NOTICE OF ADDITIONS (9/20/2021)

AGENDA

FOR THE REGULAR MEETING
OF THE CITY COUNCIL FOR
THE CITY OF THORNE BAY, ALASKA
TUESDAY, September 21, 2021,

TIME: 6:30 p.m.

LOCATION: TELECONFERENCE/VIDEO CONFERENCING LINE

Phone Number: 1-408-418-9388

Meeting Weblink:

https://cityofthornebay.my.webex.com/cityofthornebay.my/j.php?MTID=m42b083fd76962762fbfe73f3a84b405

b

Meeting number (access code): 182 229 9375

Meeting password: D4gxVSXpz84 (34498797 from phones and video systems)

- 1) CALL TO ORDER:
- 2) PLEDGE TO FLAG:
- 3) ROLL CALL:
- 4) APPROVAL OF AGENDA:
- 5) MAYOR'S REPORT:
- 6) ADMINISTRATIVE REPORTS:
 - a) City Clerk:
 - b) Department Reports (Water, Wastewater, Harbor, Solid Waste, Streets & Roads)
- 7) PUBLIC COMMENTS:
- 8) COUNCIL COMMENTS:
- 9) CONSENT AGENDA:
 - a) Minutes of the September 7, 2021, Regular City Council Meeting.
 - b) Minutes of the August 17th Regular Meeting & August 26, 2021, Special City Council Meeting:
- 10) NEW BUSINESS:
 - a) Resolution 21-09-21-01, accepting Land Patent for Tract D-1, of the Alaska State Land Survey No. 2013-53, containing 4.81 acres, as drafted without amendments, discussion and action item:
 - b) Resolution 21-09-21-02, renewing the rental agreement between the City of Thorne Bay and Cindy Edenfield for the rental of RV Trailer, in the Thorne Bay RV Park, discussion and action item:
 - c) Resolution 21-09-21-03, renewing the rental agreement between the City of Thorne Bay and Cornerstone Excavations for the rental of 1 acre in the Thorne Bay Sort Yard, discussion and action item:
- 11) EXPENDITURES EXCEEDING \$2,000.00:
 - a) <u>Authorizing the expense of \$3,326.71, to HD Fowler for purchase of SIMTAP Drilling Machine</u> Kit, discussion and action item:
 - b) <u>Authorizing the expense for purchasing a new 5 cy yd Dump Truck and Sander for Streets</u> and Roads Winter Maintenance discussion and action item:
- 12) CONTINUATION OF PUBLIC COMMENT:
- 13) CONTINUATION OF COUNCIL COMMENT:
- 14) ADJOURNMENT:
- POSTED: September 17, 2021 Amended agenda September 5, 2021

JOIN BY WEBEX - ONLINE VIDEO/TELECONFERENCING

Regular City Council Meeting

Tuesday, September 21st, 2021, 6:30 pm

Meeting Link:

https://cityofthornebay.my.webex.com/cityofthornebay.my/j.php?MTID=m4 2b083fd76962762fbfe73f3a84b405b

Meeting number: 182 229 9375

Password: D4gxVSXpz84 (34498797 from phones and video systems)

Join by video system

Dial 1822299375@webex.com

You can also dial 173.243.2.68 and enter your meeting number.

Join by phone

+1-408-418-9388 United States Toll

Access code: 182 229 9375



MINUTES

FOR THE REGULAR MEETING OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA

TUESDAY, September 7, 2021, Beginning at 6:30 p.m.

1. CALL TO ORDER:

Mayor Edenfield called the meeting to order at 6:30 pm

2. PLEDGE TO FLAG:

The audience and council stood for the pledge to the flag.

3. ROLL CALL:

Those present were: Edenfield, Jennings, Kerkof, Burger, Cunningham & Stram Craske was absent.

4. APPROVAL OF AGENDA:

Edenfield moved to approve the agenda removing item (9) Consent Agenda. Burger seconded the motion.

MOTION: Move to approve the agenda removing item (9) Consent Agenda.

F/S: Edenfield/Burger

YEAS: Edenfield, Jennings, Kerkof, Burger, Cunningham & Stram

NAYS: None

STATUS: Motion Passed.

5. MAYOR'S REPORT:

Advised the community of the recent spike in COVID cases within Thorne Bay. Urged the public to do what they could to help limit the spread of COVID-19.

"The August 17 City Council meeting public comments included a complaint by city resident Tim Lindseth describing an encounter he recently had with City Councilman Wes Craske. Mr. Lindseth described the verbal abuse he was subjected to during this encounter, Mr. Lindseth called the VPSO, and on their arrival, the matter was ultimately defused.

While the City Council does not normally get involved in this sort of incident, and the fact that a sitting City Councilman was involved, we feel that this encounter is not in keeping with the professional public image the Council strives to display. Councilman Craske has on several occasions during open Council meetings,

accused Mr. Lindseth of violating city codes, while producing no evidence, nor identifying the codes being violated. These accusations were presented to the Council in an angry, aggressive manner using inappropriate language.

As a result of these episodes, it has become clear that Councilman Craske holds a personal animus toward Mr. Lindseth and seeks to execute a vendetta against him. This activity is a violation of the code of conduct expected of our Council members.

We encourage Councilman Craske to exercise restraint in the future and to display respect to all city residents.

6. ADMINISTRATIVE REPORTS:

- a) City Clerk:
 - Absentee Voting is open at City Hall, September 7th to October 4th and Davidson Landing October 5th. All voters who will be affected by the new polling location for 2022, are being provided with a letter explaining the change in polling locations.

7. PUBLIC COMMENTS:

There were no public comments.

8. COUNCIL COMMENTS:

Mayor Edenfield read a letter regarding an incident reported by a resident at the August 26, 2021, Regular Municipal Election.

9. CONSENT AGENDA: Minutes – this item was removed from the agenda.

10. NEW BUSINESS:

b) Resolution 21-09-07-01, Appointing John Huestis as the City Administrator for the City of Thorne Bay, for a contract term of 3-years to commence on October 18, 2021, discussion and action item:

Edenfield moved to approve Resolution 21-09-07-01. Burger Seconded the motion. The Clerk thanked all who participated in the interview process for the new Administrator, and thanked the City Staff for stepping up during the temporary absence of an admin. There was no further discussion.

MOTION: Move to approve Resolution 21-09-07-01, appointing John Huestis as the

City Administrator for the City of Thorne Bay

F/S: Edenfield/Burger

YEAS: Edenfield, Jennings, Kerkof, Burger, Cunningham & Stram

NAYS: None

STATUS: Motion Passed.

c) <u>Resolution 21-09-07-02</u>, Appointing Election Judges for the October 5, 2021, Regular Municipal Election, discussion and action item:

Edenfield moved to approve Resolution 21-09-07-02, appointing Election Judges for October 5, 2021 & November 2, 2021, Municipal Elections. Burger seconded the motion.

MOTION: Move to approve Resolution 21-09-07-02, appointing Election Judges for

October 5, 2021 & November 2, 2021, Municipal Elections

F/S: Edenfield/Burger

YEAS: Edenfield, Jennings, Kerkof, Burger, Cunningham & Stram

NAYS: None

STATUS: Motion Passed.

11. EXPENDITURES EXCEEDING \$2,000.00:

d) Authorizing the donation of in-kind labor toward development of the new library site of approximately \$3,500.00, of in-kind labor and materials put toward the new library site development and utility connections, discussion and action item:

Edenfield moved to approve the expense of up to \$3,500.00, toward the development of the new Library site development and utility connections.

Cunningham commented he would vote against the Library expense. Cunningham stated that the Council was told that the new library would be at no additional cost to the City and added that the expense should go to the vote of the public.

Burger explained that the expense was in-kind, and no cash being transferred.

Kerkof commented that short of the City providing the labor and equipment, the library would have to hire from an outside source. Further discussion included in-kind labor had a value, which was why the item was on the agenda for the City Council to vote on.

MOTION: Move to approve the expense of up to \$3,500.00, toward the development

of the new Library site development and utility

connections.

