, LLC:

Nathan E. Wallace
City Manager

**City of Palmer
Action Memorandum No. 19-044**

Subject: Authorizing the City Manager to Negotiate and Execute a New Lease Agreement with a New LLC to be Formed by Dayton J. and Elizabeth A. Madison for Palmer Municipal Airport Lease No. 19-004 on Lot 20, Block 3, for the Purpose of Establishing a Personal Use Aircraft Hangar

Agenda of: April 23, 2019

Council Action: **Approved** **Amended:** _____
 Defeated

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
	Community Development		
X	Finance	<i>Michelle Tefft</i>	4/4/2019
	Fire		
	Police		
	Public Works		

Approved for Presentation By:

	Signature:	Remarks:
City Manager	<i>[Signature]</i>	
City Attorney	<i>[Signature]</i>	
City Clerk	<i>[Signature]</i>	

Certification of Funds:

Total amount of funds listed in this legislation: \$ **1,683.36**

This legislation (√):

<input checked="" type="checkbox"/>	Creates revenue in the amount of:	\$ <u>1,683.36</u>
<input type="checkbox"/>	Creates expenditure in the amount of:	\$ _____
<input type="checkbox"/>	Creates a saving in the amount of:	\$ _____
<input type="checkbox"/>	Has no fiscal impact	

Funds are (√):

<input type="checkbox"/>	Budgeted	Line item(s): _____
<input checked="" type="checkbox"/>	Not budgeted	<u>03-00-00-3431 Land Leases</u>

Director of Finance Signature: *Michelle Tefft*

Attachment(s):

- Draft Lease Agreement PMA No. 19-004 & Exhibit A
- Preliminary Plot Plan

Summary Statement/Background:

Dayton and Beth Madison wish to build a personal use hangar to house their own aircraft, but with additional space to rent to other individual aircraft owners who wish to keep their aircraft under cover. The Madison's have been planning to build at Palmer for some time and are now prepared to proceed.

They are in the process of creating a new LLC for this venture that will be in place prior to a lease signing. This action memorandum assumes the signing of the lease with the newly created real estate LLC with Mr. and Mrs. Madison as owners, as well as capturing their personal guarantees.

The Madison's are currently soliciting bids from several local contractors who would be performing the work once the lease is signed and the construction is award for the new 60' X 90' hangar. Beth Madison is a professional engineer working for a local firm and Dayton is a hunting guide who spends much of his time in the field with clients.

The lease will not be signed until the newly formed LLC of the Madison's is recorded with the State of Alaska. Once the LLC is formed and the certificate of corporation is provided to the city, the lease with the Madison's will be executed.

Administration's Recommendation:

To approve Action Memorandum No. 19-044 Authorizing the City Manager to Negotiate and Execute a New Lease Agreement with the Madison's newly formed LLC for a lease on Block 3, Lease Lot 20, Palmer Municipal Airport for the purpose of establishing a personal use aircraft hangar.

**City of Palmer
231 West Evergreen Avenue
Palmer, AK 99645
907-745-3271**

**PALMER MUNICIPAL AIRPORT
LEASE AGREEMENT No. 19-004**

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City of Palmer
231 West Evergreen Avenue
Palmer, AK 99645
907-745-3271

**PALMER MUNICIPAL AIRPORT
LEASE AGREEMENT No. 19-004**

This LEASE AGREEMENT is made and entered into this _____ day of April, 2019, by and between the City of Palmer, a municipal corporation organized and existing under its charter and the laws of the State of Alaska, hereinafter referred to as the "Lessor", and (A new Real Estate, LLC (TBD) owned by Dayton J. and Elizabeth A. Madison), hereinafter referred to as the "Lessee".

This lease agreement is not effective unless it is accompanied by signed and attached Exhibit A providing specific information for the following sections: 1., 1A, 1.1B, 1.2A, 1.2B, 1.3A, 2.1, 2.2, 2.7 and 2.8.

In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

ARTICLE I - PREMISES, TERM AND RENTALS

Section 1.1 Premises and Purpose

- A. Lessor does hereby lease, demise and let unto Lessee, and Lessee does hereby lease from Lessor, real property more particularly described as a parcel of land located within Tract B, Palmer Municipal Airport recorded as Plat No. 2006-15 in the Palmer Recording District, Third Judicial District, State of Alaska and further described as follows:

Palmer Municipal Airport, Block 3, Lease Lot 20
Containing 0.55 acres or 24,048 square feet, more or less
A.K.A. 821 S. Airport Road, Palmer, AK. 99645

See Attached "Exhibit A"

Parcel may be subject to additional easements and/or encumbrances not shown or depicted hereon.

- B. Lessee shall use the Premises for the following Aeronautical uses only, and for no other: Personal Aircraft Storage (including Aircraft Rental Space) & Aircraft Maintenance.
- C. Any use of the premises for Non-Aeronautical activity is strictly prohibited, unless an approved amendment to this lease is adopted and fair market value rates for Non-aeronautical areas are applied.

Section 1.2 Term and Renewal

- A. The term of the lease shall be for a period of 25 years, commencing on the 1st day of May 2019 (the "Commencement Date") and ending on the 30th day of April of 2044, subject to the terms of provisions hereof.
- B. Provided Lessee fully and faithfully performs all of the covenants and conditions contained herein for the term of the Lease, Lessor may approve an additional period of 20 years at

the expiration of this Lease so that the total number of years available to Lessee is 45 years. As with the initial term at the start of and continuing through the renewal period,

1. The rental rate will continue to be subject to changes as provided in Section 1.4 "Rent Adjustment,";
 2. The renewal insurance provision as provided in Section 4.3 will apply along with any other changes made in accordance with Section 4.3;
 3. The Lease will be subject to such other and further changes as are deemed necessary by Lessor for the reasonable protection of Lessor;
 4. In addition, if this Lease is renewed, it shall be subject to all provisions of the Palmer Municipal Code and to the City's Regulations that pertain to the Airport in effect at the time of the renewal or amended thereafter. Including but not limited to the current airport regulations.
- C. To renew this Lease, Lessee must comply strictly with the following:
1. Not more than 24 months nor less than 12 months before the end of the term of this Lease, the Lessee must indicate in a signed writing delivered to the Palmer City Manager, the Lessee's request to exercise the option to renew this Lease.
 2. If Lessee fails to notify Lessor within said time period, this Lease shall be deemed terminated at the scheduled expiration date.

Section 1.3 Rent

- A. Lessee shall pay to the Lessor as rent during the term hereof the sum \$1,683.36 per year, payable annually in advance without demand, beginning July 1, 2019 and continuing on the same day of each and every year thereafter during the term of the lease at the office of the Lessor set forth in Section 7.8 or at such other place as the Lessor may designate in writing. (Rent is derived as follows: (24,048 square feet X \$0.070 cents per square foot)
1. In addition, Lessee shall pay the prorated amount from execution of lease to June 30, 2019 for \$281.21 ($\4.61×61 days), Less the \$500.00 lease application fee received on March 29, 2019 and a \$200.00 lot development credit to be applied to the prorated portion and the annual sum due July 1, 2019 or initial prorated sum of \$1,264.57 due July 1, 2019. ($\$281.21 + \$1,683.36 = 1,964.57 - \$700.00 = \$1,264.57$)
 2. Failure to pay rent by the thirtieth day after the due date shall obligate the Lessee to pay a late charge of \$100.00, which sum is agreed to a reasonable estimate of the Lessor's damages for late rental payments and shall not be construed as a penalty or a limitation on Lessor's remedies.
 3. This late charge is in addition to a 12 percent daily interest rate. ($0.12\% / 365 = .00033 \times \$1,683.36 = \$0.56$ cents per day)
- B. All rent shall be payable in current legal tender of the United States. Payment may be tendered by check, but payment shall not be made in fact until such check has been honored by the drawee bank. The tender of payment by check within the time provided shall be deemed sufficient to meet any due date only if the check is subsequently honored by the drawee bank and the Lessor subsequently receives the legal tender required by this Lease. Any subsequent dishonor and non-receipt of rent payment shall constitute a default of this Lease.
- C. The extension of time for the payment of any installment of rent, or the acceptance by the Lessor of any money other than of the kind herein specified, shall not be a waiver of the right Lessor to insist on all other payments of rent to be made in the manner and at

the time herein specified. The acceptance by the Lessor of a past due installment payment shall not waive the Lessor's right as to any other default or breach of the Lease.

- D. The rent herein specified shall be net to the Lessor and such payment shall not be subject to any abatement, deduction or off set (except as otherwise provided in this Lease).
- E. All taxes, charges, costs, expenses, utilities and assessments which the Lessee is required to pay hereunder, and all damages, costs and expenses which the Lessor may incur by reason of any default of the Lessee or failure on the Lessee's part to comply with the terms of the Lease, shall be deemed to be additional rent and in the event of nonpayment by the Lessee, the Lessor shall have all the rights and remedies with respect thereto that the Lessor has for the nonpayment of the basic rent.

Section 1.4 Rent Adjustment

- A. It is the intent of the parties that the Palmer Municipal Airport be a self-sustaining facility and operate without any support from the general fund of the Lessor.
- B. The rent shall be subject to adjustment at five (5) year intervals to achieve fair market rent, the first adjustment date is five (5) years following the annual payment. The rent shall be adjusted as follows:
 - 1. Six (6) months prior to the termination of the initial five (5) year period and any subsequent five (5) year period, Lessor shall propose the rent for the next five (5) year period of the lease term and the parties hereto may, by mutual agreement, set the rent for the five (5) year period. The basis of the initial proposed new rent for the next five (5) year term will be the accumulated increase or decrease in the Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, semiannual averages, all items index for the Anchorage, AK. Local area, based upon 2015 as a base year. Additional factors for the basis of the initial proposed new rent will include, but are not limited to; the comparative leasing rate of similar airports in the Alaskan market place, as well as local and state economic conditions and the airports' vacancy rates.
 - a. If an agreement is not reached ninety (90) days prior to the end of the current five (5) year period, the fair market rental value of the premises shall be determined by an appraiser selected by the lessor who shall (a) be a member of The American Institute of Real Estate Appraisers, and (b) have experiencing in appraising properties similar to the premises. (The "Qualified Appraiser"). The cost of the initial appraisal shall be born equally between Lessor and Lessee. If either the Lessor or Lessee or both shall disapprove of the fair market rental of the premises as thus determined, the dissatisfied party(s) may then designate another Qualified Appraiser who shall conduct a second (or additional) independent appraisal(s) of the premises and the fair market rental of the premises shall be determined to be the average of the two appraisals. The cost of the additional appraisal shall be borne by the dissatisfied party. In the event that both the Lessor and the Lessee are both dissatisfied with the original appraisal than the cost of, the second appraisal shall be borne equally between the Lessor and Lessee.
 - 2. Lessor's failure to timely start this rent adjustment procedure does not affect the rent adjustment, other than that the rent shall not be adjusted for the period before Lessor starts the procedure for each five-year period.

- a. If, for example, Lessor starts the rent-adjustment procedure for the first time on the first day of the seventh year of the lease term, then the rent shall remain unchanged for the previous six years.
 - b. Any adjustment in Section 1.4 would start as of the first day of the seventh year and remain in effect through year ten when Lessor could again start the rent-adjustment procedure.
- C. During the pendency of any determination of fair market rent, Lessee shall pay the rent last in effect for the Premises until such determination has been made. Any deficiency between the rent so paid and the adjusted rent retroactive to the beginning of the period for which it is due shall be paid within thirty (30) days of being billed to Lessee with interest from the original due date of such rent at the rate highest rate allowed by law for debts under \$25,000 or twelve percent (12%) per annum, whichever rate is lower.

Section 1.5 Determination of Fair Market Rent

- A. The fair market rent of the premises shall be based on the Consumer Price Index for the Municipality of Anchorage from the United States Department of Labor statistics as outlined in Section 1.4.
- B. Fair market rent shall not include any return on improvements placed on the Premises by the Lessee or its predecessors in interest, but shall include a return for improvements placed on the Premises by the Lessor or otherwise belonging to Lessor.
- C. The parties acknowledge that certain property at Palmer Municipal Airport may not currently and may not in the future be leased for a fair market rent.
- D. The returns received by Lessor from other aviation Leases at Palmer Municipal Airport, therefore, shall not be used exclusively by the appraiser to determine a fair market rent.
- E. Any appraisal of the Premises shall consider any limitation or restriction on use imposed under this Lease or pursuant to any patent, deed, lease or grant from or agreement with the United States to the Lessor, including but not limited to aviation restricted use.
- F. Lessor shall send written notice to Lessee of the amount determined to be the fair market rent together with a copy of the appraisal.

ARTICLE II - IMPROVEMENTS

Section 2.1 Improvements

- A. Promptly after the execution and delivery of this Lease, and as hereinafter more particularly provided, the Lessee at its own cost and expense shall cause plans and specifications to be prepared for the construction of the following building, structures and improvements to be placed on the leased Premises, hereinafter referred to as "Improvements".
 - 1. Improvements consist of: 60' x 90' Wood Framed Aircraft Hanger
 - 2. 8,500 square foot paved apron
 - 3. Utilities of: Water, Sewer, Electric, Natural Gas
- B. Failure to timely complete the improvements shall constitute a condition of default.
- C. The improvements shall fully comply with all applicable federal, state, and municipal laws and regulations, including but not limited to federal, state, and municipal building, fire, construction and safety codes and zoning regulations and requirements.

Section 2.2 Plans and Specifications

- A. The Lessee at its own cost and expense shall have prepared conceptual plans for improvements and shall prepare and submit them to the Department of Community

Development and the Airport Manager **on or before July 15, 2019**. The conceptual plans shall have a site plan, building floor plan, all four building elevations and the improvements to be constructed.

- B. The Lessee shall submit the conceptual plans required (as outlined by this section) within the time specified, or the Lessor shall have the right and privilege to terminate this Lease on ten (10) days written notice and if such notice is given this Lease shall terminate and shall be of no further force and effect at the expiration of such ten-day period.

Section 2.3 Conceptual Plans

- A. The Department of Community Development shall examine the conceptual plans and within thirty (30) days after submission, the Airport Manager shall inform the Lessee in writing of any objections to the conceptual plans.
 - 1. In event of objections, the Lessee shall have thirty (30) days to propose any corrective amendments which the Airport Manager shall accept or reject within the next twenty (20) days.
 - 2. Failure of the Airport Manager to inform the Lessee in writing of his or her objections within twenty (20) days shall constitute the Airport Manager's and the Department of Community Development's approval.
- B. The Airport Manager's and Department of Community Development's approval of the conceptual plans submitted by Lessee shall not constitute the assumption of any liability of Lessor for their compliance or conformity with applicable building codes, zoning regulations, and/or city, borough, state and federal laws, ordinances and/or regulations, or for their accuracy.
 - 1. Lessee shall be solely responsible for such plans.
 - 2. The Airport Manager's and Department of Community Development approval of such plans shall not constitute a waiver of Lessor's right to thereafter require Lessee to amend the same to provide for any corrections or omissions needed to comply with applicable building codes, zoning regulations, city, borough, state or federal laws, ordinances or regulations.
 - 3. The review and approval required by this section is in addition to any other review and approval needed for any required building permits or similar authorization.

Section 2.4 Final Plans

After the Airport Manager has notified the Lessee of his or her approval of the conceptual plans and specifications, the Lessee shall promptly apply to the appropriate municipal department for a building permit for any construction or building required to be erected by Lessee pursuant to this Article.

- A. The Lessee shall submit to the Airport Manager any plans and detailed drawings including copies which may be required for the permit before submitting the plans and drawings for a permit.
- B. Thereafter the Lessee at the Lessee's own expense shall proceed promptly with preparation of complete and final plans and complete detailed specifications (such plans and specification hereafter termed "final plans") for the Improvements and shall submit to the Airport Manager for the Airport Manager's approval the final plans as soon as practicable.
- C. The failure of the Lessee to proceed promptly with the preparation of final plans or to submit final plans as required by this section shall constitute a default and breach of this Lease and shall enable the Lessor to terminate this Lease on ten days written notice.

Section 2.5 Airport Manager's Approval

The Airport Manager shall not unreasonably withhold his or her approval to any conceptual plans, specifications, any plans and detailed drawings, or any final plans or complete detailed specifications.

Section 2.6 Compliance with part 77 FAR

Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations and any similar requirement prior to the construction of the Improvements and prior to the construction of any further structure or building upon the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.

Section 2.7 Commencement of Construction

If the Lessee has not commenced construction of the Improvements by, on or before September 15, 2019, the Lessor shall have the right at Lessor's option to terminate this Lease on thirty (30) days written notice.

Section 2.8 Completion of Construction

- A. The Lessee shall have completed construction of the Improvements by, on or before September 15, 2020.
- B. The construction shall be completed when the Improvements have been substantially completed and are capable of the use for which they were intended.
- C. If the Lessee has not completed the construction by the scheduled completion date the Lessor shall have the right, at Lessor's option, to terminate the Lease on ten days written notice.

Section 2.9 Liens

- A. Lessee hereby warrants to Lessor that the Premises and all such other Improvements, shall be free and clear of all liens, claims and encumbrances and agrees to indemnify, defend and hold Lessor harmless from and against any and all losses, damages and costs, including reasonable attorney's fees and appellate attorneys' fees, with respect thereto.
- B. If any lien or notice of lien on account of the alleged debt of Lessee or lien or notice of lien by any party engaged by Lessee or Lessee's contractor to work on the Premises shall be filed against the Premises or Improvements, Lessee shall cause the same to be discharged of record by payment, deposit, bond, order of court or competent jurisdiction or otherwise.

Section 2.11 Performance Guarantee

- A. The work, of \$100,000, as described in this lease document shall not begin until the Lessee or Lessee's contractor has provided to the Lessor a performance guarantee in the form of a performance bond, escrow, an irrevocable letter of credit, or deed of trust in an amount equal to 110% of the estimated cost of the Improvements to be accomplished, which guarantees the completion of the work by Lessee or Lessee's contractor in accordance with the plans and specifications approved by Lessor and guarantees the payment by Lessee or Lessee's contractor of all subcontractors' charges and all other persons and firms supplying services, labor, materials or supplies in connection with the work.
- B. The work, if funded by an Alaskan Financial Institution on behalf of the Lessee of \$100,000, as described in this lease document shall not begin until the Lessee's Financial

Institution has provided to the Lessor a "Letter of Guarantee" in an amount equal to 100% of the cost of improvements in a "Construction Escrow Account" and guarantees the payment by Lessee, Lessee's Contactor or Lessee's Financial Institution of all subcontractors' charges and all other persons and firms supplying services, labor, materials or supplies in connection with the work, in a form approved by the City.

