



CITY OF KOTZEBUE NOTICE

AMENDED Regular City Council Meeting Agenda

July 03, 2025 at 5:15 PM

Kotzebue Youth Center - 815 Wanda Street

THE PUBLIC IS ENCOURAGED TO ATTEND.

For residents who want to participate telephonically call: **1-800-315-6338**; access code:
49401#

[SECOND HEARING ON RESOLUTION 25-27]

I. Call to Order

II. Roll Call

III. Invocation/Moment of Silence

IV. Pledge of Allegiance

V. Introduction of Staff & Guests

VI. Adoption of The Agenda

VII. Adoption of Minutes

[a\)](#) June 5, 2025 Meeting Minutes

[b\)](#) June 24, 2025 Meeting Minutes

VIII. Citizen Comments

IX. Correspondence

X. Unfinished Business

XI. New Business

[a\)](#) **RESOLUTION 25-35, " A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE APPOINTING AND ENGAGING HUB INTERNATIONAL NORTHWEST, LLC ("HUB") AS THE CITY'S BROKER OF RECORD AS SET OUT HEREIN."**

[b\)](#) **RESOLUTION 25-27, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE ACCEPTING THE PLANNING COMMISSION RESOLUTION 25-07 AND DESIGNATING THE CITY-OWNED BUIDLING AT 289 FIFTH AVENUE AS THE NEW LOCATION FOR THE "ARCTIC SPIRITS" PACKAGE STORE." [SECOND HEARING]**

XII. Council Members Comments

Seat A: Ernest Norton

Seat C: Joshua Hadley

Seat D: Kathleen Sherman

Seat E: Ruth Moto

Seat F: Cory Jackson

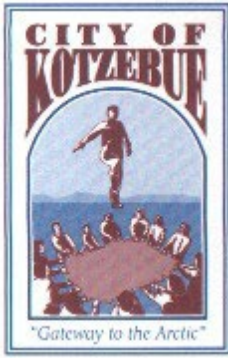
Seat G: Johnson Greene

Seat B: Derek Haviland-Lie

Youth Representative: vacant

XIII. Executive Session

XIV. Adjournment



CITY OF KOTZEBUE

258A Third Avenue, P.O. Box 46
Kotzebue, Alaska 99752
www.cityofkotzebue.gov

Phone: 907-442-3401
Fax: 907-442-3424

PUBLIC NOTICE

**MAYOR HAVILAND-LIE
HAS SCHEDULED A
REGULAR CITY COUNCIL MEETING
FOR
THURSDAY, JULY 3rd, 2025 AT 5:15PM
AT THE
KOTZEBUE YOUTH CENTER
815 WANDA STREET**

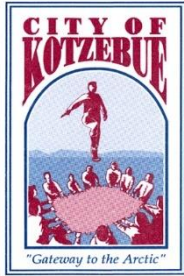
THE PUBLIC IS ENCOURAGED TO ATTEND
FOR RESIDENTS WHO WANT TO PARTICIPATE TELEPHONICALLY CALL
1-800-315-6338 ACCESS CODE 49401#

Please contact the City Clerk's Office if you have any questions:
Office: 907-442-3401
cityclerk@kotzebue.org

Posted: JUNE 27, 2025
City Hall Bulletin Board
KOTZ Radio
Department Heads
Post Office
Alaska Commercial, Co.
Rotman's Store
North Star Market Bulletin Board

City of Kotzebue Facebook Group

July 3rd, 2025 Regular City Council Meeting



CITY OF KOTZEBUE NOTICE

Regular City Council *Meeting Minutes*

June 05, 2025 at 5:15 PM

Kotzebue Youth Center - 815 Wanda Street

THE PUBLIC IS ENCOURAGED TO ATTEND.

For residents who want to participate telephonically call: **1-800-315-6338**; access code:
49401#

RESOLUTION 25-27 [INTRODUCTION]

ORDINANCE 25-03 [SECOND HEARING]

I. **Call to Order** at 5:25 PM.

II. **Roll Call**

City Council Members present at time of roll call: Ernest Norton; Derek Haviland-Lie; Joshua Hadley; Kathleen Sherman; Ruth Moto & Johnson Greene.

Absent: Cory Jackson, Excused.

III. **Introduction of Staff & Guests**

Staff present at the time of roll call: Leon Kiana, City Manager; Russ Ferguson, Public Works Director; Chris Cook, Chief of Police; Fred Smith, City Planner; Sam Camp, Planning Director; Mike Laughlin, Finance Director; Jamie Lambert, Arctic Spirits Manager; Liliya Boiko, Parks & Rec Assistant and Lorraine Hunnicutt, Public Works Assistant Director.