F/S: Edenfield/Burger

YEAS: Edenfield, Jennings, Kerkof, Burger & Stram

NAYS: Cunningham STATUS: Motion Passed.

12. CONTINUATION OF PUBLIC COMMENT:

Brandy Prefontaine inquired if the City would be the owner of the Library building once it is in place?

13. CONTINUATION OF COUNCIL COMMENT:

Kerkof Congrats to John Huestis

Jon Stram commented on the following:

- ➤ Would also congrats to John Huestis, urge residents to make him feel welcomed into the community
- Thank you to all who signed up for the City Council seats this year. Like to see the public step up.

Cunningham commented on the following:

- Thank John Huestis for coming to Thorne Bay and thank all who also applied for the position
- > Thank to all who are running in upcoming election and those sitting on the boat also.

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Mayor Edenfield adjourned the meeting at 7:10pn	n
ATTEST:	Cindy Edenfield, Mayor
Teri Feibel, CMC	



MINUTES

FOR THE SPECIAL MEETING OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA THURSDAY, August 26, 2021 @ 5:30 p.m.

CALL TO ORDER:

Mayor Edenfield called the meeting to order at 5:30 p.m.

PLEDGE TO FLAG:

The audience and council pledged to the flag.

ROLL CALL:

Those in attendance were:

Edenfield, Kerkof, Burger, Craske, Jennings & Cunningham

Stram was excused.

APPROVAL OF AGENDA:

Edenfield moved to approve the agenda. Kerkof seconded the motion. There was no further discussion.

MOTION: Move to approve the agenda

F/S: Edenfield/Kerkof

YEAS: Kerkof, Burger, Edenfield, Cunningham & Jennings

NAYS: Craske

STATUS: Motion Passed.

PUBLIC COMMENTS:

None

COUNCIL COMMENTS:

Wes Craske commented on the following:

- Unable to download the agenda.
- Encourage the community to vote

NEW BUSINESS:

How to conduct the two polling places in accordance with state law and to implement Ordinance 21-02-02. Consideration of:

- a) <u>Resolution 21-08-26-01</u>, directing the City Clerk to submit a request to the State Division of Elections that the Thorne Bay Voter Precinct Register be split into two registers, with one for registered voters at Thorne Bay City Hall and one for registered voters at Davidson Landing, **or**
- b) <u>directing the City Clerk to prepare a copy of the current Thorne Bay Voter Precinct Register</u> for use at the Davidson Landing Polling Place to keep a record of those persons who vote at Davidson Landing; **or**
- c) <u>directing the City Clerk to establish Davidson Landing as a Polling Place for absentee</u> ballots.

Move to approve Resolution 21-08-26-01, choosing Option (a, b, or c)

- (a) Splitting register by residential address
- (b) Providing a copy of the register at each location
- (c) Absentee only until Oct 2022

Cunningham commented on the following:

• His choice would be to split the register, second choice one-time absentee voting. Those were the two best options

Craske commented on the following:

- Wondering, why this wasn't already considered when the council spoke 6 months ago and voted to have the polls at Davidson Landing and the need for internet
- Preferred option is number 1 with cutoff date of one-week prior to the election. That way we could have a two-tier deal.

Cunningham commented on the following:

• Has lived in Juneau, and most of the registration is done based on your address, that is the way it was in Sitka also.

Burger commented on the following:

• By doing it that way, it would be forcing people like Redmond who come over to town to vote, to have to cast an absentee ballot

Cunningham commented on the following:

• Preferred Option A, but if that cannot be done by this year, then option C and notify people that it will be done by address.

Edenfield modified her motion to include selecting Option C. Burger amended his second to the motion to include selection of Option C. Kerkof commented on the following:

- Not in favor of any of the options. With the talk of bringing the community together, this does not keep with that. Added that by doing this, we are not acting as one community.
- People have the option of voting absentee for 30-days prior to elections.

There was no further discussion.

MOTION: Move to approve Resolution 21-08-26-01, selecting Option C.

F/S: Edenfield/Burger

YEAS: Kerkof, Burger, Edenfield, Cunningham & Jennings

NAYS: Craske

STATUS: Motion Passed.

ADJOURNMENT:

Adjourned at 6:05 pm

ATTEST:	Cindy Edenfield, Mayor
Teri Feibel, CMC	_



MINUTES

FOR THE REGULAR MEETING OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA

TUESDAY, August 17, 2021, Began at 6:30 p.m. This meeting was preceded by a work session beginning at 5:30 p.m.

> CALL TO ORDER:

Mayor Edenfield called the meeting to order at 6:30 p.m.

> PLEDGE TO FLAG:

The audience and council pledged to the flag.

> ROLL CALL:

Those who attended in person were: Edenfield, Kerkof, Burger, Stram & Jennings

Those who attended by phone: Cunningham

Those absent: Craske

> APPROVAL OF AGENDA:

Edenfield moved to approve the agenda. Kerkof seconded the motion. There was no further discussion.

MOTION: Move to approve the agenda

F/S: Edenfield

YEAS: Kerkof, Burger, Edenfield, Cunningham, Jennings & Stram

NAYS: None

STATUS: Motion Passed.

➤ MAYOR'S REPORT:

- ➤ Update on Administrator hiring, the first round of interviews were performed on August 13th, and three finalists were selected for the final interviews scheduled for August 27, 2021.
- > 5-Active COVID cases, urged the council and public to ensure safety measures for COVID

> ADMINISTRATIVE REPORTS:

City Clerk:

First day to declare candidacy for office. There are 5 vacant seats up for election this year. The last day to file is September 3rd at 12pm.

b) Library Report 08/17/21

- The Library remains closed due to the Covid numbers locally. We are using our time to catalog and preparing to move. You can see the progress starting just adjacent to the current library building.
- The ECF Grant was written and submitted on time. There were further questions about our Davidson Landing project. The grant committee questioned my request for additional funding to cover the inflated costs of satellite internet and the community in need. I answered those questions the same day. There has been no further request for information, and the submission date has closed. It's with the greatest hope that my grant request was successful! I will report back when there is more info available!
- There are several other grants available, and I am working on those. One is a non-competitive \$7,000 grant without matching funds. Meaning it "should be" easier for us to get. After reading the grant requirements, I feel like we can win this one! Another grant is \$40,000, and competitive. We may not be as successful with that one. It is still worth the effort to try.
- ➤ If you have questions during our non-operational time, please email the library: TBPLAlaska@gmail.com please note that the email address is available on the front door of the Library as well.
- > Stay safe and stay well neighbors.

Laura Clark, Library Director

> PUBLIC COMMENTS:

No Public Comments

> COUNCIL COMMENTS:

Thom Cunningham Commented on the Following:

➤ Have you made any progress with AP&T on installing the lights at Davidson Landing

➤ NEW BUSINESS:

a) Update on City Administrator Hiring Process, discussion and action item:

Mayor Edenfield stated that this item was placed on the agenda as information only. The City Council has narrowed the administrator candidates to three and scheduled final interviews for August 27. There are both a City Council and Community Panel that will be performing the final interviews. The in-person interviews will be conducted at City Hall Council Chambers at 120 Freeman Drive, and the Community Panel interviewing will be conducted at the Thorne Bay Fire Hall at 110 Freeman Drive. We do hope to be able to inform the candidates of who is selected that evening with contract negotiations to commence between the council and selected candidate for final appointment of the administrators regular meeting of city council on September 7.

b) <u>Development of a Local Utility District for North Thorne Bay, discussion and action item</u>: (This item is sponsored by Wes Craske and information will be added to the packet asap) No action was taken on this item. With the absence of the agenda item sponsor, Wes Craske, no motion was made for discussion or approval.

> ORDINANCE FOR PUBLIC HEARING:

a) Ordinance 21-08-17-01, amending Title 3 – Revenue and Finance, Section 3.17 – Sales Tax, Sections 3.17. 3.17.065 – Registration & Section 3.17.150 – Regulations Authorized, discussion and action item:

Edenfield moved to approve Ordinance 21-08-17-01, amending Title 3 – Revenue and Finance, Section 3.17 – Sales Tax, Sections 3.17. 3.17.065 – Registration & Section 3.17.150 – Regulations Authorized. Burger seconded the motion. There was no further discussion.