- C. Bonds shall be a performance bond from a company qualified by law to act as a surety in the State of Alaska. The bond shall be in a form approved by the City. The bond shall name the City as the sole obligee and the Lessee as the principal. The surety must be rated by A.M. Best as an A or B surety.
- D. The Lessee may deposit cash in an escrow with a bank qualified by law to do business in the State of Alaska. The disbursement of the escrowed funds shall be governed by an escrow agreement in a form approved by the City.
- E. The Lessee may provide to the City, an irrevocable letter of credit or loan commitment by a bank qualified by law to do business in the State of Alaska naming the City as beneficiary. The letter of credit or loan commitment agreement shall be in a form approved by the City.
- F. The Lessee may grant the City a first deed of trust on real property located in the Matanuska-Susitna Borough to secure the estimated cost of all improvements. The City will accept the first deed of trust if:
 - 1. The Matanuska- Susitna Borough's assessed value for the tax purposes equals or exceeds the amount to be secured by the deed of trust; and
 - 2. The City obtains at the Lessee's expense, a policy of title insurance from a recognized Title Company doing business in the Matanuska Susitna Borough naming the City as the insured beneficiary of the first deed of trust in the amount of the estimated cost of all improvements.

Section 2.12 Inspection

During construction, the Lessor shall have the right, from time to time, to inspect the Improvements and in the event that during the construction or at any time prior to the issuance of a final certificate of occupancy, the Lessor determines that the Improvements are not being constructed in accordance with the plans and specifications specified in this lease, Lessor may give notice in writing to the Lessee specifying in detail the particular deficiency, omission or other respect in which the Lessor claims construction does not meet the plans and specifications. Upon receipt of any such notice the Lessee shall take steps necessary to correct any deficiencies, omissions or otherwise.

Section 2.13 Non-Responsibility

The Lessor may at the time enter upon the Premises for the purpose of posting notices of non-responsibility for any work, labor or materials supplied or furnished to these Premises and the Lessee shall notify, in writing, and in advance of any construction, the Lessor of any construction in order that the Lessor may post such notices of non-responsibility. It is the understanding of the parties hereto that any such work, labor, or materials are supplied only to further the purposes of the Lessee and that work, labor and materials have been contracted for solely by the Lessee for Lessee's own benefit and not as agent of Lessor.

Section 2.14 As Built Plans

Within sixty (60) days after the project's completion date, the Lessee shall deliver to the Lessor a surveyed plot plan of the leased Premises showing the completed Improvements as built in relation to the property lines of the leased Premises.

Section 2.15 Improvements Subject to Reversion or Removal

All alterations, buildings, structures or other Improvements placed on the Premises by Lessee shall be subject to Section 7.6 of this Lease.

Section 2.16 Alterations and Other Improvements

The Lessee shall have the right, from time to time, to make such alterations and improvements and decoration to the Premises. Any alterations, improvements and decorations shall be reasonably necessary or appropriate in the Lessor's judgment for the conduct Lessee's business. Lessee shall obtain Lessor's written approval before any such alterations are made. Approval shall not be reasonably withheld as long as Lessee complies with provisions of this article.

Section 2.17 Pavement/Utility Services

Any pavement or utility services to be constructed by the Lessee shall be constructed in accordance with design and specifications approved by the Lessor and the construction shall be subject to inspection by the Lessor. Such improvements shall not be constructed without the prior consent of the Lessor in writing.

ARTICLE III - USE OF THE LEASED PREMISES

Section 3.1 Airport Purposes

- A. Lessee shall have the right to conduct on the premises those activities stated in Section 1.1 B only, and Lessee shall not use the Premises for any other purpose or activity without first obtaining the written consent of the Airport Manager to do so.
- B. In addition, Lessees' activities are to be aeronautical related activities as defined in the Federal Aviation Administration's (FAA's) Airport Compliance Handbook, FAA order 5190.6B and the FAA Revenue Diversion Policy and all planned development shall be consistent with the Palmer Municipal Airport Layout Plan and Master Plan.
- C. It is the purpose of this Lease to foster and abet air commerce at Palmer Municipal Airport and it is not the intent of this Lease to provide premises for uses which do not promote the development and use of Palmer Municipal Airport.
- D. All uses normally incidental to an airport such as car rental agencies, limousine service, restaurants, insurance sales, and other such incidental services not directly related to the maintenance and operation of aircraft are prohibited except when the Airport and the FAA have established that a specific facility is not currently needed for aeronautical purposes.
- E. Any non-aeronautical use must be limited and incidental.
- F. Any non-aeronautical use must be approved by the Airport Manager and the FAA in writing prior to its commencement.
- G. Any approved non-aeronautical use will be allowed only on an interim basis and will be phased out if aeronautical demand increases.
- H. If a non-aeronautical use is approved, the rent provided in section 1.3 shall be increased to reflect the fair market value of the portion of the Premises used for non-aeronautical uses.
- I. Requests for non-aeronautical uses will be made first to the Airport Manager and if approved by the Airport Manager and FAA, the non-aeronautical use and the conditions associated therewith will be detailed in an addendum to this Lease.
- J. Lessee shall not use or permit any part of the Premises to be used for any unlawful purpose of or for any purpose or use that may constitute a nuisance or hazard to health, safety, or property.

- K. Lessee shall not use or allow the Premises or any part thereof to be used or occupied for any purpose in violation of any law, lawful order, or rule or regulation concerning the operation or use of Palmer Municipal Airport.

Section 3.2 Compliance with Laws

Lessee shall comply with all laws now or hereinafter in effect affecting the Premises or Lessee's use or occupancy thereof, including but not limited to Palmer Municipal Airport Regulations; PMC 12.08; and PMC 17 all as may be amended from time to time.

Section 3.3 Hazardous Materials

- A. Neither Lessee nor Lessee's agents shall cause or permit any Hazardous Materials or Substances to be brought upon, generated, stored, disposed of, or used in or about the Premises by Lessee, its agents, employees, contractors, or invitees without the prior written consent of Lessor.
- B. Lessee shall demonstrate to Lessor's reasonable satisfaction that such Hazardous Materials or Substances are necessary to Lessee's business and will be used, generated, disposed of, and stored in a manner that complies with all laws regulating any such Hazardous Materials or Substance so brought upon, generated, stored, disposed of or used in or about the Premises.
- C. Lessor may, at its option require Lessee to provide annual reports, submitted with the annual rent payment.
- D. The Lessee will report the kinds and quantities of Hazardous Materials or Substance on the Premises and how the Lessee complies with applicable laws regarding disposal.
- E. If Hazardous Material or Substances have been used, generated, disposed of or stored in or about the Premises during the term of this Lease, Lessor may, at its election, have any environmental assessment performed of the Premises, at the Lessee's expense, at the termination of this Lease or termination of Lessee's right to possession under this Lease.
- F. If any of the following occur;
 - 1. Lessee breaches the obligations in this section;
 - 2. The presence of Hazardous Material or Substance on the Premises caused or permitted by Lessee results in contamination of the Premises or contamination of any other property at the Palmer Municipal Airport; or
 - 3. Contamination of the Premises or any other property at Palmer Municipal Airport by Hazardous Material or Substance otherwise occurs for which Lessee is legally liable to Lessor for damage resulting therefrom;
 - a. Then Lessee shall indemnify, defend, and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses including, without limitation, diminution in value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of space, sums paid in settlement of claims, attorneys' fees, appellate attorney's fees, consultant fees, expert fees, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material or substance present in the soil or groundwater on or under the Premises which arise during or after the Lease term as a result of such contamination.

- G. Without Limiting the foregoing, if the presence of any Hazardous Material or Substance on the Premises caused or permitted by Lessee results in any contamination of the Premises or any other property at the Palmer Municipal Airport, Lessee shall promptly take all actions at its sole expense as are necessary to return the Premises and/or other property to the condition existing prior to the introduction of any such Hazardous Material or Substance; provided that Lessor's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or other property.
- H. As used herein, the term "Hazardous Material or Substance" shall be interpreted broadly to include, but not limited to, substances designated as hazardous under the Resource Conservation and Recovery Act, 42 USC Section 6901 et seq., the Federal Water Pollution Control Act, 33 USC Section 1257 et seq. the Clean Air Act, 42 USC Section 2001 et seq the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC Section 9601 et seq., Title 46 of the Alaska Statutes, or by any applicable federal, state, or local statute, regulation or ordinance now or hereafter in effect and as they may be amended or interpreted from time to time.
- I. The provisions of this Section 3.3 shall survive any termination of Lessee's right to possession of the Premises and/or termination of this Lease.

Section 3.4 Americans with Disabilities Act

Lessor and Lessee agree that as allowed by 28 C. F. R. S. 36.201(b), Lessee shall be responsible for all compliance responsibility under the Americans with Disabilities Act (42 U.S.C. S 12101 et. Seq.) related to Lessee's use and occupancy of the Premises. Lessee agrees to defend, indemnify and hold Lessee harmless from any claim, demand, or action, either by a private person or a governmental entity, under said Act due to failure to comply with the terms of said Act. The provisions of this Section 3.4 shall survive termination of Lessee's right to possession of the Premises and/or termination of this Lease.

Section 3.5 Reservations and Exceptions

This Lease is made by the Lessor and accepted by the Lessee conditioned upon and subject to any conditions, reservations, limitations, provisions or terms imposed upon the Premises of Palmer Municipal Airport, as contained in any grant (including any monetary grant or loan), lease, permit, patent, deed, or any other conveyance to the Lessor of the Premises, or of Palmer Municipal Airport, from the United States, or the State of Alaska, including their agencies. In the event that any such condition, reservation, limitation, provision or term shall prevent, without fault of the Lessor, this Lease from continuing in full force and effect, the Lessor shall have the option to terminate this Lease immediately (and at any time) without liability to the Lessee therefor.

Section 3.6 Subordination of Lease to Requirements of the Federal Aviation Administration

- A. This Lease shall be subordinated to the provisions of any existing or future agreements between the Lessor and the United States, relative to the operation or maintenance of Palmer Municipal Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development or operation of Palmer Municipal Airport.
- B. In connection therewith, the Lessor has undertaken and may in the future undertake certain obligations respecting its operation of Palmer Municipal Airport and activities of its

contractors, Lessees and permitted thereon. The performance by Lessee of the covenants, promises and obligations contained in this Lease is therefore a special consideration and inducement to this Lease. Lessee further covenants and agrees that if the administrator of the Federal Aviation Administration, or any other governmental official or body having jurisdiction over the enforcement and the obligations of the City in connection with the Federal or State aid, shall make any orders, recommendations or suggestions respecting the performances by Lessee of its obligations under this Lease, Lessee shall promptly comply therewith, at the time or times when and to the extent that the Lessor may direct.

Section 3.7 Aircraft on Premises

The Lessee shall provide the Airport Manager a list showing all aircraft on the Premises for any purpose, together with the aircraft type, model and number, the name and address of the owner, the purpose of the aircraft being on the Premises, and such other information concerning its identification thereof as the Airport Manager shall deem necessary.

Section 3.8 Discriminatory Acts Prohibited

- A. The Lessee shall furnish any service to be rendered by the Lessee in connection with or upon the Premises on a fair, equal and not unjustly discriminatory basis to all users thereof. In performing such services Lessee shall charge fair, reasonable and not unjustly discriminatory prices or rates for each unit of service furnished, provided the Lessee may take reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume users or purchasers.
- B. The Lessee, in its use and occupancy of the Premises, shall not discriminate against any person or class of persons by reason of race, color, creed or national origin, or by reason of any other basis that is illegal or becomes illegal during the term of this Lease, any extension, or any holdover period.
- C. The Lessor upon ten (10) days' notice to the Lessee of any violation of this section shall request that the Lessee either correct or justify any practice or charge alleged as a violation.
- D. In any proceeding whatsoever the burden of justification shall be on the Lessee to show that the practice or charge does comply with the requirements of this section. The Lessee, within ten (10) days after receipt of the notice, shall comply with the request or submit to the Lessor its justification in writing. The Lessor shall submit its findings and decision as to any alleged violation within fifteen (15) days after the receipt of the Lessee's justification, and such findings and decision of the Lessor shall be final. Unless the Lessee shall notify in writing the Lessor within ten (10) days of its objections to any request for compliance or to any adverse findings and decision, the Lessee shall waive any defense that the alleged violation is justified.
- E. The Lessor, at its option, may forthwith terminate this Lease without any liability to Lessee thereunder for failure by Lessee without justification to comply with Lessor's request for compliance within the time set forth in the request or the findings and decision to correct the alleged violation.

Section 3.9 Affirmative Action

- A. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of

any program or activity covered in this subpart. The Lessee assures that it will require that its covered sub-organizations provide assurances to the Lessor that any similarity will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

- B. The Lessor upon ten (10) days' notice to the Lessee of any violation of subsection A shall request that the Lessee either correct or justify any practice or charge alleged as a violation. In any proceeding whatsoever, the burden of justification requirement of subsection A. The Lessee within ten (10) days after receipt of the notice, shall comply with the request or submit to the Lessor its justification in writing. The Lessor shall submit its findings and decision as to any alleged violation within fifteen (15) days after receipt of the Lessee's justification, and such findings and decision of the days of its objections to any request for compliance or to any adverse findings and decision, the Lessee shall waive any defense that the alleged violation is justified.
- C. The Lessor, at its option, may forthwith terminate this Lease without any liability to Lessee thereunder for any failure by Lessee without justification to comply with Lessor's request for compliance within the time set forth in the request of the findings and decision to correct the alleged violation.

Section 3.10 Maintenance of Premises

- A. Lessee shall repair and maintain the Improvements in good order and repair and keep the Premises in a neat, safe, clean and orderly condition. Such obligation shall include, but not be limited to, the prevention of the accumulation of any refuse or waste materials which might be or constitute a fire hazard or a public or private nuisance.
- B. In the event that Lessee does not properly repair and/or maintain the Improvements or Premises, the Airport Manager shall notify the Lessee in writing of those areas that are not being properly repaired and/or maintained.
- C. If, however, after 60 days, Lessee fails to make such repair and/or maintenance, Lessor may cause to have such repair and maintenance made and invoice the Lessee for the repair and maintenance completed.
- D. If said costs are not paid promptly by Lessee, the lease shall be deemed to be in default, and Lessor shall be entitled to all legal remedies provided hereunder.
- E. Lessee shall neither cause nor allow any waste of the Premises or Improvements. In addition, Lessee shall be strictly liable for any waste of the Premises or Improvements and for any damage to reversion.

Section 3.11 Signs

- A. Lessee shall not, without Lessor's written consent, place or erect any sign of any nature on any part of the Premises, but such consent shall not be unreasonably withheld to one flat sign of reasonable size bearing the Lessee's trade name, providing such sign meets all city zoning and sign requirements.
- B. At the termination of this Lease, any such sign shall be removed by Lessee at Lessee's own expense.
- C. Lessee shall apply for a sign permit from the Department of Community Development and shall comply with Palmer Municipal Code.

Section 3.12 Improvements and Alterations

After the initial improvements set forth in Article II have been completed, and if the Lessee desires to construct further improvements:

- A. Prior to commencing construction, renovation, enlargement, demolition, or modification of leasehold improvements now or hereafter existing on the Premises, Lessee shall submit to the Airport Manager plans and specifications for such work (including plans for landscaping and irrigation, if any) and Timeline for various phases of work.
- B. The Airport Manager shall approve or disapprove such plans and specifications and accompanying Timeline at his or her sole discretion.
- C. Upon Lessee's receipt of the Airport Manager's written approval of such plans and specifications, Lessee agrees to construct the proposed leasehold improvements in strict accordance with such plans and specifications and Timeline.
- D. The Airport Manager's approval of submitted plans and specifications shall not constitute the assumption of any liability by Lessor for their compliance or conformity with applicable building codes, zoning regulations, and city borough, state and federal laws, ordinances and regulations, or for their accuracy, and Lessee shall be solely responsible for such plans and specifications.
- E. The Airport Manager's approval of plans and specifications shall not constitute a waiver of Lessor's right to therefore require Lessee to amend the same to provide for any corrections or omissions needed to comply with applicable building codes, zoning regulations, city, borough, state or federal laws, ordinances or regulations.
- F. The review and approval required by Section 3.12 is in addition to any other review and approval needed for any required building permits or similar authorizations.
- G. Lessee shall obtain all necessary licenses and permits to accomplish any of the work described in Section 3.12. Nothing in this Lease is intended to limit or restrict the City of Palmer in the exercise of its police power, authority to enforce building, fire and other safety codes, laws, ordinances, or regulations.
- H. Lessee agrees to comply with the notification and review requirements covered in part 77 of the Federal Aviation Regulations prior to the construction of the Improvements and prior to the construction of any future building or structure situated on the Premises.
- I. Any contract or agreement for labor, services, materials or supplies furnished in connection with construction or alteration of any improvement to the Premises shall provide that no lien, claim or other encumbrance shall thereby be created, or arise, or be filed by anyone thereunder upon or against the Premises or the improvements.
- J. Before the commencement of any such work, Lessee shall deliver to Lessor either an executed duplicate original of such contract or a written waiver by the architect, engineer, contractor, material man, mechanic, person or corporation named in such contract of all right of lien which he or it might otherwise have upon or against the Premises, or the improvements to be constructed or altered, or the interest of Lessor therein.
- K. Lessee hereby warrants to Lessor that the Premises and all such other improvements thereto, shall be free and clear of all liens, claims and encumbrances and agrees to indemnify, defend and hold Lessor harmless from and against any and all losses, damages and costs, including reasonable attorneys' fees and appellate attorneys' fees, with respect thereto.
- L. If any lien or notice of lien on account of the alleged debt of Lessee or lien or notice of lien by any party engaged by Lessee or Lessee's contractor to work on the Premises shall be filed against the Premises or improvements, Lessee shall cause the same to be discharged of record by payment, deposit, bond, order of court or competent jurisdiction or otherwise.
- M. The work, in excess of \$100,000, as described in this lease document shall not begin until the Lessee or Lessee's contractor has provided to the Lessor a performance guarantee in the form of a performance bond, escrow, an irrevocable letter of credit, or deed of trust

in an amount equal to 100% of the estimated cost of the Improvements greater than \$100,000 to be accomplished, which guarantees the completion of the work by Lessee or Lessee's contractor in accordance with the plans and specifications approved by Lessor and guarantees the payment by Lessee or Lessee's contractor of all subcontractors' charges and all other persons and firms supplying services, labor, materials or supplies in connection with the work.

