



City of Gustavus
P.O. Box 1
Gustavus, AK 99826
Phone: (907) 697-2451

COUNCIL PACKET
March 14, 2013 General Meeting



CITY COUNCIL MEETING AGENDA

GENERAL MEETING

MARCH 14, 2013 - THURSDAY

7:00PM @ CITY HALL

Lou Cacioppo

Mayor

lou.cacioppo@gustavus-ak.gov

Mayor Term Expires 2013

Council Seat Term Expires 2013

Noël Farevaag

Vice Mayor

noel.farevaag@gustavus-ak.gov

Term Expires 2014

Morgan DeBoer

Council Member

morgan.deboer@gustavus-ak.gov

Appointed Until October 2013

Term Expires October 201

Phil Hawley

Council Member

phil.hawley@gustavus-ak.gov

Term Expires 2015

Jim Mackovjak

Council Member

jim.mackovjak@gustavus-ak.gov

Term Expires 2013

Sandi Marchbanks

Council Member

sandi.marchbanks@gustavus-ak.gov

ak.gov

Term Expires 2014

Tim Sunday

Council Member

tim.sunday@gustavus-ak.gov

Term Expires 2015

COUNCIL MEETINGS:

Work Sessions:

1st & 3rd Thursdays

General Meeting:

2nd Thursday

1. Call to Order
2. Roll Call
3. Approval of Minutes:
 - A. February 14, 2013 General Meeting Minutes
4. Mayor's Request for Agenda Changes:
5. Committee Reports:
 - A. DRC
 - B. Road
 - C. GVA
6. Public Comment on Non-Agenda Items
7. Consent Agenda:
 - A. Gustavus Community Garden Special Land Permit
 - B. Appoint Diane Sullivan To Library Board
 - C. Appoint Abigail Calkin To GCN Committee
8. Ordinance for Public Hearing:
 - A. FY13-11NCO Amending The Road Budget
9. Unfinished Business:
 - A. Award Gravel Pit Contract—Fairweather
 - B. Award Gravel Pit Contract—Glacier Bay Construction
 - C. Award Gravel Pit Contract—Charles D. Schroth
10. New Business:
 - A. Snug Harbor ABC License Renewal
 - B. Authorize Mayor To Send Letter To NPS Concerning Whale Display
 - C. Authorize Mayor To Sign PLA Grant For Library
 - D. FY13-13NCO Amending Library Budget—Publish
 - E. FY13-14 Amending Title 4.13—Publish
 - F. Appoint & Confirm Interim Fire Chief Skaflestad
11. Staff Reports:
12. City Council Reports
 - A. Mayor's report
 - B. City Clerk report
13. City Council Questions and Comments
14. Public Comments on Non-Agenda Items
15. Executive Session
16. Adjournment

**City Council General Meeting
February 14, 2013**

7. Consent Agenda: None

8. Ordinances for Public Hearing: None

9. Unfinished Business: None

10. New Business:

A. Award Gravel Pit Contract—Fairweather

Public Comment:

CONFLICT OF INTEREST:	Council Member Marchbanks declared a conflict of interest due to the fact that her family business is an applicant for a gravel pit contract.
-----------------------	---

Motion:	Vice Mayor Farevaag moved that we postpone awarding the gravel pit contract to Fairweather Construction until after this can be discussed at a Work Session.
Seconded by:	Council Member Mackovjak

(Clerk's Note: During the roll call vote, the Mayor ruled on Council Member Marchbanks conflict of interest.)

RULING:	Mayor Cacioppo ruled that there was a conflict of interest.
---------	---

ROLL CALL VOTE ON MOTION:
Yes: Cacioppo, DeBoer, Farevaag, Hawley, Mackovjak
No: None
Recused: Marchbanks
Motion Passes 5/0 With 1 Recused

B. Award Gravel Pit Contract—Glacier Bay Construction

Public Comment: None

NOT YET APPROVED
City Council Minutes
City of Gustavus, Alaska

Motion:	Council Member Mackovjak moved we postpone awarding the gravel pit contract to Glacier Bay Construction until after this has been discussed at a work session.
Seconded by:	Vice Mayor Farevaag

ROLL CALL VOTE ON MOTION:
Yes: Cacioppo, DeBoer, Farevaag, Hawley, Mackovjak
No: None
Recused: Marchbanks
Motion Passes 5/0 With 1 Recused

C. Award Gravel Pit Contract—Charles D. Schroth

Public Comment:

Motion:	Council Member Mackovjak moved we postpone awarding the gravel pit contract to Charles D. Schroth until after this has been discussed at a work session.
Seconded by:	Council Member Hawley

ROLL CALL VOTE ON MOTION:
Yes: Cacioppo, DeBoer, Farevaag, Hawley, Mackovjak
No: None
Recused: Marchbanks
Motion Passes 5/0 With 1 Recused

D. Approve Application Federal Lands Access Program & Authorize Mayor To Sign And Submit

Public Comment: None

Motion:	Vice Mayor Farevaag moved to approve the application for the Federal Lands Access Program and authorize the Mayor to sign and submit the grant application.
Seconded by:	Council Member Mackovjak

ROLL CALL VOTE ON MOTION:
Yes: Cacioppo, DeBoer, Farevaag, Hawley, Mackovjak, Marchbanks
No: None

Motion Passes 6/0

11. Staff Reports: None

12. City Council Reports

A. Mayor's Report

B. City Clerk's Report:

13. City Council Questions & Comments

- Council Member Marchbanks discussed the Boat Harbor and Floats
- Council Member DeBoer discussed the newspaper
- Vice Mayor Farevaag stated she was working an ordinance change that Alaska Permanent Capital Management had requested.
- Mayor Cacioppo discussed property in Gustavus

14. Public Comment on Non-Agenda Items: None

15. Executive Session: None

16. Adjournment:

With no further business before the Council the meeting was adjourned at 7:57PM.