MOTION: Move to approve Ordinance 21-08-17-01, amending Title 3 – Revenue and

Finance, Section 3.17 – Sales Tax, Sections 3.17. 3.17.065 – Registration &

Section 3.17.150 – Regulations Authorized

F/S: Edenfield/Kerkof

YEAS: Kerkof, Burger, Edenfield, Cunningham, Jennings & Stram

NAYS: None

STATUS: Motion Passed.

> EXPENDITURES EXCEEDING \$2,000.00:

Authorizing the expense of approximately \$6,500.00, of inkind labor and materials put toward the new library site development and utility connections, discussion and actio item:

Edenfield authorized the expense of \$6,500.00, of in-kind labor and materials put toward the new library site development and utility connections. Burger seconded the motion.

Cunningham stated that he was against this was as the Friends stated it would not cost the city anything for the new building. Burger commented he would be in favor of the inkind services.

Clerk read the following update from Karen Petersen on behalf of the Friends of the library:

August 17 2021

From Karen Petersen

Friends of the Thorne Bay Library construction update:

Dear City Council:

I am pleased to report that our Library building is almost complete. I will be flying to Seattle in 2 days to do the final construction inspection. I have been communicating with Timberland Homes during this entire project and I do not expect any issues with this inspection.

Since this is a Public Building, I will let you know that the building has been through a number of inspections already.

We had:

- Electrical Inspection,
- ADA (American's with Disabilities Assn) Inspection
- General Construction verifying proper code compliance

Also – Libby and I have each inspected this building at various times during the construction process.

We are also working on the foundation – and would be closer to completion except that Tim Lindseth has been delayed in hauling our remaining gravel. He should get to this soon. Southeast Roadbuilders has donated 3 dump loads of gravel for the foundation. We may have to buy a few truck loads too.

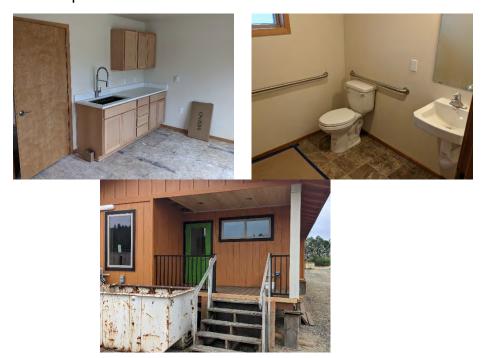
Here is our timeline:

- 1. Foundation done by beginning of September
- 2. Building ships September 20th
- 3. Building arrives Thorne Bay September 28th
- 4. Crane and Trailer ship from Ketchikan October 5th
- 5. Building will be moved into place on October 7th or 8th

Here are some challenges that we have.

Shipping the building. It turns out that Friends of the Thorne Bay Library does not have an account with AML – Alaska Marine Lines. The City of Thorne Bay does have an account with AML. Friends have the money in the bank to pay for the shipping. If we could ship on the City account then we would reimburse the city for the ENTIRE shipping amount. If this is problematic then we will take the time to set up a shipping account with AML. Please let us know if this is possible.

Here are some photos:



Library expenditure discussion concluded with directing the Clerk to get a detail account of how much of the expenditure was for in-kind labor, and how much for materials. Motion was withdrawn, and request for the Clerk to place on the next agenda.

Authorizing the expense not to exceed \$10,000.00 for various Fire Equipment that will provide proper fire coverage for South Thorne Bay, discussion and action item:

Edenfield moved to approve the expense of up to \$10,000.00. Stram seconded the motion. Matt McGinnis, Thorne Bay Fire Chief stated that his total request was valued around \$17,000.00, but that could work with the \$10,000.00, limit which would at least have equipment needed to keep a two-story building fire from spreading.

- 1. TBVFD want list, is a list of equipment that I would like to eventually get, say over the course of the next four or five years with the assistance of some grants.
- 2. Fire Department Want List (excel). This is a similar list. It has approximate values, not including shipping, for the majority of items. There are two parts to this. The first is equipment that I would like over time, the second is equipment that I would like sooner so that the South Side can have some coverage.
- 3. Current Equipment List. The majority of this equipment should be phased out in the next four years. There is some hose that can be salvaged but it is mostly 1" forestry hose, which we don't really use except for in the harbor.

Matt's strategy for this isn't to push too hard for new fire engines. They can be complicated, expensive, require specific maintenance skills, and need detailed training to operate. My way around that is portable pumps. They don't give you the same gallons per minute as an engine, but they are cheaper, easier to maintain, easier to train people on, and can be thrown in the back of a pickup.

Every year we can put in for the Volunteer Fire Assistance Grant, this year it starts November 1st. Most of the time, departments that put in can expect about \$10,000. If we do that the next four years, we can get a lot of this equipment paid for. Once a lot of the smaller stuff is paid for, we can start to push for larger items like fire engines. The first year I put in for this, I am going to request ALL of the equipment that I have put on this list. Sometimes they pay more than \$10,000 and they worst they can say is no.

Matt would like to give the city council a rundown of where we are and how to get where we want to be in a cost effective and safe manner.

Stram commented that as a Southside resident, I would thank the efforts

Cunningham reiterated Stram's comments. Cunningham inquired if the truck at DL was operational

MOTION: Moved to approve the expenditure not to exceed \$10,000.00, for new Fire

Equipment

F/S: Edenfield/Burger

YEAS: Kerkof, Burger, Edenfield, Cunningham, Jennings & Stram

NAYS: None

STATUS: Motion Passed.

CONTINUATION OF PUBLIC COMMENT:

Tim Lindseth commented on the following:

Informed the Council of an encounter he had with Councilmember Wes Craske the previous day. Explained that while working on Southside, he was in his truck on his way out of Bussers Way when he ran into Councilmember Craske on a narrow roadway. At that time, Lindseth stopped and waited for Mr. Craske to backup, which never happened. After a bit of time, he approached Councilman Craske's vehicle and asked what the problem was. Lindseth stated the response he received from Councilmember Craske was very shocking, as Craske began to swear at him. Lindseth continued that Councilmember Craske told him that he would not move until Lindseth went to his house and signed a piece of paper.

Lindseth explained it was at that time he returned to his vehicle and called law enforcement to intervene. Lindseth thanked VPSO Bosdell who was on site very quickly.

Lindseth concluded that he was very shocked by the behavior and foul language towards him, as it is not the kind of language you would expect to hear from a councilmember.

> CONTINUATION OF COUNCIL COMMENT:

Kerkof commented on the following:

- > Several meetings ago we discussed hiring a grant writer. I understand the clerk is close to drafting the RFP, and we are close to getting our City Administrator hired.
- There are tons of grants available for city's and I don't want to see us lose out. When we get our new Administrator, he will have a lot on his plate.

Cunningham commented on the following:

- Agree with Councilmember Kerkof. Not sure why we didn't contract with a grant write many years ago.
- ➤ On the issue of Councilman Lindseth and Councilman Craske... I have spoke to Craske many times about "the past is the past" lets move to the future. I don't understand why Craske isn't also taking issue with the Junkyard and salvage yards and Sean Kaer hauling cars to his property that don't belong to him and violation of many codes. Don't know why he isn't for cleaning up violation over here but is against Councilman Lindseth.
- I had also heard that Lindseth has advised his customers to go into City Hall and make sure they have all of the proper permitting, so he tries to do what he can.

Stram commented on the following:

Thank you to those who called in and participated in the Election workshop and assisted in brainstorming solutions to these issues. Elections are very important.