Guests present/telephonically at the time of roll call: Joe Evans, City Attorney; Matt Tekker; Harold Lambert; Brenda Evak; Rick Lie; Airana Erlich; Matt Bergan; Mark Hansen, Copper River Seafoods.

IV. **Invocation/Moment of Silence**

Leon Kiana gave invocation.

V. **Pledge of Allegiance**

Pledge of Allegiance was recited by all.

VI. **Adoption of The Agenda**

Agenda was *amended / accepted* by Mayor Haviland-Lie

Amendments:

Councilor Moto made a motion to approve the agenda as amended, seconded by Councilor Norton.

Motion: passed

VII. Adoption of Minutes

a) May 15, 2025 RCCM Meeting Minutes

Councilor Norton made a motion to amend May 15, 2025, meeting minutes, seconded by Councilor Hadley.

Motion: passed

VIII. Citizen Comments

Rick Lie said the water, sewer and garbage rates are going up and he doesn't think we should raise the rates until we get better water. He also said that when he was in the line maintenance department that they would clear the mains and that's not being done and there is sewer that was getting all over the ground when Lift Station #10 was not working. When I was working for Drake Construction we put in a line that goes to Swan Lake for the water treatment plant.

Russ Ferguson responded that the pumps at Lift Station #10 were undersized and we ordered new ones and had them put in. Also, the water that goes to Swan Lake is not treated and the treated water has to go through the Lift Station because of treated water has chemicals and would kill the fish.

Airiana Erlich said the background on the new Water Treatment Plant is not the same because of the design. The manganese levels are higher. The Rate Study by Dowl based on what it costs the citizens and that we were undercharging for water, sewer and garbage. I don't think that we should raise the price of the water – not drinkable. I agree with raising the sewer and garbage rate. The reason for the higher levels of manganese in the new plant doesn't have as many baffles.

Russ Ferguson stated that this is not the case. The old plant didn't use baffles at all. The new plant does. The higher levels are due to higher levels of manganese in the water.

Harold Lambert said that we trying to make citizens pay their bill. When we have the meetings here at the Youth Center we are taking time away from our kids, we need staff to do that. I came to the meeting because it's hard to hear the meeting on the radio.

Matt Tekker said there should be no increase because of water quality.

IX. Correspondence

X. Unfinished Business

XI. New Business

a) ORDINANCE 25-03 ENTITLED: "A CODE ORDINANCE ADDING NEW SECTIONS TO THE KOTZEBUE MUNICIPAL CODE ("KMC") TITLE 13, CHAPTER 13.04, WATER AND SEWER UTILITY, A NEW SECTION 13.04.350, ENTITLED '*LIENS FOR PAST DUE UTILITY BILLINGS*' AND KOTZEBUE MUNICIPAL CODE ("KMC") CHAPTER 8.04, REFUSE COLLECTION, A NEW SECTION 8.04.310, ENTITLED '*LIENS FOR PAST DUE UTILITY BILLINGS*' AS SET FORTH HEREIN." **[SECOND HEARING]**

Councilor Hadley moved to approve Resolution 25-03, seconded by Councilor Moto.

Ernest Norton	No	Derek Haviland-Lie	No
Joshua Hadley	Yes	Kathleen Sherman	No
Ruth Moto	Yes	Johnson Greene	No

Motion Failed.

City Council would like the City to be more transparent and give all the information to the Citizens of Kotzebue by putting it on the Radio Station.

Jamie Lambert said that when it first came out her grandparents owned the property and her brother was the one staying in it when he passed away. I was asking City Hall how much is owed on the bill and was curious as to what we would be putting a lien on?

Joe Evans said that the lien would be on the property, so if it was to go for a sale for the property and if it had a lien on it, the lien would need to be paid before it could be sold.

b) RESOLUTION 25-23, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE SETTING REVISED / UPDATED / RECALCULATED WATER, SEWER AND GARBAGE RATES AS REQUIRED BY ORDINANCE 25-02, EFFECTIVE JUNE 1, 2025."

Councilor Hadley moved to approve Resolution 25-23, seconded by Councilor Norton.

Ernest Norton	No	Derek Haviland-Lie	No
Joshua Hadley	No	Kathleen Sherman	Yes

Ruth Moto Yes Johnson Greene Yes

Motion Failed.