City of Gustavus Special Land Use Permit

This Special Land Use Permit is issued for a period of one year only and may be renewed upon request of the recipient. This Special Land Use Permit is issued under Title 10 section 10.08 Easements – 10.08.01 Temporary Use of City land and does not convey an interest in the land in any way and may be revoked for cause with 30 day notice. Unless otherwise agreed to in writing, this land will be restored to its original condition upon expiration or revocation of the permit.

Property Description: One acre (34,560 sq. ft.) of land within what is commonly known as the Doc Bailey property. (See Attached Map)

Terms of this agreement:

This permit is issued giving the exclusive temporary use of city land described herein and issued with the understanding the recipient will hold the City of Gustavus harmless from any and all liability resulting from use of the land and in any and all disputes or misunderstanding arising from operations conducted upon the permitted land by the permitted user. Prior to the signing of this permit the user is to have described to the City's satisfaction all details of operations, charges to resident users, all temporary changes to the land and any planned temporary structures to be erected on the land. There will be no fee for issuance of this permit however the recipient must return the land to its original condition. No permanent structures or alterations to the land will be permitted without written permission from the city.

Permitted organization, group or individual and the permitted purpose

This permit is offered to Gustavus Community Gardens for a period of one year by the City of Gustavus for use by community residents who wish to accept the conditions of this permit and the conditions placed upon land use by the Gustavus Community Garden organization for the production of food and flower crops.

Special provision

Gustavus Community Gardens is allowed to have an electrical power service with Gustavus Electric Company. Gustavus Community Gardens is responsible for all costs associated with the electrical power hookup and is responsible for all reoccurring or monthly charges. Gustavus Community Gardens shall also be responsible for terminating the power service when the group is no longer leasing the property.

Duration of this agreement – From April 10, 2013 Through April 10, 2014

Mayor of Gustavus

Date

Representative of the permitted individual,
Group or organization.

Date



Date Received:

APPLICATION FOR APPOINTMENT/REAPPOINTMENT TO BOARDS & COMMITTEES
CITY OF GUSTAVUS

Board/Committee Name: Library Position: Board

Name: Sullivan Dianne L.
Last First MI

Residence Address: Box 125 Gustavus AK 99826

Mailing Address: Box 125 Gustavus AK 99826

Home Phone: (907) 738-2821

E-Mail Address: dimeconkey@hotmail.com

Can you regularly attend meetings? ☒ YES ☐ NO

(Committee and Board by-laws may have attendance requirements)

Are you currently affiliated with the City in any way? (For example emergency responder, employee)

☐ YES ☒ NO

If yes, please list positions: _____

Have you been a member of this board/committee before? NO

Reason for interest in committee/board membership: love of books and libraries

Brief background of experience that would qualify you for the position: Reading

specialist teacher, and responsible community member

D Sullivan Dianne Sullivan 2/9/13
Signature Printed Name Date



Date Received:

APPLICATION FOR APPOINTMENT/REAPPOINTMENT TO BOARDS & COMMITTEES
CITY OF GUSTAVUS

Board/Committee Name: GCS Position: Committee member

Name: ALKIN ABIGAIL B
Last First MI

Residence Address: 2 Snow Street

Mailing Address: POB 238

Home Phone: 697-2825

E-Mail Address: abicalkin@aol.com

Can you regularly attend meetings? ☒ YES ☐ NO

(Committee and Board by-laws may have attendance requirements)

Are you currently affiliated with the City in any way? (For example emergency responder, employee)

☒ YES ☐ NO

If yes, please list positions: Road Committee

Have you been a member of this board/committee before? NO

Reason for interest in committee/board membership: I'm still on dial-up.

① Community responsibility.

Brief background of experience that would qualify you for the position: I'm on dial-up!

Abigail B. Alkin
Signature

Abigail B. Alkin
Printed Name

6 March 2013
Date

**City of Gustavus, Alaska
Ordinance No. FY13-11NCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE
AMENDMENT OF THE ROAD BUDGET FOR FISCAL YEAR 2013**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

Section 1. Classification. This is a **Non-Code Ordinance**

Section 2. For the Fiscal Year of 2013, estimated expenditures have changed from the estimates in the approved budget.

Section 3. For the current fiscal year, the budget is amended to reflect the changed estimates as follows:

Budget Category	Amounts		
	Original Budget	Amended Budget	Change
INCOME			
Grant	\$55,490.00	\$55,700.00	+\$210.00
EXPENSE			
Contractual Services	\$55,490.00	\$55,700.00	+\$210.00

Section 4. The budget is hereby amended as indicated and any portion of the approved budget inconsistent with this amendment is repealed.

Section 5. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

DATE INTRODUCED: January 3, 2013

DATE OF PUBLIC HEARING: March 14, 2013

PASSED and APPROVED by the Gustavus City Council this _____ day of _____, 2013.