> ADJOURNMENT:	
Mayor Edenfield adjourned the meeting at 7:19)pm
,	•
	Cindy Edenfield, Mayor
ATTEST:	
Teri Feibel, CMC	



RESOLUTION 21-09-21-01 CITY OF THORNE BAY

A RESOLUTION OF THE THORNE BAY CITY COUNCIL APPROVING THE LAND PATENT AS DRAFTED BY THE STATE OF ALASKA FOR TRACT D-1, A SUBDIVISION OF TRACT D, OF THE ALASKA STATE LAND SURVEY NO. 2013-53, CONTAINING 4.81 ACRES

WHEREAS, the City Council is the governing body for the City of Thorne Bay, and

WHEREAS, the City Council has reviewed the drafted patent as prepared by the State of Alaska; and

WHEREAS, the City submitted an application under AS 38.05.810(a) on February 3, 2006 to purchase a portion of Tract D, ASLS 80-121 for development *as* a public cemetery; and

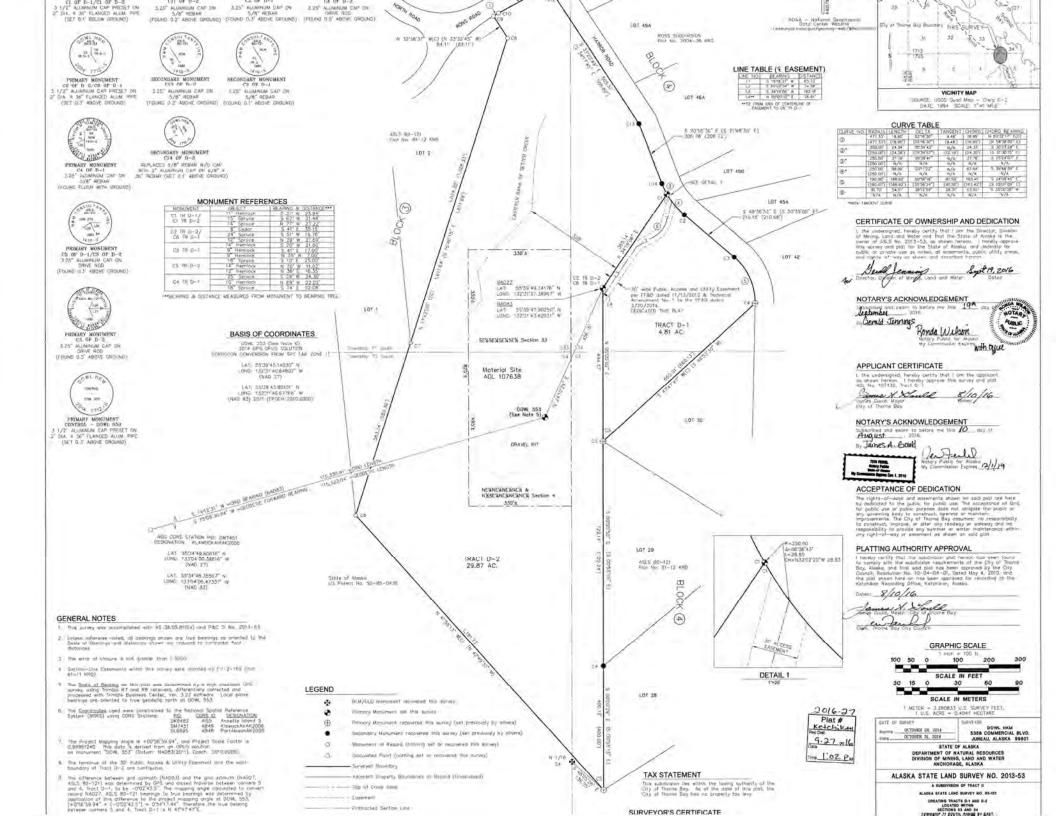
WHEREAS, On August 1st, 2006, the City Council approved Resolution 06-08-01-02, authorizing the Mayor to Negotiate a land purchase with Division of Land Mining and Water, Division Of Natural Resources (hereinafter "DNR") for the Purchase of the property to be used as a public cemetery site for the City of Thorne Bay, Alaska; and

WHEREAS, the purchase of Tract D-1, was completed on September 24th, 2020, for the total sum of \$3,000.00.

NOW, THEREFORE, BE IT RESOLVED, The City Council for the City of Thorne Bay accepts the Land Patent as drafted by the State of Alaska.

PASSED AND APPROVED BY THE CITY COUNCIL on this 21st day of September 2021

	Cindy Edenfield, Mayor
ATTEST:	
-	
Teri Feibel, CMC	







A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA, APPROVING THE RENEWAL OF A SHORT-TERM 24-MONTH LEASE WITH CINDY EDENFIELD FOR LEASE OF CITY OWNED TRAILER LOCATED ON LOT 1, IN THE CITY RV PARK, SANDY BEACH ROAD

WHEREAS, the City Council is the governing body of the City of Thorne Bay; and

WHEREAS, The current lease between the City of Thorne Bay, and Cindy Edenfield for the rental of a trailer located in the City RV Park is set to expire effective September 30, 2021; and

WHEREAS, the Thorne Bay Municipal Code 2.56.200-provides that short term rental agreements (under 5-years in length) may be authorized by resolution; and

WHEREAS, Cindy Edenfield has rented the RV Park trailer and served as the RV Park manager 2013; and

WHEREAS, Cindy Edenfield has been in good standing with the City as a yearlong tenant; and

WHEREAS, it is in the City's best interest to retain Cindy Edenfield as a year-round, tenant for the term of this Agreement.

NOW THEREFORE, BE IT RESOLVED that the City Council for the City of Thorne Bay hereby approves a 24-month Rental Agreement, effective October 1, 2021, through September 30, 2023, for the rental of city owned Trailer with addition, located at Lot 1, City RV Park, Sandy Beach Road.

PASSED AND APPROVED this 21 st do the City Council with a vote of	ay of September 2021, by a duly constituted quorum of yeas and nay.
ATTEST:	Jon Stram, Vice Mayor
Teri Feibel, CMC	

This Rental Agreement is entered into by and between the City of Thorne Bay, Alaska, P.O. Box 110, Thorne Bay, Alaska 99919 (hereinafter called the "CITY "and, <u>Cindy Edenfield</u>, (hereinafter called the "RENTER").

- 1. **Rented Premises.** The City does herby Rent to the Renter <u>Trailer with Addition and lot 1</u>, in City RV Park on municipally owned property within the corporate boundaries of the City of Thorne Bay.
 - Municipal Code, Title 2, Article III, Incorporated. The provisions of "Title 2, Article III of the Thorne Bay Municipal Code shall apply to the terms of this Rental Agreement unless otherwise amended in this Rental Agreement.
- 2. **Term.** The term of this Rental Agreement shall be Two (2") year(s) beginning October 1 , 2021 and ending September 30, 2023. Monthly rental payments due the City shall commence upon the term of this Rental Agreement. Monthly Sales Taxes due the City shall commence upon the signing of Rental Agreement. Renter shall have the option to renew this Rent for an additional period of time subject to renegotiations of Rent terms and payments acceptable to both the City and Renter. The option to renew and Rent for the additional period can only be effective upon approval by the Thorne Bay City Council. This option to renew shall be exercised by the Renter in writing sixty (60) days prior to the expiration of the original Rent term. The option to renew is specifically waived if not exercised in full compliance with this provision.

This Rental Agreement expires automatically on the last day of the <u>Two (2)</u> year period absent the approval of a new Rental Agreement by the Thorne Bay City Council. Absent an approved Rental Agreement, the Renter shall vacate the premise on or before the ending date of this Rental Agreement.

In addition to any rights of the City to terminate this Rental Agreement as specified in this Rental Agreement, or as specified in the Thorne Bay Municipal Code, the City shall have all rights to terminate this Rental Agreement in accordance with any provision of applicable law.

3. Monthly Rent Payment. Renter covenants and agrees to pay City monthly Rent payments in the sum of Two-Hundred and Fifty (\$250) dollars plus applicable sales tax, for the rental of RV Trailer and utilities payable in advance on the first day of each month of the Rent term. In the event any payment required to be made pursuant to this Rental Agreement is more than ten (10) days past due, a late charge equal to ten percent (10%) per annum on such past due amount will be assessed and charged to Renter by City. At the expiration of two-year term, the monthly Rent payment shall be reviewed and adjusted in accordance with the provisions of Section 2.56.210 of Title 2, Article III of the Thorne Bay Municipal Code.