Motion failed due to tie vote, this can be brought back before the City Council but it needs to be a new Resolution.

- c) **RESOLUTION 25-26**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER WORKING WITH THE FINANCE DIRECTOR TO AUTHORIZE THE PARTICIPATION OF THE CITY OF KOTZEBUE IN THE ALASKA PUBLIC RISK ALLIANCE."

Councilor Hadley moved to approve Resolution 25-26, seconded by Councilor Moto.

Ernest Norton Yes Derek Haviland-Lie Yes
Joshua Hadley Yes Kathleen Sherman Yes
Ruth Moto Yes Johnson Greene Yes

- d) **RESOLUTION 25-27**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE ACCEPTING THE PLANNING COMMISSION RESOLUTION 25-07 AND DESIGNATING THE CITY-OWNED BUILDING AT 289 FIFTH AVENUE AS THE NEW LOCATION FOR THE "ARCTIC SPIRITS" PACKAGE STORE." [INTRODUCTION]

Councilor Moto moved to approve Resolution 25-27, seconded by Councilor Norton.

Ernest Norton Yes Derek Haviland-Lie Yes
Joshua Hadley Yes Kathleen Sherman Yes
Ruth Moto Yes Johnson Greene Yes

- e) **RESOLUTION 25-28**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE ACCEPTING PLANNING COMMISSION RESOLUTION 25-08 AND APPROVING THE TIDELANDS USE PERMIT FOR COPPER RIVER SEAFOODS FOR THE 2025 COMMERCIAL FISHING SEASON".

Councilor Norton moved to approve Resolution 25-28, seconded by Councilor Sherman.

Ernest Norton Yes Derek Haviland-Lie Yes
Joshua Hadley Yes Kathleen Sherman Yes
Ruth Moto Yes Johnson Greene Yes

f) **RESOLUTION 25-29**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER LEON KIANA OR HIS DESIGNEE FINANCE DIRECTOR MICHAEL LAUGHLIN AS AUTHORIZED SIGNERS ON ALL OF THE CITY'S ACCOUNTS WITH CETERA (TIME VALUE)."

Councilor Norton moved to approve Resolution 25-29, seconded by Councilor Moto.

Ernest Norton	Yes	Derek Haviland-Lie	Yes
Joshua Hadley	Yes	Kathleen Sherman	Yes
Ruth Moto	Yes	Johnson Greene	Yes

g) **RESOLUTION 25-30**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER LEON KIANA OR HIS DESIGNEE FINANCE DIRECTOR MICHAEL LAUGHLIN AS AUTHORIZED SIGNERS ON ALL OF THE CITY'S ACCOUNTS WITH KEY BANK."

Councilor Greene moved to approve Resolution 25-30, seconded by Councilor Norton.

Ernest Norton	Yes	Derek Haviland-Lie	Yes
Joshua Hadley	Yes	Kathleen Sherman	Yes
Ruth Moto	Yes	Johnson Greene	Yes

h) **RESOLUTION 25-31**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT AND/OR PURCHASE ORDER WITH US ECOLOGY ALASKA, LLC, ANCHORAGE, ALASKA, IN THE AMOUNT OF SIXTY-ONE THOUSAND DOLLARS AND NO CENTS (\$61,000.00) FOR HAZARDOUS WASTE DISPOSAL FOR CY2025."

Councilor Norton moved to approve Resolution 25-31, seconded by Councilor Moto.

Ernest Norton	Yes	Derek Haviland-Lie	Yes
Joshua Hadley	Yes	Kathleen Sherman	Yes
Ruth Moto	Yes	Johnson Greene	Yes

i) **Alaska Deferred Compensation Plan**

Neil Carlson stated that The Alaska Deferred Compensation Plan was taken away by previous administration because it only included Tier #1 & #2. This one will include Tier 3 & 4.

XII. Council Members Comments

Seat A: Ernest Norton

Seat B: Derek Haviland-Lie

Seat C: Joshua Hadley

Seat D: Kathleen Sherman

Seat E: Ruth Moto

Seat F: Cory Jackson

Seat G: Johnson Greene

Youth Representative: vacant

All Councilor comments can be found on record at City Hall.

XIII. Executive Session

Councilor Hadley moved to go into executive session, seconded by Councilor Greene.

The City Council went into executive session at 7:30 PM and reconvened at 8:45 PM. No action was taken but directions were given to Leon Kiana.

XIV. Adjournment

Councilor Moto made a motion, seconded by Councilor Greene to adjourn.

Motion passed unanimously.