Lou Cacioppo
Mayor

Attest: Kapryce Manchester, MMC
City Clerk

CITY OF GUSTAVUS, ALASKA

MATERIAL SALE CONTRACT

Issuance Date: **February 14, 2013**

Expiration Date: **December 31, 2013**

CoG # **FY13-XX**

Federal Tax I.D. or SSN: _____

Under AS 38.05.110-38.05.120 and AS 38.05.810(a) and City of Gustavus Ordinance Title 4 and City of Gustavus Ordinance Title 10 and the regulations implementing these statutes, the City of Gustavus, the seller, agrees to sell to **XXXXXXXXXX**, the buyer, whose address is shown in paragraph 17 of this Material Sale Contract, and said buyer agrees to purchase the material designated in this contract, subject to the provisions that follow:

1. Description: Location, Material, Quantity, and Price:

- (a) The material sale area covered by this contract consists of approximately 2 acres. This area is designated by the boundaries shown on the attached sale area Attachment A, Gustavus Gravel Sites and Mining Plan, which are made a part of this contract, or as designated on the ground by the seller, and described as follows:

(example) T.39S., R. 59E. CRM Sec. 31 a portion of Lot 11

**A portion of the sale (500 cubic yards) is restricted to grid sections 26, 27, 29 and 30 as shown on the attached sale area maps. Grid Sections 31, 32, and 33 are available for access and a staging area but not for material removal.*

- (b) The material to be removed and the price are:

Kind of Material	No. of Units	Unit Price	Total
Gravel	XXXX Cubic Yards	\$2.00	\$X,XXX.00

2. Payments and Deposits. No part of the materials sold under this contract may be extracted from the sale area by the buyer except in accordance with the following terms:

- (a) The buyer shall remit an earnest money deposit in the amount of \$800.00 along with the bid for a competitive sale contract or at the time a negotiated sale buyer signs this contract. The deposit may be applied, in whole or in part, to the final payment that becomes due under this contract.
- (b) Additional periodic installment payments as required in paragraph 2(c) must be made for material extracted as of the date payment becomes due but may not exceed the total purchase price.
- (c) Each periodic installment payment becomes due and payable quarterly, without prior notice to the buyer, for the value of material extracted as of that date. The installment must be based on records required in paragraph 3 of this contract and must be submitted to the seller no later than the fifth (5th) working day following the date the installment is due.
- (d) A final accounting and payment for material removed, and a completion statement, must be submitted no later than five (5) working days following contract completion, or when the contractor has completed removal under the contract, or following termination of the contract by the seller or by operation of law. Whether completion is satisfactory will be decided by the

- representative of the City of Gustavus within 90 working days after receiving the final accounting report and completion statement.
- (e) If the buyer fails to make a payment provided for in this contract, the City may under paragraph 8(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple (3X) the unit contract price. Resumption of the lawful taking of materials may be authorized, in writing, by the City of Gustavus only after the payments in arrears plus the penalty provided for in paragraph 2(f) have been paid.
 - (f) Late Payment Penalty: Interest at the rate set by City of Gustavus Ordinance Section 04.15.070(d) will be assessed on a past-due account until payment is received by the seller.
 - (g) All payments and deposits must be remitted to the City of Gustavus and must be made payable to the City of Gustavus.
 - (h) Special Provisions. The following special provisions also apply to payments and deposits under this contract.
 - (1) Whether or not any material is removed during a particular reporting period, the buyer agrees to submit an Accounting Voucher to the City of Gustavus, PO Box 1, Gustavus, Alaska 99826, as of and within five working days of the following dates: December 1, March 31, June 30 and date of expiration or upon removal of total contract entitlement, whichever is earliest.

3. Method of Volume Determination

- (a) The method of volume determination for purposes of payment under this contract, along with any special provisions applicable to volume determination, is: Vehicle Bed conversion to loose cubic yards.
- (b) The buyer shall keep accurate and up-to-date records of all materials extracted. These records are subject to verification by check measure and inspection of the buyer's books by the seller at any time without notice.
- (c) All measurements are to be made by or under the direct supervision of buyer personnel acceptable to the seller, including a Alaska licensed engineer where the seller deems appropriate, with quantities certified by that person.

4. Operating Requirements.

- (a) Boundary Lines and Survey Monuments. No boundary mark of the sale area nor any survey line or witness tree for any survey corner or monument may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by a registered surveyor in a manner approved by the seller.
- (b) Standard of Operations. The buyer shall properly locate the buyer's operations and buyer's improvements within the sale area, and may not commit waste, whether ameliorated or otherwise. In addition to complying with all laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition, and shall take all prudent precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land.

- (c) Erosion Control and Protection of Waters. Road construction or operations in connection with this contract must be conducted so as to avoid damage to streams, lakes, or other waters and land adjacent to them. Vegetation and materials may not be deposited into any stream or other waters. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the representative for the City of Gustavus. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner acceptable to the seller. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the City. Waters include waters defined in 5 AAC 95.010, Protection of Fish and Game Habitat.
- (d) Fire Protection. The buyer shall take all necessary precautions for the prevention of wildfires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations and ordinances promulgated by all governmental agencies responsible for fire protection in the area.
- (e) Roads. Before constructing any main-haul, secondary or spur road across city land, the buyer shall obtain written approval of the proposed location and construction standards of the road from the seller.
- (f) Supervision. The buyer shall maintain adequate supervision at all times when operations are in progress to ensure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and ordinances governing the operations are enforced. At all times when operations are in progress, the buyer, or a person authorized by the buyer to assume the responsibilities imposed by this contract, shall be present on the sale area.
- (g) Agents. The provisions of this contract apply with equal force upon an agent, employee, or contractor designated by the buyer to perform any of the operations relating to extraction of the materials sold under this contract. The buyer is liable for noncompliance caused by any such agent, employee, or contractor.
- (h) Location. The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract.
- (i) Access. The City of Gustavus makes no representations that it will construct or maintain access to the land. Access over any route not under the seller's control is the responsibility of the buyer. The buyer agrees that any permanent access or right-of-way obtained over privately owned property will provide a permanent easement to the seller.
- (j) Special Provisions. The following special provisions also apply to operations under this contract:
 - (1) The buyer is eligible, under AS 27.19.050(a) for an exemption from a Reclamation Bond and from a Reclamation Plan. The buyer must file a "letter of intent" under 11 AAC 97.500 to qualify for the exemption.
 - (2) The Purchaser shall comply with the requirements of the "Promulgated Health and Safety Standards, Part 55-56 for Surface Metal and Non-metal Mines" published by the MINE SAFETY AND

HEALTH ADMINISTRATION, UNITED STATES DEPARTMENT OF LABOR and any subsequent revisions thereto under part 58, Subpart B- (Notification of Accidents) and shall immediately following any such fatal or non-fatal accidents, provide the State with sufficient detailed information to enable the State to make a separate report of the accident in the name of the State as a party to this contract.