- 4. **Deposits.** Renter shall deposit with the City an amount equal to N/A. Upon termination of the Rental Agreement the Renter shall vacate the premise leaving it in the same clean condition as presented at the time said Rental Agreement was initiated. If the premise needs cleaning, repairs or the Renter is in default in payments said deposit shall be used to offset such costs. In the event the Rented Premise is clean and in need of no repairs the deposit will be refunded in full. First and last month may be waved in lieu of improvements to the Rented Premises or other City Facilities as provided by Renter per "Exhibit A".
- 5. **Use.** Renter shall use the Rented Premises for the purposed of maintaining and operating thereon, single family living facilities. The Renter shall assist the City of Thorne Bay with RV Park Management. The Rented Premises shall be used for no other purposes without the prior written consent of City.
- 6. **Utilities and Fees.** The City shall be responsible for water, sewer and garbage services to the RV Park Manager Trailer. Renter agrees to keep current, ALL charges, including rent, electricity, propane, fuel oil.
- 7. Repairs, Maintenance and Compliance with Laws. Renter shall maintain the Rented Premises at Renter's sole cost and expense and at all times keep the Rented Premises neat, clean and in a sanitary condition. Renter shall keep and use the Rented Premises in accordance with applicable laws, ordinances, rules, regulations and requirements of all governmental authorities. Renter shall permit no waste, damage or injury to the Rented Premises. Renter's use of the Rented Premises in violation of any law or regulation of any governmental entity related to public health or safety or environmental pollution shall be a material breach of the Rental Agreement and grounds for City's termination of the Rental Agreement. Renter is required to obtain building permit authorization from the City for construction of any and all structures placed on or in the Rented Premises.
- 8. Signs, Alterations and Improvements. All signs or symbols placed on or about the Rented Premises shall be subject to City's prior written approval. After prior written consent of City, Renter may make alterations and improvements to the Rented Premises, at Renter's sole cost and expense. City may elect to require Renter to remove any such alterations and improvements upon termination of this Rental Agreement at Renter's sole cost and expense. Any of Renter's improvements remaining on the Rented Premises longer than thirty (30) days after Renter's possessors rights to the Rented Premises have expired shall become Rented Premises of City.
- 9. **Insolvency.** In the event Renter becomes insolvent, bankrupt or if a receiver, assignee or other liquidating officer is appointed for the business of Renter, City, in City's sole discretion may immediately terminate this Rental Agreement and require that Renter vacate the Rental Premises.

- 10. Subletting or Assignment. Renter shall not sublet the whole or any part of the Rented Premises nor assign this Rental Agreement without the prior written consent of City. This Rental Agreement shall not be assignable by operation of law. All terms and conditions of the Rental Agreement shall be binding upon any sub-Renter or assignee of this Rental Agreement and Renter shall remain fully responsible to City for performance of this Rental Agreement.
- 11. **Permits and Compliance with Law.** Renter shall comply with all local, state and federal laws, rules and regulations.
- 12. **Insurance.** General Liability Insurance: The City, as part of the City Insurance program, shall procure and maintain during the life of this agreement, General Liability Insurance on an "occurrence basis" with limits of liability not less than \$1,000,000 per occurrence and/or aggregate combined single limit, personal injury, bodily injury and property damage.
- 13. Accidents and Liability. City or its agent shall not be liable for any injury or damage to the persons or property sustained by Renter or others, in and about the Rented Premises.
- 14. Indemnification and Waiver of Subrogation. To the fullest extent permitted by law, the Renter agrees to defend, indemnify and hold harmless the City, its elected and appointed officials, employees and volunteers against any and all liabilities, claims, demands, lawsuits, or losses, including costs and attorney fees incurred in defense thereof, arising out of or in any way connected or associated with this agreement.
 - To the extent permitted by law, the Renter hereby re-Rents the City, its elected and appointed officials, employees and volunteers from any and all liability or responsibility to the Renter or anyone claiming through or under the Renter by way of subrogation or otherwise, for any loss or damage to the property caused by fire or any other casualty, even if such fire or other casualty shall have been caused by the fault or negligence of the City, its elected or appointed officials, employees or volunteers. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of the Renter's occupancy or use.
 - Renter understands that the City accepts no responsibility whatsoever for loss of, or damage to Renter's property.
- 15. Removal of Renter's Property and Repair of Rented Property. All buildings, fixtures and equipment of whatsoever nature, that Renter shall have acquired and installed upon Rented premises, whether permanently affixed or otherwise, shall continue to be the property of the Renter and must be removed by the Renter at the expiration or termination of this Rental Agreement; and at its own expense, Renter shall repair any

injury to Rented Premises resulting from such removal. Renter shall remove all buildings, fixtures, and equipment, and make all repairs, within thirty days of the date the Renter vacates Rented Premises. If the Renter fails to remove its buildings, fixtures, and equipment, and fails to make the necessary repairs, the City may do so, and seek reimbursement from the Renter for the full amount of the repairs, without any deduction for the value of any buildings, fixtures, or equipment left on the premises by the Renter. If City determines that it is in City's best interest to acquire the improvements, it may negotiate to purchase Renter's buildings, fixtures, and equipment at a price equal to or less than fair market value.

- 16. **Taxes.** Renter shall be solely and fully responsible for the payment of all applicable federal, state, and Thorne Bay municipal taxes including all Monthly Sales Taxes due the City.
- 17. Liens. Renter shall maintain Rented Premises free of any and all liens. Renter will not permit any mechanics', laborers' or materialmen's liens to stand against the Rented Property or improvements for any labor or materials furnished to Renter or claimed to have been furnished to Renter, or to Renter's agents, contractors, or sub-Renters, in connection with work of any character performed or claimed to have been performed on Rented premises or improvements by or at the direction or sufferance of Renter; provided, however, Renter shall have the right to contest the validity or amount of any such lien or claimed lien, In the event of such contest, Renter shall give to the City such reasonable security as may be demanded by the City to insure payment of such lien or such claim of lien. Renter will immediately pay any judgment rendered with all proper costs and charges and shall have such lien re-Rented or judgment satisfied at Renter's own expense. Renter agrees to indemnify, hold harmless and to defend the City and Rented premises from such liens. Renter consents to the City's recording of and posting of a statutory notice of non-responsibility in accordance with Alaska Stature 34.35.065
- 18. **Default by Renter.** Each of the following shall be deemed a default by the Renter and a breach of the Rental Agreement:
 - (a) A failure to make payment of any installment, of rent or of any other sum herein specified to be paid by Renter, and Renter fails to cure such default within ten (10) days after receipt of a written notice has been received by Renter specifying such failure to make payment;
 - (b) Upon shut off of utilities;
 - (c) A default in the performance of any other covenant or condition on the part of the Renter to be performed for a period of thirty (30) days after receipt by Renter of a notice specifying the particular default or defaults;
 - (d) The filing of a petition by or against Renter for adjudication as a bankrupt, or for reorganization or arrangement within the meaning of the Bankruptcy Act;

- (e) The dissolution or the commencement of any action or proceeding for the dissolution or liquidation of the Renter or for the appointment of a receiver or trustee of Rented Premises of the Renter;
- (f) The taking possession of Rented Premises of the Renter by any governmental officer of agency pursuant to statutory authority for the dissolution of liquidation of the Renter;
- (g) The making by the Renter of an assignment for the benefit of creditors;
- (h) Renter vacates or abandons the Rented Premises; and
- (i) A failure that continues for five (5) days or more to have the City named as an additional insured as required under paragraph 18, and Renter fails to cure such default within ten (10) days after receipt of a written notice has been received by Renter specifying such failure to name the City as an additional insured.

The specification of events constituting default by the Renter in this Section, are in additional to any defaults specified in the Thorne Bay Municipal Code.