Meeting adjourned at 8:46 PM.

Accepted by:

Derek Haviland-Lie **Mayor**

[SEAL]

Respectfully Submitted by:

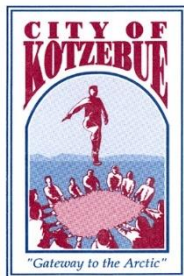
Lorraine Hunnicutt **Acting City Clerk**

CITY OF KOTZEBUE

Special City Council Meeting Minutes

June 24, 2025 at 5:15 PM

Kotzebue Youth Center - 815 Wanda Street



P

THE PUBLIC IS ENCOURAGED TO ATTEND.

For residents who want to participate telephonically call: **1-800-315-6338**; access code: **49401#**

[RESOLUTION 25-27 FIRST HEARING]

I. Call to Order at 5:15pm

II. Roll Call

City Council Members present at time of roll call: Mayor Haviland-Lie, Vice Mayor Sherman, Members Norton, Hadley, Greene, Moto, and Jackson.

Quorum Established.

III. Invocation/Moment of Silence

Vice Mayor Sherman gave an invocation.

IV. Pledge of Allegiance

All stood for Pledge of Allegiance.

V. Introduction of Staff & Guests

Staff present at time of roll call: City Manager Leon Kiana, City Clerk Donald Jones, PD Chief Christopher Cook, FD Chief Joshua Funk, Finance Director Mike Laughlin, Arctic Spirits Manager Jamie Lambert, City Planner Fred Smith, and PW Director Russ Ferguson.

Guests: Citizen Harold Lambert

VI. Adoption of The Agenda

Council Member Norton made a motion to approve the agenda, and Council Member Jackson seconded.

VII. Adoption of Minutes

No Adoption of Minutes.

VIII. Citizen Comments

No citizen comments.

IX. Correspondence

No correspondence.

X. Unfinished Business

No Unfinished Business.

XI. New Business

a) RESOLUTION 25-32, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO PLACE AND PURCHASE ALCOHOL SUPPLIES FOR THE ARCTIC SPIRITS PACKAGE STORE FOR SHIPMENT ON THE SECOND AML BARGE OF THE SUMMER 2025 BARGE SEASON."

Council Member Norton made a motion, and Council Member Moto seconded.

Roll Call Vote

Ernest Norton	YES	Joshua Hadley	YES
Kathleen Sherman	YES	Ruth Moto	YES
Cory Jackson	YES	Johnson Greene	YES
Derek Haviland-Lie	YES		

Motion Passed

b) RESOLUTION 25-33, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, WORKING WITH THE CITY PLANNER AND CITY ATTORNEY TO ISSUE A TEMPORARY USE PERMIT PURSUANT TO KOTZEBUE MUNICIPAL CODE ("KMC") 3.12.120 TO ARCTIC CIRCLE WILD SEAFOOD ("ACWS") PURSUANT TO TITLE 11, CHAPTER 11.04, "TIDELANDS REGULATIONS", OF THE KMC FOR ITS SALMON-BUYING OPERATIONS FROM LOCAL FISHERMEN DURING THE 2025 SUMMER COMMERCIAL FISHING SEASON."

Council Member Norton made a motion, and Vice Mayor Sherman seconded.

Roll Call Vote

Ernest Norton	YES	Joshua Hadley	YES
Kathleen Sherman	YES	Ruth Moto	YES
Cory Jackson	YES	Johnson Greene	YES
Derek Haviland-Lie	YES		

Motion Passed

c) **RESOLUTION 25-34**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE TO SUBMIT AN APPLICATION TO THE NORTHWEST ARCTIC BOROUGH VILLAGE IMPROVEMENT FUND FOR \$500,000.00 TO SUPPORT REPAIRS TO THE BALER FACILITY."

Council Member Greene made a motion, and Council Member Moto seconded.

Roll Call Vote

Ernest Norton	YES	Joshua Hadley	YES
Kathleen Sherman	YES	Ruth Moto	YES
Cory Jackson	YES	Johnson Greene	YES
Derek Haviland-Lie	YES		

Motion Passed

d) **RESOLUTION 25-27**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE ACCEPTING THE PLANNING COMMISSION RESOLUTION 25-07 AND DESIGNATING THE CITY-OWNED BUIDLING AT 289 FIFTH AVENUE AS THE NEW LOCATION FOR THE "ARCTIC SPIRITS" PACKAGE STORE." **[FIRST HEARING]**

City Council scheduled a second public hearing for July 3, 2025 at the next Regular City Council Meeting.