The Purchaser shall comply with all other applicable provisions of the "Regulations and Standards Applicable to Metal and Non-metal Mining and Milling Operations" 30 CFR Parts 40,41,43,44,48,50,55,56, and 57, compiled by MSHA, U.S. Department of Labor and revisions thereof.

- (3) Material preparation and extraction shall at all times be carried out adhering to sound engineering principles.
- (4) The Purchaser agrees to coordinate his operation so that it shall not interfere with the operation of other purchasers who may be assigned the same or nearby areas. The City retains the right to cancel or suspend operations under any sale for reasons of safety, disputes between operators, or at any other time it should be in the City's interest to do so.
- (5) Final pit slopes shall be no greater than 3:1. Drainage from the pit must meet state water quality standards before it enters any waters of the state.
- (6) The City reserves the right to restrict hours of usage should it prove prudent to do so, said restriction to be preceded by 15 days written notice to the Purchaser.
- (7) Trees, stumps, overburden and any other debris derived from quarry expansion shall be disposed of in a manner considered suitable by the authorized representative of the City of Gustavus.
- (8) If any of the topsoil (organic and mineral) disturbed by a mining operation is not promptly redistributed to an area being reclaimed, it must be segregated, protected from erosion and from contamination by acidic or toxic materials and preserved in a condition suitable for later use. Stripped vegetation shall be stacked and stored or used immediately, subject also to Section 4(j) for reclamation activities.
- (9) Materials excavated under this agreement shall be stockpiled in a separate area and shall not be mingled or mixed with any other material so as not to be readily measured in the pile.
- (10) If potential cultural or paleontological archeological resources are discovered, they should not be disturbed and the DNR Office of History and Archeology should be contacted.
- (11) The buyer shall submit an as-built drawing of the material site AFTER excavation is completed. The drawing should include specific dimensions of the disturbed area as well as the depth of the excavated area. The diagram must also show the area from which the buyer intends to excavate his next contract.
- (12) The buyer shall furnish certificates of insurance, according to the attached insurance requirements to the City of Gustavus City Clerk prior to beginning operations under this authorization, and must provide for thirty (30) days prior notice of cancellation, non-renewal

and/or material change. Failure to furnish satisfactory evidence of insurance or lapse of policy is a material breach and grounds for termination of the contract.

5. Indemnity of Seller and Bonding.

(a) The buyer shall indemnify and hold the seller harmless from:

- (1) All claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the land or operations by the buyer or the buyer's successors, or at the buyer's invitation; and
- (2) Any accident or fire on the land; and
- (3) Any nuisance on the lands; and
- (4) Any failure of the buyer to keep the land in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and
- (5) Any assignment, sublease, or conveyance, attempted or successful, by the buyer that is contrary to the provision of this contract.

The buyer will keep all goods, materials, furniture, fixtures, equipment, machinery, and other property on the land at the buyer's sole risk, and will hold the City of Gustavus harmless from any claim of loss or damage to them by any cause.

(b) At the City Council's discretion a buyer shall be required to file a bond designed to ensure the buyer's performance and to help protect the City of Gustavus against any liability that may arise as a result of the activities of the buyer. If required, a bond acceptable to the City in the amount of \$1,000.00 must be filed with the seller at the time of execution of this contract to ensure the buyer's performance and financial responsibility.

6. Improvements and Occupancy

- (a) Any improvements or facilities including crushers, screens, mixing plants, buildings, bridges, roads, etc. constructed by the buyer in connection with this contract and within the contract area must be in accordance with plans pre-approved by the City of Gustavus.
- (b) The buyer must, within 60 days after contract completion or termination of the contract by the City or by operation of law, remove the buyer's equipment and other personal property from the contract area. After removal, the buyer must leave the land in a safe and clean condition that is acceptable to the City of Gustavus' discretion.
- (c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the City, is not removed within the time allowed, that property may, upon 30 days' notice to the buyer, be sold at public auction under the direction of the City of Gustavus Municipal Code 10.12.010. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the City. If there are no other bidders at the sale, the City may bid on the property, and the City will acquire all rights, both legal and equitable that any other purchaser could acquire through a sale and purchase.

- (d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the City, is not removed within the time allowed, title to that property automatically vests in the City.
- (e) Special provisions, if any, applicable to improvements and occupancy under this contract are listed in paragraph 4(j) of this contract.

7. Inspection.

- (a) The City must be accorded access, at all times, to the sale area and to the books and records of the buyer, the buyer's contractors, and any sub-contractors relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.
- (b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the City in regard to performance under this contract, and to take appropriate action as is required by this contract.

8. Termination and Suspension.

(a) The City of Gustavus may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach and an opportunity to be heard.

(b) If the buyer fails to comply with any of the provisions of this contract, the City may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the City in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the City may terminate the contract under paragraph 8(a) of this contract. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the City to prevent danger or additional damage. Any cost incurred by the City as a result of this corrective action, or by the buyer's failure to take corrective action, must be paid by the buyer.

(c) This contract may also be terminated by mutual agreement by both parties on terms agreeable to in writing by both parties.

9. Inclusion of Applicable Laws and Regulations. The buyer shall comply with all laws and regulations applicable to operations under this contract, including the provisions of AS 27.19 and 11 AAC 97 regarding mining reclamation, the provisions of AS 41.15 for wildfire prevention and control, the provisions of AS 38.05.110 – 38.05.120, material sale regulations 11 AAC 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or suspension of this contract in addition to any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regards.