- N. All alterations, buildings, structures or other improvements placed on the Premises by Lessee shall be subject to section 7.6 of this Lease.

Section 3.13 Quiet Possession

The Lessee, upon paying rent and observing the conditions and terms of this Lease, shall and may have at all times during the term of this Lease peaceful and quiet enjoyment and possession of the Premises, except as otherwise set forth in this Lease.

Section 3.14 Lessee's option to Terminate

- A. Should any government body, agency, or official, other than Lessor, prohibit or otherwise prevent the use of Palmer Municipal Airport in its present condition as a public airport for one year or more, or should the continued use of Palmer Municipal Airport as an airport become impossible or unlawful without the fault of the Lessee, the Lessee shall have the option to terminate this Lease on thirty (30) days written notice to the Lessor.
- B. Upon such termination, this Lease shall be at an end, and neither party shall have any liability for such termination.
- C. The Lessor shall notify the Lessee in writing, of the prohibition, or intended prohibition, and the failure of the Lessee to exercise the option to terminate within thirty (30) days shall extinguish the Lessee's option to terminate.

Section 3.15 Lessor's Option to Terminate

- A. Lessee hereby grants to Lessor should it require the Premises in connection with the future expansion and/or operation of the Airport prior to the expiration or termination of the Lease, Lessor may, upon ninety (90) days written notice, cancel this Lease.
- B. In the event that this Lease is canceled under the provisions of this Section, Lessor shall pay to Lessee the fair market value of Lessee's remaining leasehold interest and the fair market value of Lessee owned buildings, structures, alterations and/or improvements placed by Lessee upon the Premises during the term of this Lease.
- C. The fair market value shall be determined by following the appraisal procedure set forth determination of the fair market rental of the Premises in Section 1.4 of this Lease.
- D. After payment therefore as provided herein, all buildings, structures, alterations and/or improvements shall be subject to the provisions of section 7.6 of this Lease.

Section 3.16 Right of Entry and Access

- A. Lessee hereby grants to Lessor, its contractors, employees, agents and assigns, the irrevocable right, permission and authority to enter into and upon all or part of the Premises for the purpose of:
 - 1. Inspecting the Premises;
 - 2. Cleaning, repairing, maintaining, altering or improving the Premises as Lessor may deem necessary;
 - 3. Abating any nuisance or hazardous condition on the Premises, and/or
 - 4. Preserving and/or protecting the Premises.

- B. It is understood and agreed that the entry and access may affect the use of the Premises from time to time. Lessor shall use reasonable efforts to coordinate any anticipated access or utility or other interruptions with Lessee in an attempt to reasonably reduce the effect of any disruption of Lessee's enjoyment and use of the Premises.
- C. The right of access and entry reserved herein does not impose, nor does Lessor assume by reason thereof, any responsibility for the care, maintenance or supervision of the Premises. Lessee shall not be entitled to any abatement or reduction in rent by reason of Lessors access and/or entry nor shall such access or entry be deemed an actual or constructive eviction.

Section 3.17 Lessor's Improvements

- A. Lessor shall have a permanent right of access over, under, around and across the Premises for the purposes of maintaining, servicing, upgrading, replacing or removing any Lessor-installed improvements including, but not limited to, light poles, utilities, and fencing.
- B. This section does not require Lessor to provide any improvements.
- C. Lessor's maintenance shall not include paving, aircraft tie downs, snow removal or sanding.
- D. All improvements constructed by the Lessor shall at all times remain the property of Lessor and may be maintained, upgraded, serviced or removed at Lessor's convenience and discretion.
- E. Lessor agrees to use reasonable efforts to notify of any upgrading, replacing or repair work with Lessee and to reasonably reduce disrupting Lessee's use of the Premises when practicable.
- F. In the event of abandonment or default, any Lessee improvement will become the property of the Lessor.

Section 3.18 Aviation Easement

Lessee's right to use the Premises for the purposes as set forth in this Lease shall be secondary to and subordinate to the operation of the airport. Lessor specifically reserves for itself, other Palmer Municipal Airport leaseholders, and for the public, an easement for the passage of aircraft in the air space above the surface of the described property together with the right to cause in said air space or on adjacent property such noise as may be inherent in the present or future operation of aircraft. Without in any way limiting Lessor's rights under Section 3.12, Lessee shall not construct any building or facility to a height which in Lessor's discretion will interfere with the operations of the airport.

Section 3.19 Right-of-Way and Easement

Lessor shall have the right to designate or grant rights-of-way or utility easements across the Premises without compensation to Lessee, provided that Lessee shall be entitled to compensation for the taking or destruction of any of Lessee's improvements and provided further that Lessee may terminate the Lease or demand a rental adjustment to reflect any reduction in value of the Premises.

ARTICLE IV - TAXES, INDEMNIFICATION, AND INSURANCE

Section 4.1 Taxes, Assessments, and Utilities

- A. Lessee, in addition to the rentals provided for herein, shall pay when due (and before delinquency) all taxes, utility fees, assessments, and charges upon the Premises, the

leasehold interest, and upon buildings, improvements and property thereon, which are assessed or charged at any time during the term.

- B. The Lessee shall furnish to the Lessor for Lessor's inspection within thirty (30) days after the date any amount payable by the Lessee as required by this section, official receipts from the appropriate taxing authorities or other proof satisfactory to the Lessor evidencing payment.
- C. The Lessee shall have the right at all times to protest any assessment of taxes or other assessments or charges, but the Lessor may require the Lessee to deposit with the Lessor any sums in dispute to insure payment in the event that any contest is unsuccessful.
- D. Lessee shall pay and be responsible for all charges for gas, electricity, water, light, heat, power, garbage, solid waste, and other utility service used in or about or supplied to the Premises.
- E. Lessee shall timely pay all sales tax on the rent on the lease, utilities, sales, service, rents, etc., and shall comply with City and Borough sales tax laws.

Section 4.2 Indemnification

Lessee shall indemnify, defend and hold Lessor harmless from all liability or loss (including, but not limited to reasonable attorneys' fees and appellate attorneys' fees) arising from any injury to any person or persons (including without limitation Lessee, its agents or employees) or property of any kind whatsoever while in, upon, or in any way connected with the Premises during the term of this Lease, or any use or occupancy hereunder, however occurring, including any acts, negligent or otherwise, and any omissions (negligent or otherwise), by Lessee, its agents, independent contractors, or employees, unless caused by or resulting from the sole negligence of the Lessor or any of Lessor's agents or employees.

Section 4.3 Insurance

- A. Lessee, at its own expense, shall secure and maintain in full force at all times during the term of this Lease:
 - 1. Commercial general liability. Commercial general liability insurance with a single occurrence liability limit of \$1,000,000 and an aggregate of \$2,000,000 insuring against liability of Lessee, its officers, contractors, licensees, agents, employees, guests, invites and authorized representatives, arising out of and/or in connection with Lessee's use or occupancy of the Premises; or
 - 2. Airport premises liability. Airport premises liability insurance on an occurrence basis with a single combined liability limit of not less than \$1,000,000 occurrence and \$2,000,000 aggregate limit for bodily injury and property damage.
 - 3. If applicable, third-party aircraft liability insurance with a single combined liability limit of not less than \$1,000,000 per occurrence;
 - 4. Commercial property insurance in the amount of replacement costs.
 - 5. The Lessor reserves the right to require Lessee to provide pollution insurance as warranted by the proposed use of the Premises.
- B. This insurance required under this Section shall:
 - 1. Name the Lessor as an "additional insured"
 - 2. Contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor thirty (30) days prior written notice;
 - 3. Be with an insurance company qualified to do business in the State of Alaska with a financial rating of at least "A" as rated in current Best's Insurance Reports;
 - 4. Include a waiver of subrogation clause by which the insurer waives all rights of subrogation against the Lessor for payments made under the policy; and

5. Not contain a damage deductible for each and every loss that exceeds \$10,000.
- C. Lessee shall provide Lessor with proof of insurance coverage in the form of a certificate of insurance, and if requested by the Lessor, Lessee shall provide Lessor with a copy of the policy(ies). Failure to maintain such insurance in effect shall constitute grounds for immediate termination of this lease. Lessor may at its option purchase said insurance and charge the expense thereof to Lessee, which expense Lessee shall assume and pay.
- D. To reasonably protect itself, Lessor may adjust these minimum insurance requirements and add types of insurance or both by giving Lessee written notice of such adjustment ninety (90) days prior to the expiration of each five (5) year interval of the term of this Lease. Lessor may also adjust these minimum insurance requirements at any time if Lessee's use of the Premises changes, and in such event, Lessor shall give Lessee thirty (30) days written notice of such adjustment.
- E. The requirements of insurance coverage do not relieve Lessee from any other obligation under this Lease.

ARTICLE V - ASSIGNMENT AND SECURITY INTERESTS

Section 5.1 Assignment and Subletting

- A. Lessee shall not voluntarily assign or encumber its interest in this Lease or in the Premises or sublease all or any part of the Premises, or allow any other person or entity to occupy or use all or any part of the Premises without first obtaining Lessor's prior written consent. Lessor will not unreasonably withhold its consent; provided, however, if Lessor does unreasonably withhold its consent, Lessor shall not be liable for any damages, costs or attorney's fees arising therefrom.
1. Lessor may condition its consent upon such terms as are in its best interest, including but not limited to matters regarding laws, insurance, risks, Lessee's defaults or past practices, risks attributable to assignee, etc., but Lessor may not condition its consent upon raising the rent other than as already allowed under this Lease.
 2. Any assignment, encumbrance or sublease without Lessor's consent shall be voidable and, at Lessor's election, shall constitute a default.
 3. No consent to any assignment, encumbrance or sublease shall constitute a further waiver of the provisions of this section.
- B. If Lessee is a partnership or limited liability company, a withdrawal or change, voluntary, involuntary or by operation of law, of any partner or partners, member or members owning twenty-five percent (25%) or more of the partnership or LLC in one or more transactions, or the dissolution of the partnership or LLC, shall be deemed a voluntary assignment.
- C. If Lessee is a corporation any dissolution, merger, consolidation or other reorganization of Lessee, or the sale or other transfer of a controlling percentage of the capital stock of Lessee in one or more transactions, or the sale of twenty-five percent (25%) of the value of the assets of Lessee in one or more transactions without immediate replacement with assets of equal or greater worth, shall be deemed a voluntary assignment.
- D. Lessee hereby irrevocably assigns to Lessor, as security for Lessee's obligations under this Lease, all rent from any subletting of all or a part of the Premises, and Lessor, as assignee and attorney-in-fact for Lease, may collect such rent and apply it toward Lessee's obligations under this Lease, except that, until the occurrence of an act of default by Lessee, Lessee shall have the right to collect such rent as it becomes due, one payment period at a time, which payment period may never exceed one year.

- E. Lessee may not charge a sub-lessee a rent rate that changes from year to year, other than changes that result directly from changes made by Lessor, and Lessee shall never have the right to collect or receive rent in advance of when it is due. If the sub-lessee pays Lessee in advance and Lessor collects rent hereunder, then the sub-lessee must pay the advanced rent to Lessor and sub lessee may retrieve the advanced rent from Lessee. Neither this section nor collection of any such rent by Lessor shall be deemed to be Lessor's approval of any such sublease.
- F. If, as a result of an assignment or sublease, the Premises will be used for purposes other than as set forth in section 3.1 herein. The consent of the Palmer City Council and the FAA, if applicable, must be obtained. It is the policy of the city council to discourage non-aviation related uses. Additionally, if incremental revenues over and above the Lessee's Lease payments will be realized from the sublease or assignment pertaining to non-aeronautical uses, Lessor may raise Lessee's existing rent to fair market value at the time of the approval of the sublease.
- G. All assignment instruments shall include language whereby Assignee expressly assumes and agrees to pay the obligations of Lessee under this Lease.
 - 1. No assignment shall release or diminish the obligations of any Lessee or any Guarantor for performance of Lessee's obligations hereunder and Lessee shall remain liable as if no assignment were made.
 - 2. Lessee and Assignee will be jointly and severally liable for such obligations.
 - 3. Neither this section nor any payment of rent by such Assignee shall be deemed to be Lessor's approval of any such assignment.
- H. All sublease instruments shall provide that the sublease is subject to all of the terms, covenants and conditions of this Lease.
- I. Lessee agrees to pay to Lessor \$500 for any request by Lessee for Lessor to consent to any assignment or subletting by Lessee.

Section 5.2 Mortgage and Encumbrances

- A. Lessee shall not mortgage or otherwise encumber this Lease (including Lessee's leasehold estate in the improvements thereon) without the prior written consent of Lessor.
- B. The Lessor's consent to the mortgage or encumbrance shall not be unreasonably withheld, provided the mortgage or beneficiary shall agree to the attached form of Assignment of Lease for Security Purposes and Consent to Assignment of Lease attached hereto as Exhibit C.
- C. Lessee shall furnish the Lessor with a copy of any security transaction mortgaging or encumbering the Premises for the Lessor's approval prior to any mortgaging or encumbering of the Premises, and shall further furnish a copy to the Lessor of any such executed security transactions.

ARTICLE VI - DEFAULT AND ENFORCEMENT

Section 6.1 Default Defined

The occurrence of one or more of the following shall be deemed a default by the Lessee and a breach of this Lease:

- A. Failure to pay the rent provided herein, or any part thereof, or other charge due hereunder, for a period of ten (10) days after written notice of such failure is given by Lessor to Lessee;
- B. Failure to perform the obligations set forth in Sections 3.8, 3.9, and 3.10 hereof, after any notice required by those sections;

- C. Failure to provide and maintain in effect **insurance** in compliance with Section 4.3 hereof **(for which failure there is no notice time requirement)**;
- D. Failure to do, observe, keep and perform any other terms, covenants, conditions, agreements and provisions contained in this Lease for a period of thirty (30) days after written notice of such failure is given by Lessor to Lessee, or, in the case of a default not reasonably susceptible of being cured within thirty (30) days (which does not include any default which may be cured by the payment of money), failure to commence promptly and proceed diligently and in good faith to cure such default within the initial thirty (30) days and complete such cure within a total of sixty (60) days after the sending of the notice;
- E. The abandonment of the premises by the Lessee, the making by the Lessee of a general assignment for the benefit of creditors, or the appointment of a permanent or temporary receiver for the Lessee's property, which is not vacated or set aside within thirty (30) days of sending of written notice of such event by Lessor; or
- F. The issuance of three (3) written notices for defaults or breaches within any consecutive twelve-month period, regardless of whether or not the default or breach was cured within the applicable time period.

Section 6.2 Lessor Remedies on Default

Upon the occurrence of any default of Lessee as described in Section 6.1 or elsewhere in this Lease, Lessor shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

- A. Lessor may, at its election, terminate this Lease or terminate Lessee's right to possession only, without terminating this Lease.
- B. Upon termination of this Lease, whether by lapse of time or otherwise, or upon any termination of Lessee's right to possession without termination of this Lease, Lessee shall surrender possession and vacate the Premises immediately, and deliver possession thereof to Lessor, and Lessee hereby grants to Lessor full and free license to enter into and upon the Premises in such event with or without process of law and to repossess Lessor of the Premises and to expel or remove Lessee and any others who may occupy or be within the Premises and to remove and all property therefrom, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without incurring any liability for any damage resulting therefrom, Lessee hereby waiving any right to claim damage for such re-entry and expulsion and without relinquishing Lessors right to rent or any other right given to Lessor hereunder or by operation of law.
- C. Upon any termination of this Lease, whether by lapse of time or otherwise, Lessor shall be entitled to recover:
 - 1. The worth at the time of the award of the unpaid rent (including any amounts treated as additional rent) that had been earned at the time of termination;
 - 2. The worth at the time of the award of the amount by which the unpaid rent (including any amounts treated as additional rent) that would have been earned after the date of termination until the time of award exceeds the amount of the loss of rent for the same period that Lessee proves could have been reasonably avoided;
 - 3. The worth at the time of the award of the amount by which the unpaid rent (including a reasonable estimate of additional rent) for the balance of the term exceeds the amount of the loss of rent for the same period that Lessee proves could have been reasonably avoided; and

4. Any other amount, full reasonable attorney's fees and court costs, necessary to compensate Lessor for all detriment proximately caused by Lessee's default.
- D. "The worth at the time of the award," used in this section, is to be computed by allowing interest as determined by the current bond rating from State of Alaska Municipal Bond Bank plus 5%. The "time of the award" is the date the Lessee is notified of the termination of the lease by the Lessor. Such notification shall be done by certified mail.
 - E. Upon any termination of Lessee's right to possession only without termination of this Lease, Lessor may, at the Lessor's option enter into the Premises, remove Lessee's signs and other evidences of tenancy, and take and hold possession thereof as provided in this section, without such entry and possession terminating this Lease or releasing Lessee, in whole or in part, from any obligation, including Lessee's obligation to pay the rent, including any amounts treated as additional rent hereunder, for the full term.
 - F. Upon termination of Lessee's right to possession, Lessor may, but need not, relet the Premises or any part thereof for such rent and upon such terms as Lessor in its sole discretion shall determine (including, but not limited to, the right to relet the Premises for a greater or lesser term than that remaining under this Lease, the right to relet the Premises as a part of a larger area, and the right to change the character or use made of the Premises) and Lessor shall not be required to accept any tenant offered by Lessee or to observe any instructions given by Lessee about such reletting.
 - a. In any such case, Lessor may make repairs, alterations and additions in or to the, Premises, and Lessee shall, upon demand, pay the cost thereof, together with Lessor's expenses of reletting.
 - b. If the consideration collected by Lessor upon any such reletting plus any sums previously collected from Lessee are not sufficient to pay the full amount of all rent, including any amounts treated as additional rent here under and other sums reserved in this Lease for the remaining term hereof, together with the costs of repairs, alterations, additions, and Lessor's expenses of reletting and the collection of the rent accruing therefrom (including attorneys' fees), Lessee shall pay to Lessor the amount of such deficiency upon demand and Lessee agrees that Lessor may file suit to recover any sums falling due under this subpart from time to time.
 - E. Lessor may, at Lessor's option, enter into and upon the Premises, with or without process of law, if Lessor determines in its sole discretion that Lessee is not acting within a commercially reasonable time to maintain repair or replace anything for which Lessee is responsible hereunder and correct the same, without being deemed in any manner guilty of trespass, eviction or forcible entry and detainer and without incurring any liability for any damage resulting therefrom and Lessee agrees to reimburse Lessor, on demand, as additional rent, for any expenses which Lessor may incur in thus effecting compliance with Lessee's obligations under this Lease.
 - F. Any and all property which may be removed from the Premises by Lessor pursuant to the authority of this Lease or of law or in equity, to which Lessee is or may be entitled, may be handled, removed and stored, as the case may be, by or in the direction of Lessor at the risk, cost and expense of Lessee, and Lessor shall in no event be responsible for the value, preservation or safekeeping thereof.
 1. Lessee shall pay to Lessor, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in Lessor's possession or under Lessors control.
 2. Any such property of Lessee not retaken by Lessee from storage within thirty (30) days after removal from the Premises shall conclusively be presumed to have been conveyed by Lessee to Lessor under this Lease as a bill of sale without further

payment or credit by Lessor to Lessee; provided, however, Lessor may disclaim as to any item or items and the effect of such disclaimer will be that the item or items never became the property of Lessor.