- 19. City's Remedies for Default. In the event of any default of the Renter, the City shall have the following rights and remedies all in addition to any rights or remedies that may be given to the City by statue, common law, or under Thorne Bay Municipal Code.
 - (a) Distraint for rent due and subsequent sale of chattels so distrained. The sale of any such chattels shall be in accordance with the procedure set forth in Alaska Statues.
 - (b) Re-enter Rented Premises and take possession thereof, remove all persons therefrom, and remove Renter's property therefrom and store it in a public warehouse or elsewhere at the cost of Renter, all without service of notice or resort to legal process (all of which Renter expressly waives) and without becoming liable for trespass, forcible entry, detainer, or other tort or for any loss or damage which may be occasioned thereby;
 - (c) Declare the Term ended;
 - (d) Relet Rented premises in whole or in part for any period equal to or greater, or less, than the remainder of the Term for any sum which is commercially reasonable;
 - (e) Cure any such default, if possible, and demand immediate payment until all costs incurred in curing the default have been reimbursed fully, together with interest calculated at the rate of ten percent (10%) per annum at the then current prime rate as established by the First Bank of Alaska;
 - (f) Collect all reasonable damages, costs and expenses that the City may incur by reason of default by Renter, together with interest calculated at the rate of ten percent (10%) per annum at the then current prime rate as established by the First Bank of Alaska.
 - (g) The City shall use reasonable diligence to relet Rented Premises in or to mitigate the City's damages, consistent with the uses of Rented Premises, and all applicable Thorne Bay code provisions related to this Rent and Rented Premises.

- 20. **Rights and Remedies.** Except insofar as this is inconsistent with or contrary to any provision of this Rent, no right or remedy herein conferred upon reserved to the City or Renter is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing all aw or in equity or by statute.
- 21. **Waiver.** Except to the extent that a party may have otherwise agreed in writing, no waiver by a party of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by a party to seek a remedy for any breach of the other party be deemed a waiver of its rights or remedies with respect to such breach.
- 22. Changes. No modifications, amendments, deletions, additions or alterations of the Rent Agreement shall be effective unless in writing and signed by all of the parties hereto and such representatives of the parties as have been duly authorized to make such changes.
- 23. Joint Product. The language set out in this Rental Agreement represents the joint product of the parties and shall not be construed against one party in favor of the other. Each party hereto has had the option of seeking the advice of legal counsel in the drafting of this Rental Agreement, and the rule of construction favoring construction against the draftor shall not apply. Renter acknowledges and agrees that Renter has not received any legal advice from the City's attorney or from anyone associated with the City.
- 24. **Authority.** The parties and their undersigned representatives warrant that they have full authority to enter into this Rental Agreement and to execute this Rental Agreement.
- 25. Hazardous Materials. The Renter shall not permit, store, manufacture or dispose on Rented Premises any hazardous material or controlled substance as determined by federal, state, or municipal statures or laws now or at any time hereafter in effect, including but not limited to , the Comprehensive Environmental Response, Compensation and liability Act (42 U.S.C. 9601 et seq.), the Hazardous materials Transportation Act (42 U.S.C. 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C.7401 et seq.), the Toxic Substance Control Act, as amended (15 U.S.C. 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. 651et seq.), and Title 46 of the Alaska Statutes as these laws have been and may hereafter be amended or supplemented. "Hazardous Substance" means any pollutant, contaminant, toxic substance, flammable, explosive, radioactive material, urea

formaldehyde foam insulation, asbestos, PCB's or any other substance the removal of which is required, or the manufacture, preparation production, generation, use maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any and all federal, state, or municipal statutes or laws now or at any time hereafter in effect. Hazardous material shall not include cleaning supplies used in the routine daily cleaning and operation of a restaurant.

- 26. Acceptance of the Rented Property by Renter. Renter acknowledges that it has thoroughly examined Rented Premises. Renter accepts Rented Premises in their "AS IS" condition, and the City shall not be required to perform any work to prepare Rented Premises for the Renter. Renter's taking possession of Rented Premises shall be conclusive evidence against it that, at the time possession was taken, Rented Premises were in good and satisfactory condition. Renter acknowledges that, except for those representations and statements regarding the condition of Rented Premises expressly stated herein, Renter has not relied upon any representations or statements of the City or its representatives or agents regarding the condition of Rented premises or their suitability for Renter's uses under this Rent.
- 27. Attorneys' Fees and Costs. Should any dispute and/or legal action arise by reason of any default or breach on the part of Renter in the performance of any of the provisions of the Rental Agreement, Renter agrees to pay all reasonable attorneys' fees and costs incurred by City in connection therewith including City's attorneys' fees and costs incurred on appeal. It is agreed that the venue of any legal action brought under the terms of this Rental Agreement will be the First Judicial District, at Ketchikan, Alaska. Renter specifically agrees that venue for trial in any action related to this Rent shall be in Craig, Alaska.
- 28. **No Waiver of Covenants**. Any waiver by either party of any breach hereof by the other shall not be considered a waiver of any future or similar breach. This Rental Agreement contains all the agreements between the parties, and there shall be no modification of the agreements contained herein except by written instrument signed by both parties.
- 29. Surrender of Rented Premises. Upon termination of this Rental Agreement, Renter agrees to peacefully quit and surrender the Rented premises without notice, remove all of Renter's personal property and leave the Rented premises neat and clean. If City elects to require Renter to remove any alterations or improvements made by Renter, then Renter shall restore the Rented Premises to their previous condition, at Renter's sole expense.

- 30. **Binding on Heirs, Successors and Assigns**. The covenants and agreements of this Rental Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of both parties thereto, except as hereinabove provided, and as allowable by law.
- 31. **Notice**. Any notice required to be given by either party to the other shall be deposited in the United States mail, postage prepaid, addressed to City at P.O. Box 19110, Thorne Bay, Alaska 99919, or the Renter at, PO Box 19508, Thorne Bay, AK 99919, or at such other address as either party may designate in writing to the other.
- 32. City's Right of Entry. The City shall have the right to enter Rented premises at all reasonable times to examine the condition of same.

IN WITNESS WHEREOF, The parties hereto have executed this Rental Agreement as of the date first set above written.

CITY:	RENTER:
THE CITY OF THORNE BAY	CINDY EDENFIELD
By	By
Jon Stram, Vice Mayor "City"	Cindy Edenfield "Renter"
ATTEST:	
 Teri Feibel, City Clerk	
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CITY OF THORNE BAY RESOLUTION 21-09-21-03

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA, APPROVING THE RENEWAL OF A SHORT-TERM 24-MONTH RENTAL AGREEMENT (AGREEMENT) WITH TIM LINDSETH, DBA CORNERSTONE EXCAVATIONS, FOR RENTAL OF CITY OWNED LANDS LOCATED IN THE THORNE BAY SORT YARD.

WHEREAS, the City Council is the governing body of the City of Thorne Bay; and

WHEREAS, The current lease between the City of Thorne Bay, and Tim Lindseth DBA Cornerstone Excavations for the rental of approximately 1 acre of Municipal Owned Property located in the Thorne Bay Sort Yard, is set to expire effective September 30, 2021; and

WHEREAS, the Thorne Bay Municipal Code 2.56.200-provides that short term rental agreements (under 5-years in length) may be authorized by resolution; and

WHEREAS, Tim Lindseth has rented the above-described property from the City of Thorne Bay since 2013 and has remained in good standing with terms of the Agreement; and

WHEREAS, it is in the City's best interest to renew the Rental Agreement with Tim Lindseth DBA Cornerstone Excavations.

NOW THEREFORE, BE IT RESOLVED that the City Council for the City of Thorne Bay hereby approves a 24-month Rental Agreement, effective October 1, 2021, through September 30, 2023, for the rental of 1 acre of city owned property located at the Thorne Bay Sort Yard.