10. Assignment. This contract may not be assigned by the buyer without the City's prior written consent to the assignment.

11. Permits. Any permits necessary for operations under this contract must be obtained by the buyer before commencing those operations.

12. Passage of Title. All right, title and interest in or to any material included in the contract shall remain in the City of Gustavus until it has been paid for; provided, however, that the right, title and interest in or to any material that has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the City of Gustavus.

13. Expiration and Extension. This contract expires on the date stated at the top of the contract unless an extension, amendment, or renewal is granted by the City. The request for renewal may begin three (3) months prior to existing contract.

14. Warranties. This contract is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use, of the material to be extracted from the area under contract.

15. Valid Existing Rights. This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

16. Notices. All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address:

To the City: City of Gustavus
 PO Box 1
 Gustavus, Alaska 99826

To the Buyer:

17. Integration and Modification. This contract, including all laws and documents that by reference are incorporated in it or made a part of it, contains the entire agreement between the parties.

This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification that is not in writing, signed by both parties and notarized is of no legal effect.

18. Severability of Clauses of Sale Contract. If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any

other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.

19. Construction. Words in the singular number include the plural, and words in the plural number include the singular.

20. Headings. The headings of the numbered pages in this contract shall not be considered in construing any provision of this contract.

21. “Extracted” “Extraction” In this contract, use of the terms “extracted” and “extraction” encompasses the severance or removal, as well as extraction, by the buyer of any materials covered by this contract.

22. Waiver. No agent, representative or employee of the City of Gustavus has authority to waive any provision of this contract unless expressly authorized to do so by the City Council.

BY SIGNING THIS CONTRACT, The City of Gustavus, Alaska, as seller, and the buyer, agree to be bound by its provisions as set out above.

BUYER:

SELLER: THE CITY OF GUSTAVUS

Address:

Mayor, City of Gustavus, Alaska



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

2400 Viking Drive
Anchorage, Alaska 99501
Main: 907.263.5900
Chris Lambert: 907.263.5923
TDD: 907.465.5437
Fax: 907.263.5930

February 21, 2013

Renewal Application Notice

City of Gustavus

Attn: Mayor & City Clerk

VIA EMAIL: clerk@gustavus-ak.gov; mayor@gustavus-ak.gov

DBA	Lic Type	Lic #	Owner	Premise Address
Snug Harbor Liquor	Package Store	4549	Snug Harbor LLC	1/8 Wilson Rd

We have received a renewal application for the above listed licenses (see attached applications) within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. COTÉ
Director

/s/ Christine C. Lambert

Christine C. Lambert
Records & Licensing Supervisor
269-0359
Christine.lambert@alaska.gov

Staff Request for Agenda Item

CITY OF GUSTAVUS

Staff Name: Sylvia Martinez

Explanation of Request:

We request your signature on the
attached letter.

Request for Council Work Session & General Meeting attention:

Work Session:

Month: _____ 1st Thursday _____ 3rd Thursday _____

General Meeting Date: _____

Action Staff would like City Council to take:

approve and sign letter. Draft exists
in clerk's email.

Supporting Documents Attached

☒ Yes

☐ No

If supporting documents are not attached date that they will be supplied (Deadline for General Meeting Agenda Item is Monday prior to first work session of the month):

original in Kaprye email and copies attached, history is attached

Contact Person: Sylvia Martinez

DRAFT

DRAFT

DRAFT

DRAFT

DRAFT

DRAFT

March ____, 2013

Kelly VandenBerg
Education Specialist
Glacier Bay national Park
Box 140
Gustavus, AK

Dear Ms. VandenBerg:

The Gustavus City Council has followed the planning process for housing a baby orca whale skeleton at the Gustavus Public Library with interest. We are in receipt of Library Board member Artemis BonaDea's letter of August 20, 2012 stating that the Library Board has a strong interest in housing the skeleton in the public library and we are also in support of this project.

We understand that a full Memorandum of Understanding (MOU) will be drafted and signed at a later date covering any legal or safety issues. At this time the City Council is only expressing our interest in continuing the process already started.

Please feel free to contact the City Council at any time for information or action, or continue to work with the Library Board members as appropriate.

Sincerely,

Representing the
Gustavus City Council



FY2014 ALASKA PUBLIC LIBRARY ASSISTANCE GRANT APPLICATION

DUE: April 1, 2013

1. Library Name: Gustavus Public Library
2. Address: P.O. Box 279
City: Gustavus, Alaska Zip: 99826
3. Contact Person: Sylvia Martinez 4. Phone No: (907) 697-2350
5. Fax No: (907) 697-2349 6. E-mail: smartinez@gustavus.lib.ak.us
7. Check Mailing Address: City of Gustavus, P.O. Box 1, Gustavus, 99826

8. Schedule of Hours Library Will Be Open (Note any seasonal library schedule changes you expect this year):

Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Total Hours Per Week	Weeks Open Per Year
	1:30-4:30	1:30-4:30	1:30-4:30	10:00- 12:00 and 1:30-4:30	1:30-4:30	11:00- 3:00	25	52
To	and 7:00-9:00		and 7:00-9:00					

9. If the library will be open fewer than 52 weeks, which weeks will your library be closed?
N/A
10. Number of branch libraries and/or bookmobiles: 0 Please fill out the enclosed **Branch Library Addendum Page** or **Bookmobile Addendum Page** and attach to the grant application. Currently applies just to Anchorage, Barrow, Fairbanks, Juneau, Kotzebue, and Naknek.