The following legal proceeding regarding New Business, all comments can be found on recording at the City Hall.

XII. Council Members Comments

SEAT A: Ernest Norton

SEAT C: Joshua Hadley

SEAT D: Kathleen Sherman

SEAT E: Ruth A. Moto

SEAT F: Cory Jackson

SEAT G: Johnson Greene

SEAT B: Derek Haviland-Lie

Youth Representative: vacant

The following legal proceeding regarding Council Members Comments, all comments can be found on recording at City Hall.

XIII. Executive Session

XIV. Adjournment

Council Member Norton made a motion to adjourn and seconded by Council Member Moto.

Motion passed unanimously.

Adjourned at 6:00pm.

Accepted By:

Derek Haviland-Lie Mayor

[SEAL]

Respectfully Submitted By:

Donald Jones City Clerk



**CITY OF KOTZEBUE
RESOLUTION NO. 25-35**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE
APPOINTING AND ENGAGING HUB INTERNATIONAL NORTHWEST, LLC
("HUB") AS THE CITY'S BROKER OF RECORD AS SET OUT HEREIN.**

WHEREAS, Kotzebue Municipal Code 3.16.010(B) requires that contracts for services awarded without competitive bidding must be done by Resolution of the City Council and any such contract awarded without such a Resolution of the City Council is *void ab initio* [*"When competitive bids for...services...are not in the best interests of the city or are not deemed to be possible, the city council shall by resolution so find, reciting the reasons therefor and specifying how the...contract...shall be made"*];

WHEREAS, HUB International Northwest, LLC ("HUB") has proposed a Broker of Record Contract/Engagement Letter with the Alaska Public Risk Alliance ("APRA") as set out in Exhibit "A" attached hereto and incorporated by reference herein;

WHEREAS, the City Manager has determined that HUB based in Wasilla, Alaska has the unique expertise and can provide Alaskan-based broker services for the City of Kotzebue for its on-going participation in APRA (the successor to the Alaska Municipal League Joint Insurance Association ("AMLJIA")) which is the sole municipal pooling entity in the State of Alaska and the City of Kotzebue was a founding member of the AMLJIA and desires to support APRA with its membership in APRA for FY2026 (July 1, 2025 to June 30, 2026); and,

WHEREAS, the City Manager working with the City Attorney and APRA shall negotiate and execute a Broker of Record/Engagement Letter with HUB on such terms that are fair and just for the City of Kotzebue and shall include, *inter alai*, a detailed list and description of services to be provided to the City of Kotzebue by HUB as Exhibit A to the Broker of Record Contract/Engagement Letter (as opposed to the blank Exhibit A which is currently attached to the propose Engagement Letter, dated April 14, 2025).

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue authorizes the City Manager working with the City Attorney and APRA to negotiate and execute a Broker of Record/Engagement Letter with HUB for FY2026 on such terms that are fair and just for the City of Kotzebue and shall include, *inter alai*, a detailed list and description of services to be provided to the City of Kotzebue by HUB as Exhibit A to the Broker of Record Contract/Engagement Letter.

NOW, THEREFORE, BE IT FURTHER RESOLVED, if the City Manager is unable to negotiate and execute a Broker of Record/Engagement Letter with HUB for FY2026 on such terms that are fair and just for the City of Kotzebue and which must include, *inter alai*, a detailed list and description of services to be provided to the City of Kotzebue by HUB as Exhibit A to the Broker of Record Contract/Engagement Letter, the City Manager shall so inform the City Council and APRA and advise the City Council and APRA how it is best for the City to proceed.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 3rd day of July, 2025.

CITY OF KOTZEBUE

Derek Haviland-Lie, Mayor

ATTEST:

Acting City Clerk

Attachments: Exhibit "A" – HUB Proposed Engagement Letter, April 14, 2025 [6 pages]

Exhibit A

Resolution 25-35



April 14, 2025

City of Kotzebue
PO Box 46
Kotzebue AK 99752
Attention: Leon Kiana

Re: Engagement Letter for Property and Casualty Insurance Brokerage Services with the Alaska Public Risk Alliance

Dear Leon,

We are pleased that City of Kotzebue (the “Client”) has appointed and engaged (or decided to maintain) Hub International Northwest LLC (“Hub”) as its broker of record for property & casualty insurance (“P&C”) coverages. The purpose of this engagement letter is to set forth those terms upon which Hub will perform the P&C insurance brokerage services in connection with such engagement. Those terms are as follows:

1. Services. Hub shall perform the insurance brokerage services set forth in the services listing attached hereto as Exhibit A (collectively, the “Services”), as applicable, with respect to those P&C insurance policies for which the Client appoints and maintains Hub as broker of record from time to time. For the avoidance of doubt, Hub shall have no obligation to perform any service for or with respect to any P&C insurance policy or coverage for which the Client does not maintain Hub as broker of record.