- G. Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or equity (all such remedies being cumulative), nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent, additional rent or other sum due to Lessor, hereunder or of any damages accruing to Lessor by reason of the terms, provisions and covenants herein contained.
- H. No act or thing done by Lessor or its agents during the term hereby granted shall be deemed a termination of this Lease or an acceptance of the surrender of the Premises, and no agreement to terminate this Lease or an acceptance of the surrender of the Premises shall be valid unless in writing signed by Lessor.
- I. No judicial action shall be necessary to terminate this Lease.
- J. No waiver by Lessor of any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained.
- K. Lessors acceptance of the payment of rental, including any amount treated as additional rental, or other sums hereunder after the occurrence of an event of default shall not be construed as a waiver of such default, unless Lessor so notifies Lessee in writing.
- L. Forbearance by Lessor to be deemed or construed to constitute a waiver of such default or of Lessor's right to enforce any such remedies with respect to such default or any subsequent default.
- M. If, on account of any breach or default by Lessee in Lessee's obligations under the terms and conditions of this lease, it shall become necessary or appropriate for Lessor to employ or consult with an attorney concerning this Lease or enforce or defend any of Lessor's rights or remedies hereunder, Lessee agrees to pay any attorneys' fees and appellate attorneys' fees so incurred.
- N. Lessor shall not be responsible or liable for any failure to relet the Premises or any part thereof, or for any failure to collect any rent due upon such reletting.

Section 6.3 Lessor's Failure to Enforce and Nonwaiver

- A. Failure by the Lessor to insist the strict performance of any term, condition or covenant of this Lease or to exercise any right or remedy available on a breach thereof, and acceptance of full or partial rentals during the continuance of any such breach shall not constitute a waiver of any such breach or any such term, condition or covenant.
- B. Terms, conditions or covenants of this Lease required to be performed by the Lessee, and breach thereof, shall not be waived, altered or modified, except by written instrument executed by the Lessor.
- C. Waiver of any breach shall not affect or alter any term, condition or covenant of this Lease, and each such term, condition or covenant shall continue in full force and effect with respect to any other then existing or subsequent default or breach thereof, and any other or subsequent default or breach may be enforced by the Lessor as provided in this Lease.

ARTICLE VII - GENERAL COVENANTS

Section 7.1 Condition and Status of Premises

- A. Lessee acknowledges that Lessee has examined the Premises and accepts same in its present condition without any representation or warranty, express or implied in fact or by

law, by the Lessor as to the title, nature, condition or usability of the Premises for the purposes set forth in this Lease, all of said warranties being hereby expressly property **as-is** in its present condition, together with all faults.

- B. Lessee agrees to provide written notice to Lessor immediately upon Lessee becoming aware or having a reasonable belief:
 - 1. That the Premises or any adjacent property is being, may be, or has been contaminated with any Hazardous Materials, or
 - 2. Of the existence of any Hazardous Materials in, within, on or near the Premises or adjacent property.

Section 7.2 Risk of Loss

Destruction or damage to any building or improvement on the Premises by fire, rain, ice, snow, windstorm, earthquake, aircraft accident, or any other casualty or action of the elements shall not entitle the Lessee to surrender possession of the Premises, to terminate this Lease, to violate any of its provisions, or to cause any rebate or abatement in rent when due or thereafter becoming due under the terms hereof.

Section 7.3 Repair or Rebuilding

- A. Upon the destruction or damage to any building or structure by fire or other casualty covered by insurance or that is supposed to be covered by Lessee's insurance, Lessee may, with Lessor's consent rebuild the building or structure.
- B. Upon the destruction or damage to any building or structure by casualty that is not covered by insurance and is not supposed to be covered by insurance, Lessee shall have the right to repair, restore or rebuild the building or structure within one (1) year after the date of such occurrence or as per written agreement with the Airport Manager.

Section 7.4 Condemnation

- A. If all the Premises, or any part thereof required for the reasonable use of the Premises, is taken by eminent domain, this Lease shall expire on the date when the Lessee is required to vacate the Premises, and the rent shall be apportioned as of that date.
- B. If there is a taking of a part of the Premises not required for the reasonable use of the Premises, then this Lease shall continue in full force and effect and the rent shall be equitably reduced, based on the proportion by which the Premises is reduce, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority.
- C. Except for improvements constructed and paid for by Lessee, Lessor reserves all rights to damages to the Premises for any taking by eminent domain and Lessee hereby assigns to Lessor any right Lessee may have to such damages or award.
- D. Lessee shall make no claim against Lessor for damages for termination of the leasehold interest or interference with Lessee's business. Lessee shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which Lessee may be put for Lessee's moving expenses and for the interruption of or damages to Lessee's business, provided that such damages may be claimed only if they are awarded separately in the eminent domain proceeding and not as part of the damages recoverable by Lessor.

Section 7.5 Surrender of Premises

At the expiration of any Lease term, upon termination of this Lease, upon reentry by Lessor or otherwise, the Lessee shall peacefully and quietly surrender the Premises in as good a condition

as it was at the beginning of the initial term, reasonable use and wear and damages by the elements excepted.

Section 7.6 Reversion or Removal of Buildings and Improvements

- A. Any and all buildings, structures, alterations or improvements placed by the Lessee upon the Premises shall, at the option of the Lessor, revert to and become the property of the Lessor at and upon the expiration or termination of this Lease and/or the termination of Lessee's right to possession of the Premises.
- B. Lessor, in its sole discretion, may require Lessee to remove part or all of said buildings, structures, alterations and/or improvements including, but not limited to, fuel tanks and lines, and partially or completely restore the Premises to the condition of the Premises at the inception of this Lease by sending written notice requesting such removal and restoration within sixty (60) days after such expiration or termination.
- C. Lessee shall then at its own expense complete such removal and restoration within ninety (90) days of the sending of such notice.
- D. At the conclusion of the current lease and extension period(s) the existing Lessee shall be given preference in executing a new lease on the same premises, provided that the proposed land use is compatible with the current Airport Layout Plan and the Lessee is otherwise in good standing with the City of Palmer and in substantial compliance with the existing lease.
- E. Section(s) 7.5 and 7.6 do not necessarily preclude a lessee from recovering value from Lessee's leasehold improvements by selling to a third party at any time during the lease term, provided that all other conditions of the active lease have been met. At such time, the buying third party would request a new lease or an assignment of the existing lease, and such request would not be reasonably withheld.

Section 7.7 Holdover

- A. In the event the Lessee shall hold over after the expiration or termination of this Lease for any cause whatsoever, Lessee shall pay Lessor monthly rent at double the annual rental rate divided by twelve for the entire time Lessee remains in possession, and in addition thereto, Lessee shall hold Lessor harmless from all damages resulting from Lessee's failure to surrender the Premises, including, without limitation, claims made by a succeeding tenant resulting from Lessee's failure to surrender the Premises.
- B. If Lessee remains in possession of the Premises after expiration of the term of the Lease, or after the date in any notice given by Lessor to Lease termination this Lease, such possession by Lessee shall be deemed to be a month-to-month tenancy terminable on thirty (30) days' notice given at any time by either party.
- C. The provisions of this section do not exclude Lessor's rights of re-entry or any other right under this Lease.

Section 7.8 Notices

Any notices required to be sent in accordance with the terms of this Lease, including legal process, shall be sent in writing by registered or certified mail, to the parties at the following addresses unless otherwise notified in writing and deemed to be received when so sent:

Lessor's address: City Manager, City of Palmer
 231W. Evergreen Ave.
 Palmer, AK 99645

Lessee's address: XXX Real Estate LLC (TBD)
C/O Dayton J. and Elizabeth A Madison
PO Box 2725
Palmer, AK. 99645

Section 7.9 Rights or Remedies

No right or remedy herein conferred upon or reserved to Lessor is intended to be exclusive or any other right or remedy, but is intended to be in addition to any right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

Section 7.10 Successors in Interest

This Lease shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

Section 7.11 Applicable Law and Forum

This Lease and the respective rights and obligations of the parties shall be construed and interpreted in accordance with the laws of the State of Alaska. Any civil action concerning this Lease shall be brought in Alaska District or Superior Court in Palmer, Alaska, only.

Section 7.12 Recordation of Lease

The parties prefer to record a memorandum of this Lease rather than the Lease itself and contemporaneously with the execution hereof they have executed a memorandum of Lease in the form of Attachment A which is attached hereto and may be recorded by either party. In the event it should be so require by any title company insuring title for Lessee, or by any lending institution from which Lessee proposed to make a loan, then Lessee may cause this Lease to be placed of record.

Section 7.13 Severability

The invalidity or unenforceability of any particular provision of this Lease shall not affect any remaining provisions hereof, and, in any such event this Lease shall be construed and interpreted in all respects as if such invalid or unenforceable provision were omitted.

Section 7.14 Construction

Lessee and Guarantor have been advised to have this Lease and the Guaranty reviewed by their own attorney. The parties agree that this Lease and Guaranty shall not be construed more strictly against one party than the other nor shall this lease be construed against the lessor.

7.15 Gender and Plurality

Unless the context of this Lease clearly requires a different interpretation of construction, all references to masculine, feminine or neuter genders shall be construed to refer to all such genders; and all references to the singular shall also include the plural, and vice versa.

Section 7.16 Joint and Several Liability

The obligations of each Lessee are joint and several.

Section 7.17 Entire Agreement

This written Lease constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior or contemporaneous agreements, oral or

written, between the parties not included herein. No modifications, amendments, deletions, additions or alterations of this Lease shall be effective unless in writing and signed by all of the parties hereto or such representatives of the parties as have been duly authorized to make such change.

LESSOR: CITY OF PALMER

By: _____
Nathan E. Wallace, City Manager

Date: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the ____ day of _____, 2019, before me the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared, to me known and known to me to be the identical individual described in and who executed the within and foregoing LEASE AGREEMENT as City Manager of the City of Palmer, freely and voluntarily on behalf of the City of Palmer for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

Notary Public in and for Alaska

My commission expires: _____

LESSEE: XXX Real Estate, LLC

By: _____
Dayton J. Madison, Member/Manager (TBD)

Date: _____

By: _____
Elizabeth A. Madison, Member (TBD)

Date: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that on the _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared, **Dayton J. Madison, Member / Manager / Owner of the limited liability company** named in the forgoing instruments, acknowledged to me that he/she had, in his/her official capacity is authorized by the limited liability company to execute the foregoing instruments as the free act and deed of the said limited liability company for the uses and purposes therein stated.

WITNESS my hand and official seal the date and year first above written.

Notary public in and for Alaska

My commission expires: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that on the _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared, **Elizabeth A. Madison, Member / Owner of the limited liability company** named in the forgoing instruments, acknowledged to me that he/she had, in his/her official capacity is authorized by the limited liability company to execute the foregoing instruments as the free act and deed of the said limited liability company for the uses and purposes therein stated.

WITNESS my hand and official seal the date and year first above written.

Notary public in and for Alaska

My commission expires: _____

GUARANTOR(s):

By: _____
Dayton J. Madison, Individually

Date: _____

By: _____
Elizabeth A. Madison, Individually

Date: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that on the ____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared, **Dayton J. Madison**, known to me to be the person named in the foregoing instruments, acknowledged to me that he/she had executed the same for the uses and purposes therein stated.

WITNESS my hand and official seal the date and year first above written.

Notary public in and for Alaska

My commission expires: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that on the ____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared, **Elizabeth A. Madison**, known to me to be the person named in the foregoing instruments, acknowledged to me that he/she had executed the same for the uses and purposes therein stated.

WITNESS my hand and official seal the date and year first above written.

Notary public in and for Alaska

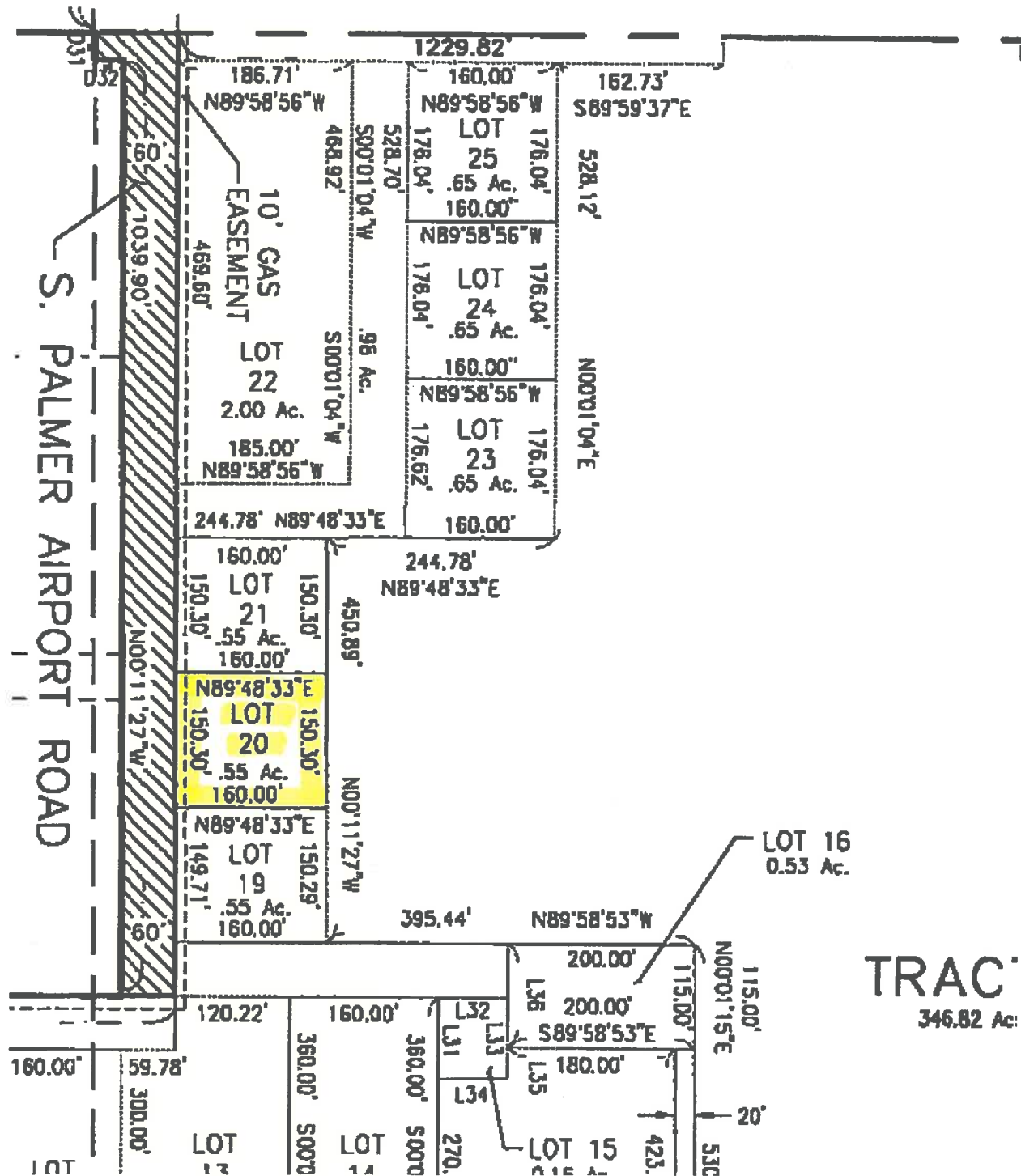
My commission expires: _____

EXHIBIT "A"

PMA LEASE NO. 19-004

PALMER MUNICIPAL AIRPORT: BLOCK 3, LEASE LOT 20

A.K.A. 821 S. AIRPORT ROAD, PALMER, AK. 99645



TRAC
346.82 Ac.

**City of Palmer
Action Memorandum No. 19-045**

Subject: Authorizing the City Manager to Negotiate and Execute an Assignment and Consent to Assignment of Lease Agreement with Alaska Tactical Aviation, LLC (Assignor) and Aurora Sky, LLC (Assignee) for Palmer Municipal Airport Lease No. 19-003 on Lease Lot 10, Block 3, for the Purpose of Transferring the Lease to a Newly Formed LLC


Agenda of: April 23, 2019

Council Action: **Approved** **Amended:** _____
 Defeated


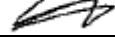

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
X	Finance		4/4/2019
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:


Total amount of funds listed in this legislation: \$ **0.00**

This legislation (√):

- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ _____
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): _____
- Not budgeted

Director of Finance Signature: 

Attachment(s):

- Draft Assignment and Consent to Assignment Agreement for PMA No. 19-003 & (Exhibit A)
- Identity Documents Alaska Tactical Aviation, LLC
- Identity Document Aurora Sky, LLC

Summary Statement/Background:

Mr. Terrance "Terry" M. Cosgrove, 100% owner and Manager of Alaska Tactical Aviation, LLC has requested that his recently signed lease be assigned to his newly created Real Estate LLC, which is also 100% owned and managed by Mr. Cosgrove for liability and taxation purposes.