FY2014 Alaska Public Library Assistance Grant Application
Page 2

11. Budget Summary:

11. Budget Summary:		Local Funds for Match	Public Library Assistance Grant Funds Requested	Total Project Budget
a.	Personnel			
	1. Salaries and Wages	34273	3500	37,773
	2. Fair Value Rate for Volunteer Labor (#12 below)		Not Applicable	
	3. Benefits			
b.	Collection (Library Materials)			
	1. Books	1500	3500	5000
	2. Subscriptions			
	3. Audiovisuals			
	4. Online Services, and Internet Service Provider (ISP) Fees (<i>Expenditures up to \$500 total</i>) after erate	500		500
	5. Microforms, Computer Software for Patron Use, Games and Toys			
c.	Other Expenditures			
	1. Building Operations Maintenance & fundraise	2716		2716
	2. Furniture, Equipment, & Computers	150		150
	3. Travel & Training	1540		1540
	4. Supplies & Postage & Shipping	1650		1650
	5. Online Services and Internet Service Provider (ISP) Fees (<i>Expenditures beyond \$500 total</i>)after erate	76		76
	6. Services Insurance, freight , Catalog(Res.Mat) Telephone	3532		3532
	7. All Other Unreported Expenditures Tech Cont. & Plowing	3839		3839
d.	Total	49776	7000	56776

Note: If Local Funds for Match column totals \$7,000 or more, you should request \$7,000 in Grant Funds Requested column.

12. **Fair Value Rate for Volunteer Labor:** If your library is claiming volunteer labor as part of the local match, please note the number of volunteer hours you expect to accrue during FY2012 and the hourly rate claimed. (For the hourly rate, see **Personnel** on page 6 in the enclosed packet.)

Total Volunteer	Hourly	Fair Value Rate for
Hours: 1066 times	Rate: \$12.00	Volunteer Labor \$12,792

13. Every public library that receives the Alaska public library assistance grant is required by law to provide four basic library services. Please answer the following questions for each of these four required services, even if you do not plan to use grant funds for that service.

- a. Provide a collection of books and other materials for loan – How will this your library collections be increased or improved? What activities will you undertake to achieve your objectives? Will staff receive training in this service area? How will you evaluate improvements to your library collections? Please be specific.

During 2012, books were weeded from our shelves in the 500, 600, 700 sections and from the Fiction and Special Collections sections. New and donated books replaced weeded ones. We received numerous donated DVDs this past year and this trend will likely continue throughout the coming year. We have extensive ongoing donations of books, movies, and music. Books are also purchased on a regular basis.

We reach out to library users through programs and informal contacts to see what subject or genre needs improvement. Suggestions from our patrons are taken seriously and we have ordered many of the books they would like to see here. We have a fairly extensive McNaughton book collection that is heavily utilized by the public. We plan to get more McNaughton titles in the coming months.

In our monthly newsletter we list the titles of all the new items available. Often people see something listed in our newsletter or on our Facebook page and come in to check it out.

We will continue to gain more knowledge of recommended books and media from literary publications and internet sources. Our librarians bring back ideas on books and other information from the yearly AKLA Conference. Our collection will continue to change and update over time to meet the needs of our Community. We will evaluate how we are doing by talking with our patrons and also by seeing what kind of circulation different items are getting.

- b. Provide access to interlibrary loan (ILL) services – How will ILL service be increased or improved? What activities will you undertake to achieve your objectives? Will staff receive training in this service area? Do you plan to use the 800# ILL and Reference Backup Service in Anchorage to provide ILLs to your patrons? (See box below.) How will you evaluate improvements to ILL services? Please be specific.

We have signs up in our Library noting that if one can't find what he or she is looking for, we can use Inter-Library Loan to get books and other information for our patrons from other libraries. The ILL service is also listed on our website with a link to it. We currently train our staff in this area and will continue to do so. We plan to continue using the 800# ILL and Reference Backup Service in Anchorage as it works very well for us. We have had an increase in ILL use this past year so the word is getting out. Patrons appear to be satisfied with the process as we have many repeat users. We evaluate our patrons' comments to see if we have met their expectations regarding the ILL service and most seem happy about it.

Did you know that the State Library gives the Anchorage Public Library a grant every year to provide you with interlibrary loan and reference backup services for your patrons? If you need help with ILL, call the helpful ladies at 1-800-261-2838!

- c. Provide reference services – How will reference services be increased or improved? What activities will you undertake to achieve your objectives? Will staff receive training in this service area? Do you plan to use the 800# ILL and Reference Backup Service in Anchorage to provide reference answers to your patrons? (See box below.) How will you evaluate improvements to reference services? Please be specific.

We will continue to update over our reference section this coming year. We need to organize, weed out of date books, update, and purchase some new resources. Staff will receive training on this service area. We plan to continue to use the 800# ILL and Reference Backup Service in Anchorage for help providing reference answers for our patrons. To evaluate improvements we will assess how well things are working. If patrons' questions were answered in a timely and complete manner and they express satisfaction with the process we will feel successful. If we are unable to find the information sought, we will work to improve so that people are able to get the information they want and need.

Don't forget that you can call the Anchorage Public Library for help with the reference questions you get from your patrons. The State Library gives Anchorage a grant every year so you can call the helpful ladies at 1-800-261-2838!

- d. Provide reading and/or educational programs for children – How will children's programs be increased or improved? What activities will you undertake to achieve your objectives? Will staff receive training in this service area? How will you evaluate improvements to children's programming? Please be specific.

We will be doing our 2013 Summer Reading and Reading Buddy Programs again this summer. These programs match our school district's goals to improve student achievement, provide integration of reading standards, help develop communications skills and use of library resources. The program goals include 1) maintaining or increasing participants' reading skills over the summer months as measured by the Individual Reading Inventories, benchmark tests and Terra Nova tests; 2) to help children discover the excitement of reading as a life-long leisure activity through resources available at school and public libraries; 3) to improve children's self esteem through one-on-one individualized attention by community volunteers; and 4) to reinforce the value of community involvement in the educational process.