2. Compensation. In consideration of the Services, the Client shall pay to Hub a fee in an amount equal to 5% of annual APRA premium and no more than \$50,000 annually (the “APRA Consulting Fee”). The Client shall pay to Hub the Consulting Fee promptly (but in no event later than thirty (30) days) following the date of this engagement letter. With respect to each subsequent twelve (12) month period during which this engagement letter is in effect (which subsequent periods shall, for the avoidance of doubt, each commence on an annual anniversary of the date of this engagement letter), the Client shall pay to Hub the Consulting Fee promptly (but in no event later than thirty (30) days) following the relevant annual anniversary of the date of this engagement letter); provided, however, that Hub may update the amount of the Consulting Fee with respect to any such subsequent period provided that Hub provides notice of such update at least thirty (30) days prior to the commencement of such subsequent period. The Consulting Fee shall be deemed earned by Hub in accordance with the following schedule: (a) 50% as of the Commencement Date (or, as appropriate, the applicable annual anniversary of the Commencement Date); (b) an additional 20% on the three-month anniversary of the applicable date set forth in clause (a); (c) an additional 15% on the six-month anniversary of the applicable date set forth in clause (a); and (d) the remaining 15% on the nine-month anniversary of the applicable date set forth in clause (a). The Client acknowledges that early termination of this engagement letter shall not entitle the Client to a refund of any portion of the Consulting Fee earned prior to the effective date of such termination. Any unearned portion of the Consulting Fee shall be returned to the Client within forty-five (45) days following the effective date of the termination of this engagement letter. The Consulting Fee may not be otherwise waived. The Client acknowledges that Hub reserves the right to reasonably adjust the Consulting Fee upon notice to the Client



in the event that the nature or extent of the Services changes. The Client acknowledges that, unless otherwise agreed to between the Client and Hub (subject to applicable law), in addition to the Consulting Fee, Hub may receive commissions from any insurance carrier or agent with or through which Hub places P&C insurance on behalf of the Client. Such commissions are determined and calculated in accordance with agreements between Hub and each such carrier or agent. In addition, Hub may be paid from time to time by each such carrier or agent contingent commissions, guaranteed supplemental commissions, profit sharing payments, bonuses, override commissions, or other profit-, volume- or incentive-based non-standard commissions, which commissions may or may not relate, in whole or in part, to the P&C insurance policies for which the Client appoints and maintains Hub as broker of record from time to time. Hub also may be paid other commissions or fees from other third parties that may from time to time perform P&C insurance-related services on behalf of the Client. The Client acknowledges that it has read Hub’s “How We Get Paid” disclosure statement available at hubinternational.com.

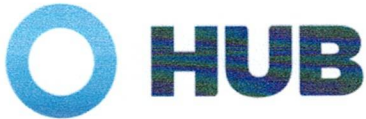
3. Independent Contractor. Hub shall perform the Services as an independent contractor. The parties intend to have an independent contractor relationship, and do not intend to have a relationship in the nature of an employer-employee, partnership, joint venture or agency.

4. Representations and Warranties. Hub represents and warrants that it has all necessary authority and approval to enter into this engagement letter and that it will perform the Services in a professional manner in accordance with prevailing insurance brokerage industry standards. Except as otherwise provided for herein, all services performed pursuant to this engagement letter, whether the services are performed by Hub or a third party, are performed on an “as is”, “as available” basis without representation or warranty of any kind. Hub makes no express or implied representations or warranties with respect to such services, including without limitation any express or implied warranty of merchantability or fitness for a particular purpose or intended use.

5. Information Submission. The Client shall timely submit to Hub all information in the Client’s control or possession that is necessary for Hub to perform the Services, and the Client is responsible for the accuracy and completeness of such information. The Client shall be responsible for obtaining all individual consents and all other legally necessary consents or permissions required or advisable to disclose, process, retrieve, transmit or view the information it submits or receives in connection with Hub’s performance of the Services. The Client shall be responsible for retaining for its own use information that it delivers to Hub and for taking other precautions the Client deems necessary in the event that such information or other materials delivered to Hub are lost or destroyed.