Mr. Cosgrove has also increased the size of his proposed hangar building to 100' X 120' which is also incorporated into this assignment agreement. The original Memorandum of Lease Agreement with Alaska Tactical Aviation, LLC was not recorded in anticipation of this leasing assignment to allow construction activities to begin without delay.

Administration's Recommendation:

To approve Action Memorandum No. 19-045 Authorizing the City Manager to Negotiate and Execute an Assignment and Consent to Assignment of Lease Agreement with Alaska Tactical Aviation, LLC (Assignor) and Aurora Sky, LLC (Assignee) for PMA Lease No. 19-003 on Lease Lot 10, Block 3, Palmer Municipal Airport for the purpose of transferring the lease to a newly formed Real Estate LLC.



City of Palmer • Palmer Municipal Airport
231 W. Evergreen Avenue • Palmer, AK 99645
Phone: 907-745-3271 Fax: 907-745-0930

ASSIGNMENT AND CONSENT TO ASSIGNMENT

In consideration of and in reliance upon the above assumption and promises contained in this instrument, the City of Palmer hereby consents to the foregoing Assignment of Lease Agreement PMA No. 19-003 on Lot 10, Block 3, for the Palmer Municipal Airport, Palmer Recording District, Third Judicial District, State of Alaska **between Alaska Tactical Aviation, LLC, ("Assignor") to Aurora Sky, LLC, ("Assignee").**

Current Palmer Municipal Airport Lease No. 19-003 (The Airport Lease) is in Effect. Except as otherwise expressly stated herein, nothing in this Assignment and Consent to Assignment of PMA Lease No. 19-003 is intended to amend or alter any of the terms and conditions of the Airport Lease or any amendments thereto previously executed by Lessor and Lessee. All terms and conditions remain in full force and effect.

Amendment(s)

No. 1: Section 2.1 Improvements

Item (A. 1.) is amended to read as follows:

1. Improvements consist of: 100' x 120' Pre-Engineered Metal Hangar Building

Notices

Any notices required to be sent in accordance with the terms of this Lease, including legal process, shall be sent in writing by registered or certified mail, to the parties at the following addresses unless otherwise notified in writing and deemed to be received when so sent:

Lessor's address: City Manager
City of Palmer
231 W. Evergreen Ave., Palmer, AK 99645

Lessee's address: **Aurora Sky, LLC**
2174 N. Nadina Street
Palmer, AK. 99645

This Assignment and Consent to Assignment of lease will not release the Assignor from obligations under the Airport Lease should the new Lessee default. In the event of the default of the Assignee, the lease agreement shall revert to the Assignor.

LESSOR: CITY OF PALMER

By: _____
Nathan E. Wallace, City Manager

Date: _____

ASSIGNOR: ALASKA TACTICAL AVIATION, LLC

By: _____
Terrance M. Cosgrove, Member (100% Owner) Date: _____

ASSIGNEE AND LESSEE: AURORA SKY, LLC

By: _____
Terrance M. Cosgrove, Member (100% Owner) Date: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the _____ day of _____, 2019, before me the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared, Nathan E. Wallace, known to me to be the identical individual described in and who executed the within and foregoing Assignment and Consent to Assignment Agreement as City Manager of the City of Palmer, freely and voluntarily on behalf of the City of Palmer for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

Notary Public in and for Alaska

My commission expires: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that on the _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared, Terrance M. Cosgrove, Member / Owner of Alaska Tactical Aviation, the limited liability company named in the forgoing instruments, acknowledged to me that he/she had, in his/her official capacity is authorized by the limited liability company to execute the foregoing instruments as the free act and deed of the said limited liability company for the uses and purposes therein stated.

WITNESS my hand and official seal the date and year first above written.

Notary public in and for Alaska

My commission expires: _____

NOTARY

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

This is to certify that on the _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared, Terrance M. Cosgrove, Member / Owner of Aurora Sky, the limited liability company named in the forgoing instruments, acknowledged to me that he/she had, in his/her official capacity is authorized by the limited liability company to execute the foregoing instruments as the free act and deed of the said limited liability company for the uses and purposes therein stated.

WITNESS my hand and official seal the date and year first above written.

Notary public in and for Alaska

My commission expires: _____

GUARANTOR(s):



THE STATE
of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

Date Filed: 10/12/2018
State of Alaska, DCCED

FOR DIVISION USE ONLY

Limited Liability Company
2019 Biennial Report

For the period ending December 31, 2018

Web-10/12/2018 3:33:54 PM

- This report is due on January 02, 2019
- \$100.00 if postmarked before February 02, 2019
- \$137.50 if postmarked on or after February 02, 2019

Entity Name: Alaska Tactical Aviation LLC
Entity Number: 96591
Home Country: UNITED STATES

Home State/Province: ALASKA

Registered Agent

Name: Terrance Michael Cosgrove
Physical Address: 2174 North Nadina St., Palmer, AK 99645
Mailing Address: 2174 North Nadina St., Palmer, AK 99645

Entity Physical Address: 2174 NORTH NADINA ST., PALMER, AK 99645

Entity Mailing Address: 2174 NORTH NADINA ST., PALMER, AK 99645

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

Name	Address	% Owned	Titles
Terrance Michael Cosgrove	2174 NORTH NADINA ST., PALMER, AK 99645	100	Member

Purpose: Aviation Training

NAICS Code: 611512 - FLIGHT TRAINING

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: Terrance Cosgrove

ENTITY DETAILS

Name(s)

Type:	Legal Name
Name:	Alaska Tactical Aviation LLC
Type:	Previous Legal Name
Name:	Dark Crow Aviation LLC.

Entity Type:
Limited Liability Company

Entity #:
96591

Status:
Good Standing

AK Formed Date:
10/17/2005

Duration/Expiration:
Perpetual

Home State:
ALASKA

Next Biennial Report Due:
1/2/2021

Entity Mailing Address:
2174 NORTH NADINA ST., PALMER, AK 99645

Entity Physical Address:
2174 NORTH NADINA ST., PALMER, AK 99645

Registered Agent

Agent Name:
Terrance Michael Cosgrove

Registered Mailing Address:
2174 North Nadina St., Palmer, AK 99645

Registered Physical Address:
2174 North Nadina St., Palmer, AK 99645

Officials

Show Former (None on file)

AK Entity #:	
Name:	Terrance Michael Cosgrove
Titles:	Member
Owned:	100

Filed Documents

Date Filed:	10/17/2005
Type:	Creation Filing
Filing:	Click to View
Certificate:	
Date Filed:	11/22/2006
Type:	Biennial Report
Filing:	Click to View
Certificate:	
Date Filed:	12/22/2008
Type:	Initial Report
Filing:	Click to View
Certificate:	
Date Filed:	2/14/2009
Type:	Biennial Report
Filing:	Click to View
Certificate:	
Date Filed:	12/22/2010
Type:	Biennial Report
Filing:	Click to View
Certificate:	
Date Filed:	3/14/2011
Type:	Amendment
Filing:	Click to View
Certificate:	Click to View
Date Filed:	11/27/2012
Type:	Biennial Report
Filing:	Click to View
Certificate:	

Date Filed:	11/05/2014
Type:	Biennial Report
Filing:	Click to View
Certificate:	
Date Filed:	11/08/2016
Type:	Biennial Report
Filing:	Click to View
Certificate:	
Date Filed:	10/12/2018
Type:	Biennial Report
Filing:	Click to View
Certificate:	

[Close Details](#)

[Print Friendly Version](#)

Alaska Entity #: 96591

State of Alaska
Department of Commerce, Community, and
Economic Development
Division of Banking, Securities and Corporations

CERTIFICATE
OF
AMENDMENT
Name Change

THE UNDERSIGNED, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that Articles of Amendment have been duly signed and verified pursuant to the provisions of Alaska Statutes, have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Community and Economic Development, and by virtue of the authority vested in me by law, hereby issues this Certificate of Amendment to

Alaska Tactical Aviation LLC
Formerly,
Dark Crow Aviation LLC.

and attaches hereto the original copy of the Articles of Amendment.



IN TESTIMONY WHEREOF, I execute this certificate and affix the Great Seal of the State of Alaska on March 14, 2011

A handwritten signature in cursive script that reads "Susan Bell".

Susan Bell
Commissioner



State of Alaska
Corporations, Business and Professional Licensing
CORPORATION SECTION
 PO Box 110808
 Juneau, AK 99811-0808

AK Entity #: 96591
 Date Filed: 10/17/2005 09:52 AM
 Effective Date: 11/01/2005 12:00 AM
 State of Alaska
 Department of Commerce

ARTICLES OF ORGANIZATION
 Online Filing
 (Domestic Limited Liability Company)

The undersigned person(s) of the age of 18 years or more, acting as organizers of a limited liability company under the Alaska Limited Liability Act (AS 10.50) hereby adopt the following Articles of Organization:

Article 1. Name of the Limited Liability Company. The name of a limited liability company must contain the words "limited liability company" or the abbreviation "L.L.C.," or "LLC":

Dark Crow Aviation LLC.

Article 2. The purpose for which the company is organized. A limited liability company may list any lawful as its purpose:

Aviation Training

Article 3. Registered Agent Name and Address:

Name:	Terrance Michael Cosgrove
Mailing Address:	2174 North Nadina St. Palmer, AK 99645
Physical Address if Mailing Address is a Post Office Box:	

Article 4. Duration:

Check this box if the duration is perpetual:

If the duration is not perpetual, list the latest date upon which the Limited Liability Company is to dissolve:

Article 5. Management: Check this box if the company will be managed by a manager.

Article 6. Optional Provisions:

One or more organizer shall sign the Articles of Organization for a limited liability company.

Name of Organizer	Online Signature of Organizer
Terrance Michael Cosgrove	Terrance Michael Cosgrove

Date Submitted Online
 October 17, 2005

Alaska Entity #: 96591

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

**CERTIFICATE
OF
ORGANIZATION
Limited Liability Company**

THE UNDERSIGNED, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that Articles of Organization duly signed and verified pursuant to the provisions of Alaska Statutes has been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Dark Crow Aviation LLC.

and attaches hereto the original copy of the Articles of Organization for such certificate.



IN TESTIMONY WHEREOF, I execute
this certificate and affix the Great Seal of
the State of Alaska on **October 17, 2005.**

A handwritten signature in black ink, appearing to read "William C. Noll".

William C. Noll
Commissioner

**DISCLOSURE OF COMPANY ACTIVITIES
USING THE
NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM
(NAICS)**

A separate disclosure of purpose must be attached to the entity creation filing that most closely describes the activities of the entity. The NAICS Code must not conflict with the purpose listed in the formation document.

The 6 digit NAICS industry grouping code that most clearly describe the initial activities of the corporation is:

611512

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

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Aurora Sky L.L.C.



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective **March 31, 2019.**

A handwritten signature in cursive script, appearing to read "Julie Anderson".

Julie Anderson
Commissioner



THE STATE
of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

COR

FOR DIVISION USE ONLY

Web-4/1/2019 4:47:52 PM

Limited Liability Company
Initial Biennial Report

Entity Name: Aurora Sky L.L.C.
Entity Number: 10103160
Home Country: UNITED STATES
Home State/Province: ALASKA

Registered Agent

Name: Terrance Cosgrove
Physical Address: 2174 N NADINA ST, PALMER, AK 99645
Mailing Address: 2174 N NADINA ST, PALMER, AK 99645

Entity Physical Address: 2174 N NADINA ST, PALMER, AK 99645

Entity Mailing Address: 2174 N NADINA ST, PALMER, AK 99645

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

Name	Address	% Owned	Titles
Terrance Cosgrove	2174 N Nadina St, Palmer, AK 99645	100	Manager, Member

NAICS Code: 531120 - LESSORS OF NONRESIDENTIAL BUILDINGS (EXCEPT MINIWAREHOUSES)

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: Terrance Cosgrove

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on April 9, 2019, at 7:00 p.m. in the Council Chambers, Palmer, Alaska. Mayor DeVries called the meeting to order at 7:00 p.m.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Edna DeVries, Mayor	Sabrena Combs
Julie Berberich	David Fuller
Steve Carrington	Pete LaFrance, Deputy Mayor
Linda Combs	

Staff in attendance were the following:

Nathan Wallace, City Manager	Angie Anderson, Deputy City Clerk
Norma I. Alley, MMC, City Clerk	Brad Hanson, Community Development Director
Michael Gatti, City Attorney (Participated Telephonically)	

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. Introduction of **Ordinance No. 19-004:** Amending Palmer Municipal Code Chapter 5.28 Pertaining to Roving Vendors and Retitling it to Itinerant Vendors
 - b. **Action Memorandum No. 19-041:** Confirming the Mayor’s Nomination of Casey Peterson to the Planning and Zoning Commission with a Term Ending October 31, 2021
2. Approval of Minutes of Previous Meetings
 - a. March 12, 2019, Regular Meeting
 - b. March 26, 2019, Regular Meeting

Main Motion: To Approve Agenda, Consent Agenda, and Minutes

Moved by:	Fuller
Seconded by:	L. Combs
In favor:	Berberich, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None
Action:	Motion Carried

E. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Presentation of a Proclamation to the Palmer High School eSports Team for their Achievement in Competing in the 2018 Fall Overwatch National Championships Invitational

Mayor Devries read and presented the proclamation to the Palmer High School eSports Team.

2. Presentation of a Proclamation Recognizing Education and Sharing Day

Mayor DeVries read and presented the proclamation to Rabbi Mendi Greensburg recognizing Education and Sharing Day. Rabbi Greenberg spoke on the importance of education, character building and communities supporting the young people.

F. REPORTS

1. City Manager’s Report

City Manager Wallace highlighted his written report and stated:

- Street sweepers would begin soon;
- Police foot patrol had resumed;
- Construction season had started;
- Palmer Golf Course is open; and
- His recent radio interview was available on the Radio Free Palmer website.

2. City Clerk’s Report

City Clerk Alley highlighted her written report.

3. Mayor’s Report

Mayor DeVries highlighted her written report and announced she would be attending the Palmer High School graduation, so she would be absent from the May 14 meeting.

4. City Attorney’s Report

None.

G. AUDIENCE PARTICIPATION

Dr. Jill Valerius spoke to the Palmer Spring Classic bike event and encouraged the Council to approve the Council Community Grant.

Mr. Mike Chmielewski thanked the Council for considering changing some of the short-term rental language.

Mrs. Lee Henrikson asked for Colony High School graduation be included in list of events for the Council.

Parks, Recreation and Cultural Resources Advisory Board Member Stephanie Allen announced funding had been secured through THRIVE, Palmer Community Foundation, and Palmer Rotary in the amount of \$13,000.00 for lighting improvements at local parks.

Mr. Larry Hill spoke to the thirty-day duration for of short-term rental stays as being too long and encouraged the Council to find a way to enforce the current ordinances.

H. PUBLIC HEARING

1. **Ordinance No. 19-003:** Amending Palmer Municipal Code Section 17.89.060(E) and Section 17.89.070(F) Relating to Short Term Rentals

Mayor DeVries opened the public hearing on Ordinance No. 19-003.

Deputy Mayor LaFrance asked for definitions be given on the short-term rental language. Community Development Director Bard Hanson spoke to the definitions and brought clarity to the ordinance.

Mr. Dean Phipps stated he supported the conditional use permit process, encouraged the Council to adopt Ordinance No. 19-003, and felt it will benefit Palmer by giving more opportunities for people to stay in the area as there are limited hotel options in the city.

Ms. Cassy Campbell spoke in favor of Ordinance No. 19-003 and asked the Council to adopt the ordinance.

Mayor DeVries closed the public hearing.

Main Motion: To Adopt Ordinance No. 19-003

Moved by:	S. Combs
Seconded by:	Fuller
In favor:	Berberich, S. Combs, Fuller, LaFrance
Opposed:	Carrington, L. Combs, DeVries
Action:	Motion Carried

Discussion ensued regarding the amount of time that was allowed for a single stay and potential impacts on allowing short-term rentals in the R-1 Zone.

Primary Amendment #1: To Postpone Ordinance No. 19-003 to April 23 and Set it to a Second Public Hearing

Moved by:	Carrington
Seconded by:	L. Combs
In favor:	Carrington, L. Combs, DeVries,
Opposed:	Berberich, S. Combs, Fuller, LaFrance
Action:	Motion Failed

Vote on Main Motion: To Adopt Ordinance No. 19-003

In favor:	Berberich, S. Combs, Fuller, LaFrance
Opposed:	Carrington, L. Combs, DeVries
Action:	Motion Carried

- Resolution No. 19-012:** Accepting and Appropriating the 2019 Volunteer Fire Assistance Grant from the State of Alaska, Department of Natural Resources, Division of Forestry in the Amount of \$3,641.06 for the Purchase of Wildland Firefighting Equipment

Mayor DeVries opened the public hearing on Resolution No. 19-012. Seeing no one come forward to speak and hearing no objection from the Council, the public hearing was closed.

Main Motion: To Approve Resolution No. 19-012

Moved by:	S. Combs
Seconded by:	Fuller
In favor:	Berberich, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None
Action:	Motion Carried

I. NEW BUSINESS

- Action Memorandum No. 19-042:** Approving a Council Community Grant in the Amount of \$1,000.00 to the Palmer Spring Classic Organizers to Support the Palmer Spring Classic 2019 Bike Event

Council Member Berberich was recused due to her business being the primary sponsor for the event.

Main Motion: To Approve Action Memorandum No. 19-042

Moved by:	L. Combs
Seconded by:	Carrington
In favor:	Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None
Abstained:	Berberich
Action:	Motion Carried

J. RECORD OF ITEMS PLACED ON THE TABLE

City Clerk Alley stated the Education and Sharing Day brochure, Palmer Municipal Code handout pertaining to conditional use permits, and a petition provided by Mr. Larry Hill were the Items Placed on the Table.