We will read to and with children, play games, do artwork, music and activities for specific titles and age groups to entice kids to read these and other books. The theme for Summer 2013 is *Dig Into Reading*. This will be our 22nd summer of the Gustavus Public Library Summer Reading and Reading Buddy programs. We will again solicit community volunteers, parents, and community involvement. Activities are designed to encourage parental support during the program and then carrying over into long-term involvement during the school year-both for public school and home schooled students.

FY2014 Alaska Public Library Assistance Grant Application

Page 5

Our Summer Reading Coordinator hopes to receive some good ideas and tips at the Summer Reading Program session at AKLA this month. Last year we received a lot of great ideas there, several of which we implemented. One of these, the Stuffed Animals Sleepover, was so popular it may become an annual event!

Besides the Summer Reading and Reading Buddy programs, we also have a weekly Best Beginnings play time and a weekly Little Ones' Reading time for preschoolers. During the school year we have monthly story hours usually highlighting a holiday, for instance-Thanksgiving, Halloween, or Valentine's Day. We also host class visits often.

We will evaluate our programs involving children by listening to parents' and teachers' comments and suggestions. We will adjust and make necessary changes based on how well things are going. If there are problems, we will address them immediately as we want these to be successful programs for all.

Note: This grant application is a legal document committing your library to a specific course of action. This application MUST have two signatures from two different people.

For the Library:

For the Legal Entity:

Print or Type Name

Print or Type Name

Signature

Signature

Title

Date

Title

Date

***Questions? Contact Patience Frederiksen, 1-800-776-6566
Copy application for your files and return original application to: Grants Administrator,
Alaska State Library, 344 West Third Avenue, Suite 125, Anchorage, AK 99501***

City of Gustavus, Alaska
Ordinance No. FY13-13NCO

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF
LIBRARY BUDGET FOR FISCAL YEAR 2013**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

Section 1. Classification. This is a **Non-Code Ordinance**

Section 2. For the Fiscal Year of 2013, estimated expenditures have changed from the estimates in the approved budget.

Section 3. For the current fiscal year the budget is amended to reflect the changed estimates as follows:

Budget Category	Amounts		
	Original Budget	Amended Budget	Change
EXPENSE			
Equipment	\$ 190.00	\$ 60.00	-\$ 130.00
Dues & Fees	\$ 168.00	\$ 345.00	+\$ 177.00
Insurance	\$2,400.00	\$2,353.00	-\$ 47.00

Section 4. The budget is hereby amended as indicated and any portion of the approved budget inconsistent with this amendment is repealed.

Section 5. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

DATE INTRODUCED: March 14, 2013

DATE OF PUBLIC HEARING: April 11, 2013

PASSED and APPROVED by the Gustavus City Council this _____ day of _____, 2013.

Lou Cacioppo
Mayor

Attest: Kapryce Manchester, MMC
City Clerk

**City of Gustavus, Alaska
Ordinance No. FY13-14**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE
AMENDMENT OF CITY ORDINANCE MUNICIPAL CODE TITLE 4.13**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

Section 1. This ordinance is of general and permanent nature and shall become a part of the City of Gustavus Municipal Code.

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

Section 3. Enactment Now therefore, is it enacted by the Gustavus City Council that Title 4.13 be amended, as follows.
Bolded and underlined items are additions, and ~~striketroughs~~ are deletions.

Section 04.13.010 Gustavus Endowment Fund Established

There is established as a separate Fund within the finances of the City of Gustavus, a Fund to be known as the Gustavus Endowment Fund (hereinafter referred to as the Fund).

Section 04.13.020 Purpose

The purpose for establishment of the Fund is to preserve in trust, City assets for the benefit of present and future generations of Gustavus residents.

Section 04.13.030 Deposits To The Fund

- a. The first deposit to the Fund shall be the approximately Nine Hundred Sixty-three Thousand Dollars that the City received from the Gustavus Community Association that received the money from the National Park Service in COMPENSATION FOR THE LOSS OF COMMERCIAL FISHERIES IN GLACIER BAY NATIONAL PARK.

- b. The Council may, from time to time, make deposits to the principal of this Fund in the same manner as it makes other appropriations. Any funds received by the City from any source may be deposited into the Fund.
- c. Donations to the Fund by private individuals and groups will be honored and accepted.
- d. Funds once dedicated are intended to be held in the Fund for perpetuity.
- e. **The Council will seek to attain an appropriate return on the Fund commensurate with the level of risk. The Fund shall not be exposed to risk greater than that expected of a diversified portfolio invested in the authorized asset classes. All participants in the investment process shall ensure that the Fund is invested wisely with due fiduciary care. Investment officials shall avoid any transaction that might impair public confidence in the City of Gustavus.**

Safety of the principal is the foremost investment objective of the Fund. Each investment transaction shall seek to first insure that capital losses are avoided, whether they are from securities defaults or permanent erosion of market value. The Council will seek to attain market rates of return on its investments, consistent with constraints imposed by its safety objectives and cash flow considerations that restrict placement of public funds. All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the City of Gustavus.

Section 04.13.040 Long-term Goal of the Endowment Fund

- a. The long-term goal of the Fund is to achieve a 5% **3% total return plus inflation.** ~~income (return on the fund*) level of earnings plus the average rate of inflation as reported by the Anchorage CPI index plus administrative costs.*PER ORDINANCE 2006.04 AMENDMENT~~
- b. In order to avoid the effect of **market volatility** ~~extreme activities in the market,~~ year-to-year **market values** earnings are to be compared to a five- (5-) year rolling average **plus the** rate of inflation. Until the Fund has been in existence for five (5) years, the **market value** earnings will be expected to meet the average rate of inflation since inception.