6. Nature of Services. The Client acknowledges that the Services are not of a legal nature and that Hub will in no event give, or be required to give, any legal or tax opinion or advice, or otherwise provide any legal or tax representation to the Client.

7. Non-Core Services. From time to time and at the request of the Client, Hub may perform or provide, or arrange for the performance of, any of the following services (collectively, the “Non-Core Services”): arrange for the performance of services by third parties on behalf of the Client that may or may not be related to the Services; provide the Client with sample documents or forms related to those P&C insurance policies for which the Client maintains Hub as its broker of record; or perform other services that are not contemplated by this engagement letter and not directly related to the servicing of those P&C insurance policies for which the Client maintains Hub as its broker of record. The Non-Core Services will



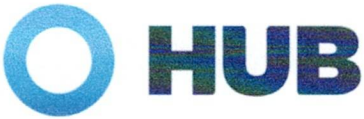
not include the Services as specifically described in Paragraph 1. Hub performs or arranges for the Non-Core Services, if at all, as a courtesy to the Client and does not warrant the Non-Core Services in any regard. The Client acknowledges that it is the Client's responsibility to ensure that the Non-Core Services are performed, and that any template or sample document or form that is provided to the Client by Hub is utilized, properly and in accordance with applicable plan documents and law. The Client acknowledges that Hub shall have no liability arising out of or relating to the performance of the Non-Core Services (including, for the avoidance of doubt, the performance of any services performed by third parties referred or otherwise recommended by Hub). Except as otherwise agreed to between the parties from time to time, Hub shall not be responsible to make payment on behalf of the Client to any third party for any of the Non-Core Services.

8. Term and Termination. This engagement letter shall continue in full force and effect until the first (1st) annual anniversary of this engagement letter (or, as appropriate, the first (1st) annual anniversary of the inception of the P&C insurance program contemplated by this engagement letter). This engagement letter shall automatically renew for successive one (1) year terms unless either party provides notice of termination at least thirty (30) days prior to the termination of the then-current annual term. Either party may terminate this engagement letter upon at least 180 days advance written notice to the other party. Hub may terminate this engagement letter if the Client fails to pay any amounts due to Hub pursuant to this engagement letter within thirty (30) days of the applicable date due. In the event of termination of this engagement letter for any reason, Hub's obligation to perform the Services shall terminate immediately.

9. LIMITATION OF LIABILITY. IN NO EVENT WILL A PARTY HERETO OR ITS AFFILIATES BE LIABLE TO THE OTHER PARTY OR ANY OF ITS AFFILIATES UNDER THIS ENGAGEMENT LETTER FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, SPECIAL OR SIMILAR DAMAGES (INCLUDING LOSS OF PROFITS, DATA, BUSINESS OR GOODWILL) CAUSED BY ITS ACTS OR OMISSIONS UNDER THIS ENGAGEMENT LETTER, REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE, EVEN IF SUCH PARTY IS ADVISED OF THE LIKELIHOOD OF SUCH DAMAGES.

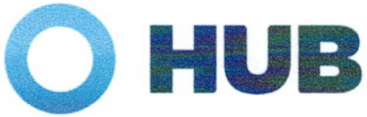
10. Limited Use of Name and Logo. The Client authorizes Hub to use the Client's name and logo for the express and sole purpose of identifying the Client as a client of Hub in the marketing materials of Hub; provided, however, that Hub's use pursuant to this Paragraph shall be subject to any restrictions or guidelines which may be provided from time to time by the Client to Hub. In the event that the Client withdraws the authorization set forth in this Paragraph, Hub shall use commercially reasonable efforts to promptly remove any uses of the Client's name or logo from any marketing materials of Hub.

11. Miscellaneous. Unless otherwise agreed to by the parties, all notices required under this engagement letter (except, for the avoidance of doubt, those ordinary course communications relating to product pricing, changes, etc.) will be deemed effective when received and made in writing by (a) registered mail, (b) certified mail, return receipt requested, or (c) a national overnight courier service, in each case sent to the applicable address set forth on the first page hereto (or such other address as either party may designate in writing in accordance with this sentence). This engagement letter may be executed and delivered (including by facsimile, "pdf" or other electronic transmission) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This engagement letter sets forth the entire agreement and understanding, and supersedes any