PASSED AND APPROVED this	s $21^{ m st}$ day of September 2021, by a duly constituted quorum of the
City Council with a vote of _	yeas and nay.
ΔTTFST·	Cindy Edenfield Mayor

Teri Feibel, CMC

This Rental Agreement is entered into by and between the City of Thorne Bay, Alaska, P.O. Box 19110, Thorne Bay, Alaska 99919 (hereinafter called the "CITY" and, Tim Lindseth, (hereinafter called the "RENTER").

1. Rented Premises. The City does herby Rent to the Renter One (1) acre plus or minus of land at the Sort Yard on municipally owned property within the corporate boundaries of the City of Thorne Bay.

Municipal Code, Title 2, Article III, Incorporated. The provisions of "Title 2, Article III of the Thorne Bay Municipal Code shall apply to the terms of this Rental Agreement unless otherwise amended in this Rental Agreement.

2. **Term.** The term of this Rental Agreement shall be **Two(2) year(s)** beginning **October 1, 2021** and ending **September 30, 2023**. Monthly rental payments due the City shall commence prior to use of Rented Premises and continue throughout theterm of this Rental Agreement. Monthly Sales Taxes due the City shall commence upon the signing of Rental Agreement. Renter shall have the option to renew this Rent for an additional period of time subject to renegotiations of Rent terms and payments acceptable to both the City and Renter. The option to renew and Rent for the additional period can only be effective upon approval by the Thorne Bay City Council. This option to renew shall be exercised by the Renter in writing sixty (60) days prior to the expiration of the original Rent term. The option to renew is specifically waived if not exercised in full compliance with this provision.

This Rental Agreement expires automatically on the last day of the <u>Two (2)</u> year period absent the approval of a new Rental Agreement by the Thorne Bay City Council. Absent an approved Rental Agreement, the Renter shall vacate the premise on or before the ending date of this Rental Agreement.

In addition to any rights of the City to terminate this Rental Agreement as specified in this RentalAgreement, or as specified in the Thorne Bay Municipal Code, the City shall have all rights to terminate this Rental Agreement in accordance with any provision of applicable law.

- 3. Monthly Rent Payment. Renter covenants and agrees to pay City monthly Rent payments in the sum of <u>One Hundred Fifty Dollars (\$150)</u> plus applicable sales tax payable in advance on the first day of each month of the Rent term. In the event any payment required to be made pursuant to this Rental Agreement is more than ten (10) days past due, a late charge equal to ten percent (10%) per annum on such past due amount will be assessed and charged to Renter by City. At the expiration of two-year term, the monthly Rent payment shall be reviewed and adjusted in accordance with the provisions of Section 2.56.210 of Title 2, ArticleIII of the Thorne Bay Municipal Code.
- 4. **Deposits.** Renter shall deposit with the City an amount equal to N/A. Upon termination of the Rental Agreement the Renter shall vacate the premise leaving it in the same clean

condition as presented at the time said Rental Agreement was initiated. If the premise needs cleaning, repairs or the Renter is in default in payments said deposit shall be used to offset such costs. In the event the Rented Premise is clean and in need of no repairs the deposit will be refunded in full. First and last month may be waved in lieu of improvements to the Rented Premises or other City Facilities as provided by Renter per "Exhibit A".

- 5. **Use.** Renter shall use the Rented Premises for the purposed of maintaining and operating there on, <u>Firewood Processing</u>, <u>Log Storage and burning of wood waste created from firewood process</u>. The Rented Premises shall be used for no other purposes without the prior written consent of City.
- 6. **Utilities and Fees.** Renter shall be responsible for all utility accounts and applicable deposits for said accounts. Renter agrees to pay, and keep current, ALL charges, including deposits, for all utilities, including but not limited to water, sewer, refuse collection, electricity, propane, fuel oil and telephone. Failure to do so will result in the utility being shutoff. Activation of a city shutoff shall constitute a material breach of the Rent Agreement resulting in the City's termination of the Rent Agreement. Absent an approved Rental Agreement, the Renter shall vacate the premise immediately.
- 7. Repairs, Maintenance and Compliance with Laws. Renter shall maintain the Rented Premises at Renter's sole cost and expense and at all times keep the Rented Premises neat, clean and in a sanitary condition. Renter shall keep and use the Rented Premises in accordance with applicable laws, ordinances, rules, regulations and requirements of all governmental authorities. Renter shall permit no waste, damage or injury to the Rented Premises. Renter's use of the Rented Premises in violation of any law or regulation of any governmental entity related to public health or safety or environmental pollution shall be a material breach of the Rental Agreement and grounds for City's termination of the Rental Agreement. Renter is required to obtain building permit authorization from the City for construction of any and all structures placed on or in the Rented Premises.
- 8. Signs, Alterations and Improvements. All signs or symbols placed on or about the Rented Premises shall be subject to City's prior written approval. After prior written consent of City, Renter may make alterations and improvements to the Rented Premises, at Renter's sole cost and expense. City may elect to require Renter to remove any such alterations and improvements upon termination of this Rental Agreement at Renter's sole cost and expense. Any of Renter's improvements remaining on the Rented Premises longer than thirty (30) days after Renter's possessors rights to the Rented Premises have expired shall become Rented Premises of City.
- 9. **Insolvency.** In the event Renter becomes insolvent, bankrupt or if a receiver, assignee or other liquidating officer is appointed for the business of Renter, City, in City's sole discretion may immediately terminate this Rental Agreement and require that Renter vacate the Rental Premises.

- 10. Subletting or Assignment. Renter shall not sublet the whole or any part of the Rented Premises nor assign this Rental Agreement without the prior written consent of City. This Rental Agreement shall not be assignable by operation of law. All terms and conditions of the Rental Agreement shall be binding upon any sub-Renter or assignee of this Rental Agreement and Renter shall remain fully responsible to City for performance of this Rental Agreement.
- 11.Permits and Compliance with Law. Renter shall obtain all necessary local, state and federal permits necessary for the operation of Renter's business and shall comply with all local, state and federal laws, rules and regulations.
 - Failure to comply with any requirements of this section shall constitute a material breachof the Rental Agreement. Failure to remedy the violation within 30 days will result in the City's termination of the Rental Agreement. Absent an approved Rental Agreement, the Renter shall vacate the premise immediately.
- 12.Insurance. General Liability Insurance: The Renter shall procure and maintain during the life of this agreement, General Liability Insurance on an "occurrence basis" with limits of liability not less than \$1,000,000 per occurrence and/or aggregate combined single limit, personal injury, bodily injury and property damage.
 - Proof of Insurance shall be provided to City within thirty (30) days after the parties have executed this agreement and prior to public use of said premises. City shall be notified atleast thirty (30) days before the cancellation or termination of any policy. City shall be named as additional insured.
- 13. Accidents and Liability. City or its agent shall not be liable for any injury or damage to the persons or property sustained by Renter or others, in and about the Rented Premises.
- 14. Indemnification and Waiver of Subrogation. To the fullest extent permitted by law, the Renter agrees to defend, indemnify and hold harmless the City, its elected and appointed officials, employees and volunteers against any and all liabilities, claims, demands, lawsuits, or losses, including costs and attorney fees incurred in defense thereof, arising out of or in any way connected or associated with this agreement.

To the extent permitted by law, the Renter hereby re-Rents the City, its elected and appointed officials, employees and volunteers from any and all liability or responsibility to the Renter or anyone claiming through or under the Renter by way of subrogation or otherwise, for any loss or damage to the property caused by fire or any other casualty, even if such fire or other casualty shall have been caused by the fault or negligence of the City, its elected or appointed officials, employees or volunteers. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of the Renter's occupancy or use.

Renter understands that the City accepts no responsibility whatsoever for loss of, or damage to Renter's property.