K. AUDIENCE PARTICIPATION

Mr. Mike Chmielewski asked for clarification on the amount of time one can rent their short-term rental.

Mr. Dean Phipps spoke to the parking for short-term rentals being a valid concern.

Mr. Larry Hill invited the Council to the 49th State Street Rodders’ indoor car show held on May 3-5 at the Palmer Ice Arena.

L. COUNCIL MEMBER COMMENTS

Council Member Berberich thanked the Council for approving Action Memorandum No. 19-042, stated she believed in the conditional use permits process, and felt short-term rentals would be valuable for Palmer.

Deputy Mayor LaFrance thanked the city for the flowers sent after his recent injury, was glad to hear the city manager was bringing back police foot patrols, and encouraged the city manager to consider bike patrols.

Council Member S. Combs reported citizens expressed they were pleased with police presence at the Amusement Park and announced she would be doing clean up at the arboretum in honor of Arbor Day May 20, 2019.

Council Member L. Combs stated she was grateful for all the city offers for events and drawing people to the city.

M. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 8:53 p.m.

Approved this ____ day of _____, 2019.

Norma I. Alley, MMC, City Clerk

Edna B. DeVries, Mayor



PROCLAMATION

PROCLAIMING MAY 2019 AS PALMER BIKE MONTH

WHEREAS, the bicycle is a healthy, convenient, financially and environmentally sound form of transportation and an excellent tool for recreation and enjoyment of the City of Palmer's scenic beauty, local attractions, and friendly neighborhoods; and

WHEREAS, throughout the month of May, the residents of Palmer and its visitors will experience the joys of bicycling through commuting events, Bike to School Day, trail work days, or by simply getting out and going for a ride; and

WHEREAS, the City of Palmer's road and trail system attracts bicyclists each year, providing economic health, transportation, tourism, and scenic benefits; and

WHEREAS, creating a bicycling-friendly community has been shown to improve citizens' health, well-being, and quality of life, growing the economy of Palmer, attracting tourism dollars, improving traffic safety, supporting student health and learning, and reducing pollution, congestion, and wear and tear on our streets and roads.

NOW, THEREFORE, IT IS PROCLAIMED by the Mayor and City Council of the City of Palmer, Alaska, do hereby recognize May, 2019, as Palmer Bike Month, and encourage residents to bike to work, bike to school and bike for a healthy living.

IN WITNESS WHEREOF, I have hereunto set my hand and cause the seal of the City of Palmer to be affixed on this 23rd day of April, 2019.

This text box represents the space needed for the seal. Ensure there is proper space for the seal.

Remove this text box prior to printing

Edna B. DeVries, Mayor

Norma I. Alley, MMC, City Clerk


MCRRS
Mobile Cleaning, Reclaim & Recycle System







Hans Vogel, hvogel@triverus.com 907-830-9098

Technology Readiness MCRRS
Mobile Cleaning, Reclaim & Recycle System



Phase I Concept Vehicle

Development Mule
CVN 71
• Operation W/O Sailor
Interaction = 30 min Max.



Development Mule

Prototype

Pre-Production

LRIP (Low Rate Initial Production)

Hans Vogel, hvogel@triverus.com 907-830-9098
2

Technology Readiness MCRRS

Mobile Cleaning, Reclaim & Recycle System



Phase II Prototype Vehicle



Prototype Vehicle

- CVN 69
- Norfolk Naval Base



Hans Vogel, hvogel@triverus.com 907-830-9098

Technology Readiness MCRRS

Mobile Cleaning, Reclaim & Recycle System



Phase II Vehicle



Pre-Production Vehicle

- CVN 69
- Norfolk Naval Base
- LHD-5
- Norfolk Naval Base, Little Creek Base, shore-side.



Hans Vogel, hvogel@triverus.com 907-830-9098

Technology Readiness MCRRS


Mobile Cleaning, Reclaim & Recycle System


LRIP
2009-2017

- CVN 72 Pier-side
- LHD-6 Pier-side
- CVN-72 Underway
- CVN-76 Underway
- CNV-72 Underway (Workup)
- Bataan Micro FOD remediation
- LHD-6 Micro FOD remediation, Underway, and Deployment Underway


Production Units Deployed:


- USS America (LHA-6)
- USS BHR (LHD-6) MCRRS forward deployed for 3-Years
- Units currently being fielded to WASP and Kearsarge





Technology Readiness





Technology Readiness



Development Mule Prototype Pre-Production **Production**

Technology Readiness ^{MCRRS}


Mobile Cleaning, Reclaim & Recycle System



Development Mule Prototype Pre-Production **Production**

Hans Vogel, hvogel@triverus.com 907-830-9098


L-Class Functionality **MCRRS**
Mobile Cleaning, Reclaim & Recycle System



Development Mule Prototype Pre-Production **Production**


Hans Vogel, hvogel@triverus.com 907-830-9098

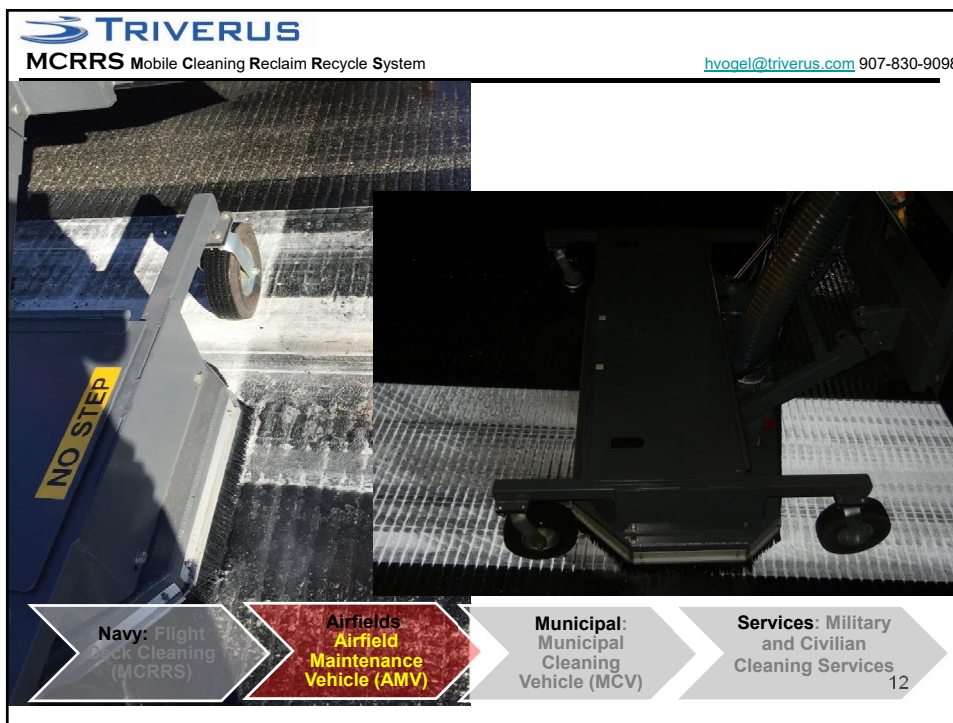
Performance **MCRRS**
Mobile Cleaning, Reclaim & Recycle System



USS Dwight D. Eisenhower
(CVN 69)
2006.08.22

NAVY MCRRS
(MOBILE CLEANING RECLAIM RECYCLE SYSTEM)





TRIVERUS
MCRRS Mobile Cleaning Reclaim Recycle System hvogel@triverus.com 907-830-9098

Navy: Flight Deck Cleaning (MCRRS)

Airfields: Airfield Maintenance Vehicle (AMV)

Municipal Municipal Cleaning Vehicle (MCV)

Services: Military and Civilian Cleaning Services

TRIVERUS
MCRRS Mobile Cleaning Reclaim Recycle System hvogel@triverus.com 907-830-9098

Challenges/Opportunities

- Vendor and Manufacturing Process Availability is Limited
 - Some manufacturing processes were missing or underdeveloped
 - These vendors and processes have in many cases grown with us
 - Tech based manufacturing processes have drawn many other lines of business as a result of it's availability
- Infrastructure in Palmer
 - Existing and accessible industrial zoning has made way to develop in a predictable environment.
 - Electrical basics are there (3Phase power), however practical timelines in development and cost are still very challenging and accessibility is not as clear.
 - Triverus/TriJet currently occupies over 15,000 ft2 of manufacturing space. Advanced manufacturing technologies have been developed and are in-house.
 - Over 28 Employees in Palmer, with the vast majority living in the Valley. Employing engineering, management, and technology based manufacturing jobs

Navy: Flight Deck Cleaning (MCRRS)

Airfields: Airfield Maintenance Vehicle (AMV)

Manufacturing 14

Staff Updates:

Community Development:

Building Department Report
MARCH 2019

Permit Type	Count	Total Valuation	Permit Fees Collected	Plan Review Fees Collected
Building Permit	8	\$1,697,422.00	\$11,659.75	\$4,587.50
Sign Permit	1	\$7,000.00	\$283.00	
Fence Permit	1	\$3,000.00	\$26.00	
Totals	10	\$1,707,422.00	\$11,968.75	\$4,587.50

TYPE OF PERMITS:

Applicant	Valuation	Type of Work	Permit Fee	Plan Review Fee
WM Construction LLC	\$267,264.00	SF New	\$2,150.25	
Stevenson, Maureen E.	\$3,000.00	Fence	\$26.00	
Kompkoff, Calvin	\$15,000.00	SF Alteration	\$279.50	
WM Construction LLC	\$184,508.00	SF New	\$1,637.00	
Phipps, Dean	\$1,000.00	SF Alteration	\$43.00	
Morino, Michael	\$30,000.00	SF Alteration	\$491.75	
Johnson, Jefef	\$13,000.00	COM Alteration	\$248.25	\$161.25
Jenski, Randal	\$7,000.00	Sign	\$283.00	
C.I.G. LLC	\$800,000.00	COM New	\$3,914.75	\$2,544.50
Lavin, Greg	\$386,650.00	COM New	\$2,895.25	\$1,881.75

YEAR TO DATE COMPARISON:

Year	Building Permits	Sign Permits	Fence Permits	Year to Date Valuation	Year to Date Permit Fees	Year to Date Plan Review Fees
2009	6	2	0	\$335,374.00	\$3,413.75	
2010	17	0	0	\$2,123,195.00	\$14,370.75	
2011	17	8	1	\$568,939.00	\$7,471.25	
2012	16	11	1	\$3,426,369.00	\$25,643.50	
2013	6	3	2	\$527,860.00	\$4,749.00	
2014	11	2	0	\$4,983,890.00	\$27,411.00	
2015	23	5	1	\$1,929,578.00	\$18,359.50	
2016	8	7	1	\$22,355,993.00	\$97,119.25	
2017	13	3	0	\$2,273,516.00	\$17,738.75	\$9,632.50
2018	8	3	0	\$1,491,635.00	\$12,621.50	\$5,643.50
2019	17	3	1	\$5,860,494.00	\$33,346.00	\$17,491.50

Finance:

Expenditures through March 31, 2019

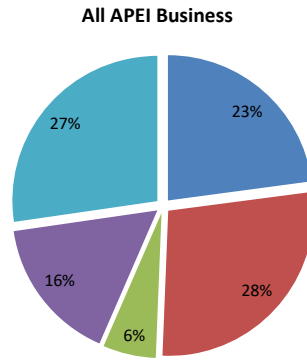
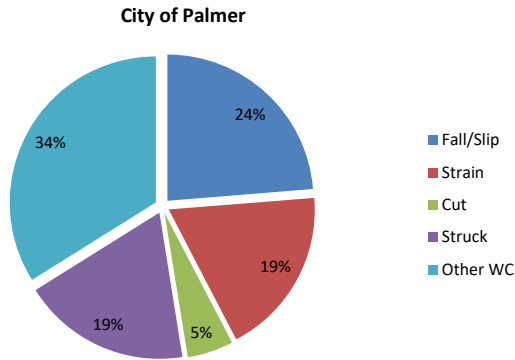
01 -General Fund		% OF YEAR COMPLETED: 25.00					
FINANCIAL SUMMARY		CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>EXPENDITURE SUMMARY</u>							
<u>Administration</u>							
Manager	689,923	59,194.08	147,059.05	0.00	542,863.95	21.32	
Finance	899,198	81,473.00	261,276.03	11,501.45	626,420.52	30.34	
Community Development	648,931	56,110.76	132,830.13	0.00	516,100.87	20.47	
City Hall Complex	73,107	4,417.68	17,698.76	408.90	54,999.34	24.77	
Tourist Center	188,530	56,833.43	59,461.13	0.00	129,068.87	31.54	
Community Center (Depot)	40,173	2,690.52	8,595.52	0.00	31,577.48	21.40	
Non Departmental	<u>1,241,214</u>	<u>260.34</u>	<u>784.93</u>	<u>0.00</u>	<u>1,240,429.07</u>	<u>0.06</u>	
TOTAL Administration	3,781,076	260,979.81	627,705.55	11,910.35	3,141,460.10	16.92	
<u>City Council</u>							
Mayor/Council/City Clerk	<u>490,933</u>	<u>33,291.22</u>	<u>97,318.35</u>	<u>0.00</u>	<u>393,614.65</u>	<u>19.82</u>	
TOTAL City Council	490,933	33,291.22	97,318.35	0.00	393,614.65	19.82	
<u>Police Dept</u>							
Police Administration	2,523,215	225,287.80	576,903.78	0.00	1,946,311.22	22.86	
Animal Control	16,000	0.00	3,383.00	0.00	12,617.00	21.14	
State Trooper Building	21,271	1,147.10	5,873.26	0.00	15,397.74	27.61	
Jail	5,500	0.00	9,988.51	0.00	4,488.51	181.61	
Police Building	56,112	1,033.09	10,960.73	0.00	45,151.27	19.53	
Communication Center	990,228	104,402.81	218,880.91	0.00	771,347.09	22.10	
Police Vehicle Maint	<u>1,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,000.00</u>	<u>0.00</u>	
TOTAL Police Dept	3,613,326	331,870.80	825,990.19	0.00	2,787,335.81	22.86	
<u>Fire Dept</u>							
Fire Administration	824,424	65,869.59	167,388.08	0.00	657,035.92	20.30	
Fire Building Maint	21,000	498.05	642.28	0.00	20,357.72	3.06	
Fire Vehicle Maintenance	<u>22,000</u>	<u>19.73</u>	<u>1,889.35</u>	<u>0.00</u>	<u>20,110.65</u>	<u>8.59</u>	
TOTAL Fire Dept	867,424	66,387.37	169,919.71	0.00	697,504.29	19.59	
<u>Public Works</u>							
Administration	870,048	78,248.17	188,958.59	0.00	681,089.41	21.72	
PW Roads	579,709	45,323.38	110,378.13	29,452.50	439,878.37	24.12	
PW Engineering	7,500	0.00	0.00	0.00	7,500.00	0.00	
PW Street Light Maint	134,000	0.00	21,392.35	794.00	111,813.65	16.56	
PW Vehicle Maintenance	312,844	28,323.48	56,594.17	7,447.00	248,802.83	20.47	
PW Parks & Recreation	<u>124,502</u>	<u>21.00</u>	<u>213.18</u>	<u>0.00</u>	<u>124,288.82</u>	<u>0.17</u>	
TOTAL Public Works	2,028,603	151,916.03	377,536.42	37,693.50	1,613,373.08	20.47	
<u>Community Development</u>							
Library	729,151	57,249.04	144,880.25	0.00	584,270.75	19.87	
Public Assistance Grant	6,900	0.00	1,029.74	0.00	5,870.26	14.92	
MTA Events Center	586,021	32,391.74	119,715.92	0.00	466,305.08	20.43	
Parks & Rec	<u>8,600</u>	<u>965.32</u>	<u>1,093.67</u>	<u>0.00</u>	<u>7,506.33</u>	<u>12.72</u>	
TOTAL Community Development	1,330,672	90,606.10	266,719.58	0.00	1,063,952.42	20.04	
TOTAL EXPENDITURES		12,112,034	935,051.33	2,365,189.80	49,603.85	9,697,240.35	19.94

Summary of Workers' Compensation Experience

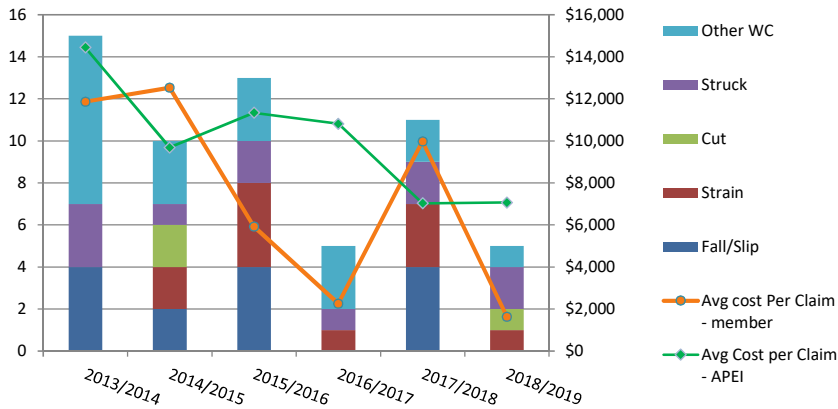
City of Palmer

7/1/2013 - 3/31/2019

Claim Count by Injury Type



Number, Type, and Average Size of Claims by Year



Timeliness

Proportion of claims reported to APEI within 14 days of the date of injury

88% City of Palmer
83% Overall APEI



Frequency

Number of Injuries per \$1 Mil of Payroll

2.15 City of Palmer
1.31 Overall APEI non-School Districts



Severity

Average medical and indemnity cost per claim (claims capped at \$750,000 each)

8,636 City of Palmer
10,008 Overall APEI non-School Districts

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Fall/Slip	4	2	4	0	4	0
Strain	0	2	4	1	3	1
Cut	0	2	0	0	0	1
Struck	3	1	2	1	2	2
Other WC	8	3	3	3	2	1
Total WC Claims	15	10	13	5	11	5
Average Cost Per Claim for Member	11,864	12,529	5,928	2,255	9,979	1,634
Overall Avg Cost Per Claim for APEI	14,441	9,686	11,340	10,815	7,028	7,070