and all prior or contemporaneous agreements and understandings, oral or written, between the parties regarding the subject matter hereof. This engagement letter may not be amended or waived except by an instrument in writing signed, in the case of an amendment, by an authorized representative of each party to this engagement letter or, in the case of a waiver, by the party against whom such waiver is to be effective. No course of conduct or failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided herein shall be cumulative and not exclusive of any rights or remedies provided by law. Each party agrees that all covenants and agreements set forth in this engagement letter constitute a series of separate covenants and are severable. The invalidity, illegality or unenforceability of any provision of this engagement letter will not affect the validity, legality and enforceability of the remaining provisions of this engagement letter. Nothing in this engagement letter, express or implied, is intended or shall be construed to confer upon any third party other than the parties hereto and their respective successors and permitted assigns any right, remedy or claim under or by reason of this engagement letter. This engagement letter will be governed by, and construed in accordance with, the substantive laws of the State or Commonwealth of Alaska without regard to its choice of law rules. The parties consent to exclusive venue and personal jurisdiction in any federal or state court located in the State of Alaska. This engagement letter, and the parties' rights and obligations hereunder, may not be assigned or assumed by another without the prior written consent of the other party; provided, however, that Hub's rights and obligations hereunder may be assigned to an affiliate of Hub without the consent of the Client. This engagement letter shall inure to the benefit of, and be binding upon the parties hereto, their successors and permitted assigns. Neither of the parties shall be liable to the other for any failure to satisfy an obligation under this engagement letter due to any cause beyond a party's reasonable control including, but not limited to, inclement weather, Acts of God, war, riot, terrorist acts, malicious acts of damage, civil commotion, industrial dispute, power failure or fire.

[Remainder of page left intentionally blank]



Hub looks forward to serving, or to continuing to serve, as your P&C insurance broker.

Sincerely yours,

Hub International Northwest LLC

By: _____
Name: Clark Cripps
Title: Senior Vice President

Acknowledged and agreed
to this ____ day of _____, 2025

[CLIENT]

By: _____
Name:
Title:



Exhibit A

SERVICES

[List and Describe services.]



**CITY OF KOTZEBUE
RESOLUTION NO. 25-27**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE
ACCEPTING THE PLANNING COMMISSION RESOLUTION 25-07 AND
DESIGNATING THE CITY-OWNED BUILDING AT 289 FIFTH AVENUE AS THE
NEW LOCATION FOR THE “ARCTIC SPIRITS” PACKAGE STORE.**

- WHEREAS,** the City of Kotzebue (“City”) purchased the real property located at Lot 9, Block 18, USS 2863 from Grain Capital Corporation on November 9, 2023, for the sum of five hundred ninety-five thousand dollars (\$595,000.00), as documented in the Grain Capital Corporation Sales Agreement (Exhibit A);
- WHEREAS,** the Kotzebue Municipal Code Section 17.36.090(D), as cited in Exhibit A, grants the Kotzebue Planning Commission the authority to evaluate and recommend uses for public buildings and land within the City;
- WHEREAS,** the Kotzebue Planning Commission had conducted due diligence, including the evaluation of multiple potential uses for the subject property through formal meetings and deliberation;
- WHEREAS,** the Kotzebue Planning Commission, based on its findings and expert input, including that of the Planning Director, has determined that the most practical and beneficial use of the building is to designate it as the new location for the City’s “Arctic Spirits” Package Store;
- WHEREAS,** the building is currently unoccupied and undeveloped for any specific use, and minimal modification is necessary for its adaptation to serve as a Package Store;
- WHEREAS,** this designation will support the operational needs of the City’s Package Store and ensure efficient use of City assets, with no anticipated significant negative impact on traffic, utilities, or neighborhood compatibility;
- WHEREAS,** the Kotzebue Planning Commission Resolution 25-07 formally recommends to the City Council that this property be designated for use as the “Arctic Spirits” Package Store;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue formally accepts the Planning Commission Resolution 25-07 and approves the designation of the City-owned building located at 289 Fifth Avenue (Lot 9, Block 18, USS 2863) as the new location for the “Arctic Spirits” Package Store.

That the City Manager or their designee is hereby authorized and directed to take all necessary administrative steps to transition operations of the “Arctic Spirits” Package Store to the newly designated location.

That this resolution shall take effect immediately upon adoption and the building shall be designated for this use as of the date of this resolution.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 3rd day of July 2025.

CITY OF KOTZEBUE

Derek Haviland-Lie Mayor

[SEAL]

ATTEST:

Acting City Clerk

Published/Posted: May 30, 2025
Introduction: June 5, 2025
1st Public Hearing: June 24, 2025
Published/Posted: June 27, 2025
2nd Public Hearing: July 3, 2025