Section 04.13.050 Treasury Management

- a. The Fund shall be managed in accordance with the Prudent Expert Rule which requires management with care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and like aims.
- b. ~~The Finance Committee may, with concurrence of the~~ Council may retain a registered investment advisor to manage all or part of the Fund. Such advisor will be bound by all aspects of this chapter. A report of absolute and comparative performance and of compliance with this chapter shall be provided to the City Council quarterly by the investment advisor. In addition, a copy of the Association of Investment Management and Research Report and a completed copy of Part II of Securities and Exchange Commission Form ADV shall be provided to the City Council annually by the investment advisor. These reporting requirements are in addition to any other reporting requirements contained within this chapter. Investment guidelines given to such advisor(s) may be more restrictive than the policies contained herein, but may not be less restrictive.

Section 04.13.060 Asset Allocation and Performance Benchmarks

- a. No more than 5% of the Fund portfolio that is managed by an investment manager may be held in the form of cash equivalents for a period longer than thirty (30) days unless extenuating circumstances exist. Such circumstances should be documented in writing by the investment manager.
- b. The portion of the Fund managed by an investment manager shall be compared to appropriate benchmarks. Asset allocation of the investment portfolio shall hold securities similar to those held in the appropriate benchmarks.
- c. **The Council shall annually review and approve an Asset Allocation Plan for investment of the City's Fund, as well as evaluating performance measuring benchmarks for managing investment of the Fund. The yearly evaluation shall be conducted at the beginning of the fiscal year and shall be amended as necessary by resolution.**

Section 04.13.070 Permissible Investments

- a. The City of Gustavus Endowment Fund may be invested in:
 1. U.S. government treasury, agency, and instrumentality securities;
 2. Notes or bonds issued by the State of Alaska or its political subdivisions, or other states of the United States, maturing within

two years, with a credit rating of A-/A3 or better from two national rating agencies;

3. Federally insured or fully collateralized certificates of deposit of banks and credit unions, maturing within two (2) years;
4. Repurchase agreements collateralized by U.S. Treasury securities and marked-to-market. If purchase agreements are overnight investments or if securities are collateralized in excess of 102%, marked-to-market is not necessary;
5. A state investment pool formed within the State of Alaska and comprised of agencies of the state and/or its political subdivisions;
6. Money market mutual Funds whose portfolios consist entirely of U.S. government securities; or
7. Any of the following:

A. Mortgage-backed and asset-backed obligations denominated in U.S. dollars with a credit rating of A-/A3 or better from two national ratings agencies;

B. Corporate debt obligations of U.S. domiciled corporations denominated in U.S. dollars with a rating of A-/A3 or better from at least two national ratings agencies;

C. Convertible debt obligations of U.S. domiciled corporations denominated in U.S. dollars with a credit rating of A-/A3 or better from two national ratings agencies; or

D. ~~Common and preferred stock of U.S. (and foreign securities of developed economies*) domiciled corporations listed on a national exchange or NASDAQ with a minimum market capitalization of five hundred million dollars or a mutual fund that invests in these stocks.~~ **Domestic equities, which taken as a whole, attempt to mirror the characteristics or replicate the Standard and Poor's 500 Index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).**

Domestic equities, which taken as a whole, attempt to replicate the Standard and Poor's 400 Mid-Cap Index or another index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).

Domestic equities, which taken as a whole, attempt to replicate the Standard and Poor's 600 Small-Cap Index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).

International equities, which taken as a whole, attempt to replicate the Financial Times Stock Exchange Developed ex North America Index or another index of similar characteristics including both mutual funds and exchange traded funds (ETFs).

Equities, which taken as a whole, attempt to replicate the universe of domestic real estate investment trusts as represented by the Standard & Poor's REIT composite index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).

Emerging market equities, which taken as a whole, attempt to replicate the Financial Times Stock Exchange Emerging Index or another index of similar characteristics including both mutual funds and exchange traded funds (ETFs).

E. Bond funds to include bonds from foreign developed economies shall have a cumulative rating of A-/a#, or better from a national rating agency, **which taken as a whole, attempt to replicate the Barclays Aggregate Index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).**

Bond funds, which taken as a whole, attempt to replicate the Barclays US Treasury Inflation Securities Index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).

Bond funds, which taken as whole, attempt to replicate the Barclays Capital Global Treasury ex-US Capped Bond Index or another index of similar characteristics, including both mutual funds and exchange traded funds (ETFs).

Section 04.13.080 Income

- a. The **market value** ~~net income~~ of the Fund shall be determined annually as of the last day of the (fund*) fiscal year in accordance with this section and utilizing generally accepted accounting practices.*PER ORDINANCE 2006-04 AMENDMENT
- b. ~~For the purpose of Determining the~~ **market value** ~~net income~~ of the Fund, **shall be calculated by the value reported by the custodian as of the end of the period** ~~net income~~ shall be defined as the total income yielding from investment of the principal of the Fund, less any amounts needed.

1. 1.To offset any depletive effect of inflation on the Fund principal during the fiscal year, using the Anchorage CPI index; and
2. To offset any reduction in Fund principal due to administrative costs.

Section 04.13.090 Distribution of Earnings

~~Income derived from investment of~~ **The average market value of** the Fund principal ~~over a five year period~~, not otherwise reinvested in the Fund as required for inflation proofing and administrative costs, may be appropriated to provide funding for capital outlays, grant matching funds and community projects as provided for in the Gustavus City Endowment Fund Policy and Procedures.

Section 04.13.100 Appropriating Principal

The City Council may appropriate from the principal effective only upon approval by a 2/3 majority of votes cast in a regular ballot election.

Section 4. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

DATE INTRODUCED: March 14, 2013

DATE OF PUBLIC HEARING: April 11, 2013

PASSED and **APPROVED** by the Gustavus City Council this 11th day of April, 2013.

Lou Cacioppo
Mayor

Attest: Kapryce Manchester, MMC
City Clerk