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- 16. **Taxes.** Renter shall be solely and fully responsible for the payment of all applicable federal, state, and Thorne Bay municipal taxes including all Monthly Sales Taxes due the City.
- 17. Liens. Renter shall maintain Rented Premises free of any and all liens. Renter will not permit any mechanics', laborers' or materialmen's liens to stand against the Rented Property or improvements for any labor or materials furnished to Renter or claimed tohave been furnished to Renter, or to Renter's agents, contractors, or sub-Renters, inconnection with work of any character performed or claimed to have been performed on Rented premises or improvements by or at the direction or sufferance of Renter; provided, however, Renter shall have the right to contest the validity or amount of anysuch lien or claimed lien, In the event of such contest, Renter shall give to the City such reasonable security as may be demanded by the City to insure payment of such lien or such claim of lien. Renter will immediately pay any judgment rendered with all propercosts and charges and shall have such lien re-Rented or judgment satisfied at Renter's own expense. Renter agrees to indemnify, hold harmless and to defend the City andRented premises from such liens. Renter consents to the City's recording of and posting of a statutory notice of non-responsibility in accordance with Alaska Stature 34.35.065
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 - (b) Upon shut off of utilities;
 - (c) A default in the performance of any other covenant or condition on the part of the Renter to be performed for a period of thirty (30) days after receipt by Renter of a notice specifying the particular default or defaults;
 - (d) The filing of a petition by or against Renter for adjudication as a bankrupt, or for reorganization or arrangement within the meaning of the Bankruptcy Act;

- (e) The dissolution or the commencement of any action or proceeding for the dissolutionor liquidation of the Renter or for the appointment of a receiver or trustee of Rented Premises of the Renter;
- (f) The taking possession of Rented Premises of the Renter by any governmental officerof agency pursuant to statutory authority for the dissolution of liquidation of the Renter;
- (g) The making by the Renter of an assignment for the benefit of creditors;
- (h) Renter vacates or abandons the Rented Premises; and
- (i) A failure that continues for five (5) days or more to have the City named as an additional insured as required under paragraph 18, and Renter fails to cure such default within ten (10) days after receipt of a written notice has been received by Renter specifying such failure to name the City as an additional insured.

The specification of events constituting default by the Renter in this Section, are in additional to any defaults specified in the Thorne Bay Municipal Code.

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 - (a) Distraint for rent due and subsequent sale of chattels so distrained. The sale of any such chattels shall be in accordance with the procedure set forth in Alaska Statues.
 - (b) Re-enter Rented Premises and take possession thereof, remove all persons therefrom, and remove Renter's property therefrom and store it in a public warehouse or elsewhere at the cost of Renter, all without service of notice or resort to legal process (all of which Renter expressly waives) and without becoming liable for trespass, forcible entry, detainer, or other tort or for any loss or damage which may be occasioned thereby;
 - (c) Declare the Term ended;
 - (d) Re-let Rented premises in whole or in part for any period equal to or greater, or less, than the remainder of the Term for any sum which is commercially reasonable;
 - (e) Cure any such default, if possible, and demand immediate payment until all costs incurred in curing the default have been reimbursed fully, together with interest calculated at the rate of ten percent (10%) per annum at the then current prime rate as established by the First Bank of Alaska;
 - (f) Collect all reasonable damages, costs and expenses that the City may incur by reason of default by Renter, together with interest calculated at the rate of ten percent (10%) per annum at the then current prime rate as established by the First Bank of Alaska.
 - (g) The City shall use reasonable diligence to relet Rented Premises in or to mitigate the City's damages, consistent with the uses of Rented Premises, and all applicable Thorne Bay code provisions related to this Rent and Rented Premises.
- 20. Rights and Remedies. Except insofar as this is inconsistent with or contrary to any provision of this Rent, no right or remedy herein conferred upon reserved to the City or Renter is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy givenhereunder, or now or hereafter existing all aw or in equity or by statute.

- 21. Waiver. Except to the extent that a party may have otherwise agreed in writing, no waiver by a party of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by a party to seek a remedy for any breach of the other party be deemed a waiver of its rightsor remedies with respect to such breach.
- 22. Changes. No modifications, amendments, deletions, additions or alterations of the Rent Agreement shall be effective unless in writing and signed by all of the parties hereto and such representatives of the parties as have been duly authorized to make such changes.
- 23. Joint Product. The language set out in this Rental Agreement represents the joint product of the parties and shall not be construed against one party in favor of the other. Each party hereto has had the option of seeking the advice of legal counsel in the drafting of this Rental Agreement, and the rule of construction favoring construction against the drafter shall not apply. Renter acknowledges and agrees that Renter has not received any legal advice from the City's attorney or from anyone associated with the City.
- 24. Authority. The parties and their undersigned representatives warrant that they have full authority to enter into this Rental Agreement and to execute this Rental Agreement.
- 25. Hazardous Materials. The Renter shall not permit, store, manufacture or dispose on Rented Premises any hazardous material or controlled substance as determined by federal, state, or municipal statures or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation and liability Act {42 U.S.C. 9601 et seq.), the Hazardous materials Transportation Act {42 U.S.C. 1801 et seq.), the Resource Conservation and Recovery Act {42 U.S.C. 6901et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C.7401 et seq.), the Toxic Substance Control Act, as amended (15 U.S.C. 2601et seq.), and the Occupational Safety and Health Act (29 U.S.C. 651et seq.), and Title 46 of the Alaska Statutes as these laws have been and may hereafter be amended or supplemented. "Hazardous Substance" means any pollutant, contaminant, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCB's or any other substance the removal of which is required, or the manufacture, preparation production, generation, use maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any and all federal, state, or municipal statutes or laws now or at any time hereafter in effect. Hazardous material shall not include cleaning supplies used in the routine daily cleaning and operation of a restaurant.
- 26. Acceptance of the Rented Property by Renter. Renter acknowledges that it has thoroughly examined Rented Premises. Renter accepts Rented Premises in their "AS IS" condition, and the City shall not be required to perform any work to prepare Rented Premises for the Renter. Renter's taking possession of Rented Premises shall be conclusive evidence against it that, at the time possession was taken, Rented Premises were in good and satisfactory condition.

Renter acknowledges that, except for those representations and statements regarding the condition of Rented Premises expressly stated herein, Renter has not relied upon any representations or statements of the Cityor its representatives or agents regarding the condition of Rented premises or their suitability for Renter's uses under this Rent.

- 27. Attorneys' Fees and Costs. Should any dispute and/or legal action arise by reason of any default or breach on the part of Renter in the performance of any of the provisions of the Rental Agreement, Renter agrees to pay all reasonable attorneys' fees and costs incurred by City in connection therewith including City's attorneys' fees and costs incurred on appeal. It is agreed that the venue of any legal action brought under the terms of this Rental Agreement will be the First Judicial District, at Ketchikan, Alaska. Renter specifically agrees that venue for trial in any action related to this Rent shall be in Craig, Alaska.
- 28.No Waiver of Covenants. Any waiver by either party of any breach hereof by theother shall not be considered a waiver of any future or similar breach. This RentalAgreement contains all the agreements between the parties, and there shall be no modification of the agreements contained herein except by written instrument signed by both parties.
- 29. Surrender of Rented Premises. Upon termination of this Rental Agreement, Renter agrees to peacefully quit and surrender the Rented premises without notice, remove all of Renter's personal property and leave the Rented premises neat and clean. If City elects to require Renter to remove any alterations or improvements made by Renter, then Renter shall restore the Rented Premises to their previous condition, at Renter's sole expense.
- 30. Binding on Heirs, Successors and Assigns. The covenants and agreements of this Rental Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of both parties thereto, except as hereinabove provided, andas allowable by law.
- 31. **Notice**. Any notice required to be given by either party to the other shall be deposited in the United States mail, postage prepaid, addressed to City at P.O. Box 19110, Thorne Bay, Alaska 99919, or the Renter at, PO Box 19403, Thorne Bay, AK 99919 or at such other address as either party may designate in writing to the other.
- 32. City's Right of Entry. The City shall have the right to enter Rented premises at all reasonable times to examine the condition of same.

IN WITNESS WHEREOF, The parties hereto have executed this Rental Agreement as of the date first set above written.

CITY:	RENTE	RENTER:				
By	Ву					
Cindy Edenfield, Mayor "City" ATTEST:		Tim Lindseth	"Renter"			
Teri Feibel, City Clerk						