Data is as of 3/31/2019

City of Palmer represents

1.3% of the 2018/19 Workers' Compensation Payroll written by APEI

Note on Injury Types

"Fall/Slip" includes falls or slips from a ladder, from a different level, on ice/snow, due to liquids or grease, or on stairs

"Strain" includes strains due to reaching, twisting, lifting, pulling, noise, or from using a tool or machinery

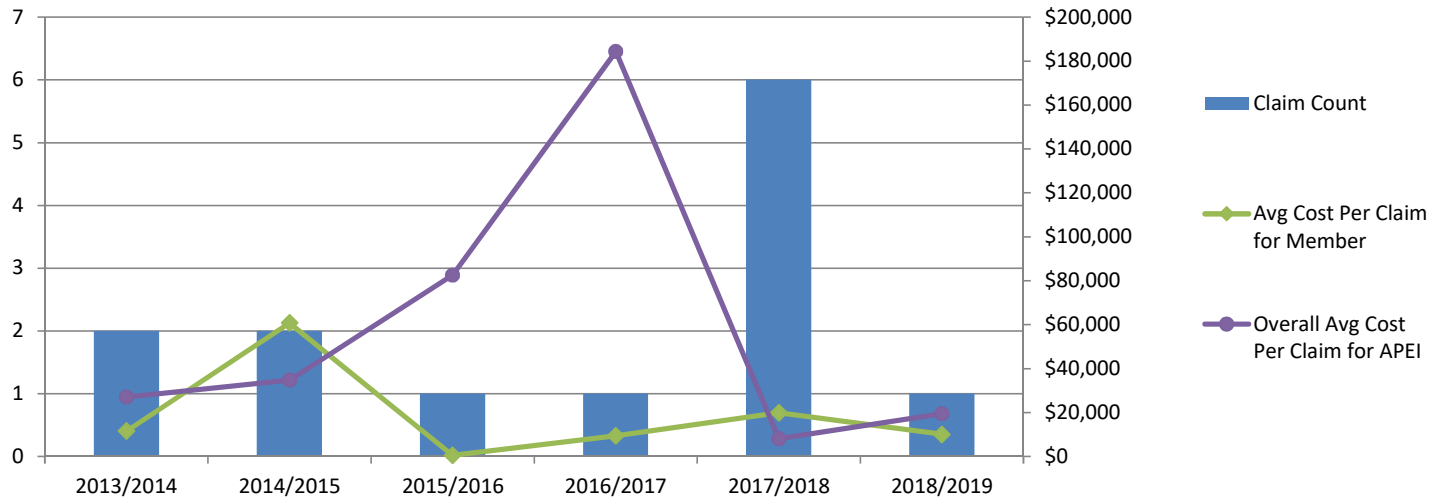
"Cut" includes cuts from broken glass, tools, objects being handled, or other sources

Summary of Liability and Auto Experience

City of Palmer

7/1/2013 - 3/31/2019

Number and Size of Liability & Auto Claims by Year



	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Claim Count	2	2	1	1	6	1
Avg Cost Per Claim for Member	11,588	60,779	500	9,319	19,813	10,000
Overall Avg Cost Per Claim for APEI	26,958	34,716	82,600	184,362	8,085	19,402

City of Palmer represents

1.3% of the 2018/19 Liability & Auto Payroll written by APEI

Data is as of 3/31/2019

Upcoming items of interest:

- Inside the City Radio Interviews: City Manager April 26, Public Works (City Clean Message) May 3, Mayor May 10, Golf Course May 17, Fire Chief May 24
- City Manager Vacation: April 27- May 24 (Absent for May 12 meeting)

Mayor's Memo

Council Meeting report – April 23, 2019

NOTES AND UP COMING EVENTS

WEDNESDAY, APRIL 24 – DEPARTMENT OF TRANSPORTATION DEPOT 4 TO 7

FRIDAY, APRIL 26 TO 28 – WHO LET THE GIRLS OUT

SATURDAY, APRIL 27 – WENDY'S GRAND OPENING

TUESDAY, APRIL 30 HELIPAD AT AIRPORT DEDICATION

WEDNESDAY, MAY 1 – MAPLE SPRINGS GRAND OPENING – WASILLA

THURSDAY, MAY 2 – AGENDA SETTING MEETING

THURSDAY, MAY 2 – NATIONAL DAY OF PRAYER PROCLAMATION

SATURDAY, MAY 4 – LITTLE LEAGUE OPENING CERMONIES

MONDAY, MAY 6 - DRIVE YOUR TRACTOR TO WORK

WEDNESDAY, MAY 8 – PROCLAMATION TO MAT SU SENIORS

TUESDAY, MAY 7 – LIGHT YOUR WAY HOME LUNCHEON

FRIDAY, MAY 10 – RADIO FREE PALMER – MAYOR

PALMER HIGH GRADUATION MAY 14

COLONY HIGH GRADUATION MAY 15

MAY IS OLDER AMERICANS MONTH

WE WELCOME YOUR INPUT AND PARTICIPATION

EDNA DEVRIES **MAYOR**

355-9933 EDEVRIES@PALMERAK.ORG

**City of Palmer
Ordinance No. 19-004**

Subject: Amending Palmer Municipal Code Chapter 5.28 Pertaining to Roving Vendors and Retitling it to Itinerant Vendors

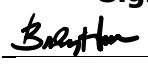

Agenda of: April 9, 2019 – Introduction
April 23, 2019 – Public Hearing

Council Action: **Adopted** **Amended:** _____
 Defeated




Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
X	Community Development		March 20, 2019
X	Finance		3/20/2019
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:


Total amount of funds listed in this legislation: \$ _____

This legislation (√):

- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ _____
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): _____
- Not budgeted

Director of Finance Signature: 

Attachment(s):

- Ordinance No. 19-004

Summary Statement/Background:

The text amendment will update and amend Chapter 5.28 Roving Vendors to include a new purpose, revised definitions, updated insurance requirements, text amendments and standards of operation.

The Roving Vendor Chapter has not been updated since 2012. During several Board of Economic Development meetings, the roving vendor chapter underwent a comprehensive review and recommended changes to meet the current needs of the community.

After review and discussion with the Community Development and Finance Directors, staff drafted proposed amendments to PMC Chapter 5.28 for review and recommendation.

Administration's Recommendation:

Adopt Ordinance No. 19-004 amending portions of Chapter 5.28 Roving Vendors of the Palmer Municipal Code.

LEGISLATIVE HISTORY

Introduced by: City Manager
Date: April 9, 2019
Public Hearing: April 23, 2019
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

Ordinance No. 19-004

Ordinance of the Palmer City Council Amending Palmer Municipal Code Chapter 5.28 Pertaining to Roving Vendors and Retitling it to Itinerant Vendors

WHEREAS, the City of Palmer, Alaska ("City") is a home rule city and, under Section 11 of Article X of the Alaska Constitution, may exercise all legislative power not prohibited by law or the Charter of the City, and the City has determined that the matter set forth in this ordinance is not prohibited by law or the Charter; and

WHEREAS, the Board of Economic Development reviews and advises as necessary Palmer Municipal Code to ensure that the regulations and standards are applicable to the current needs of the community; and

WHEREAS, the Board of Economic Development and the administration has reviewed and found areas of Chapter 5.28 Roving Vendors that need modification to meet the needs of our community.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code is hereby amended to read as follows (new language is underlined and deleted language is stricken):

Chapter 5.28

~~Roving~~ Itinerant Vendors

- 5.28.010 Definitions.
- 5.28.015 Purpose
- 5.28.020 ~~License Permit~~ required.
- 5.28.025 ~~License Permit~~ duration.
- 5.28.030 *Repealed.*
- 5.28.040 ~~License Permit~~ applications.

- 5.28.050 License Permit revocation and appeal procedures.
- 5.28.060 *Repealed.*
- ~~5.28.070 Equipment. *Repealed.*~~
- 5.28.080 Types of goods and services that may be offered by a roving itinerant vendor.
- 5.28.090 *Repealed.*
- 5.28.091 Standards of operation for mobile itinerant vendors
- 5.28.092 Standards for operation of stationary itinerant vendor
- 5.28.100 Required insurance.
- 5.28.110 Prohibited acts.

5.28.010 Definitions.

As used in this chapter:

~~A. "Cart" means a nonmotorized wagon, cart, or device, whether stationary or mobile, from or at which goods or services are offered by a vendor.~~

~~B. "Roving vendor" means a person who offers food, goods or services to the public, using a motor vehicle, from one or more locations on public property or without a fixed location.~~

~~C. "Vehicle" means a motor vehicle or trailer licensed as such by the state of Alaska. (Ord. 12-011 § 3, 2012; Ord. 447 § 3, 1992)~~

A. "Itinerant vendor" means any person, firm, corporation or association, whether as owner, agent, consignee or employee, whether a resident of the city or not, who engages in a business of selling and delivery of goods, wares, food or merchandise of any kind or description, who conducts such a business outside of a permanent structure affixed to real property. A person, firm, corporation or association so engaged shall not be relieved from complying with the provisions of this chapter merely by reason of associating temporarily with any local dealer, trader, merchant or auctioneer, or by conducting such temporary business in connection with, as part of, or in the name of any local dealer, trader, merchant or auctioneer.

B. "Mobile itinerant vendor" means an itinerant vendor who conducts business from a motorized vehicle or non-motorized trailer licensed by the state of Alaska, such as an ice cream truck, upon public streets, sidewalks, parking lot or other public ways of the city. Or, a non-motorized cart, wagon or devise who conducts business from a public parking lot or sidewalk.

C. "Stationary itinerant vendor" means an itinerant vendor who conducts business from a State of Alaska licensed vehicle or other conveyance including a tent, table or trailer, upon privately or publicly owned property, but not on a public street, sidewalk, alley or public way located within the city.

D. "Special Event" means activities or any kind of public celebration or event designated by the city manager such as Colony Days, Alaska State Fair parade, Friday Flings, events as street fairs, and large public gatherings as may be organized by the Palmer Economic Development Authority, Palmer Chamber of Commerce or the Palmer Museum of History and Art, a city department, or other similar organizations and officially authorized by the city manager.

5.28.015 Purpose:

A. Maintain the aesthetic attractiveness of city rights-of-way and other city property.

B. Promote public safety and orderly movement of pedestrians and, where designated, drivers who use city rights-of-way and/or city property;

C. Protect the city's business community by eliminating the inequity faced by stationary businesses that compete with itinerant businesses, and undermine the strength of its commercial life;

D. Promote compliance with relevant building, land use regulatory requirements, fire, health and safety codes.

5.28.020 License Permit required.

A. It is unlawful for any person to engage in the business of ~~a-roving~~ an itinerant vendor unless that person has first obtained a license permit from the director of finance community development as provided in this chapter.

B. It is unlawful for any person to engage in the business of ~~a-roving~~ an itinerant vendor in a manner that is inconsistent with the terms of a license permit issued pursuant to this chapter.

5.28.025 License Permit duration.

~~A-roving~~ An itinerant vendor permit is issued on or after January 1 of a calendar year and expires on December 31st of the same calendar year.

5.28.035 Exemptions.

A. An itinerant vendor solely located at the Alaska State Fairgrounds, however the itinerant vendor must obtain a Alaska State Fair or Special Event Business License as applicable and remit sales tax due to the City of Palmer finance department.

B. An itinerant vendor that meets the criteria and has obtained a Special Event Business License and remit sales tax due to the City of Palmer finance department.

C. An itinerant vendor that is solely located within a community hall, gymnasium, ice rink, library, church or similar facility, and is required to obtain a business license from the city of Palmer for the current calendar year.

5.28.040 License Permit applications and display.

A. An application for ~~a-roving~~ an itinerant vendor license permit shall be made to the director of finance community development on a form approved by the director of finance community development and shall be accompanied by the following:

1. An application fee as required in the current, adopted fee schedule;
2. Proof of insurance as required by PMC 5.28.100;
3. The business address and telephone number to be used by the applicant for the business to be operated pursuant to the license permit;
4. A complete description of the equipment to be used for display, storage or other purposes related to the business to be conducted pursuant to the license permit and including all distinctive markings and signs;
5. Proof that the applicant has obtained the following licenses:
 - a. Health permits required for the preparation and sale of food or beverages;
 - b. City business license; and
 - c. ~~State business license; and~~
 - c. Any other license required by the state or city;
6. A complete description of the type(s) of goods and services that shall be offered under the license permit;

7. Proof that the person or entity to whom the license permit is to be issued shall have an active management or operations role in the business to be conducted pursuant to the license permit;
8. Description of every vehicle to be used in the business operated pursuant to the license permit.
9. During all hours of operation, an itinerant vendor shall post the applicable itinerant vendor permit in a conspicuous location within the vehicle from which the business is conducted pursuant to that permit.

5.28.050 License Permit revocation and appeal procedures.

The director of finance community development may revoke a an itinerant vendor license permit for any of the reasons stated in PMC 5.28.110.

5.28.070 Equipment-

~~A. During all hours of operation, a vendor shall post the applicable vendor license in a conspicuous location in the vehicle from which the business is conducted pursuant to that license.~~

~~B. A vendor shall maintain the following documents, as applicable, in the vehicle from which the business is conducted pursuant to his or her license and shall display them to any person upon request:~~

- ~~1. Current state business license for the business operated pursuant to the license;~~
- ~~2. All government permits relating to the service of food or beverages offered by the vendor;~~
- ~~3. A certificate of the insurance required by PMC 5.28.100; and~~
- ~~4. All government permits relating to the provision of transportation services offered by the vendor.~~

~~C. Only the following equipment may be brought to a vendor site for use in connection with the business operated there:~~

- ~~1. A cart which:

 - ~~a. Is no longer than three feet wide, six feet long and seven and one half feet tall, including all appurtenances and merchandise on display, except for a litter receptacle, stool and ice chest to be provided by the vendor;~~
 - ~~b. Includes interior space for concealed storage of all inventory, supplies, equipment and other materials brought to the vendor site in connection with the business conducted there;~~~~
- ~~2. An umbrella used in connection with a cart which does not exceed six feet in diameter, when opened;~~
- ~~3. One table no longer than four feet and no wider than three feet, covered with a clean material which extends to the ground on all sides so as to conceal the table legs; and~~
- ~~4. Easels and other items reasonably necessary to the display or creation of art at the vendor site no longer than three feet wide and four feet high, limited to two each.~~

~~D. All persons vending from a vehicle or cart on a street shall ensure that persons waiting to make purchases at the cart or vehicle queue up in single file on the side away from the traveled portion of the street and in such a manner as to create the least obstruction to pedestrian traffic.~~

5.28.080 Types of goods and services that may be offered by an itinerant vendor.

~~A roving An itinerant vendor may only offer, for the exchange of money, the following types of goods and services:~~

- ~~A. Food and/or beverages;~~
- ~~B. Handicrafts, artwork, jewelry, fur and leather goods;~~
- ~~C. Goods bearing an Alaskan theme in some form;~~
- ~~D. Tourist services;~~
- ~~E. Shoeshine services; and~~
- ~~F. Flowers; ; and~~

G. Goods, wares, merchandise or services substantially similar to those permitted above.

5.28.091 Standards of operation for mobile itinerant vendors.

A. Only the following equipment may be brought to a mobile itinerant vendor site for use in connection with the business operated there:

1. A cart which:

a. Is no longer than three feet wide, six feet long and seven and one-half feet tall, including all appurtenances and merchandise on display, except for a garbage receptacle, stool and ice chest to be provided by the mobile itinerant vendor;

b. Includes interior space for concealed storage of all inventory, supplies, equipment and other materials brought to the mobile itinerant vendor site in connection with the business conducted there;

2. An umbrella used in connection with a cart which does not exceed six feet in diameter, when opened;

3. One table no longer than four feet and no wider than three feet; and

4. Easels and other items reasonably necessary to the display or creation of art at the mobile itinerant vendor site no longer than three feet wide and six feet high, limited to two each.

B. No signs or signage shall be permitted other than that which can be contained on and attached to the vehicle or conveyance utilized by the mobile itinerant vendor;

C. No mobile itinerant vendor shall conduct business so as to violate the traffic and sidewalk ordinances of the city as the same are now in effect or may hereafter be amended.

D. No mobile itinerant vendor shall obstruct or cause to be obstructed the passage of any sidewalk, street, avenue, alley or any other public place, by causing people to congregate at or near the place where goods are being sold or offered for sale by the mobile itinerant vendor.

E. No customer shall be served on the street side of the mobile unit. All service must be on the curb side when the mobile unit is parked in a legal parking space upon a public street.

F. No mobile itinerant vendor shall locate his or her vehicle or other conveyance in such a manner as to cause a hazard to the vehicle-operating traveling public.

G. The mobile itinerant vendor shall ensure that the area around any place it parks is maintained in a clean and orderly manner. At the conclusion of business activities at a given location, the mobile itinerant vendor shall clean all the public way surrounding the vehicle or conveyance of all debris, trash, and litter generated by the mobile itinerant vendor's business activities.

H. Geographical Restrictions. No mobile itinerant vendor shall sell or vend from his or her vehicle or conveyance:

1. any food or goods from his vehicle or conveyance if the conveyance is within 100 feet of the entrance of any business establishment which is open for business and offers for sale similar food or goods, unless they are a part of a recognized special event.

2. itinerant vending shall not be permitted in the public rights of way on Colony and Alaska Street South of Cottonwood during recognized special events, unless they a part of the recognized special event for which a public assembly permit or road closure permit has been issued.

I. Mobile itinerant food vendors operating on private property must also provide a site plan depicting the following:

1. Ingress and egress.

2. Location of the vending unit.
3. Location of at least three spaces for customer parking and one space for employee parking.

5.28.092 Standards for operation of stationary itinerant vendor

A. All stationary itinerant vendors shall provide adequate garbage receptacles and remove receptacles upon departure from the location.

B. No stationary itinerant place of operation shall be located within 10 feet to any building or structure on the licensee lot or upon adjoining lot.

C. Stationary itinerant vendors shall not be located within any required setback that would be applicable to a permanent structure located on the same lot.

D. The stationary itinerant vendor place of operation shall be maintained in a clean and orderly manner at all times.

E. Stationary itinerant vendors operating on private property must also provide a site plan depicting the following:

1. Ingress and egress.
2. Location of the vending unit.
3. Location of at least three spaces for customer parking and one space for employee parking.

5.28.100 Required insurance.

A. Before any license permit is issued for a ~~roving an~~ itinerant vendor that will operate on public property, the applicant shall furnish one or more policies or certificates of liability insurance issued by an insurance company authorized to do business in the state and reflecting the applicable coverage:

1. An itinerant vendor of food or beverages, goods or services shall have general liability including products liability insurance in the amount of ~~\$500,000~~ \$1,000,000.00 combined single limit (CSL), bodily injury and property damage per occurrence and \$2,000,000.00 aggregate.

B. No policy of insurance offered pursuant to this section shall be acceptable unless it is issued by an insurance company authorized to do business in Alaska or by an insurance company rated "A" or "B" by A.M. Best and Co. In addition, the policy must be approved by the municipal risk manager or the city's insurance broker as to matters of form.

C. Every insurance policy shall contain a clause obligating the insurer to give the director of finance written notice no less than 30 days before the cancellation, expiration, nonrenewal, lapse or other termination or alteration of such insurance. A lapse, cancellation, expiration, nonrenewal or other termination or alteration of such insurance shall cause the license to which it pertains to be automatically suspended for so long as the insurance required by this section is not in place.

5.28.110 Prohibited acts.

A. It shall be unlawful for any nonfood vendor to engage in the business of a vendor from a motor vehicle:

1. On a public right-of-way;
2. In a publicly owned or operated parking facility, unless expressly permitted; or
3. Within a vehicle parking space designated by a sign or a striped parking site.

AB. It shall be unlawful for any itinerant vendor to attract customers by hawking or physically accosting persons.

BE. It shall be unlawful for any itinerant vendor to engage in door-to-door sales.

CD. An Itinerant vendor license permit is nontransferable.

Section 4. Effective Date. Ordinance No. 19-004 shall take effect upon adoption by the City of Palmer City Council.

Passed and approved this _____ day of _____, 2019.

Edna B. DeVries, Mayor

Norma I. Alley, MMC, City Clerk

**City of Palmer
Resolution No. 19-013**

Subject: Accepting and Appropriating a Crime Prevention and Response and Equipment Grant from the State of Alaska's Department of Public Safety Alaska State Troopers Division in the Amount of \$75,000.00 for the Purchase of Video Surveillance Equipment for City Parks

Agenda of: April 23, 2019

Council Action: **Approved** **Amended:** _____
 Defeated

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
_____ <input checked="" type="checkbox"/>	Finance	<u><i>[Signature]</i></u>	_____
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager	<u><i>[Signature]</i></u>	_____
City Attorney	<u><i>[Signature]</i></u>	_____
City Clerk	<u><i>[Signature]</i></u>	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ **75,000.00**

This legislation (√):

<input checked="" type="checkbox"/>	Creates revenue in the amount of:	\$ <u>75,000.00</u>
<input checked="" type="checkbox"/>	Creates expenditure in the amount of:	\$ <u>75,000.00</u>
<input type="checkbox"/>	Creates a saving in the amount of:	\$ _____
<input type="checkbox"/>	Has no fiscal impact	

Funds are (√):

<input type="checkbox"/>	Budgeted	Line item(s): <u>09-00-00-4126 AK DPS Trooper Grant</u>
<input checked="" type="checkbox"/>	Not budgeted	<u>09-01-10-7126 AK DPS State Grant</u>

Director of Finance Signature: *[Signature]*

Attachment(s):

- Resolution No. 19-013
- Grant Award Letter

Summary Statement/Background:

The City of Palmer has been granted a State of Alaska, Department of Public Safety (DPS), Division of Alaska State Troopers Grant in the amount of \$75,000.00 to purchase video surveillance equipment for Palmer Parks. Palmer Police applied for this grant in January 2019. This grant is used to assist in the purchase of crime prevention and response and equipment for departments across Alaska. In April 2019 a DPS committee met to allocate the funds to local departments, and Palmer Police Department was chosen to receive \$75,000.00. This grant is a reimbursable grant.

The video equipment that will be purchased must be specifically used for park surveillance and not a citywide system. The grant application identified Amoosement Park as the park to be installed first.

Administration's Recommendation:

Approve Resolution No. 19-013 to accept and appropriate a Crime Prevention and Response and Equipment Grant From the State of Alaska, Department of Public Safety, Division of Alaska State Troopers in the Amount of \$75,000.00 for the Purchase of Video Surveillance Equipment for Parks

LEGISLATIVE HISTORY

Introduced by: City Manager
Public Hearing: April 23, 2019
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

Resolution No. 19-013

A Resolution of the Palmer City Council Accepting and Appropriating a Crime Prevention and Response and Equipment Grant from the State of Alaska’s Department of Public Safety Alaska State Troopers Division in the Amount of \$75,000.00 for the Purchase of Video Surveillance Equipment for City Parks

WHEREAS, the city of Palmer Police provides public safety and response to calls for service for the citizens of Palmer; and

WHEREAS, the city of Palmer needs dependable video surveillance equipment for the monitoring of public spaces, specifically parks; and

WHEREAS, the city of Palmer Police Department has been awarded \$75,000.00 from the State of Alaska, Department of Public Safety, Division of Alaska State Troopers Crime Prevention and Response and Equipment Grant for the purchase of video surveillance equipment.

NOW, THEREFORE, BE IT RESOLVED the Palmer City Council hereby accepts and appropriates \$75,000.00 from the State of Alaska, Department of Public Safety, Division of Alaska State Troopers into the Capital Equipment Fund and authorizes the City Manager to purchase video surveillance equipment for parks.

Approved by the Palmer City Council this ____ day of _____, 2019.

Edna B. DeVries, Mayor

Norma I. Alley, MMC, City Clerk



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Public Safety

DIVISION OF ALASKA STATE TROOPERS
Office of the Director

5700 East Tudor Road
Anchorage, Alaska 99507-1225
Main: 907.269.5641
Fax: 907.269.5079

April 4, 2019

Chief Ketterling
423 South Valley Way
Palmer, AK 99645

Dear Chief Ketterling:

During the last legislative session and as part of SB 142 (Capital Budget) the Department of Public Safety (DPS) was allotted \$2 million for Crime Prevention and Response and Equipment. The money was intended to be used to coordinate with local law enforcement agencies statewide to help local communities prevent and respond to crime in an effort to reduce drug related crimes, car thefts, and violent crimes.

DPS established a process to collect and evaluate requests from the local law enforcement agencies. The process established that the funds would be distributed as reimbursement and that upon approval your agency would have to make the purchase and DPS would reimburse the preapproved cost when an itemized receipt was provided to DPS.

Your submitted request(s) for reimbursement funding was reviewed and the following was approved for reimbursement:

- 1) \$75,000 for the purchase and installation of video cameras and monitoring system for a city park

The approved items must be to be ordered no later than June 30, 2019.

The itemized receipts verifying purchase will need to be submitted to Lt. Sims by December 31, 2019.

If you will not be able to meet the above deadlines, please contact Lt. Sims.

Send all itemized receipts for reimbursement to Alaska State Troopers, 5700 East Tudor Road, Anchorage, AK 99507 Attention: Lt. Cornelius Sims

If you have any questions, please contact Lt. Sims (cornelius.sims@alaska.gov) or 907-375-7761.

Crime Prevention and Response Reimbursement

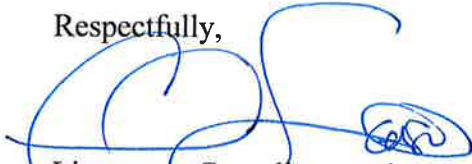
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April 4, 2019

Any equipment/purchases subject to reimbursement under SB 142 must be used for lawful purposes only and reimbursement by the state is not intended to impose any duty or responsibility on the state to monitor or supervise the use of the equipment or to maintain or replace it.

Please review, sign, and return the attached Agreement of Reimbursement.

Respectfully,



Lieutenant Cornelius A. Sims

Director's Staff

Division Planning

**ALASKA DEPARTMENT OF PUBLIC SAFETY
AGREEMENT OF REIMBURSEMENT**

The Alaska Department of Public Safety agrees to pay reimbursement to the City of Palmer Police Department as follows:

- 1) \$75,000 for the purchase of video cameras and monitoring system for a city park

The approved items must be to be ordered no later than June 30, 2019.

The itemized receipts verifying purchase will need to be submitted to Lt. Sims by December 31, 2019.

Send all itemized receipts for reimbursement to Alaska State Troopers, 5700 East Tudor Road, Anchorage, AK 99507 Attention: Lt. Cornelius Sims

Any equipment/purchases subject to reimbursement under SB 142 must be used for lawful purposes only and reimbursement by the state is not intended to impose any duty or responsibility on the state to monitor or supervise the use of the equipment or to maintain or replace it.

IN WITNESS OF THIS AGREEMENT, the undersigned duly authorized officers have subscribed their names on behalf of the Department and the City respectively.

For the City of Palmer:

By _____

Printed Name _____

Official Title _____

Date _____

For the Department of Public Safety:

By _____

Printed Name _____

Official Title _____

Date _____

**City of Palmer
Action Memorandum No. 19-046**

Subject: Approve a Council Community Grant in the Amount of \$475.00 to the Alaska Farmland Trust to support the Drive Your Tractor to Work 2019 event

Agenda of: April 23, 2019

Council Action: **Approved** **Amended:** _____
 Defeated




Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
_____	Finance	_____	_____
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:


Total amount of funds listed in this legislation: \$ **475.00**

This legislation (√):

<input type="checkbox"/>	Creates revenue in the amount of:	\$ _____
<input checked="" type="checkbox"/>	Creates expenditure in the amount of:	\$ 475.00
<input type="checkbox"/>	Creates a saving in the amount of:	\$ _____
<input type="checkbox"/>	Has no fiscal impact	

Funds are (√):

<input checked="" type="checkbox"/>	Budgeted	Line item(s): <u>01-02-10-6068</u>
<input type="checkbox"/>	Not budgeted	_____

Director of Finance Signature: 

Attachment(s):

- 2019 Grant Application
- 2019 Scoresheet

Summary Statement/Background:

The Alaska Farmland Trust is requesting a \$475.00 (\$250 funding and \$225 in kind donation of the depot) grant to help promote an agriculture-oriented event that begins in Greater Palmer and ends in Palmer. The event is an organized tractor drive called "Drive Your Tractor to Work". It is an event to raise awareness of the agricultural aspect of Alaska Grown in the Palmer area. The event is planned to start at Glacier Farms and finish at the pavilion in downtown Palmer, with a free breakfast to follow. The Train Depot will be an inclement weather location.

The event is expected to bring in 50-100 people from around the area. The event is scheduled to take place Monday May 6, 2019 with arrival downtown around 8:30 am.

This is the first year for this organization to request a council community grant for this event. This is the 3rd year for the event and is moving to the downtown area for its finish this year. Last year the event finished at the state agriculture office.

In February 2014, the City Council adopted Ordinance No. 14-043, which established the Council Community Grant program. The Council also approved \$15,000.00 in the Community Council Grants line item for 2019 that would finance approved Council grants.

Legislation #	Organization	Amount	Date Approved
AM 19-019	YAK renovations	\$5000	Feb 12
AM 19-027	Green Day Gallop Marathon	\$2000	Feb 26
AM 19-032	PMHA Midsummer Garden & Art Faire	\$2000	Mar 12
AM 19-033	Mat Su Runners WLTRO	\$2000	Mar 12
AM 19-042	Spring Classic 2019	\$1000	April 9
Total 2019 Grants approved prior:		\$12,000	

Administration's Recommendation:

To approve Action Memorandum No. 19-046 for a Council Community Grant to the Alaska Farmland Trust to support the Drive Your Tractor to Work 2019 event



City of Palmer • City Manager's Office
231 W. Evergreen Avenue • Palmer, AK 99645
Phone: 907-745-3271 Fax: 907-745-0930

Council Community Grant Application

Program, service, project or event title: Drive Your Tractor to Work Day
Date(s) of program, service, project or event: May 6, 2019

Applicant Information

Name: Amy Pettit, Executive Director
Address: 248 E. Dahlia Ave
City: Palmer State: AK Zip: 99645
Phone: 907-745-3336 Email: amypettit@akfarmland.com

Organization Information

Name of organization/group: Alaska Farmland Trust
Type of organization: Non-profit Volunteer community group Other

Funding Request

Amount of Request: \$ \$250.00 funds and use of Depot for a day (\$225)
Matching funds provided by applicant: \$ 500

Project Summary Information

In the space below, provide a concise, on paragraph summary of your proposed program, service, project or event and how it promotes economic development for the City of Palmer.

In a continuing effort to raise awareness of and appreciation for the agriculture industry of Alaska, we are hosting the 3rd annual "Drive Your Tractor to Work Day" in Palmer on May 6th, 2019. The event will consist of local dignitaries, farmers and Palmer residents driving tractors from Glacier Valley Farm to the Palmer Pavilion. At the Pavilion we will serve a free, all Alaska Grown breakfast, thank our gathered producer for their hard work and cheer on this next growing season. Palmer was founded by agriculturalists and 1/2 of the entire State's agricultural production comes from the Mat Su Borough. Farmers are an integral part of our community, contributing to our food system, tax & employment base.

Project Scope of Work

Please list the steps to be taken to conduct the program, service, project or event. Be sure to address issues such as: beginning and ending date, who will work to conduct the event/project, clean-up team, where is the project going to occur (location).

The event will begin at Glacier Valley Farm and end at the Palmer Pavilion and Palmer Train Depot. Alaska Farmland Trust will organize the food (preparation, serving), volunteers, dignitaries, speakers, etc. The event begins at Glacier Valley Farm at 8am with arrival in downtown Palmer beginning at 8:30am. The event will last approximately one hour and all clean-up will be complete by 12pm.

Eligibility

Describe how your program, service, project or event meets the eligibility guidelines.

Alaska Farmland Trust is a 501c3 based in Palmer. We are hosting this event to increase community awareness of and support for our Agriculturalist neighbors. Farmers founded this community and continue to be an integral part of it's attraction, economic base and success. This event is a low cost, high impact celebration of what makes our community different from other Alaska towns.

Matching Funding Source

Describe source of matching funding. Have alternate sources of funding been explored?

We have sought funding from MEA and MTA. Alaska Farmland Trust is prepared to cover any costs that go unsupported through sponsorship solicitations.

Community Benefit

Please indicate how the results of your program, service, project or event will enhance economic development or generally benefit the City of Palmer. Describe the expected number of participants to be attracted by the event or project. Please explain how your organization will evaluate the community benefit of your event. Examples might include surveys, registrations, sign-in sheets, number of people served, etc.

"Drive Your Tractor to Work Day" will be a success if greater-Palmer residents are inspired to seek Alaska Grown products this season, learn more about a new farm product available to them, and shake the hand of someone who grew their food.

We anticipate between 50-100 people and look forward to watching this event grow over time. Participants will be counted.

Detailed Budget

Revenue:

Source:	Cash	In-Kind	Total
City of Palmer (if approve	\$ 250.00	\$ 225.00	\$ 475.00
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Totals	\$	\$	\$

Expenditures:

Item/Service:	Cash	In-Kind	Total
Use of Depot	\$	\$ 225.00	\$ 225.00
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Totals	\$	\$	\$

Applications may be submitted at any time to the address listed above. Please allow at least six weeks lead time for application review and City Council agenda scheduling.

Applicant signature:

Amy Pettit
4/4/19

Date:

For Office Use Only

Date received by Manager's Office: _____

City Council agenda date: _____

Action Memorandum No.: _____

City Council:

Approved

Denied

Date Manager's Office notified applicant of request outcome: _____

Qualification Pre-Check

All items listed below must be present before further review of application.

- X Event must be accessible to all members of the community.
- X Event must take place within Palmer city limits or within one mile of city limits.

Event has received funding from the City in the past. List the years funding was received: NONE

If event was supported by a City grant in the past, the post event report from the previous event is complete N/A

	Application Elements	Expectations		Points Earned
Accessibility & Strategic Priorities	10 pts	7 pts.	3-0 pts	
	The application clearly states the economic benefits and the reader/evaluator easily understands the benefits to the community and residents of the City.	The application states the benefits, however it is not clear and/or the reviewer/evaluator must assume or use reason to determine the benefits to the community and residents of the City.	The application does not clearly demonstrate the benefits and/or the reader/evaluator cannot determine through reasoning the benefits to the community or residents of the City.	7
	The application clearly addresses how the project meets one or more of the City's Economic Development Strategic Priorities.	The application attempts to address how the project meets one or more of the City's Economic Development Strategic Priorities; however, the reviewer/evaluator must assume or use reason to determine how the project is addressing a strategic priority(s).	The application does not clearly demonstrate how the project is addressing a strategic priority and/or the reader/evaluator cannot determine through reasoning how the project is addressing a strategic priority.	10
Fiscal	The application clearly states how much financial or in-kind services are being requested for the project.	The application contains information regarding financial and/or in-kind services as part of the project; however, it is not clear and the reviewer/evaluator must assume or use reason to determine what is being requested.	The application does not clearly state what is being requested and/or the reviewer/evaluator cannot determine through reasoning.	10
	The application includes a project budget which demonstrates sound fiscal practices and reviewer/evaluator can easily understand.	The application includes a project budget; however, the reviewer/evaluator has questions or has to use reason to understand the overall budget for the project.	The application does not include a project budget or the reviewer/evaluator cannot understand and/or has significant concerns about the budget as presented.	7
Benefit	The application clearly states how the community will benefit as a result of the event.	The application states the degree of benefits; however, it is not clear and the reviewer/evaluator must assume or use reason to determine the how the community will benefit as a result of this grant.	The application does not clearly demonstrate the degree of benefits and/or the reviewer/evaluator cannot determine the how the community will benefits as a result of this grant.	10
Reporting	The application clearly states how and when the City will receive a post event report on this project.	The application attempts to address how a post event report will be given to the City; however it is unclear and the reviewer/evaluator must assume or use reason to determine how and when the report will be presented.	The application does not attempt to address how a post event report will be given to the City or the reviewer/evaluator cannot determine how the report will be presented.	3
			Total:	47/60